



THE DEPARTMENT OF BEHAVIORAL HEALTH AND
DEVELOPMENTAL SERVICES (DBHDS)
1220 BANK STREET
RICHMOND, VA 23219



SUBRECIPIENT FUNDING AGREEMENT (SFA)

Subrecipient Funding Agreement Number: 839720101

This SFA is not subject to the Virginia Public Procurement Act (VPPA)

This Subrecipient Funding Agreement, hereinafter referred to as “SFA” is entered into this 28th day of March 2022, by Virginia Association of Recovery Residences (VARR), hereinafter called the “Subrecipient” and Commonwealth of Virginia through the Department of Behavioral Health and Developmental Services, hereinafter called the “Pass-Through Agency” or the “DBHDS”.

WITNESSETH that the Pass-Through Agency and the Subrecipient Agency, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF SERVICES: The Subrecipient Agency shall provide the services to the Agencies of the Commonwealth of Virginia as set forth in the SFA.

PERIOD OF PERFORMANCE: From **April 1, 2022** to **March 31, 2023**

The Agreement documents shall consist of:

- (1) This signed form;
- (2) The attached purchasing description, which consists of:
 - (I) Purpose
 - (II) Definitions
 - (III) Scope of Services
 - (IV) Payment Terms and Award Timeframe
 - (V) Grant Information
 - (VI) Community Mental Health Block Grant Specific Requirements
 - (VII) General Grant Terms
 - (VIII) Cancellation, Modification, and Renewal
 - (IX) Attachments A (Business Associate Agreement), B (Notice of Award), C (Approved Services), D (Approved Budget), and E (SFA Invoice Template)

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

PASS-THROUGH AGENCY:

SUBRECIPIENT AGENCY:

BY:	BY:
PRINTED NAME:	PRINTED NAME:
TITLE:	TITLE:
DATE:	DATE:

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I. PURPOSE: This agreement will allow the Virginia Department of Behavioral Health and Developmental Services (DBHDS) to partner with the Virginia Association of Recovery Residences (VARR) to administer Subawards to 18 Peer Recovery Community Organizations for the purpose of hiring and funding full-time and wage peer recovery personnel. This agreement will also include funding for 5-year access to a Learning Management System (LMS) produced and managed by Recovery Outcomes Institute, and funding for VARR to host the annual NARR Best Practices Summit in Richmond, VA.

II. DEFINITIONS:

Administrative Proceeding – A non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

Conference – A meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-Federal entity and is necessary and reasonable for successful performance under the Federal award.

Conviction – For purposes of this award term and condition, a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

Drug-Free Workplace – A site for the performance of work done in connection with a specific SFA awarded to a Subrecipient, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the SFA.

Employee - An individual employed by the subrecipient who is engaged in the performance of the project or program under this award; or another person engaged in the performance of the project or program under this award and not compensated by the subrecipient 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.

Entity – Any of the following, as defined in 2 CFR Part 25: a Governmental organization, which is a State, local government, or Indian tribe; a foreign public entity; a domestic or foreign nonprofit organization; a domestic or foreign for-profit organization; a Federal agency, but only as a subrecipient under an award or sub-award to a non-Federal entity.

Equipment – Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

Executive – Officers, managing partners, or any other employees in management positions.

Forced labor - 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.

Funding Opportunity Announcement (FOA) – The document that all federal agencies utilize to announce the availability of grant funds to the public. The number of the announcement pertaining to this SFA is included in the Grant Specific Requirements in Section VI.

Intangible Property – Intangible property means property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

Major Medical Equipment – An item intended for a medical use that has a cost of more than \$1,000 per unit.

Minor Renovation, Remodeling, Expansion, and Repair of Housing – Improvements or renovations to existing facilities or buildings that do not total more than \$5,000.

Notice of Award (NOA) – The official award document issued by the federal granting agency that notifies the primary recipient of their award amount. A copy of the NOA is included in Attachment B.

Obligation – Orders placed for property and services, contracts and subawards made, and similar transactions during the Period of Performance.

Pass-Through Entity - Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

Period of Performance – The timeframe in which the Subrecipient may incur obligations on funding as a result of this agreement.

Recipient – The non-federal entity that receives a grant award from a federal entity. The recipient may be the end user of the funds or may serve as a pass-through to subrecipient entities.

Subaward – A legal instrument to provide support for the performance of any portion of the substantive project or program for which the Recipient received the Federal award and that the recipient awards to an eligible subrecipient.

Subrecipient – A non-Federal entity that receives a subaward from the recipient (or Pass-Through Entity) under this award to carry out part of a Federal award, including a portion of the scope of work or objectives, and is accountable to the Pass-Through Entity for the use of the Federal funds provided by the subaward. Grant recipients are responsible for ensuring that all sub-recipients comply with the terms and conditions of the award, per 45 CFR §75.101.

Supplant – To replace funding of a recipient's existing program with funds from a federal grant.

System of Award Management (SAM) – The Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).

Total compensation – The cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)): salary and bonus; awards of stock, stock options, and stock appreciation rights (use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments); earnings for services under non-equity incentive plans (this does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees); change in pension value (this is the change in present value of defined benefit and actuarial pension plans); above-market earnings on deferred compensation which is not tax-qualified and; other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

Total value of currently active grants, cooperative agreements, and procurement contracts – Only the Federal share of the funding under any Federal award with a recipient cost share or match; and the value of all expected funding increments under a Federal award and options, even if not yet exercised [81 FR 3019, Jan. 20, 2016].

Unique Entity Identifier (UEI) – The identifier required for SAM registration to uniquely identify business entities.

Unliquidated Obligations – An invoice for which the Subrecipient has already been allocated funding to pay by the Pass-Through Agency that falls within **45** days of the end of the Period of Performance. Unliquidated Obligations cannot include personnel costs and are limited to goods or services that were purchased or contracted for prior to the end of the Period of Performance but were not yet expensed as the goods or services were not yet received or the Subrecipient had not yet received an invoice.

III. SCOPE OF SERVICES: The Scope of Work for this agreement will include:

A. VARR shall:

1. Administer subawards to the proposed **(18)** Peer Recovery Community Organizations for the purpose of hiring and/or funding Peer Recovery Specialist Positions. VARR will be responsible for ensuring that each subaward is accurately monitored and that personnel expenses are documented appropriately, as outlined in this document: Section VII, § M – Standards for Documentation of Personnel Expenses.
2. With input from DBHDS Office of Recovery Services, offer no less than five, up to a maximum of ten, on-demand training modules through the Learning Management System (LMS) Platform developed by Thought Industries.
3. Maintain sound fiscal and expenditure tracking practices to appropriately monitor grant spending.
4. Provide, within **10 business days** of the end of each quarter, quarterly reports highlighting progress on the three deliverables to DBHDS Office of Recovery Services program contact: Kristine.Konen@dbhds.virginia.gov. Detail should include the following:
 - a. Status of administering the sub-awards to applicable RCOs with a goal of sub-awards issued in the first quarter.
 - b. Number/type of position(s) filled at each RCO with a goal of 50% of the positions filled by the end of the second quarter and 100% filled by the end of the third quarter.
 - c. LMS status and readiness for DBHDS on-demand training modules with a goal of DBHDS on-demand training reflected in the LMS by end of the third quarter.
 - d. Status regarding NARR summit inclusive of number of registrants at the end of each quarter.

The progress reports will be due to DBHDS according to the dates below:

1st Quarter: **Friday, July 15, 2022**

2nd Quarter: **Monday, October 17, 2022**

3rd Quarter: **Tuesday, January 17, 2023**

4th Quarter: **Friday, April 14, 2023**

B. DBHDS shall:

1. Provide up to **\$1,000,000.00** in Substance Abuse Prevention & Treatment Block Grant (through American Rescue Plan Act 2021) funding to VARR for the purposes outlined above and in Attachment D (Approved Budget).
2. Work with VARR as necessary to provide support for training and other efforts.
3. Participate in monthly check-in calls with VARR.
4. Provide federal grant compliance assistance to VARR as necessary.

Additional details on the requirements of this SFA are included in Attachments C (Approved Services) and Attachment D (Approved Budget).

IV. PAYMENT TERMS AND AWARD TIMEFRAME:

- A. Payments will be made to the Subrecipient over four installments. The installments will cover the following date ranges:

Installation #1: April 1, 2022 – June 30, 2022
Installation #2: July 1, 2022 – September 30, 2022
Installation #3: October 1, 2022 – December 31, 2022
Installation #4: January 1, 2022 – March 31, 2023

Upon signature of this SFA and using the invoice template in Attachment E, VARR (the Subrecipient) will invoice DBHDS for the initial installment of up to **\$250,000.00**, which will be provided within 30 days of the date of the receipt of the invoice. Within **10 business days** of the end of the first installment period, the Subrecipient will provide DBHDS with supporting documentation for costs incurred during the initial installment period. Supporting documentation includes but is not limited to accounting records, receipts, purchase orders, vouchers, invoices, payroll allocation reports, payroll summaries, timesheets, and other documentation as determined to be necessary by DBHDS. If supporting documentation for the installment period ending is not supplied, the subsequent invoice will not be processed.

For subsequent installment periods (#2-4), the Subrecipient will invoice DBHDS up to **\$250,000** for each installment. Supporting documentation for the previous installment period must be included with each invoice. These invoices will be due to DBHDS by no later than **10 business days** after the beginning of each installment period according to the schedule below:

Installation #2: **Friday, July 15, 2022**
Installation #3: **Monday, October 17, 2022**
Installation #4: **Tuesday, January 17, 2023**

Upon the completion of the final installment period, the Subrecipient will provide supporting documentation for all remaining expenses incurred during the final installment period within **10 business days**, or by **April 14, 2023**. All invoices shall be sent via email to Will Harris at Will.Harris@dbhds.virginia.gov and (cc Eric.Billings@dbhds.virginia.gov) or to the following address:

DBHDS
1220 Bank Street
PO Box 1797
Richmond, VA 23218-1797
Attn: Eric Billings

- B. The Period of Performance for this award will be April 1, 2022 to March 31, 2023.
- C. All unobligated funds received by the Subrecipient during the term of this agreement shall be returned to DBHDS within **30** calendar days of the end of the aforementioned Period of Performance (**April 30, 2023**). Funds retained past the end of the Period of Performance may only be used to expense Unliquidated Obligations as defined in Section II. All unexpended funds received by the Subrecipient shall be returned to DBHDS within **60** calendar days of the end of the aforementioned Period of Performance (**May 30, 2023**). The funds shall be returned in the manner described in Section VII (Q) of this Agreement.

V. GRANT INFORMATION:

FEDERAL REQUIREMENTS FOR SUBRECIPIENTS:

Federal Award Information: Pursuant to [2 C.F.R. 200.332 \(a\)\(1\)](#) and [45 CFR 75.352 \(a\)\(1\)](#), Subrecipients of federal awards must be informed of certain information pursuant to federal regulations. This information is included below:

SUBRECIPIENT NAME: Virginia Association of Recovery Residences (VARR)

SUBRECIPIENT DUNS NUMBER: 122337782

FEDERAL AWARD IDENTIFICATION NUMBER (FAIN): B09SM083972

FEDERAL AWARD DATE: 05/17/2021

SUBRECIPIENT PERIOD OF PERFORMANCE: April 1, 2022 to March 31, 2023

AMOUNT OF FEDERAL FUNDING OBLIGATED BY THIS ACTION: \$1,000,000.00

TOTAL AMOUNT OF FEDERAL FUNDS OBLIGATED BY DBHDS TO VARR: \$1,000,000.00

TOTAL AMOUNT OF FEDERAL FUNDS COMMITTED TO VARR: \$1,000,000.00

FEDERAL AWARD PROJECT DESCRIPTION (4,000 CHARACTER LIMIT): This agreement will allow Virginia Department of Behavioral Health and Developmental Services (DBHDS) to partner with Virginia Association of Recovery Residences (VARR) to administer Subawards to 18 Peer Recovery Community Organizations for the purpose of hiring and funding full-time and wage peer recovery personnel. This agreement will also include funding for 5 year access to a Learning Management System (LMS) produced and managed by Recovery Outcomes Institute, and funding for VARR to host the annual NARR Best Practices Summit in Richmond, VA.

FEDERAL AWARDOING AGENCY: Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA)

FEDERAL AWARD PASS-THROUGH ENTITY: Virginia Department of Behavioral Health and Developmental Services

AWARDOING OFFICIAL CONTACT: Kristine Konen / kristine.konen@dbhds.virginia.gov

CFDA NUMBER: 93.959

RESEARCH AND DEVELOPMENT AWARD: ____ YES OR X NO

INDIRECT COST RATE: 0% (Not Requested)

FEDERAL GRANT AWARD YEAR: FFY 2021 AWARD PERIOD: 09/01/2021 – 09/30/2025

FEDERAL GRANT NAME: Block Grants for Prevention and Treatment of Substance Abuse

VI. Block Grants for Prevention and Treatment of Substance Abuse Specific Requirements:

Pursuant to the Substance Abuse Prevention and Treatment Block Grant (SAPTBG) Funding Agreement and relevant federal statutes, the following are requirements of the funding distributed to the Subrecipient as a result of this agreement.

(A) No SAPTBG funds may be used for any of the following purposes:

- a. To provide inpatient hospital services unless it has been determined, in accordance with the guidelines issued by the Secretary of Health and Human Services, that such treatment is a medical necessity for the individual involved and that the individual cannot be effectively treated in a community-based, non-hospital, residential program of treatment;
 - b. To make cash payments to intended recipients of health services;
 - c. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling with DBHDS, Federal Grants Manager approval) any building or other facility, or purchase major medical equipment (as defined in Section II of this agreement);
 - d. To satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds; or
 - e. To provide financial assistance to any entity other than a public or non-profit entity.
 - f. To carry out any program that provides individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the Public Health Service determines that a demonstration needle exchange program would be effective in reducing drug abuse and the risk that the public will become infected with the etiologic agent for acquired immune deficiency syndrome. (42 US Code § 300x-31(a)).
- (B)** In the case of an individual for whom grant funds are expended to provide inpatient hospital services, as outlined above (A.a.), the Subrecipient shall not incur costs that are in excess of the comparable daily rate provided for community-based, non-hospital, residential programs of treatment for substance abuse (42 US Code § 300x-31(b)(2)).
- (C)** No entity receiving SAPTBG funding may participate in any form of discrimination on the basis of age as defined under the Age Discrimination Act of 1975 (42 US Code § 6101), on the basis of handicap as defined under section 504 of the Rehabilitation Act of 1973 (29 US Code § 794), on the basis of sex as defined under Title IX of the Education Amendments of 1972 (20 US Code § 1681) or on the basis of race, color, or national origin as defined under Title VI of the Civil Rights Act of 1964 (42 US Code § 2000) (42 US Code § 300x-57(a)(1)).
- (D)** No person shall on the ground of sex, or on the ground of religion, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity funded in whole or in part with funds made available under section 300x or 300x-21 of title 42 US Code (42 US Code § 300x-57(a)(2)).
- (E)** The Subrecipient agrees to comply with the provisions of the Hatch Act (5 US Code § 1501-1508 and 7324-7328) which limits the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.
- (F)** The Subrecipient will comply, as applicable with the provisions of the Davis-Bacon Act (40 US Code § 276(a) – 276(a)-7), the Copeland Act (40 US Code § 276(c) and 18 US Code § 874), and the Contract Work Hours and Safety Standards Act (40 US Code § 327-333), regarding labor standards for federally assisted construction subagreements.

VII. GENERAL GRANT TERMS:

(A) Acceptance of the Terms of an Award

By drawing or otherwise obtaining funds from this SFA (that resulted from funds obtained from the Health and Human Services (HHS) Payment Management System), the subrecipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. If the subrecipient cannot accept the terms, the subrecipient should notify the Program contact at DBHDS prior to the signature of this SFA. Once the SFA is signed by the subrecipient, the contents of the Subrecipient Funding Agreement (SFA) are binding on the subrecipient unless and until modified by a revised SFA signed by DBHDS.

Certification Statement: By invoicing DBHDS for funds, the Subrecipient certifies that proper financial management controls and accounting systems, to include personnel policies and procedures, have been established to adequately administer Federal awards and drawdown funds. Recipients of Department of Health and Human Services' (DHHS) grants or cooperative agreement awards, and their subrecipients, must comply with all terms and conditions of their awards, including: (a) terms and conditions included in the HHS Grants Policy Statement in effect at the time of a new, non-competing continuation, or renewal award ([HHS Grants Policy Statement Jan 1, 2007](#)), including the requirements of HHS grants administration regulations; (b) requirements of the authorizing statutes and implementing regulations for the program under which the award is funded; (c) applicable requirements or limitations in appropriations acts; and (d) any requirements specific to the particular award specified in program policy and guidance, the FOA, or the NOA

(B) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards

The NOA issued is subject to the administrative requirements, cost principles, and audit requirements that govern Federal monies associated with this award, as applicable, in the Uniform Guidance 2 CFR Part 200 as codified by HHS at [45 CFR Part 75](#).

(C) Award Expectations

The eligibility and program requirements originally outlined in the FOA must continue to be adhered to as the funded project is implemented. Recipients must comply with the performance goals, milestones, outcomes, and performance data collection as reflected in the FOA and related policy and guidance. Additional terms and/or conditions may be applied to this award if outstanding financial or programmatic compliance issues are identified by Substance Abuse and Mental Health Services Administration (SAMHSA). Subrecipients must comply with the Scope of Services of this SFA as outlined in Section III and Attachment C.

(D) Flow down of requirements to sub-recipients

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with [45 CFR 75.351 – 75.352](#), Subrecipient monitoring and management.

(E) Risk Assessment

SAMHSA's Office of Financial Advisory Services (OFAS) may perform an administrative review of the subrecipient organization's financial management system. If the review discloses material weaknesses or other financial management concerns, grant funding may be restricted in accordance with [45 CFR Part 75](#) and [2 CFR 200](#), as applicable. DBHDS reviews and determines the risk associated with its subrecipients. As part of the risk assessment process, DBHDS may perform an administrative review of the subrecipient's financial management system.

(F) Improper Payments

Any expenditure by the Subrecipient under the terms of this Agreement which is found by auditors, investigators, and other authorized representatives of DBHDS, the Commonwealth of Virginia, the U.S. Department of Health and Human Services, the U.S. Government Accountability Office or the Comptroller General of the United States to be improper, unallowable, in violation of federal or state law or the terms of the NOA, FOA, or this Agreement, or involving any fraudulent, deceptive, or misleading representations or activities of the Subrecipient, shall become Subrecipient's liability, to be paid by Subrecipient from funds other than those provided by DBHDS under this Agreement or any other agreements between DBHDS and the Subrecipient. This provision shall survive the expiration or termination of this Agreement.

(G) Limitations on Expenditures

Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to the Effective Date of this SFA, or following the end of the Period of Performance provided on the initial signature page and in Sections IV and V unless otherwise stated in Section IV:

Payment Terms and Award Timeframe. DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are:

- 1) Reasonable and necessary to carry out the agreed upon Scope of Services in Section III and Attachment C of this Agreement,
- 2) Documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and
- 3) Incurred in accordance with all applicable requirements for the expenditure of funds payable under this SFA.

(H) Treatment of Property and Equipment

If the Program permits the Subrecipient or entities that receive funding from the Subrecipient to purchase real property or equipment with grant funds, the Program retains a residual financial interest, enabling the Program to recover the assets or determine final disposition. This will be accomplished on a case-by-case basis, according to the federal grant guidelines applicable to the grant that is funding the service(s) in accordance with [45 CFR 75.2](#). Equipment is defined in Section II.

(I) Program Income

Program income accrued under this grant award must be reported to the Recipient and must be used to further the objectives of the grant project and only for allowable costs.

(J) Financial Management

The Subrecipient shall maintain a financial management system and financial records and shall administer funds received pursuant to this SFA in accordance with all applicable federal and state requirements, including without limitation:

- 1) the Uniform Guidance, [45 CFR Part 75](#);
- 2) the NOA; and
- 3) FOA.

The Subrecipient shall adopt such additional financial management procedures as may from time to time be prescribed by DBHDS if required by applicable laws, regulations or guidelines from its federal and state government funding sources. Subrecipient shall maintain detailed, itemized documentation and records of all income received and expenses incurred pursuant to this Agreement.

(K) Audit of Financial Records

The Subrecipient shall comply with the audit and reporting requirements defined by the Federal Office of Management and Budget (OMB) 2 CFR 200 (Audits of States, Local, Governments and Non-Profit organizations) and [45 CFR 75.500 – 75.521](#) as applicable. The Subrecipient will, if total Federal funds expended are \$750,000 or more a year, have a single or program specific financial statement audit conducted for the annual period in compliance with the General Accounting Office audit standards ([45 CFR 75-501\(a\)](#)). Within thirty 30 days of the effective date of this Agreement, the Subrecipient will provide the Federal Grants Manager at DBHDS with a copy of its most recent (last) single audit. If any findings were noted in the audit report, corrective actions taken to fully resolve the finding must also be provided. If there are no audit findings, a letter indicating no findings shall be submitted. If a 2 CFR 200 or 45 CFR 75 audit occurs during the term of this Agreement, a copy of that audit and response to any findings must be provided to DBHDS' Federal Grants Manager within 30 days of the completion of the audit.

If total federal funds expended are less than \$750,000 for a year the Subrecipient is exempt from federal audit requirements ([45 CFR 75-501\(d\)](#)), but the Subrecipient's records must be available to the Pass-Through Agency and appropriate officials of HHS, SAMHSA, the U.S. Government Accountability Office and the Comptroller General of the United States, and it must still have a financial audit performed for that year by an independent Certified Public Accountant. Further, if applicable, within 30

days of the effective date of this Agreement, the Subrecipient must submit to DBHDS' Federal Grants Manager a written statement of exemptions to the single audit requirement and a copy of the most recent audited financial statement along with any findings and corrective action plans.

Should an audit by authorized state or federal official result in disallowance of amounts previously paid to the Subrecipient, the Subrecipient shall reimburse the Pass-Through Agency upon demand.

Pursuant to [2 CFR 200.334](#) and [45 CFR 75.361](#), the Subrecipient shall retain all books, records, and other documents relative to this SFA for three (3) years from the date of the final expenditure report which is due on **December 29, 2025**. In the event that any litigation, claim, or audit is initiated prior to the expiration of the 3-year period, all records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. DBHDS, its authorized agents, and/or federal or state auditors shall have full access to and the right to examine any of said materials during said period.

(L) Accounting Records and Disclosures

The Subrecipient must maintain records which adequately identify the source and application of funds provided for financially assisted activities, including awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. The Subrecipient should expect that the Recipient and SAMHSA may conduct a financial compliance audit and on-site program review of this project as outlined in paragraph (K).

(M) Standards for Documentation of Personnel Expenses

The Subrecipient shall comply with [2 CFR 200.430](#) / [45 CFR 75.430](#) Compensation-Personal Services and [2 CFR 200.431](#) / [45 CFR 75.431](#) Compensation-Fringe Benefits as required by the Federal Office of Management and Budget (OMB) Circular 2 CFR 200 (Cost Principles for State, Local and Indian Tribal Government). Per Standards for Documentation of Personnel Expenses [45 CFR 75.430\(i\)\(3\)](#) in accordance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) ([29 CFR Part 516](#)), charges for the salaries and wages of nonexempt employees, in addition to the supporting documentation described in this section (45 CFR 75.430), must also be supported by records indicating the total number of hours worked each day. As a result, all nonexempt employees paid in whole or in part from grant funds should prepare a timesheet indicating the hours worked on each specific project for each pay period. Based on these times sheets and hourly payroll cost for each employee, a statement indicating the distribution of payroll charges should be prepared and placed in the appropriate files and shall be made available for inspection.

(N) Non-Supplant

Federal award funds must supplement, not replace (supplant) nonfederal funds. Applicants or award recipients and subrecipients may be required to demonstrate and document that a reduction in non-federal resources occurred for reasons other than the receipt of expected receipt of federal funds.

(O) Unallowable Costs

All costs incurred prior to the award issue date and costs not consistent with the FOA, [45 CFR Part 75](#), and the HHS Grants Policy Statement, are not allowable under this award.

(P) Executive Pay

The Continuing Appropriations Act, 2022 ([Public Law 117-70](#)), signed into law on December 3, 2021 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 2, 2022, the salary limitation for Executive Level II is **\$203,700**.

(Q) Closeout

Final payment request(s) under this Agreement must be received by DBHDS no later than **April 14, 2023** as referenced in Section IV. No payment request will be accepted by DBHDS after this date without authorization from DBHDS. The Subrecipient may continue to expend retained funds until 45

days after the end of the Period of Performance to pay for unliquidated obligations as defined in the Definitions Section (II).

Any funds remaining unobligated at the end of the Period of Performance referenced on the initial signature page and Sections IV and V of this agreement shall be returned to DBHDS within **30 calendar days** of the end of the Period of Performance, or by **April 30, 2023**. Any funds distributed to the Subrecipient by the Pass-Through Agency that remain unexpended by 45 days after the end of the Period of Performance shall be returned to DBHDS. The Subrecipient will send these funds to DBHDS by no later than the end of the **60th** day after the end of the Performance Period, or by **May 30, 2023**. Unexpended funds should be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

DBHDS
PO Box 1797
Richmond, VA 23218-1797
C/O Eric Billings

Failure to return unexpended funds in a prompt manner may result in a denial of future federal Subrecipient awards from DBHDS.

In consideration of the execution of this SFA by DBHDS, the Subrecipient agrees that acceptance of final payment from DBHDS will constitute an agreement by the Subrecipient to release and forever discharge DBHDS, its agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which Subrecipient has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this SFA. Subrecipient's obligations to DBHDS under this SFA shall not terminate until all closeout requirements are completed to the satisfaction of DBHDS. Such requirements shall include, without limitation, submitting final reports to DBHDS and providing any closeout-related information requested by DBHDS by the deadlines specified by DBHDS. This provision shall survive the expiration or termination of this SFA.

(R) Intent to Utilize Funding to Enter into a Procurement/Contractual Relationship

If the Subrecipient utilizes any of these funds to contract for any goods or services, the Subrecipient must ensure that the resultant contract complies with the terms of Appendix II, 45 CFR. 75 which governs the contractual provisions for non-federal entity contracts under federal awards issued by the Department of Health and Human Services.

(S) Ad Hoc Submissions

Throughout the project period, SAMHSA or DBHDS may determine that a grant or Subrecipient Funding Agreement requires submission of additional information beyond the standard deliverables. This information may include, but is not limited to the following:

- Payroll
- Purchase Orders
- Contract documentation
- Proof of Project implementation

(T) Conflicts of Interest Policy

Subrecipients must establish written policies and procedures to prevent employees, consultants, and others (including family, business, or other ties) involved in grant-supported activities, from involvement in actual or perceived conflicts of interest. The policies and procedures must:

- Address conditions under which outside activities, relationships, or financial interest are proper or improper;
- Provide for advance disclosure of outside activities, relationships, or financial interest to a responsible organizational official;
- Include a process for notification and review by the responsible official of potential or actual violations of the standards; and
- Specify the nature of penalties that may be imposed for violations.

(U) Administrative and National Policy Requirements

Public policy requirements are requirements with a broader national purpose than that of the Federal sponsoring program or award that an applicant/recipient/subrecipient must adhere to as a prerequisite to and/or condition of an award. Public policy requirements are established by statute, regulation, or Executive order. In some cases they relate to general activities, such as preservation of the environment, while, in other cases they are integral to the purposes of the award-supported activities. An application funded with the release of federal funds through a grant award does not constitute or imply compliance with federal statute and regulations. Funded organizations are responsible for ensuring that their activities comply with all applicable federal regulations.

(V) Marijuana Restriction

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to “ensure that Federal funding is expended in full accordance with U.S. statutory requirements.”); 21 U.S.C. § 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the Drug Enforcement Agency and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

(W) Confidentiality of Alcohol and Drug Abuse Patient Records

The regulations ([42 CFR 2](#)) are applicable to any information about alcohol and other drug abuse patients obtained by a "program" (42 CFR 2.11), if the program is federally assisted in any manner (42 CFR 2.12b). Accordingly, all project patient records are confidential and may be disclosed and used only in accordance with 42 CFR Part 2. The recipient and/or subrecipient is responsible for assuring compliance with these regulations and principles, including responsibility for assuring the security and confidentiality of all electronically transmitted patient material.

(X) Drug-Free Workplace

During the performance of this SFA, the Subrecipient agrees to 1) provide a drug-free workplace for the Subrecipient’s employees; 2) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Subrecipient’s workplace and specifying the actions that will be taken against employees for violations of such prohibition; 3) state in all solicitations or advertisements for employees placed by or on behalf of the Suprecipient that the Subrecipient maintains a drug-free workplace; and 4) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

(Y) Promotional Items

Pursuant to [2 CFR 200.421](#) and [45 CFR 75.421](#), SAMHSA grant funds may not be used for Promotional Items. Promotional items include but are not limited to clothing and commemorative items such as pens, mugs/cups, folders/folios, lanyards, and conference bags. See: [HHS Policy on the Use of Appropriated Funds for Promotional Items](#).

(Z) SAM and DUNS Requirements

This award is subject to requirements as set forth in 2 CFR 25.310 Appendix A System of Award Management (SAM) and Data Universal Number System (DUNS) numbers. 2 CFR Part 25 - Appendix A4 SAM and Universal Identifier Requirements. This includes the following:

A. Requirement for SAM:

Unless exempted from this requirement under 2 CFR 25.110, the Subrecipient must maintain its information in SAM, until the final financial report required under this SFA or receive the final payment, whichever is later. The information must be reviewed and updated at least annually after the initial registration, and more frequently if required by changes in the information or the addition of another award term.

B. Requirement for Unique Entity Identifier (UEI) if you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no governmental organization, foreign public entity, domestic or foreign nonprofit organization, or Federal agency serving as a subrecipient may receive a subaward unless the entity has provided its unique entity identifier; and
2. May not make a subaward to a governmental organization, foreign public entity, domestic or foreign nonprofit organization, or Federal agency serving as a subrecipient, unless the entity has provided its unique entity identifier.

(AA) Acknowledgement of Federal Funding in Communications and Contracting.

As required by HHS appropriations acts, all HHS recipients and subrecipients must acknowledge Federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds. Recipients and subrecipients are required to state: (1) the percentage and dollar amounts of the total program or project costs financed with Federal funds; and (2) the percentage and dollar amount of the total costs financed by nongovernmental sources.

(BB) Acknowledgement of Federal Funding at Conferences and Meetings

Allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of meals and refreshments, local transportation, and other items incidental to such conferences unless further restricted by the terms and conditions of the Federal award. As needed, the costs of identifying, but not providing, locally available dependent-care resources are allowable. Conference hosts/sponsors must exercise discretion and judgment in ensuring that conference costs are appropriate, necessary and managed in a manner that minimizes costs to the Federal award. The HHS awarding agency may authorize exceptions where appropriate for programs including Indian tribes, children, and the elderly. See also [45 CFR 75.438](#), [45 CFR 75.456](#), [45 CFR 75.474 - 75.475](#).

When a conference is funded by a grant or cooperative agreement, the recipient and/or subrecipient must include the following statement on all conference materials (including promotional materials, agenda, and Internet sites):

Funding for this conference was made possible (in part) by (insert grant or cooperative agreement award number) from SAMHSA. The views expressed in written conference materials or publications and by speakers and moderators do not necessarily reflect the official policies of the Department of Health and Human Services; nor does mention of trade names, commercial practices, or organizations imply endorsement by the U.S. Government.

Conference materials and other publications funded by this SFA must include language that conveys the following:

- a. The publication, event or conference was funded [in part or in whole] by SAMHSA Grant #B08TI083972;
- b. The views expressed in written materials or by conference speakers and moderators do not necessarily reflect the official policies of the U.S. Department of Health and Human Services or the Executive Branch of the Commonwealth of Virginia;
- c. Mention of trade names, commercial practices or organizations does not imply endorsement by the U.S. Government or the Commonwealth of Virginia.

(CC) Mandatory Disclosures

Consistent with [2 CFR 200.113](#) and [45 CFR 75.113](#), the Subrecipient must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, waste, abuse, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services
Office of Inspector General ATTN: Mandatory Grant Disclosures, Intake Coordinator
330 Independence Avenue, SW, Cohen Building Room 5527
Washington, DC 20201
Fax: (202) 205-0604
(Include "Mandatory Grant Disclosures" in subject line) or email:
MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in [45 CFR 75.371](#) remedies for noncompliance, including suspension or debarment (see [2 CFR 180](#), [2 CFR 376](#) and [31 U.S.C. 3321](#)).

The Subrecipient will notify DBHDS when violations are reported to HHS Office of Inspector General within three business days.

(DD) Lobbying Restrictions

Pursuant to [2 CFR 200.450](#) and [45 CFR 75.450](#), no portion of these funds may be used to engage in activities that are intended to support or defeat the enactment of legislation before the Congress or Virginia General Assembly, or any local legislative body, or to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any federal, state or local government, except in presentation to the executive branch of any State or local government itself. No portion of these funds can be used to support any personnel engaged in these activities. These prohibitions include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

(EE) Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), amended by 2 C.F.R. Part 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees:

- a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- b) Procure a commercial sex act during the period of time that the award is in effect; or,
- c) Use forced labor in the performance of the award or subawards under the award.

The text of the full award term is available at [2 C.F.R. 175.15\(b\)](#).

(FF) Accessibility Provisions

Recipients and subrecipients of Federal Financial Assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients and subrecipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency.

The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see: <http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients and subrecipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/ocr/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697.

Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients and subrecipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov>.

(GG) Executive Order 13410: Promoting Quality and Efficient Health Care

This Executive Order promotes efficient delivery of quality health care through the use of health information technology, transparency regarding health care quality and price, and incentives to promote the widespread adoption of health information technology and quality of care. Accordingly, all recipients and subrecipients that electronically exchange patient level health information to external entities where national standards exist must:

- a) Use recognized health information interoperability standards at the time of any HIT system update, acquisition, or implementation, in all relevant information technology systems supported, in whole or in part, through this agreement/contract. Please consult www.healthit.gov for more information, and
- b) Use Electronic Health Record systems (EHRs) that are certified by agencies authorized by the Office of the National Coordinator for Health Information Technology (ONC), or that will be certified during the life of the grant. For additional information contact: Jim Kretz, at 240-276-1755 or Jim.Kretz@samhsa.hhs.gov.

(HH) Travel

Funds used to attend meetings, conferences or implement the activities of this grant must not exceed the lodging rates and per diem for Federal travel and Meal/Incidental expenses provided by the General Services Administration. These rates vary by jurisdiction.

(II) English Language

All communication between the Pass-Through Agency and the Subrecipient must be in the English language and must utilize the terms of U.S. dollars. Information may be translated into other languages. Where there is inconsistency in meaning between the English language and other languages, the English language meaning shall prevail.

(JJ) Intangible Property Rights

Pursuant to [2 CFR 200.315](#) and [45 CFR 75.322](#):

- A. Title to intangible property (as defined in the Definitions Section of this Agreement) acquired under a Federal award vests upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally authorized purpose, and must not encumber the property without approval of the Federal awarding agency (SAMHSA). When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in 2 CFR 200.313(e) and 45 CFR 75.320(e).
- B. The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes and to authorize others to do so.
- C. The non-Federal entity is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 CFR Part 401.
- D. The Federal Government has the right to: 1) Obtain, reproduce, publish, or otherwise use the data produced under a Federal Award; and 2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.
- E. Freedom of Information Act:
 - 1. In response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal Government in developing an agency action that has the force and effect of law, the HHS awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the HHS awarding agency obtains the research data solely in response to a FOIA request, the HHS awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the HHS awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).
 - 2. Published research findings means when:
 - (i) Research findings are published in a peer-reviewed scientific or technical journal; or
 - (ii) A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. "Used by the Federal Government in developing an agency action that has the force and effect of law" is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.
 - 3. Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: Preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This "recorded" material excludes physical objects (e.g., laboratory samples). Research data also do not include:
 - (i) Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and
 - (ii) Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.
- F. The requirements set forth in paragraph (E)(1) of this part do not apply to commercial organizations. The Pass-Through Agency reserves the irrevocable right to utilize any Intangible Property described above, royalty-free, for the completion of the terms of this Grant and Agreement.

(KK) National Historical Preservation Act and Executive Order 13287, Preserve America

The Subrecipient must comply with this federal legislation and executive order.

(LL) Welfare-to-Work

The Subrecipient is encouraged to hire welfare recipients and to provide additional needed training and mentoring as needed.

(MM) Applicable Laws and Courts

This SFA shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Subrecipient shall comply with all applicable federal, state and local laws, rules and regulations.

(NN) Immigration Reform and Control Act of 1986

By entering into a written SFA with the Commonwealth of Virginia, the Subrecipient certifies that the Subrecipient does not, and shall not during the performance of the SFA for goods and/or services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

(OO) Construction Purchases

SAMHSA grant funds may not be used for the purchase or construction of any building or structure to house any part of the program (Applicants may request up to \$5,000 for renovations and alterations of existing facilities, if necessary and appropriate to the project).

(PP) Residential or Outpatient Treatment

SAMHSA grant funds may not be used to provide residential or outpatient treatment services when the facility has not yet been acquired, sited, approved, and met all requirements for human habitation and services provision. (Expansion or enhancement of existing residential services is permissible).

(OO) Inpatient Services

SAMHSA grant funds may not be used to provide inpatient treatment or hospital-based detoxification services. Residential services are not considered to be inpatient or hospital-based services.

(RR) Direct Payments to Individuals

SAMHSA grant funds may not be used to make direct payments to individuals to enter treatment or continue to participate in prevention or treatment services. Note: A recipient or treatment or prevention provider may provide up to \$30 in non-cash incentives to individuals to participate in required data collection follow-up. This amount may be paid for participation in each required follow-up interview.

(SS) Meals

Meals are allowable so long as they are part of conferences or allowable non-local travel and do not exceed the per diem reimbursement rate allowed for the jurisdiction by the General Services Administration. Grant funds may be used for light snacks, not to exceed \$3.00 per person per day.

(TT) Sterile Needles or Syringes

Funds may not be used to provide sterile needles or syringes for the hypodermic injection of any illegal drug. Provided, that such limitation does not apply to the use of funds for elements of a program other than making such purchases if the relevant State or local health department, in consultation with the Centers for Disease Control and Prevention, determines that the State or local jurisdiction, as applicable, is experiencing, or is at risk for, a significant increase in hepatitis infections or an HIV outbreak due to injection drug use, and such program is operating in accordance with state and local law.

(UU) Compliance with Federal Regulations/Statute/Policy

The Subrecipient agrees to enforce, administer, and comply with any applicable federal regulations, statutes, or policies that are not otherwise mentioned in this SFA including 2 C.F.R. § 200, 45 C.F.R. § 75, the Health and Human Services Grants Policy Statement, or any other source.

VIII. **CANCELLATION AND MODIFICATIONS:**

- (A) Cancellation of SFA:
DBHDS reserves the right to cancel and terminate this Agreement, in whole or in part, without penalty, upon **30** days written notice to the Subrecipient. Any cancellation notice shall not relieve the Subrecipient of the obligation to deliver and/or perform on all outstanding deliverables unless otherwise agreed to in writing by DBDS prior to the effective date of cancellation.
- (B) Changes to the SFA:
The parties may agree in writing to modify the scope of the SFA. Any changes to this SFA including any increase and/or decrease to the amount awarded shall be based upon mutual agreement of both parties and shall be in the form of a written modification prior to the implementation of said change. Changes in the level of expenditures between line items included in Section III and Attachment C of this Agreement that do not exceed 10%, in aggregate, of the total budget are not subject to DBHDS approval.
- (C) Renewal Options:
There are no renewal options for this agreement.

IX. ATTACHMENTS

Attachment A BUSINESS ASSOCIATE AGREEMENT

SFA Number: 839720101

PRIVACY AND SECURITY OF PROTECTED HEALTH INFORMATION

THIS BUSINESS ASSOCIATE AGREEMENT is made as of March 28th 2022, by the Department of Behavioral Health and Developmental Services (herein referred to as “Covered Entity”), with an office at 1220 Bank Street, Richmond, VA 23219 and Virginia Association of Recovery Residences (here in referred to as “Business Associate”), a corporation, department or other entity with office at 2151 Thoroughbred Pkwy Goochland, Virginia 23063-3248.

This BUSINESS ASSOCIATE AGREEMENT (herein referred to as the “Agreement”) constitutes a non-exclusive agreement between the Covered Entity, which administers health services, and the Business Associate named above.

The Covered Entity and Business Associate have entered into this Business Associate Agreement to comply with the Health Insurance Portability and Accountability Act (HIPAA). The parties signing this Agreement shall comply fully with the provisions of the HIPAA Rules.

NOW THEREFORE, the parties, intending to be legally bound, agree as follows:

- I. Definitions:** As used in this SFA, the terms below will have the following meanings:
- Business Associate shall generally have the same meaning as the term “business associate” at [45 CFR 160.103](#), and in reference to the party to this agreement, shall mean Virginia Association of Recovery Residences.

- b. Covered Entity shall generally have the same meaning as the term “covered entity” at [45 CFR 160.103](#), and in reference to the party to this agreement, shall mean Department of Behavioral Health and Developmental Services.
- c. Protected Health Information (PHI): Any information that is created or received by a Covered Entity that relates to the past, present, or future physical or mental health or condition of an individual, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- d. HIPAA Rules shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at [45 CFR Part 160](#) and [Part 164](#).

II. Obligations and Activities of Business Associate:

- a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as required by law.
- b. Business Associate agrees to use appropriate safeguards and comply with [Subpart C of 45 C.F.R. Part 164](#) to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- c. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware, including breaches of unsecured protected health information, as required at [45 C.F.R. 164.410](#).
- d. In accordance with [45 C.F.R. 164.502\(e\)\(1\)\(ii\)](#) and [164.308\(b\)\(2\)](#), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information.
- e. Report to the Covered Entity any security incident of which it becomes aware.
- f. Business Associate shall notify the Covered Entity of a breach of unsecured PHI on the first day on which such breach is known by Business Associate or an employee, officer or agent of Business Associate other than the person committing the breach, or as soon as possible following the first day on which Business Associate or an employee, officer or agent of Business Associate other than the person committing the breach should have known by exercising reasonable diligence of such breach. Notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the breach. Business Associate shall also provide the Covered Entity with any other available information at the time Business Associate makes notification to the Covered Entity or promptly thereafter as information becomes available. Such additional information shall include (i) a brief description of what happened, including the date of the breach; (ii) a description of the types of unsecured PHI that were involved in the breach; (iii) any steps the Business Associate believes individuals should take to protect themselves from potential harm resulting from the breach; and (iv) a brief description of what Business Associate is doing to investigate the breach, mitigate harm to individuals, and protect against any future breaches.

For purposes of this paragraph, unsecured PHI means protected health information that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by the U.S. Secretary of Health and Human Services.

- g. Business Associate agrees to provide access, at the request of Covered Entity to Protected Health Information to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under [45 CFR 164.524](#).
- h. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, available to the Secretary of the U.S. Department of Health and Human Services for the purpose of determining compliance with the HIPAA Rules.
- i. Business Associate agrees to document and provide to Covered Entity such disclosures of Protected Health Information and information as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with [45 CFR 164.528](#).
- j. Make any amendment(s) to Protected Health Information in a designated record set as directed or agreed to by the covered entity pursuant to [45 C.F.R. 164.526](#), or take other measures as necessary to satisfy covered entity's obligations under [45 C.F.R. 164.526](#).

III. General Use and Disclosure Provisions:

- a. Business Associate may only use or disclose Protected Health Information as provided in the underlying Agreement
- b. Business Associate may use or disclose Protected Health Information as required by law.
- c. Business Associate agrees to make uses and disclosures and requests for Protected Health Information consistent with Covered Entity's minimum necessary policies and procedures.
- d. Business Associate may not use or disclose Protected Health Information in a manner that would violate [Subpart E of 45 CFR Part 164](#) if done by covered entity, except for the specific uses and disclosures set forth below.
- e. Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

IV. Obligations of Covered Entity:

- a. Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity in accordance with [45 CFR 164.520](#), to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.
- b. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.
- c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with [45 CFR 164.522](#), to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

V. Permissible Request by Covered Entity:

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

VI. Termination:

Either party may terminate this Agreement immediately if it determines that the other party has violated a material term of this Agreement. This Agreement shall remain in effect unless terminated for cause with immediate effect, or until terminated by either party with not less than thirty (30) days prior written notice to the other party, which notice shall specify the effective date of the termination; provided, however, that any termination shall not affect the respective obligations or rights of the parties arising under this Agreement before the effective date of termination.

VII. Effect of Termination:

Upon termination of this Agreement for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction of Protected Health Information infeasible. Upon agreement that return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

VIII. Amendment:

Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the United States or of this state relating to any such law, or the publication of any

interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, the parties shall work in good faith to amend this Agreement in such manner as is necessary to comply with such law or regulation. If the parties are unable to agree on an amendment within thirty (30) days thereafter, either of them may terminate this Agreement by written notice to the other.

EACH PARTY has caused this Agreement to be properly executed on its behalf as of the date first above written.

FOR:	Department of Behavioral Health and Developmental Services	FOR:	Virginia Association of Recovery Residences
BY:		BY:	
DATE:		DATE:	

Attachment B
Notice of Award



SABG
Department of Health and Human Services
Substance Abuse and Mental Health Services Administration

Notice of Award

Issue Date: 05/17/2021

Center for Substance Abuse Treatment

Award Number: 1B08TI083972-01

FAIN: B08TI083972-01

Contact Person: Lisa Jobe-Shields

Program: Substance Abuse Prevention & Treatment Block Grant

DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENTAL SERVICES
1220 BANK ST

RICHMOND, VA 23219

Award Period: 09/01/2021 – 09/30/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$33,982,454 (see "Award Calculation" in Section I) to DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENTAL SERVICES in support of the above referenced project. This award is pursuant to the authority of Subparts II&III,B, Title XIX, PHS Act/45 CFR Part 96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,
Odessa Crocker
Grants Management Officer
Division of Grants Management

See additional information below

SECTION I – AWARD DATA – 1B08TI083972-01

FEDERAL FUNDS APPROVED: \$33,982,454

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$33,982,454

CUMULATIVE AWARDS TO DATE: \$33,982,454

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.959
EIN: 1546001731A
1
Document 21B1VASAP
Number: TC6
Fiscal Year: 2021

IC	CAN	01
TI	C96D570	\$33,982,454

PCC: SAPT / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 1B08TI083972-01

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

SECTION III – TERMS AND CONDITIONS – 1B08TI083972-01**STANDARD TERMS AND CONDITIONS**

SABG FY2021 ARPA funding

Remarks:

This Notice of Award (NoA) provides American Rescue Plan Act (ARPA) Supplemental Funding for the Substance Abuse Prevention and Treatment (SABG) Block Grant Program, in accordance with H.R. 1319 - American Rescue Plan Act of 2021. Consistent with HHS Disaster Relief Flexibilities, SAMHSA may waive requirements with respect to allowable activities, timelines, or reporting requirements for the SABG as deemed necessary to facilitate a grantee's response to coronavirus.

A proposal of the state's spending plan must be submitted by July 2, 2021 via the Web Block Grant Application System (WebBGAS). Using the WebBGAS Revision Request for the FFY 2021 Block Grant Application, grantees are required to upload the Plan document (Microsoft Word or pdf), using the associated tab in the State Information Section, Chief Executive Officer's Funding Agreement – Certifications and Assurances/Letter Designating Signatory Authority [SA]. Please title this document "ARPA Funding Plan 2021-SA" (States must upload separate proposals based on MHBG and SABG guidance into the WebBGAS system.

Further information on this is included in the letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre.

Standard Terms of Award:

1) Acceptance of the Terms of an Award

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a SABG. Once a recipient accepts an award, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

Certification Statement:

By drawing down funds, The recipient agrees to abide by the statutory requirements of all sections of the Substance Abuse Prevention and Treatment Block Grant (SABG) (Public Health Service Act, Sections 1921-1935 and sections 1941-1957) (42 U.S.C. 300x-21-300x-35 and 300x-51-300x-67, as amended), and other administrative and legal requirements as applicable for the duration of the award.

2) Availability of Funds

Funds provided under this grant must be obligated and expended by September 30, 2025.

3) Fiscal and administrative requirements

This NoA issued is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, as applicable, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

Fiscal control and accounting procedures - Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

ARPA funding is being issued under a separate grant award number and has a unique subaccount in the Payment Management System. Accordingly, ARPA funds must be tracked and reported separately from other FY 2021 awarded funds, including COVID-19 Supplemental funding and the Annual Block Grant Allotment.

Audits - Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.

Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a SABG.

4) Flow-down of requirements to sub-recipients

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351-75.353, Sub-recipient monitoring and management.

5) Executive Pay

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

6) Marijuana Restriction:

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended . . . in full accordance with U.S. statutory . . . requirements.); 21 U.S.C. 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

7) SAM and DUNS Requirements

THIS AWARD IS SUBJECT TO REQUIREMENTS AS SET FORTH IN 2 CFR 25.110 CENTRAL CONTRACTOR REGISTRATION CCR) (NOW SAM) AND DATA UNIVERSAL NUMBER SYSTEM (DUNS) NUMBERS. 2 CFR Part 25 - Appendix A4

System of Award Management (SAM) and Universal Identifier Requirements

A. Requirement for System of Award Management:

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for unique entity identifier If you are authorized (reference project description) to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you, unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity, unless the entity has provided its unique entity identifier to you.

C. Definitions. For purposes of this award term:

1. System of Award Management (SAM) means the federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).
2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR Part 25, Subpart C:
 - a. A governmental organization, which is a state, local government, or Indian Tribe; b. A foreign public entity; c. A domestic or foreign nonprofit organization; d. A domestic or foreign for-profit organization; and e. A Federal agency, but only as a sub-recipient under an award or sub-award to a nonfederal entity.
4. Sub-award:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient. b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330). c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.
5. Sub-recipient means an entity that: a. Receives a sub-award from you under this award; and b. Is accountable to you for the use of the federal funds provided by the sub-award.

8) Federal Financial Accountability and Transparency Act (FFATA)

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

a. Reporting of first tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrc.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrc.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b. 1. of this award term:

i. As part of your registration profile at <https://www.sam.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly

compensated executives for the subrecipient's preceding completed fiscal year, if

i. in the subrecipient's preceding fiscal year, the subrecipient received (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c. 1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __. 210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations).

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that: i. Receives a subaward from you (the recipient) under this award; and ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified. vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

9) Mandatory Disclosures

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator 330 Independence Avenue,
SW, Cohen Building Room 5527 Washington, DC 20201

Fax: (202) 205-0604 (Include "Mandatory Grant Disclosures" in subject line) or email:

MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

10) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

11) Drug-Free Workplace Requirements

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

12) Lobbying

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

13) Accessibility Provisions

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see

<http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

14) Audits

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY's end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: (800) 253-0696

Reporting Requirements:

Federal Financial Report (FFR)

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA

may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

Annual Report

Reporting on the ARPA funding is required. States must prepare and submit their respective reports utilizing WebBGAS. Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of SABG grants.

Your assigned SABG Program Official will provide further guidance and additional submission information.

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

Staff Contacts:

Anna De Jong, Program Official

Phone: 240-276-1866 **Email:** Anna.deJong@samhsa.hhs.gov

Wendy Pang, Grants Specialist

Phone: (240) 276-1419 **Email:** wendy.pang@samhsa.hhs.gov **Fax:** (240) 276-1430

Attachment C

Approved Services



January 28, 2021

To: Department of Behavioral Health and Developmental Services
Office of Recovery Services

Overview

The Virginia Association of Recovery Residences (VARR) is formally requesting \$1,000,000 dollars in Substance Abuse Block Grant Funding. This request includes \$840,000 dollars to provide 16 full-time and 10 part-time peer positions. Over the last year VARR certified recovery residences have seen a growing increase in individuals entering recovery residences who have significant barriers to recovery. VARR operators utilize the Advanced Recovery Management System (ARMS) which contains the REC-CAP module in which residents upon intake take the 75-question recovery capital evaluation with a peer navigator. Barriers to recovery and unmet service needs are identified and recovery plans and linkage to community resources are completed within the system. The client engages in their recovery plan through the client portal and completes goals and tasks assigned and follow up sessions are scheduled with the peer navigator. The request also includes \$120,000 dollars that will be utilized for a comprehensive learning management cloud-based training program for peers. This will ensure peer are properly trained to engage individuals in the measure, plan, and engage functions of the system to build recovery capital. The last \$40,000 dollars of this funding request will be utilized for the 2022 NARR Best Practices Summit being hosted here in Richmond, VA.

Intent

The requested funding will create much needed peer positions across all VARR certified recovery residence organizations. Organizations will be allocated funding for peers based on the size of the organization with respect to resident bed capacity. These peers will assist organizations with REC-CAP to identify barriers to recovery and unmet service needs and build recovery plans linking the individual to community-based resources.

Outcome

The proposed funding would create a significant increase in the staff bandwidth of VARR organizations who are encountering a growing number of individuals with significant barriers to recovery entering recovery residences. With the increased peer staff, we expect that VARR organizations will be able to expeditiously engage individuals with barriers and unmet service needs and swiftly link these individuals to community-based resources to address these barriers to recovery. With the ability to engage individuals earlier upon entrance through increased peer staff

to identify these barriers to recovery and quickly link them to the resources they need to increase stability and increased length of engagement in the recovery residence. The training platform will enable peers to properly deploy the evidence-based platform VARR operators utilize and properly engage individuals whom they are working with

Budget

Category	Description	Total
Peer Positions (full time)	16 at \$40,000 per year	\$640,000.00
Peer Positions (part-time)	10 at \$20,000 per year	\$200,000.00
Training	Cloud Based System	\$120,000.00
NARR Conference	2022 Conference	\$40,000.00
Total		\$1,000,000.00

Respectfully,

Anthony Grimes



Executive Director
VARR

Attachment D Approved Budget



Virginia Association of Recovery Residences Budget Narrative

A. Contractual

The McShin Foundation- 2 Full Time Peers- \$80,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

True Recovery RVA- 2 Full Time Peers- \$80,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

The WAR Foundation- 2 Full Time Peers- \$80,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Eco Flats- 2 Full Time Peers- \$80,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

REAL LIFE- 2 Full Time Peers- \$80,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.



Journey House Foundation- 2 Full Time Peers- \$80,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

CARITAS Recovery Residences- 2 Full Time Peers- \$80,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Roads to Recovery- 1 Full Time Peer- \$40,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Loudon Serenity House- 1 Full Time Peer- \$40,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

The Recovery Connection- 1 Part Time Peer- \$20,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Supreme Re-Entry- 1 Part Time Peer- \$20,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.



Atlantic Outreach Group- 1 Part Time Peer- \$20,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Regenesis- 1 Part Time Peer- \$20,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Peters Place RVA- 1 Part Time Peer- \$20,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Starfish Recovery & Wellness- 2 Part Time Peers- \$40,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Lotus Recovery RVA- 1 Part Time Peer- \$20,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Evolution House- 1 Part Time Peer- \$20,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.



Roads To Recovery- 1 Part Time Peer- \$20,000

The peer positions will assist the organization with engaging with individuals with substance use disorder and or co-occurring disorders. The peer will assist with delivering recovery support services through the Advanced Recovery Management System (ARMS) in which the REC-CAP is delivered to identify barriers to recovery and unmet service needs. The peers will assist individuals with building recovery capital.

Recovery Outcomes Institute (ROI)-Training/LMS Platform- \$120,000

VARR will contract with ROI to produce a cloud-hosted learning management solution offered by Thought Industries. This learning platform titled "ROI Knowledge Orchard" will enable peers to have unlimited access in training around the measure, plan, and engage functions in the REC-CAP and building of recovery capital. Additionally, it will feature the ability for approved quiz, test, and CEU support. This funding allocation purchases the access to the LMS until June 2027 which runs with the term of our ARMS/ REC-CAP platform agreement. VARR users will have unlimited access to LMS as well as an unlimited number of future VARR users throughout the term of the agreement.

National Alliance for Recovery Residences-NARR 2022 Best Practices Summit- \$40,000

VARR will host the 2022 NARR Best Practices Summit here in Richmond, VA. This is the largest national recovery housing conference dedicated to best practices. This conference will provide invaluable training and education to individuals in the recovery space and feature local and national presenters. This funding will go towards AV/ livestream, complimentary registrations, and the Marriot hotel deposit for the conference venue.



VARR SABG Information

March 22, 2022

To DBHDS Finance:

National Alliance for Recovery Residences 2022 Best Practices Summit:

VARR will host the 2022 NARR Best Practices Summit here in Richmond, VA. This is the largest national recovery housing conference dedicated to best practices. This conference will provide invaluable training and education to individuals in the recovery space and feature local and national presenters. This funding will go towards AV/ livestream, complimentary registrations, and the Marriot hotel deposit for the conference venue. This funding will not be utilized to pay for food and beverages.

Category	Amount
Venue/Meeting Space	\$15,000
AV/Hybrid Livestream	\$15,000
Complimentary Registrations	\$10,000
Total	\$40,000

Recovery Outcomes Institute (ROI)-Training/LMS Platform- \$120,000

VARR will contract with ROI to produce a cloud-hosted learning management solution offered by Thought Industries. This learning platform titled "ROI Knowledge Orchard" will enable peers to have unlimited access in training around the measure, plan, and engage functions in the REC-CAP and building of recovery capital. Additionally, it will feature the ability for approved quiz, test, and CEU support. This funding allocation purchases the access to the LMS until June 2027 which runs with the term of our ARMS/ REC-CAP platform agreement. VARR users will have unlimited access to LMS as well as an unlimited number of future VARR users throughout the term of the agreement.

Formula:

Set up and configuration of VARR	
white labeled panorama in LMS	\$40,000
Training of VARR admin staff to	
management of LMS for all VARR	
ARMS Users	\$10,000
Total Annual Subscription	\$20,000
VARR Five (5) Year Commitment	\$150,000
Adjustment	\$30,000
VARR Five Year Subscription	\$120,000

DBHDS Subrecipient Budget Narrative

Program Operating Costs

F. Contractual

Purpose - Calculation	Vendor(s) / Supplier(s)	DBHDS Share	Subrecipient Share	Total Amount
F. 1 Goods/Services Contract		\$0.00	\$0.00	\$0.00
F. 2 Consultants		\$0.00	\$0.00	\$0.00
F. 3 Trainers	Recovery Outcomes Institute - Learning Management System: Admin Training, 5 Year access to ARMS Platform.	\$120,000.00	\$0.00	\$120,000.00
F. 4 Evaluators		\$0.00	\$0.00	\$0.00
F. 5 Client Services		\$0.00	\$0.00	\$0.00
F. 6 Other Contractual	Subawards to Recovery Community Organizations			
The McShin Foundation	2 FTE Peer Support Staff	\$80,000.00	\$0.00	\$80,000.00
True Recovery RVA	2 FTE Peer Support Staff	\$80,000.00	\$0.00	\$80,000.00
The WAR Foundation	2 FTE Peer Support Staff	\$80,000.00	\$0.00	\$80,000.00
Eco Flats	2 FTE Peer Support Staff	\$80,000.00	\$0.00	\$80,000.00
REAL LIFE	2 FTE Peer Support Staff	\$80,000.00	\$0.00	\$80,000.00
Journey House Foundation	2 FTE Peer Support Staff	\$80,000.00	\$0.00	\$80,000.00
CARITAS Recovery Residences	2 FTE Peer Support Staff	\$80,000.00	\$0.00	\$80,000.00
Roads to Recovery	1 FTE Peer Support Staff	\$40,000.00	\$0.00	\$40,000.00
Loudon Serenity House	1 FTE Peer Support Staff	\$40,000.00	\$0.00	\$40,000.00
The Recovery Connection	1 PT/Wage Peer Support Staff	\$20,000.00	\$0.00	\$20,000.00
Supreme Re-Entry	1 PT/Wage Peer Support Staff	\$20,000.00	\$0.00	\$20,000.00
Atlantic Outreach Group	1 PT/Wage Peer Support Staff	\$20,000.00	\$0.00	\$20,000.00
Regenesis	1 PT/Wage Peer Support Staff	\$20,000.00	\$0.00	\$20,000.00
Peters Place RVA	1 PT/Wage Peer Support Staff	\$20,000.00	\$0.00	\$20,000.00
Starfish Recovery & Wellness	2 PT/Wage Peer Support Staff	\$40,000.00	\$0.00	\$40,000.00
Lotus Recovery RVA	1 PT/Wage Peer Support Staff	\$20,000.00	\$0.00	\$20,000.00
Evolution House	1 PT/Wage Peer Support Staff	\$20,000.00	\$0.00	\$20,000.00
Roads To Recovery	1 PT/Wage Peer Support Staff	\$20,000.00	\$0.00	\$20,000.00
Category Totals		\$960,000.00	\$0.00	\$960,000.00

H. Other Operating Costs

Purpose - Calculation	Description	DBHDS Share	Subrecipient Share	Total Amount
H. 1 Rent		\$0.00	\$0.00	\$0.00
H. 2 Client Incentives		\$0.00	\$0.00	\$0.00
H. 3 Printing Services		\$0.00	\$0.00	\$0.00
H. 4 Other Operating Costs	2022 NARR Conference		\$0.00	\$0.00
	• Marriott Hotel - Venue Rental for Conference	\$15,000.00	\$0.00	\$15,000.00
	• Audiovisual Equipment + Livestreaming Solution	\$15,000.00	\$0.00	\$15,000.00
	• Complimentary Registrations	\$10,000.00	\$0.00	\$10,000.00
Category Totals		\$40,000.00	\$0.00	\$40,000.00

Program Operating Costs - Subtotal

	DBHDS Share	Subrecipient Share	Total Amount
Subtotal	\$1,000,000.00	\$0.00	\$1,000,000.00

TOTAL PROGRAM COST

