

OFFICE OF SMALL BUSINESS DEVELOPMENT CENTERS
2016 COOPERATIVE AGREEMENT
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III. GENERAL TERMS AND CONDITIONS

A. Administrative Requirements

This Award is subject to the requirements listed below. For further guidance regarding the administrative requirements applicable to this Award see 2 C.F.R. Part 200 (Subparts A-E).

1. Non-Transferability

This Award may not be transferred or assigned (either in whole or in part) without prior written approval from SBA. Additionally, no interest in this Award may be conferred upon a third party and the Award may not be pledged as collateral or security. For further guidance regarding the prior approval process, see Part III (A) (12) below.

2. Subgranting/Subcontracting

This Award may not be sub-granted, to a single entity, but you may contract or subgrant to third parties, as per the proposal, to act as service centers (for the purpose of this award third party does not include SBDC service centers). You may not act as a pass-through or fiscal agent for the purpose of channeling award funds to other parties. You may contract with other parties for the performance of project support functions or services. You may not contract out the overall administration or day-to-day management of this project to any other party.

You may follow your own procurement policies and procedures when contracting with Project Funds, but you must comply with the requirements of 2 C.F.R. § 200.317 - 200.326.

You must also comply with the requirements of 2 C.F.R § 200.330 - 200.332, Subrecipient Monitoring and Management.

3. Record-Keeping

You must maintain complete and accurate records and supporting documentation of sufficient detail to facilitate a thorough financial and/or programmatic and/or legal compliance audit or examination of this project. You must make these records available to SBA, its agents, its Office of Inspector General, and/or Federal investigators on demand within a reasonable amount of time during regular business hours and provide them with unrestricted access to review and make copies of all products, materials, and data, including those prepared or stored electronically. At a minimum, the records you must maintain on this project include:

- a. The time and attendance of employees whose salaries are charged to this Award, with sufficient detail to substantiate the claimed percentage of work performed in support of this project.
- b. An inventory of equipment purchased, in whole or in part, with award funds. This inventory must comply with the requirements of 2 C.F.R. § 200.313(d).
- c. Your ledgers and annual 2 C.F.R. 200 (Subpart F) Audit Report. If you are not subject to the requirements of the Single Audit Act, you must have an annual audited financial statement. Unaudited financial statements are not an acceptable substitute.
- d. Copies of receipts, invoices, contracts, leases, and other supporting documentation for all expenses paid with Project Funds.
- e. Copies of checks, receipts, letters of donation, and other supporting documentation for all matching contributions related to this Award.
- f. Copies of judicial and administrative decisions and compliance reviews (as applicable) and other supporting documentation demonstrating your adherence to the legal requirements listed in the SF-424B and Part III (A)(17) below.

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Records may be kept in hard copy or electronic form and must be retained for no less than three years from the date the final project report is due.

4. Protection of Client Information

Except where a Client consents in writing, you are not permitted to disclose any Client Information to a third party (or share such information with other units of your organization not directly involved in the conduct of this project) without prior SBA approval. For further guidance regarding the prior approval process, see Part III (A) (12) below.

In addition, you cannot disclose a Client's name, address, or telephone number to any party (including SBA), except where:

- a. the Client consents in writing;
- b. a court orders such disclosure; or
- c. SBA determines it is necessary for the purpose of conducting programmatic or financial examinations or Client surveys.

5. Restrictions on Certain Types of Clients

You may not utilize project resources to provide counseling services to any concern that:

- a. is other than small;
- b. is based in a foreign country; with the exception of US affiliates or subdivisions of foreign companies can receive services as long as the combined company is still considered "small" under the size standards
- c. is engaged in any activity that is illegal under Federal or state law;
- d. derives more than one-third of its gross annual revenue from legal gambling activities;
- e. presents live performances of a prurient sexual nature or derives more than a de minimus amount of revenue from the sale of products or services of a prurient sexual nature;
- f. is not organized for profit (Exception: To the extent it does not negatively impact the goals or milestones established under this Award or detract from its core purpose, You may use project resources to counsel non-profit organizations that devote a significant portion of their activities to assisting entrepreneurs).

For guidance regarding the provision of subgrants or counseling services to individuals and firms that are currently suspended or debarred by the Federal government, see Part III(B)(2) below.

6. Reporting Requirements

You must submit the reports identified in Parts III (A) (6) and (7) below to the GOR on a semiannual basis. The required reporting forms may be obtained at <http://www.sba.gov/content/sbdc-forms-and-worksheets>. Reports must be submitted to the GOR and SBA Project Officer via email. Semiannual reports must be received by the GOR no later than 30 days after the conclusion of the applicable reporting period. The final Semiannual report must be received by the GOR and SBA Project Officer no later than 90 days after the conclusion of the budget year. If you fail to submit timely or adequate reports, SBA may withhold funding until this deficiency is corrected. The

6.3 Reporting

6.3.1 Required Data Collection System - EDMIS

All SBDC's are required to report program data through SBA's data collection system (currently EDMIS). EDMIS serves as a centralized data collection system. While SBDCs may, if they feel the system meets all of their MIS needs, use EDMIS as their primary MIS, they may also choose to maintain existing or complementary systems should they individually require more extensive data collection needs than that of the SBA.

All SBDCs must be fully capable of either manually entering data or uploading batch files to SBA's data collection system (EDMIS). SBDCs are required to upload all data they have collected via the SBA approved data collection tools (Form 641 and Form 888) except as precluded by statute.

PIMS Maintenance:

SBA requires Lead Center SBDCs to maintain their Lead Center and Service Center information in SBA's Partner Identification Management System (PIMS), which interfaces with EDMIS. OSBDC will use PIMS to validate the network listing. The Lead Center SBDC will designate one employee to update PIMS and will provide their name, email address and phone number within the proposal. Updates will not be processed unless received from the designated employee's email account. The employee will use the email account set up for PIMS at websupport@sba.gov and include "PIMS" in the subject line. The designated employee may be contacted by SBA web support for more information if it is needed.

SBDCs must notify SBA using websupport@sba.gov within 15 days of changes in contact information such as individuals, telephone numbers, fax numbers, e-mail and website addresses for Lead and Service Centers. However, websupport@sba.gov should not be used if your network has centers to be added, closed or assigned a location code. Instead, the designee must contact the appropriate OSBDC Program Manager within 15 days for centers to be added, closed or assigned a location code. Only OSBDC can add or close Centers and assign new location codes.

In the event of a change in the PIMS designee, the SBDC must alert their SBA District Office and their OSBDC Program Manager within 15 days.

6.3.2 Required SBA Reports

All SBDC recipients must provide the required reports to SBA by the established deadlines. Failure to file timely reports may result in withholding of reimbursements.

The required reports are:

1. SBDC Quarterly Counseling and Training Reports (EDMIS submission)
2. Financial Reports, including SF-425 with required attachments
3. Performance Reports
4. Economic Impact Data Report (EDMIS submission)
5. Program Income Report (SBA Form 2113 and required attachments).

6.3.2.1 SBDC Quarterly Counseling and Training Reports (EDMIS Submission)

Due no later than one month plus 5 working days after the close of each quarter.

All data collected from the Form 641 (except as precluded by statute) are to be reported through EDMIS as part of this quarterly reporting requirement. All SBDCs are required to either manually enter data or upload batch files to the EDMIS system. These files must contain complete information for all fields. The EDMIS system stores this client specific information and is capable of generating reports on the data. The data collection tools consist of Form 641 and Form 888 as well as an on-line collection of annual impact data. The 641 is designed to collect client specific data. As such, it is recommended that all fields be as complete as possible. Non-mandatory fields must be completed when data is available, including but not limited to job creation and retention data, gross sales, export sales, government contracting and other economic impact data. Economic Impact data that is collected on the 641 should also be included in the Economic Impact Report in EDMIS. The most current version of approved client definitions is available on www.sba.gov/edmis. Other documentation regarding EDMIS is also available at this site.

6.3.2.2 Financial Reports

Lead Centers must submit the SBDC Financial Report including Standard Form 425, signed by the authorized representative of the Recipient Organization, concurrently to their SBA Project Officer, Program Manager, and Grants Management Officer electronically, in PDF format. A Recipient's failure to comply with this requirement in a timely manner can result in delayed processing of payment requests.

1. Semi Annual (or Quarterly) Financial Reports.

Due no later than 30 days after the close of the second quarter for SBDC Recipients in the program for more than three years.

- *New SBDC Recipients in the program for less than three years are required to provide a quarterly Financial Report for the first three years of operation. Quarterly reports are due no later than 30 days after the close of the first, second and third quarters.*

Semi Annual (or Quarterly) Financial Report must include:

- i) SF-425 signed by authorized official of the Recipient organization;
- ii) Spreadsheet in support of the SF-425;
- iii) Budget vs. Actual Expenditures
- iv) Schedule of indirect cost reporting, federal portion and waived indirect on the SF-425 – showing actual indirect costs.

2. Final Financial Reports

Due no later than 90 days after the end of the fiscal or calendar year cycle for all SBDC Recipients.

The Final Financial Report must include:

- i) SF-425, signed by authorized official of the Recipient Organization;
- ii) Spreadsheet in support of the SF-425;
- iii) Schedule of indirect cost reporting, federal portion and waived indirect on the SF-425;
- iv) Budget vs. Actual Expenditures (see description below under Annual Performance Report, Section 6.3.2.3 item 2 (ii))
- v) SBA Form 2113
- vi) Spreadsheet in support of the SBA Form 2113

The SBDC must report all unliquidated obligations (if any) on Form 425 and obligations must be liquidated no later than 90 days after the end of the annual budget period. The total amount of unliquidated obligations must include:

- Recipient share - Cash match disbursements and non-cash indirect match.
Note: The SBDC must report all Recipient shares of outlays; cash, in-kind and waived portion of indirect. The waived portion of indirect cost should not be included as in-kind match.
- Federal share – Federal direct disbursements and indirect claimed as federal reimbursement.

Any documentation the SBDC submits, in addition to what is required, must be cited in the remarks section on Form 425, indicating what is being submitted and why. Extraneous documentation not cited will be discarded and not included in the official grant file.

3. Biennial Financial Status Statement (For Financial Examinations)

This function of the Financial Examination Unit requires designated networks to complete worksheet "Financial Status Statement" located at [SBDC Forms and Worksheets](#). The Financial Status Statement is due to OSBDC by October 15 for both FY- and CY-funded programs in advance of a biennial financial examination. A recipient's failure to comply with this requirement in a timely manner can result in delayed processing of payment requests.

6.3.2.3 Performance Reports

Performance Reports must address the SBDC's progress towards meeting the major activities, objectives and performance goals from the approved proposal in a brief narrative. It should also include a discussion of issues the SBDC believes may impair its ability to achieve these items by the end of the budget period accompanied with proposed actions for improvement. These Reports must

be a summary of the activities, events or achievements in these reporting categories with accompanying management analysis. They must not be a recitation of actual events, center-by-center.

1. Semi-Annual (or Quarterly) Performance Report.

Due within 30 days after the end of the 2nd quarter.

- *New SBDC Lead Centers that have been in the program less than three full fiscal or calendar year cycles must further submit progress reports on a quarterly basis, due 30 days after the end of each quarter. Quarterly reports must include the same content outlined for the Semi-annual Performance Reports.*

The SBDC must submit an electronic version of the Semi-annual (or Quarterly) Performance Report in Word format to the SBA Project Officer and Program Manager within 30 days after completion of six months operation. Reports **must not exceed 25 pages** if at all possible and must include all attachments and data set forth below and in the Notice of Award. To avoid problem with electronic email size limitation, transmission of electronic reports should not be over 5MB.

The Project Officer must complete the Grant/Cooperative Agreement Monitoring Statement and furnish a copy to the OSBDC Program Manager.

2. Annual Performance Report:

Due within 90 days after the close of the SBDC budget period.

Failure to submit this Report accurately and in a timely manner could jeopardize future funding. This Report **must not exceed 50 pages in length** if at all possible and must include all attachments and data set forth below and in the Notice of Award.

A complete annual report includes an overall summary of the Network's efforts in delivering core services set forth in the approved proposal as incorporated in the Cooperative Agreement for the full budget period, in the form of a brief narrative description and management analysis. A summary of specific achievements in each of the reporting categories listed in section 6.3.3 is also required. The Annual Report should provide the SBDC's analysis of overall performance measurements achieved as well as an explanation of those objectives or measurements not fully met along with recommendations for improvement. The Report must **NOT** be a recitation of actual events, center by center. Other elements to be included are:

- i) A comparison of actual accomplishments to approved plans and performance goals set forth in the approved proposal as incorporated in the Cooperative Agreement.
- ii) A comparison of actual financial expenditures by budget category to the approved budget. Explain any instance where actual costs exceeded budgeted amounts.
- iii) A description of any new resources developed by the SBDC.
- iv) Changes in key personnel, Service Centers and sub-recipients that occurred during the program year.