



MINNESOTA DEPARTMENT OF  
**COMMERCE**

PY15 CONTRACT  
CHANGES and UPDATES  
Lorraine Larson

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# Presentation Goals

- GOALS
    - Provide update on major contract changes
    - Answer specific contract questions
  - Changes are noted in the presentation as new, revised or removed
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# Contract Definition

- A legally binding agreement
    - Between two or more parties
    - For the doing or not doing of something specified
  
  - A promise exchanged for consideration
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# PY15 Contract Changes

- **Recitals**
  - **Removed**: Reference to MNWX

# PY15 Contract Changes

- **Grantee's Duties (Item 2)**

- **New**: Grantee must comply with policies required by the Minnesota Office of Grants Management
  - <http://mn.gov/admin/government/grants/>
  - Example: Monitoring (Policy 08-10) requires that at least one grantee cash request for payment be reconciled with supporting documentation.
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# PY15 Contract Changes

- **Grantee's Duties (Item 2, continued)**
    - **New**: Reference to the statute governing the Renewable Energy Equipment Grant Program (REEGP)
    - **Revised**: Reference to the SWS, effective PY15
    - **Removed**: Reference to the Oil Heating Plant Fund
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# PY15 Contract Changes

- Consideration & Payment (Item 4.2.1)
    - Advance Payments:
      - **Removed:** The Grantee may submit invoices...for eligible costs anticipated to be incurred...for a period of thirty days following the date of the invoice
      - **New:** Payment methods from the State to the Grantee must minimize the time elapsing between the transfer of funds from the State and the disbursement by the Grantee
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# PY15 Contract Changes

- Federal Funds (Item 4.2.2)
    - **Removed:** Most reference to documents superseded by OMB's new Uniform Grant Guidance (UGG)
    - **New:** Reference to 2 CFR 200/UGG
      - Kept some reference to 2 CFR 215 and A-133 due to fiscal audit issues
      - Kept references to 10 CFR 600 (DOE's supplemental financial guidance), still in effect
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# PY15 Contract Changes

- **Revised:** Program Income (Item 4.2.4)
    - Changed language to align with UGG, no policy change
      - Reminder: Income directly generated by activity under the contract may only be expended for activities and costs eligible under the contract
  - **New:** Contracting and Bidding Requirements (Item 4.3)
    - Grantees must follow their documented procurement procedures that align with federal, state and local laws, as well as the WAP Manual
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# PY15 Contract Changes

- Reporting (Item 9)
    - **Revised:** FSRs and WA Reports (9.1 and 9.2)
      - When the monthly due date (the 10<sup>th</sup>) falls on a weekend or holiday, reports are due on the following business day
    - **Revised:** WA Reports (9.2)
      - Changed reference from “Weatherization Reports” to “Weatherization Assistance database uploads”
    - **Revised:** Final FSRs (9.3)
      - Closeout packages must include a list of equipment purchased with grant funds (aligns with policy)
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# PY15 Contract Changes

- Reporting Cont'd (Item 9)
    - **New** (9.4): Added requirement for Grantees to submit a copy of annual single or program specific audits (aligns with policy and federal regulation)
    - **New** (9.5): Added reference to quarterly training reports as a required report
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# PY15 Contract Changes

- Financial Records (Item 11) and Audits (item 12)
  - **Revised:** Incorporated reference to 2 CFR 200 and its subparts where needed

# PY15 Contract Changes

- **New**: Private Data on Individuals (item 13.2)
    - References MN Statute 216C.266, specific to EAP/WAP applicants
      - Classifies EAP/WAP applicant data as private
      - Requires informed consent of client for disclosure
      - Enables Commerce to share limited applicant information with DHS for the telephone assistance program
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# PY15 Contract Changes

- Intellectual Property Rights (item 13.3.1)
  - **Revised:** Clarifies that the State owns all rights, title, and interest in all of the intellectual property rights...created and paid for under this contract

# PY15 Contract Changes

- **Revised:** Equipment (item 14)
  - All acquisitions and dispositions must be in accordance with 2 CFR 200
  - Equipment inventory must align with 2 CFR 200 and the WAP Policy Manual
  - Equipment includes information technology systems
  - Grantees must return property to the State within 30 days if contract is terminated or discontinued

**Note:** Refer to the PY15 WAP Policy Manual for specific pre-approval requirements for purchase and disposition

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# PY15 Contract Changes

- Termination (item 19)
    - **Revised**: Termination by the State (19.1)
      - State may take action to protect its interest by refusing to disburse additional funds and requiring the return of all of part of already disbursed funds
    - **New**: Termination for Cause (19.2)
      - State may choose to immediately terminate the grant for any the following reasons:
        - Failure to comply with contract provisions
        - Reasonable progress has not been made
        - Purposes for which funds were granted have not or will not be fulfilled
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# SUMMARY

- A weatherization contract is:
    - The source of all other compliance requirements
    - The basis for the relationship between the Service Providers and Commerce
  - Keep it handy and use it as a reference
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# QUESTIONS?

Contact:

[weatherization.commerce@state.mn.us](mailto:weatherization.commerce@state.mn.us)

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