



ADMINISTRATION FOR  
**CHILDREN & FAMILIES**

Office of Grants Management  
Division of Mandatory Grants  
370 L'Enfant Promenade, SW  
Washington, DC 20447

## **GENERAL TERMS AND CONDITIONS MANDATORY FORMULA, BLOCK and ENTITLEMENT GRANT PROGRAMS**

Except as noted otherwise, these Terms and Conditions apply to all mandatory grant programs administered by the Administration for Children and Families (see Appendix A). Please also review the separate program-specific Addendum to these Terms and Conditions applicable to each program.

By acceptance of the individual awards, each grantee agrees to comply with these requirements. Failure to comply may result in the loss of Federal funds and may be considered grounds for the suspension or termination of the grant.

### **ADMINISTRATIVE REQUIREMENTS**

1. These programs are governed by the following Federal regulations ;
  - **2 CFR Part 225** – Cost Principles for State, Local and Indian Tribal Governments;
  - **2 CFR Part 376** – Nonprocurement Debarment and Suspension;
  - **2 CFR Part 382** – Requirements for Drug-Free Workplace (Financial Assistance);
  - **45 CFR Part 16** – Procedures of the Departmental Grant Appeals Board;
  - **45 CFR Part 30** – Claims Collection;
  - **45 CFR Part 80** - Nondiscrimination Under Programs Receiving Federal Assistance through the Department of Health and Human Services, Effectuation of Title VI of the Civil Rights Act of 1964;
  - **45 CFR Part 81** - Practice and Procedure for Hearings Under Part 80 of this Title;
  - **45 CFR Part 84** - Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving Federal Financial Assistance;
  - **45 CFR Part 86** – Nondiscrimination on the Basis of Sex in Education Programs and Activities Receiving or Benefiting from Federal Financial Assistance;
  - **45 CFR Part 87** – Equal Treatment for Faith-Based Organizations;
  - **45 CFR Part 91** – Nondiscrimination on the Basis of Age in HHS Programs or Activities Receiving Federal Financial Assistance;
  - **45 CFR Part 92** – Uniform Administrative Requirements for Grants and Cooperative Agreements to State, and Local, and Tribal Governments
  - **45 CFR Part 93** – New Restrictions on Lobbying;
  - **45 CFR Part 95** – General Administration – Grant Programs;
  - **45 CFR Part 100** – Intergovernmental Review of Department of Health and Human Services Programs and Activities.
2. These programs are governed by Office of Management and Budget **Circular A-133**, "Audits of States, Local Governments, and Non-Profit Organizations," issued pursuant to the Single Audit Act of 1984 (Public Law 98-502) and the Single Audit Act Amendments of 1996 (Public Law 104-156).
3. In accordance with Public Law 103-333, the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995," the following provisions are applicable to the mandatory grant programs:
  - Section 507: "Purchase of American-Made Equipment and Products - It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made."
  - Section 508: "When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all

States receiving Federal funds, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.”

4. *Drug-Free Workplace Requirements.* In accordance with provisions of Title V, Subtitle D of Public Law 100-690 (41 USC 701 et. seq.), the “Drug-Free Workplace Act of 1988,” all grantees must maintain a drug-free workplace and must publish a statement informing employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and establishing the actions that will be taken against employees violating these prohibitions. The grantee must notify ACF if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. (See 2 CFR Part 382)
5. *Smoking Prohibitions.* In accordance with Title XII of Public Law 103-227, the “PRO-KIDS Act of 1994,” smoking may not be permitted in any portion of any indoor facility owned or regularly used for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs wither directly or through State or local governments. Federal programs include grants, cooperative agreements, loans and loan guarantees, and contracts. The law does not apply to children’s services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions or facilities and used for inpatient drug and alcohol treatment.

The above language must be included in any subawards that contain provisions for children’s services and that all sub-grantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1,000 per day.

6. *Religious Activity Prohibitions.* Direct Federal grants, sub-awards, or contracts under these programs shall not be used to support inherently religious activities such as religious instruction, worship, or proselytization. Therefore, organizations must take steps to separate, in time or location, their inherently religious activities from the services funded under these programs. (See 45 CFR 87)
7. *Lobbying Prohibitions.* Federal grant funds provided under these awards may not be used by the grantee or any sub-grantee to support lobbying activities to influence proposed or pending Federal or State legislation or appropriations. This prohibition is related to the use of Federal grant funds and is not intended to affect an individual’s right or that of any organization, to petition Congress, or any other level of Government, through the use of other resources. (See 45 CFR 93.)
8. *Human Trafficking Provisions.* These awards are subject to the requirements of Section 106(g) of the “Trafficking Victims Protection Act of 2000” (22 USC 7104). The full text of this requirement is found at [http://www.acf.hhs.gov/grants/award\\_term.html](http://www.acf.hhs.gov/grants/award_term.html).
9. *Transparency Act Requirements.* Awards under these programs are included under the provisions of P.L. 109-282, the “Federal Funds Accountability and Transparency Act of 2006” (FFATA). Under this statute, the State is required to report information regarding executive compensation and all subgrants, contracts and subcontracts in excess of \$25,000 through the Federal Subaward Reporting System (<https://www.fsrs.gov/>) and in accordance with the terms found in Federal regulations at 2 CFR Part 170, including Appendix A.
10. *Construction Prohibitions.* Unless superseded by program-specific regulations, these awards may not be used for construction or the purchase of land.

**SUB-RECIPIENTS UNDER GRANTS**

11. Grantees are required to determine recipient type when sub-granting or contracting using Federal funds. In accordance with the standards set in OMB Circular A-133, the determination is based on the substance of the relationship with the grantee, rather than the form of the agreement.
- The presence of one or more of the following conditions would indicate that the sub-recipient should be considered a subgrantee and is subject to the provisions of OMB Circular A-133:
    - a. Determines who is eligible to receive what Federal financial assistance;
    - b. Has its performance measured against whether the objectives of the Federal program are met;
    - c. Has responsibility for programmatic decision making;
    - d. Has responsibility for adherence to applicable Federal program compliance requirements;
    - e. Uses the Federal funds to carry out a program of the organization as compared to providing goods or services for a program of the pass-through entity;
  - The presence of one or more of the following conditions would indicate that the sub-recipient should be considered a vendor and is not subject to the provisions of OMB Circular A-133:
    - a. Provides the goods and services within normal business operations;
    - b. Provides similar goods or services to many different purchasers;
    - c. Operates in a competitive environment;
    - d. Provides goods or services that are ancillary to the operation of the Federal program;
    - e. Is not subject to compliance requirements of the Federal program.
12. No organization may participate in these programs in any capacity or be a recipient of Federal funds designated for these programs if the organization has been debarred or suspended or otherwise found to be ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension." (See 45 CFR 92.35.) Grantees must include a similar term and/or condition for all sub-awards or contracts awarded under these programs. Prior to issuing subawards or contracts under this grant, the grantee must consult the ineligible parties list to ensure that organizations under funding consideration are not ineligible. The list is available on the System for Award Management website: <https://www.sam.gov>.
13. Each grantee is responsible for monitoring grant, sub-recipient and contract supported activities to assure compliance with Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function and activity. (See 45 CFR 92.40.)
14. Each grantee is required to advise sub-recipients of requirements imposed on them by Federal laws, regulations, and the provisions of grant agreements or contracts as well as any supplemental requirements imposed by the Grantee. These include grant administrative requirements under 45 CFR Part 92, audit requirements under OMB Circular A-133 (where applicable) and cost principles according to recipient type:
- Non-Profit Organizations: 2 CFR Part 230;
  - Educational Institutions: 2 CFR Part 220;
  - Commercial Vendors or Subcontractors: 48 CFR Part 31.
15. Grantees must ensure that any sub-recipient that expends Federal funds totaling \$500,000 or more during the course of its fiscal year must arrange for a financial audit in compliance with the requirements of OMB Circular A-133.

**NON-FEDERAL SHARE OF PROGRAM FUNDING**

16. For some mandatory grant programs, the grantee is required to provide a portion of program funding, as specified in Federal law.

- In most instances, all of the non-Federal share of funding for these programs will be appropriated specifically for that purpose by a State legislature or provided through other grantee funding sources;
- Third party in-kind contributions may not be used as the non-Federal share of any program expenditure, unless specifically allowed for that purpose in the Federal statute applicable to that program
- Donated funds may be used as the non-Federal share under the following conditions:
  - a. The donor may specify the activities to be supported by the donation, but may not be a sponsor or operator of the specified activity. Any specified activity must be an allowable expense under all applicable laws, regulations and policies governing these programs;
  - b. The donor may specify the geographic area in which the specified activity is to be provided;

## FINANCIAL REPORTING

16. Grantees are required to file periodic financial reports either quarterly, semiannually or annually for each program, in accordance with specific program requirements.
17. All grantees are requested to file these reports electronically through the ACF On-Line Data Collection (OLDC) system. OLDC requires electronic signatures from the authorized grantee officer or official. (See Action Transmittal OA-ACF-AT-01-05, issued January 24, 2005.) When electronic reports are completed and submitted, no paper submission is required.
18. For any grantee the elects to submit paper copies of the required periodic financial report, send a copy with an original signature to the financial office. (See "Important Addresses," below.) When stipulated by specific program requirements, send a second copy of each report to the appropriate Regional Grants Officer.

## GRANT PAYMENTS

17. Payments under these grants will be made through the Department of Health and Human Services' Payment Management System (PMS). The State must comply with requirements imposed by the PMS on-line system. Please direct any questions concerning grant payments to the payment office. (See "Important Addresses," below).

## IMPORTANT ADDRESSES

- o Financial Office: Administration for Children and Families  
Office of Grants Management  
Division of Mandatory Grants  
370 L'Enfant Promenade, S.W., 6<sup>th</sup> Floor East  
Washington, D.C. 20447  
Fax: (202) 401-5644
- o Payment Office: U.S. Department of Health and Human Services  
Division of Payment Management  
Payment Management System (PMS)  
P.O. Box 6021  
Rockville, Maryland 20852

Contact: PMS Help Desk  
Phone: (877) 614-5533  
Internet site: <http://www.dpm.psc.gov>

**IMPORTANT NOTE:** The U.S. Government Accountability Office (GAO) maintains **FraudNET**, a system for reporting allegations of fraud, waste and abuse under Federal grants and cooperative agreements. Reports are kept confidential; you need not provide your name. Information provided

through the Internet web site is secure and all information is safeguarded against unauthorized disclosure. Report the possible misuse of federal funds, by mail, phone, fax or email. Please provide as much detailed information as possible in your report.

- Phone: (800) 424-5454;
- Fax: (202) 512-3086;
- E-mail: [fraudnet@gao.gov](mailto:fraudnet@gao.gov)
- Mail: GAO FraudNET  
441 G Street N.W.  
Washington, D.C. 20548

**Appendix A Mandatory Grant Programs – Administration for Children and Families**

**Administration of Children, Youth and Families**

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| 1. Abstinence Education                                 | (Title V of the Social Security Act)                  |
| 2. Adoption Assistance                                  | (Title IV-E of the Social Security Act)               |
| 3. Adoption Incentive Payments                          | (Title IV-E of the Social Security Act)               |
| 4. Chafee Education and State Vouchers                  | (Title IV-B of the Social Security Act)               |
| 5. Chafee Foster Care Independence                      | (Title IV-B of the Social Security Act)               |
| 6. Child Abuse and Neglect                              | (CAPTA - Child Abuse Prevention and Treatment Act)    |
| 7. Children's Justice Act                               | (CAPTA - Child Abuse Prevention and Treatment Act)    |
| 8. Community-Based Family Resource and Support          | (CAPTA - Child Abuse Prevention and Treatment Act)    |
| 9. Family Violence Prevention and Services              | (CAPTA - Child Abuse Prevention and Treatment Act)    |
| 10. Foster Care   | (Title IV-E of the Social Security Act)               |
| 11. Guardianship Assistance                             | (Title IV-E of the Social Security Act)               |
| 12. Personal Responsibility Education                   | (Title V of the Social Security Act)                  |
| 13. Promoting Safe and Stable Families                  | (Title IV-B of the Social Security Act)               |
| 14. PSSF Caseworker Visitation                          | (Title IV-B of the Social Security Act)               |
| 15. State Court Improvement – Basic                     | (Title IV-E of the Social Security Act)               |
| 16. State Court Improvement - Data                      | (Title IV-E of the Social Security Act)               |
| 17. State Court Improvement – Training                  | (Title IV-E of the Social Security Act)               |
| 18. Statewide Domestic Violence Coalition               | (FVPSA - Family Violence Prevention and Services Act) |
| 19. Stephanie Tubbs Jones Child Welfare Social Services | (Title IV-B of the Social Security Act)               |

**Office of Child Care**

- 20. Child Care Development Fund – Mandatory and Matching
- 21. Child Care Development Fund – Reprogramming
- 22. Tribal Construction

**Office of Community Service**

- 23. Community Service Block Grant
- 24. Low Income Home Energy Assistance
- 25. Low Income Home Energy Assistance - Leveraging
- 26. Low Income Home Energy Assistance – Residential Energy Assist Challenge
- 27. Social Services Block Grant

**Office of Child Support Enforcement**

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| 28. Child Support Enforcement – States | (Title IV-D of the Social Security Act) |
| 29. Child Support Enforcement – Tribes | (Title IV-D of the Social Security Act) |
| 30. State Access and Visitation        | (Title IV-D of the Social Security Act) |

**Office of Family Assistance**

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| 31. Native Employment Works                               | (Title IV-A of the Social Security Act) |
| 32. Temporary Assistance for Needy Families - States      | (Title IV-A of the Social Security Act) |
| 33. Temporary Assistance for Needy Families - Territories | (Title IV-A of the Social Security Act) |
| 34. Temporary Assistance for Needy Families – Tribes      | (Title IV-A of the Social Security Act) |
| 35. Temporary Assistance for Needy Families - Contingency | (Title IV-A of the Social Security Act) |

**Office of Refugee Resettlement**

- 36. Refugee Cash and Medical Assistance
- 37. Refugee Social Services
- 38. Refugee Targeted Assistance