



Michigan Department of Environmental Quality
<http://www.michigan.gov/deq>

Michigan Pollution Prevention Research Grant Program

Request for Proposal
October 17, 2005 – January 16, 2006

Jennifer M. Granholm, Governor
Steven E. Chester, Director

Michigan Pollution Prevention Research Grant Program

Introduction

The Environmental Science and Services Division (ESSD) strives to help the citizens and businesses of Michigan make informed decisions and take actions that conserve resources and prevent pollution and waste to benefit the environment, economy, and society. One tool used by the ESSD to achieve this objective is the Michigan Pollution Prevention Research Grant Program. The grants provided under this program are for the first implementation or the continued research and development of innovative pollution prevention (P2) technologies having the potential to reduce the quantity or toxicity of specific environmental wastes currently generated by Michigan businesses. The program objective is to provide seed money for new projects that further state P2 efforts, foster and support innovation, and transfer technology and results to others. All grant projects must provide data and information that clearly demonstrate progress toward achieving the objectives of both the program and the ESSD.

Grant Description

The Department of Environmental Quality (DEQ) will provide matching grants to Michigan universities and community colleges for the first implementation or the continued research and development of innovative P2 technologies having the potential to reduce the quantity or toxicity of specific environmental wastes currently generated by Michigan businesses. Up to \$50,000 in matching funds will be made available for each project selected. A total of \$150,000 in funding is available. Projects must be conducted in Michigan. Preference will be given to projects that implement and document the first commercialization, adoption, or full-scale demonstration of a P2 technology in Michigan, particularly at a small to mid-sized, manufacturing business. Requests for funding will be accepted from October 17, 2005 through January 16, 2006. Organizations receiving grants are required to match state funds by at least 100 percent. Grantee contributions may include dollars, in-kind goods and services, and/or third party contributions. Grant projects must total \$20,000 or greater (state grant + grantee match = \$20,000 or greater).

The following definitions apply:

Pollution Prevention: The practice of minimizing the generation of waste at the source and, when wastes can not be prevented, utilizing environmentally sound on-site or off-site reuse or recycling. The term includes equipment or technology modifications, process or procedure modifications, product reformulation or redesign, and raw material substitutions. Waste treatment, control, management, and disposal are not considered pollution prevention, per the definitions under Part 143, Waste Minimization, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended.

First Implementation: The first commercialization, adoption, or full-scale demonstration of a P2 technology in Michigan.

Innovative: The term “Innovative” is a new idea, or a novel use of an existing idea.

Recycling: The series of activities by which materials that are no longer useful to the generator are collected, sorted, processed, and converted into raw materials and used in the production of new products. This definition excludes the use of these materials as a fuel substitute or for energy production.

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Research and Development: The terms “Research” and “Research and Development” are defined as any scientific or engineering activity which is (1) a systematic study directed specifically toward applying new knowledge to meet a recognized need; and/or (2) a systematic application of knowledge toward the production of useful materials, devices, and systems or methods, including design, development, and improvement of prototypes and new processes to meet specific requirements.

Reuse: Using a product or component of waste in its original form more than once.

Small to Mid-Sized Michigan Business: Any business that is independently owned by a person that employs 500 or fewer individuals in Michigan is considered a “Small to Mid-Sized Michigan Business.”

Funding Source

The Michigan Pollution Prevention Research Grant Program is funded by a Fiscal Year 2006 appropriation for the Retired Engineer Technical Assistance Program (RETAP), and pursuant to the authority given to the DEQ under Section 324.14506 Part 145, Waste Reduction Assistance, of the NREPA, 1994 PA 451, as amended.

Funding Availability

A total of \$150,000 is available. The maximum grant award per project selected is \$50,000. The maximum dollar amount requested should be limited to what is needed to carry out the identified tasks and products. Total project costs must be a minimum of \$20,000 (\$10,000 state grant + \$10,000 grantee match). Projects must expend grant funding within one year of the start date of the grant. All grant projects are conducted on a cost-reimbursement basis.

Eligible Applicants

Michigan institutions of higher education and Michigan community colleges are eligible to receive grant funding.

Ineligible Applicants

For-profit organizations and non-profit organizations not otherwise specified above are not eligible to apply for funding. Federal, state and local agencies are also not eligible.

Eligible Projects

Eligible projects must be directed to the first implementation or the continued research and development of innovative P2 technologies that have the potential to reduce the quantity or toxicity of specific environmental wastes currently generated by Michigan businesses, and involve (a) technologies transferable to other businesses or industries, and (b) \$20,000 or more in proposed expenditures. Projects must be conducted in Michigan. Preference will be given to projects that implement and document the first commercialization, adoption, or full-scale demonstration of a P2 technology in Michigan, particularly at a small to mid-sized, manufacturing business.

Ineligible Projects

1. Projects directed to waste treatment, control, management, and disposal activities.
2. Projects having a primary purpose of increasing process output or production.
3. Energy efficiency or energy recovery projects lacking significant onsite P2 benefits.
4. Projects that target wastes other than those currently generated by Michigan businesses.
5. Projects that will not be conducted in Michigan.

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6. Projects involving P2 technologies already in use in Michigan (unless the project is clearly an unobvious/innovative new use of the P2 technology).
7. Maintenance/continuation of existing P2 projects (see also Non-Duplicative Projects below).
8. Projects that effectively duplicate state services or effectively duplicate previously funded projects.
9. Projects that can not be shared with or have limited transferability to other businesses.
10. Projects deemed illegal under the law or inappropriate under contract management standards.

Non-Duplicative Projects

Program funds cannot be used to replace existing federal, state, or local regulatory requirements or financial commitments. Projects must demonstrate their unique contribution and assure that they do not duplicate other state, regional or federal efforts.

Eligible Applications

Applicants must use the Michigan Pollution Prevention Research Program forms in applying for the matching grants. The forms are provided below and are designed to assist applicants in providing needed contact and project information, while minimizing errors that may delay or disqualify potentially fundable projects. Proposals must additionally include a complete Project Description, Timetable and Work Plan, Budget, and Letters of Commitment. (See Instructions for Grant Proposal below)

Matching Fund Requirements

Applicant must provide a match to state funding of at least 100 percent. Note: Applicant may use dollars, in-kind goods and services, and/or third party contributions for meeting their matching obligations under the program. Funds derived from other State of Michigan competitive grants are not eligible. Matching funds must be secured when a proposal is submitted. Matches are considered secured in the following situations:

1. The organization that submits the grant is also providing the matching funds.
2. The organization applying for the funds lists the source of the match and has documentation of that match. That documentation should be in the form of a Letter of Commitment that identify how much money and/or staff time the organization is committed to providing toward the grant project, and a Financial Statement on the solvency of the organization.

Ineligible Costs

- Activities initiated prior to execution of the grant agreement, including applicant's cost for preparing the grant application.
- Tuition, vehicles, computer equipment, and real property (e.g. land, real estate, and buildings).
- Activities undertaken after the grant agreement has expired.

Minimum Requirements for a Successful Proposal

The minimum requirements for a successful proposal are outlined by the following conditions:

1. Applicant is a Michigan institution of higher education or Michigan community college.
2. The project adheres to the definition of P2.
3. The project is directed to the first implementation or the continued research and development of an innovative P2 technology that has the potential to reduce the quantity or toxicity of specific environmental wastes currently generated by Michigan businesses.
4. Applicant is able to document a match to state funding of at least 100 percent.
5. The total project cost is at least \$20,000 (state grant + applicant match \geq \$20,000).
6. The project will expend grant funding within one year of the start date of the grant agreement.
7. The project will be conducted in Michigan.

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8. The project technology, information, and data are transferable to other businesses or industries.
9. The project includes clearly defined measurement (i.e. data) parameters for evaluating the P2, energy efficiency, financial, and other benefits/costs of the technology.
10. Applicant clearly indicates their ability to meet the technological and financial requirements for a successful project.
11. Applicant is committed to providing a quarterly summary of project activities, and a final report discussing the project's degree of success, environmental benefits, costs, and recommendations.
12. Applicant is able to share nonproprietary information on the project with the public in the form of a data summary, fact sheet, case study, final report, and onsite technology demonstration workshop.
13. Applicant has the ability to enter a contract with the DEQ, and both the applicant and subcontractors have no outstanding unresolved violations or pending violations with the DEQ or other relevant regulatory agency.
14. Applicant will obtain all the necessary permits and abide by all applicable laws and regulations relevant to the project.
15. The project is consistent with state law and policy.

Project Clarifications/Revisions

During the proposal review process, applicants may be contacted for clarification and for the purpose of negotiating changes in project scope, activities, timetables, and budgeted costs. The DEQ reserves the right to award funds for an amount other than that requested and/or request written changes to, or clarification of, the proposed project. The DEQ reserves the right to reject budgeted line items considered inappropriate or excessive by the department, including in-kind goods and services applied as matching funds.

Requirements of Grant Recipients

Each grant recipient must enter into a grant agreement with the DEQ within 75 days of being awarded funding. The grant agreement will address the conditions of the grant award including implementation of the project as detailed by applicant's work plan, timetable, and budget information. The DEQ may seek modifications of the work plan and grant award prior to the execution of the final grant agreement. The grant agreement is a legal, binding document requiring several signatures for execution. The process of executing a grant agreement can take up to 75 days. Failure of the successful candidate to accept these obligations may result in cancellation of the award. The DEQ reserves the right to refrain from awarding grants and the right to offer partial funding for any approved proposal.

All applicants will need to complete an Authorization Resolution committing to the project and authorizing someone to sign the grant agreement (see Authorization Resolution and Certification below). Grant recipients are expected to keep accurate financial records of the project.

Grantees must provide written requests for changes to the budget and/or scope of the grant project, and written approval from the DEQ is required before the grantee may implement the proposed changes.

Contract Reimbursement for Project Expenditures

All grant projects are conducted on a cost reimbursement basis. Grantees will make their own payments for materials, equipment, supplies, personnel, and all other project expenditures. The reimbursement of grant fund expenditures are processed quarterly only after the grantee has submitted a complete quarterly status report approved by the grant administrator, with the value of each grant fund expenditure reimbursement limited to the amount listed in the project's line item budget. Expenses

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incurred prior to having a signed contract in place and expenses incurred after the end date of the grant agreement are not subject to reimbursement and are ineligible for the required grantee match.

Holdback

Ten percent (10%) of the grant award will be held back pending acceptance of a final project report by the DEQ.

Confidentiality

All information provided in pursuit of, and resulting from, State funding is subject to the Michigan Freedom of Information Act (FOIA), Public Act 442 of 1976.

Timeframe for Submitting Applications

Applications will be accepted starting October 17, 2005 but must be received no later than 4 p.m. on January 16, 2006 at the address listed below. Faxes and electronic submissions will not be accepted as an official application.

Judging Applications

Applications will be reviewed for expected pollution prevention, energy efficiency, process efficiency, and financial benefits, and transferability to other businesses and industries. Funds will be awarded based on the recommendations received from a review panel comprised of RETAP, ESSD, university, and industry representatives. Final decisions will be made by the DEQ.

Selection Criteria for the Michigan Pollution Prevention Research Grant Program

Proposals will be evaluated using the following primary criteria:

1. The proposal is complete, reasonable, and meets the "Minimum Requirements for a Successful Proposal."
2. The severity of the environmental waste problem being addressed including the degree to which the proposal addresses a significant need within the business community.
3. The extent that the P2 technological development will reduce the quantity or toxicity of environmental waste generated in Michigan.
4. The onsite, percentage reduction in the quantity or toxicity of generated environmental waste likely to be achieved by the P2 technology at its point of use.
5. The degree of transferability to other businesses or industries in Michigan.
6. The degree to which the proposal achieves P2 through innovative technologies or practices.
7. The likelihood of resulting in long-term improvement or protection in the health and safety of employees, the surrounding community, and the environment.
8. The magnitude of expected energy efficiency, process efficiency, financial, and other readily identifiable benefits of the P2 technology.
9. The degree to which the proposal represents a first commercialization, adoption, or full-scale demonstration of a P2 technology in Michigan, particularly at a small to mid-sized, manufacturer.
10. The ability of the applicant to contribute matching funds.
11. The extent of participation or direct support for the project from other businesses and organizations, or the business community in general.
12. The likelihood of the applicant's project qualifying for other research grants or subsequent research grants from other sources.
13. The types of businesses and operations likely to benefit from the proposed project.
14. The completeness/quality of the proposal and the likelihood for project success.
15. The cost effectiveness of the project.

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Please mail two (2) copies of your completed application to:

Mailing Address:

Attn: David Herb
Michigan Department of Environmental Quality
Environmental Science and Service Division
Constitution Hall – 1N
P.O. Box 30457
Lansing, Michigan 48909-7957

Overnight Delivery Address:

Attn: David Herb
Michigan Department of Environmental Quality
Environmental Science and Service Division
Constitution Hall – 1N
525 West Allegan
Lansing, Michigan 48933

Faxes and electronic submissions will not be accepted.

Be sure your proposal has been received at the office listed below by 4 p.m., January 16, 2006.

All other information--including binders, extraneous reports, etc.--may not be considered, reviewed or returned.

For Additional Information or Assistance

Contact Mr. David Herb of the Environmental Science and Services Division at 517-241-8176 or herbdw@michigan.gov

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Instructions for Grant Proposal

Contents

Your grant proposal must consist of the following:

1. Grant Proposal Cover Sheet
2. Project Description
3. Timetable and Work Plan
4. Grant Proposal Budget Form
5. Authorization Resolution and Certification Form
6. Letters of Commitment
7. Financial Statement(s)

Directions for each portion are included in this RFP. Follow all directions.

1. Grant Proposal Cover Sheet

The Grant Proposal Cover Sheet (form EQP 3509) asks for basic contact and project information. The cover sheet can be found on page 11 and the instructions for completing the cover sheet can be found on page 12. The cover sheet is to be filled out by the applicant and is the first page—Page 1—of your grant proposal. Other portions of the proposal will be attached to the cover sheet.

2. Project Description

In no more than ten pages, please provide the following information in this order, using these headings. Consider each numbered statement as it applies to your project. Use 11- or 12-point font on 8½” x 11” paper. Number the pages and attach to Page 1, the Grant Proposal Cover Sheet.

A. Environmental Waste Generation Problem

Describe the issues and the severity of the Michigan environmental waste problem to be addressed by this grant, including:

1. The specific environmental waste(s) being generated;
2. The approximate annual quantity and physical characteristics of the waste(s) being generated;
3. The processes and operations generating the waste(s);
4. The types and approximate number of businesses generating the waste(s);
5. The environmental, health, and economic costs associated with the waste(s), and
6. Why the generation of the waste(s) represents a significant P2 need in the business community.

B. Current Technology

Describe the current technologies and practices associated with the final disposition of the waste(s) described in Section A(1) above, including the advantages, disadvantages, equipment, and costs associated with each.

C. Proposed P2 Technology

Describe in detail the innovative P2 technology or practice that will undergo first implementation or further research and development under this grant, including:

1. How the technology satisfies the definition of pollution prevention (i.e. eliminates the generation of waste at its source, or utilizes environmental sound reuse or recycling);
2. Why the technology is considered innovative;
3. How the technology works and its current development and usage status;
4. The onsite, percentage reduction in the quantity or toxicity of the generated environmental waste(s) likely to be achieved by the technology at its point of use;

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5. The technology's anticipated impact on the long-term improvement or protection in the health and safety of employees, the surrounding community, and the environment;
6. The magnitude of expected energy efficiency, process efficiency, financial, and other readily identifiable benefits of the technology;
7. The known or anticipated equipment, labor, material, and energy costs of the technology;
8. The types of businesses and operations likely to directly benefit from the technology;
9. The degree of transferability of the technology to other Michigan businesses and industries, and
10. The anticipated reduction in the quantity or toxicity of environmental waste generated in Michigan upon the technology being fully developed and adopted within industry.

D. Project Overview and Partners

Provide an overview of the proposed project, including:

1. A summary of the previous research and implementations conducted on the project's P2 technology;
2. The major/critical tasks of the project;
3. The partners in the project and their roles and commitments, and
4. All other sources of funding you have received or anticipate for this proposal and continuing work.

E. Project Goals and Objectives

Clearly state the goals and objectives of the project and how you plan to successfully achieve each.

F. Project Evaluation and Measurements

Describe how an evaluation of the project will be done, including:

1. How project success will be defined and measured;
2. How you will specifically measure and track the pollution prevention, process and energy efficiency, financial, and other benefits/costs of the technology. Include a listing of parameters that will be used to quantify the benefits and costs of the technology, and
3. How evaluation results will be provided to the DEQ, and otherwise used by you and your partners, and how the results will be disseminated to others.

G. Qualifications and Experience

Describe the qualifications and experience of your organization, partners, and key project staff to meet the technical and financial requirements of the proposal including relevant programs, available resources, and previous accomplishments.

3. Timetable and Work Plan

In no more than four pages, please provide the following information in this order, using these headings. Use 11- or 12-point font on 8½" x 11" paper. Number the pages and attach to the Project Description.

A. Timetable

List in chronological order a schedule of significant tasks including purchases, construction, installations, contractual services, training, testing, data acquisition, meetings, reports, ect. necessary to successfully completing the proposed project. Provide an anticipated start and end date for each listed task, and whether the grantee or a subcontractor will be responsible for completing each listed task. The timetable should be presented in a grid/table covering all months of the project.

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B. Work Plan

Using the timetable, describe each task, how it will be accomplished, who is responsible for carrying out the task, and their title. Provide sufficient detail in describing each task that is not self-explanatory. Briefly describe all activities not explicitly listed in the timetable that are critical to achieving a successful project.

4. Budget

Fill out the two-page Grant Proposal Budget Form (EQP 3509A) and attach to the Project Work Plan. The budget form can be found on pages 13-14 and the specific instructions for completing the form can be found on page 15. In completing the budget form, be sure to comply with the following directions:

- Review the Ineligible Costs section given above.
- Round off to the nearest dollar.
- Include enough detail that the reviewer understands who and what is being charged.
- Under each Budget Category (column A), list the activities that will be charged against the grant or counted as applicant match.
- The applicant match is the financial commitment made by the grantee to help implement the project. A 100 percent or greater applicant match to grant funds is required to receive funding. This is a match to the total grant funds, not a line-by-line match for each activity.
- Column D, Total, is a summation of Column B and Column C for each row in the table. You will therefore have a Column D total for each activity you list in the table, and a Column D total for each Budget Category Subtotal. You will also have a Column D total for Budget Category 6 (Indirect Costs) and Budget Category 7 (Grand Total).
- The Budget Categories Subtotal is a column summation for all activities listed under a given budget category. You will therefore have a subtotal amount for Column B, Column C, and Column D for the first five budget categories provided in the form.

5. Authorization Resolution and Certification

The Authorization and Certification Statement form (EQP 3509B) must be completed, signed, dated, and attached to the proposal to receive grant consideration. The form can be found on page 16.

6. Letters of Commitment

These are letters from partners in the project committing a specific amount of money, time, activities, or other specific resources for the project. Each partner named in the Project Description must provide a Letter of Commitment that clearly indicates the resources their organization is committing to the project, signed and dated appropriately. Include the letters with your proposal.

7. Financial Statement

All applications must include a letter from a certified public accountant documenting the financial solvency of each partnering organization committing money, staff time, or tangible resources to the project. The letter must be based on the organization's current balance sheets/financial statements. The letter must include a statement indicating that the organization has in place a financial accounting system that operates in accordance with generally accepted accounting principles, and that the organization is likely to remain solvent for the duration of the proposed project.



MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM GRANT PROPOSAL COVER SHEET

(Authority: Part 145, PA 451 of 1994, as amended. To be considered for a grant, completion of this form is required.)

Please print with black ink or type all information.

SECTION I. GENERAL INFORMATION		
1. NAME AND TITLE OF PERSON WITH GRANT ACCEPTANCE AUTHORITY		
2. ORGANIZATION NAME		
3. TYPE OF ORGANIZATION	SIC Code (if known)	
4. MAILING ADDRESS (number and street)	P.O. BOX (if applicable)	
CITY	STATE	ZIP CODE
5. TELEPHONE NUMBER (include area code) ()	6. FAX NUMBER (include area code) ()	
7. E-MAIL ADDRESS (if available)	8. ORGANIZATION WEB SITE ADDRESS (if available)	
9. ARE YOU AN ORGANIZATION WITH LESS THAN 500 EMPLOYEES IN MICHIGAN? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. RETAP WASTE ASSESSMENT? <input type="checkbox"/> YES <input type="checkbox"/> NO	

SECTION II. PROJECT INFORMATION		
1. PROJECT TITLE		
2. ESTIMATED PROJECT START DATE ____/____/____	ESTIMATED PROJECT COMPLETION DATE ____/____/____	
3. GRANT AMOUNT REQUEST \$ _____	+ APPLICANT MATCH \$ _____	= TOTAL COST OF PROJECT \$ _____
4. PROJECT ADDRESS (if different from mailing address above)		
CITY	COUNTY	ZIP CODE
5. PROJECT CONTACT (if different from Section I, subsection 1 above).		
PROJECT CONTACT TITLE	E-MAIL ADDRESS (if available)	
TELEPHONE NUMBER (include area code) ()	FAX NUMBER (include area code) ()	
6. IF ALL CORRESPONDENCE IS TO GO TO THE PROJECT CONTACT, CHECK THIS BOX. <input type="checkbox"/>		

EQP 3509 (1/04)

This is page 1 of your proposal



MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY, ENVIRONMENTAL SCIENCE AND SERVICE DIVISION
MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
GRANT PROPOSAL COVER SHEET INSTRUCTIONS

(Authority: Part 145, PA 451 of 1994, as amended. To be considered for a grant, completion of this form is required.)

SECTION I. GENERAL INFORMATION	
1. NAME AND TITLE OF PERSON WITH GRANT ACCEPTANCE AUTHORITY	Enter the full name and title of the person with grant acceptance authority that is applying for the grant.
2. ORGANIZATION NAME	Enter the full name of the organization applying for the grant.
3. TYPE OF ORGANIZATION	Briefly describe the nature of your organization or operation. Include the Standard Industrial Classification (SIC) Code if known.
4. MAILING ADDRESS	Enter the mailing address including city, state, and zip code. Enter a post office box number if applicable. <u>All</u> correspondence will be sent to the person with grant acceptance authority at this address <u>unless</u> noted below.
5. TELEPHONE NUMBER	Enter the telephone number, including the area code, of the person with grant acceptance authority.
6. FAX NUMBER	Enter the fax number, including the area code, of the person with grant acceptance authority.
7. E-MAIL ADDRESS	Enter the E-mail address of the person with grant acceptance authority if available.
8. ORGANIZATION WEB SITE ADDRESS	Enter the Web site address of the organization if available.
9. ARE YOU AN ORGANIZATION WITH LESS THAN 500 EMPLOYEES IN MICHIGAN?	Check the YES or NO box as appropriate for your organization.
10. RETAP WASTE ASSESSMENT?	Indicate YES or NO whether your organization received a RETAP waste assessment. NOTE: A RETAP waste assessment is encouraged but not a requirement for a grant under this program.
SECTION II. PROJECT INFORMATION	
1. PROJECT TITLE	Enter the name of the project (e.g. Advanced Acid Recycling Membrane Technology Research Project).
2. ESTIMATED PROJECT START AND COMPLETION DATES	Enter the estimated start and completion dates (month/day/year) of the project.
3. GRANT AMOUNT REQUEST, APPLICANT MATCH, AND TOTAL COST OF PROJECT	Enter the dollar amount of the grant request (i.e. the amount of funding you are seeking), the dollar amount of the applicant match (i.e. the amount of funding the applicant is committing to the project, either cash or in-kind) and the total cost of the project (i.e. the sum of the grant amount request and applicant match).
4. PROJECT ADDRESS	Enter the address of the project including city, county, and zip code (if different from mailing address in Section I, subsection 4 above). If a street address is not available, enter other appropriate identifiers that describe the physical location of the project. A post office box number is not acceptable for the location.
5. PROJECT CONTACT	If the person with grant acceptance authority (as provided in Section I, subsection 1) is not the contact for the project, then enter the full name, title, E-mail address, telephone number, and fax number of the project contact.
6.	If all correspondence is to go to the project contact, then check the box provided.



MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM GRANT PROPOSAL BUDGET FORM

(Authority: Part 145, PA 451 of 1994, as amended. To be considered for a grant, completion of this form is required.)

Project Contact's Name and Phone Number _____

Project Title _____

Please print with black ink or type all information.

BUDGET – Page 1 of 2			
Column A BUDGET CATEGORIES	Column B GRANT FUNDS	Column C APPLICANT MATCH	Column D TOTAL
1. BUILDING & FACILITIES MODIFICATIONS			
Subtotal:			
2. EQUIPMENT, SUPPLIES & MATERIALS			
Subtotal:			

GRANT PROPOSAL BUDGET FORM - Continued

BUDGET – Page 2 of 2			
Column A BUDGET CATEGORIES	Column B GRANT FUNDS	Column C APPLICANT MATCH	Column D TOTAL
3. CONTRACTUAL SERVICES:			
Subtotal:			
4. STAFFING COSTS: Include Fringe benefits and Travel costs.			
Subtotal:			
5. OTHER COSTS:			
Subtotal:			
6. INDIRECT COSTS (Rate _____ %)			
7. GRAND TOTAL			



MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM GRANT PROPOSAL BUDGET FORM INSTRUCTIONS

(Authority: Part 145, PA 451 of 1994, as amended. To be considered for a grant, completion of this form is required.)

BUDGET INFORMATION – Please review Section 4. Budget of the RFP prior to completing the form	
1.	BUILDING & FACILITIES MODIFICATIONS List each significant building or facility modification necessitated by the project in Column A. Any modification not critical to the success of the project must <u>not</u> be counted toward the total cost of the project.
2.	EQUIPMENT, SUPPLIES & MATERIALS In Column A, list all equipment, supplies, and materials required for the project. Equipment is defined as an article of non-expendable, tangible personal property having a useful life of more than one year. For supplies and materials, itemize as necessary, and explain any cost that may appear out of the ordinary.
3.	CONTRACTUAL SERVICES Contractual costs are services provided by staff or agencies other than the grantee. Any services not provided by the grantee should be listed here. If any part of the work in the grant is to be subcontracted, responses to this RFP must include a description of all work to be subcontracted. The state reserves the right to approve all subcontractors for this project and reserves the right to require the grant recipient to replace subcontractors found to be unacceptable.
4.	STAFFING COSTS List each staff person on the project, their title (e.g. manager, engineer, clerical, etc.), the estimated number of hours each person will work on the project, and his or her <u>hourly rate</u> . Hours attributed to training essential project staff should be included. Place the costs for each staff person (number of hours times their hourly rate) in Columns B and C. Staffing costs for staff in organizations other than the grant recipient should be budgeted under Contractual Services. Fringe benefits include insurance, FICA, federal, state and local taxes, vacation and sick time, and workers' compensation. Most organizations have set fringe benefit rates. Use your organization's fringe benefit rate, up to 40 percent. The DEQ reserves the right to request information indicating how fringe benefits were calculated. <u>Travel costs:</u> Show mileage separately from lodging and meals in Column A. Conference fees should also be listed here. Mileage costs should be shown as number of miles times the mileage rate. NOTE: A \$0.328 per mile is the highest allowable mileage rate allowed by the DEQ.
5.	OTHER COSTS Other costs are project costs not appropriately listed under the other budget categories provided in Section VIII of the application. Not all projects will have "other costs." Double check that your "other costs" are not considered "indirect costs" (see below).
6.	INDIRECT COSTS Indirect costs have been referred to as "the cost of doing business." Typical indirect costs are associated with, but not limited to office space, telephones, office equipment rental and usage, and general office supplies. Most agencies have a set indirect rate for such costs. Use your agency's indirect rate, <u>up to 20 percent of salary and fringe benefits</u> , and include the rate at which your indirect costs are being calculated in Column A. The DEQ reserves the right to request information indicating how indirect costs were calculated.
7.	GRAND TOTAL Determine the grand total for Column B, Column C, and Column D. Note that the grand totals for these columns should be the same as those given in Section II, subsection 3 of the Grant Proposal Cover Sheet. The grand total for Column B should be the same as "The Grant Amount Requested." The grand total for Column C should be the same as "Applicant Match," and the grand total for Column D should be the same as "Total Cost of Project."



MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM GRANT PROPOSAL AUTHORIZATION RESOLUTION AND CERTIFICATION STATEMENT FORM

(Authority: Part 145, PA 451 of 1994, as amended. To be considered for a grant, completion of this form is required.)

AUTHORIZATION RESOLUTION AND CERTIFICATION INSTRUCTIONS

The person with grant acceptance authority for your organization must certify the truth and accuracy of the proposal, and by signing the authorization resolution and certification statement, agrees to the terms and conditions outlined therein and that the proposed project, in its entirety, will be conducted in accordance with all applicable laws and regulations.

Instructions

1. Type or print the complete name of your organization on the line provided at the beginning of the first paragraph.
2. Type or print the name and title of the person with grant acceptance authority of your organization on the line provided at the beginning of the second paragraph.
3. The person with grant acceptance authority for your organization must sign the authorization resolution and certification statement and indicate the date signed.

AUTHORIZATION RESOLUTION AND CERTIFICATION STATEMENT

WHEREAS, _____

has applied for a grant from the Michigan Department of Environmental Quality (DEQ), under its Michigan Pollution Prevention Research Grant Program, and is committed to implementing the proposed project as described in this grant proposal, if DEQ funding is received, and understands the DEQ requires a signed grant agreement that identifies the terms and conditions of the funding award, and hereby agrees to enter into a grant agreement and sign a grant agreement with the DEQ to carry out the project specified therein and to comply with all of the terms, conditions, and matching provisions of the grant agreement within 75 days of being awarded funding.

I, _____,

certify that I have reviewed and agree to the above authorization resolution, and that I have personally examined and am familiar with the information submitted herein, and that, based on my inquiry of those individuals responsible for obtaining the information, I believe that this proposal is true, accurate, and complete. Furthermore, by certifying this proposal, I, and the organization that I represent, agree to the terms and conditions outlined in the Michigan Pollution Prevention Research Grant Program Request for Proposal, under which this proposal has been submitted.

Signature

Date



MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM

TERMS AND CONDITIONS OF GRANT AWARD

(Authority: Part 145, PA 451 of 1994, as amended.)

In signing the Authorization Resolution and Certification Statement form provided in this application, Applicant certifies their familiarity and agreement with the terms and conditions provided herein.

1. Financial Statement: All applications must include a letter from a certified public accountant documenting the financial solvency of each partnering organization committing money, staff time, or tangible resources to the project. The letter must be based on the organization's current balance sheets/financial statements. The letter must include a statement indicating that the organization has in place a financial accounting system that operates in accordance with generally accepted accounting principles, and that the organization is likely to remain solvent for the duration of the proposed project.
2. Responsibilities of Grant Recipients:
 - a. The grant recipients agree to the Terms and Conditions of Grant Award provided herein, and the grant recipients understand the State of Michigan (State) will not consider or issue any variances to these terms and conditions in any grant agreement issued under the Michigan Pollution Prevention Research Grant Program (Program).
 - b. Successful grant recipients will be required to enter into a grant agreement with the State within 75 days of the grant award.
 - c. The grant recipients understand that it is a crime to knowingly and willfully file false information with the State for the purpose of obtaining a grant agreement or any payment under the agreement, and that any such filing may subject the grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the grant.
 - d. Grant recipients will be required to carry out all obligations contained in the grant agreement with the State. A grant agreement consists of standard "boilerplate" language, and the grant recipient's application and addendums, including the Terms and Conditions of Grant Award provided here.
 - e. The State reserves the right to review and approve all written products developed and paid for by grants or used for applicant match. The grant recipient or its subcontractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in designs, drawings, specifications, reports, or other services. All such written products shall be owned by the State and shall be considered works made for hire by the grantee for the grantor. The State shall own all United States and international copyrights, trademarks, patents or other proprietary rights in the written products.
 - f. Grant recipients will be responsible for meeting the match amount committed in the grant agreement.
 - g. All local, state, and federal permits, if required, are the responsibility of the grant recipient. Permit approval is independent of any grant award.
 - h. The grant recipient shall secure all personnel necessary to complete the project. All personnel shall be under the direct supervision of the grantee. The grant recipient shall make all payments required by law for workers' compensation insurance, social security, income tax, unemployment compensation, and all other taxes or payroll deductions as required by law. The grant recipient shall be solely responsible to pay all taxes, if any, that arise from the grantee's receipt of this grant.

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

- i. Additional requirements, relevant to an individual grant award, may be specified in the grant agreement.
3. Compliance with Law and Regulations: All grant recipients' and subcontractors' performance under the grant agreement will be conducted in compliance with all applicable federal, state, and local laws, regulations, guidelines, and directives. Payment of funds expended under the agreement are contingent upon the grantee demonstrating consistent compliance with all applicable environmental requirements and having no outstanding unresolved violations.
4. Conduct and Standard of Work: The grant recipient's work shall be carried out under the supervision of the State's designated representative, who may issue written or oral instructions to fill in details of the work to be performed. Any instructions that affect the scope of work, price, period of performance, or any other provision of this contract must be in accordance with specific provisions of the grant agreement. The grantee agrees that the performance of the services under this agreement shall conform to high professional standards.
5. Reporting:
 - a. The grant recipient must submit status reports to the State's designated representative following each calendar quarter of the grant period. A quarterly status report consists of: 1) a narrative status report, detailing the status of each task; and 2) a financial status report documenting expenditures for that quarter. Any products developed during the quarter are to be submitted with the quarterly status report. Copies of all products and quarterly status reports shall be submitted to and approved by the State before payment will be made.
 - b. Quarterly status reports are due 30 days after the quarter's end (except as noted as follows). Reports shall be due on April 30 for the period between January 1 and March 30; July 31 for the period between April 1 and June 30; October 8 for the period between July 1 and September 30; and January 31 for the period between October 1 and December 31.
 - c. The State reserves the right to request annual progress reports of any grant recipient.
 - d. Final project reports will be submitted to and approved by the State before final grant payment will be made. Final reports must provide project information and data as outlined in a final report guidance document to be provided by the State's designated representative, including the goals, objectives, results, lessons learned, and a technical and financial analysis of the pollution prevention and energy efficiency benefits of the project.
 - e. The State reserves the right to request a fact sheet, case study, and follow-up survey of any grant recipient. A fact sheet is a one or two page summary of the project. A case study is an abbreviated final report that may include information on the history of the company, project, and funding program. A follow-up survey provides abbreviated data on the pollution prevention and energy efficiency benefits of the project for a specified period from the date of the final project report.
6. Grant Acknowledgments: The cover or title page of all reports, studies, or other documents resulting from contracts supported in whole or in part by any grant awarded under this Program shall acknowledge the financial assistance provided by the Michigan Pollution Prevention Research Grant Program, administered by the Department of Environmental Quality, Environmental Science and Services Division.

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

7. Assignability: The grant recipient shall not assign any grant agreement or assign or delegate any of its duties or obligations under the agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the grantee and any sub-grantee/partner or contractor.
8. Subcontracts:
 - a. The grant recipient will be required to secure professionally qualified personnel and/or subcontractors necessary to perform the duties of the contract. The State reserves the right to approve all subcontractors for the contract and to require the grant recipient to replace subcontractors found to be unacceptable.
 - b. The grant recipient will be required to assume responsibility for all contractual activities included in this proposal, whether or not they perform them. Further, the State will consider the grantee the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract. The grant recipient is totally responsible for adherence by the subcontractor to all provisions of the contract.
9. Competition in Subcontracting: The grant recipient shall select subcontractors (including supplies) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the contract.
10. Bids, Contractors:
 - a. For grant agreements over \$20,000 the grant recipient shall provide, or cause to be provided, the qualifications of the selected contractor(s) to the State. The State reserves the right to object to the selected contractor(s) or their qualifications. If the State has objections, it will inform the grantee in writing within thirty (30) days of receipt of the selected contractor's qualifications.
 - b. For any contract except professional services, the grant recipient shall solicit, or cause to be solicited, bids from at least three qualified contractors. The grantee shall provide copies of all bids received to the State. If the contractor that submitted the lowest bid is not the contractor selected, the grantee must submit written justification for the selection.
11. Key Personnel: Any personnel specified in the grant application to any future grant agreement are considered to be essential to the work being performed thereunder. Prior to diverting any of the specified individuals to other programs, the grant recipient shall notify the State reasonably in advance and shall submit justification, including proposed substitutions, in sufficient detail to permit evaluation of the impact on the program. No substitution of key personnel shall be made by the grantee without written consent of the State's designated representative.
12. Confidentiality: All information provided in pursuit of, and resulting from, State funding is subject to the Michigan Freedom of Information Act (FOIA), Public Act 442 of 1976.
13. Intellectual Property:
 - a. The grant recipient agrees that any written documents which are specified to be delivered under the grant agreement, or which are developed or produced and paid for under the agreement are subject to the rights of the State. The State

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

- shall retain an irrevocable license to produce, publish, and use in whole or in part, and to authorize others to do so, any such written documents.
- b. If the grant agreement involves research, development, experimentation, or demonstration work, and any discovery or invention arises or is developed in the course of or under the agreement, the grant recipient will grant to the State a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Deliverables and related documentation according to the terms and conditions of this Agreement. For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.
 - c. The State may modify the Deliverable and may combine the Deliverable with other programs or materials to form a derivative work. The State will own and hold all copyright, trademarks, patent and other intellectual property rights in any derivative work, excluding any rights or interest in Deliverable other than those granted in the grant agreement.
 - d. The State may copy each Deliverable to multiple hard drives or networks unless otherwise agreed by the parties.
 - e. The State will make and maintain no more than one archival copy of each Deliverable, and each copy will contain all legends and notices and will be subject to the same conditions and restrictions as the original. The State may also make copies of the Deliverable in the course of routine backups for the purpose of recovery of contents.
 - f. In the event that the grantee shall, for any reason, cease to conduct business, or cease to support the Deliverable, the State shall have the right to convert these licenses into perpetual licenses, with rights of quiet enjoyment, but subject to payment obligations not to exceed the then current rates.
14. Incurring Costs: The State is not liable for any costs incurred by the grant recipient or any subcontractor prior to the signing of a grant agreement. Liability of the State is limited solely to the terms and conditions of the agreement. The state fiscal year is October 1 through September 30. Grants awarded in any given fiscal year are contingent upon enactment of both federal and state legislative appropriations.
15. Extras: Except as otherwise provided in the grant, no payment for extras shall be made unless such extras and the price therefore have been previously authorized in writing by the State.
16. Fees and Other Sources of Funding: The grant recipient shall not seek nor obtain funding through fees or charges to any client receiving services for which the State reimburses the grantee under any grant agreement. The grant recipient guarantees that any claims made to the State under the agreement shall not be financed by any source other than the State under the terms of the agreement. If funding is received through any other source, the grantee agrees to delete from grantee's billings or to immediately refund to the State, the total amount representing such duplication of funding.
17. Obligation of Grant Funds: Grant funds may not, without advance written approval of the State, be obligated prior to the effective date or subsequent to the expiration date of the grant agreement. Obligations outstanding as of the expiration date shall be liquidated within 45 days. Such obligations must be related to goods or services provided and utilized within the contract period, except that reasonable costs associated solely with the contract closeout, e.g., final reports, may be incurred within a short time after the expiration date.

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

18. Compensation:

- a. The grant recipient is committed to the match amount on page one of their proposal.
- b. A breakdown of project costs covered under the proposal is identified in the grant recipient's Grant Proposal Budget Form. All other costs necessary to complete the proposed project are the sole responsibility of the grant recipient.
- c. Expenditures made by the grant recipient prior to the Start Date or after the End Date of the grant agreement are not eligible for payment under the agreement and are ineligible for the required grantee match.
- d. All grant projects are conducted on a cost reimbursement basis. Grantees will make their own payments for materials, equipment, supplies, personnel, and all other project expenditures. Reimbursement requests shall be submitted with the quarterly status reports for the same period and must include supporting documentation of eligible project expenses including the required proof of payment as specified by the forms provided by the State. The reimbursement of grant fund expenditures are processed quarterly only after the grantee has submitted a complete progress report approved by the State, with the value of each grant fund expenditure reimbursement limited to the amount listed in the project's line item budget.
- e. Quarterly status reports submitted by the grant recipient must be approved by the State prior to payment. The State reserves the right to request additional information before approving a quarterly status report.
- f. If the grant recipient is unable to submit a payment request by October 8 for the quarter ending September 30, an estimate of expenditures through September 30 must be submitted to allow the State to complete its accounting for that fiscal year. The grant recipient shall be notified by the State by September 1 of the annual due date for expenditures through September 30.
- g. An amount equal to ten percent (10%) of the total grant award shall be withheld by the State until the final project documents are received and approved by the State.

19. Match:

- a. The grant recipient agrees to provide a match to the project as detailed in their project proposal. The grant recipient shall expend all of the match committed to the project by the End Date of the grant agreement.
- b. If real or personal property (e.g. equipment) will be donated as the match or a portion of the required match, the grant recipient shall submit to the State documentation of an appraisal performed by a state-certified property appraiser. For property valued at or in excess of \$500,000, the grantee shall submit documentation of a second appraisal.
- c. For real property donated as match, the grant recipient shall submit documentation, before or within sixty (60) days of the End Date, of a marketable record title free of liens and encumbrances, and proof of title insurance.
- d. In the event the match expended or donated by the End Date is less than the amount in the grant agreement, the amount of the grant shall be reduced at the discretion of the State so that the match percentage remains the same as described in the agreement. The grantee may be required to reimburse the State for any funds disbursed to the grantee over the amount of the reduced grant.

20. Termination: The grant agreement may be terminated by either party upon giving reasonable notice to that effect to the other party and provided a reasonable adjustment (in relation to the portion of the project which has been completed) is made between the parties as to the funds which have been paid or are to be paid by the State to the grantee.

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

21. Cancellation: The grant agreement may be cancelled, upon 30 days written notice, due to Executive order, budgetary reduction, or other lack of funding.
22. Suspension of Contract: If the grant recipient shall fail to fulfill in a timely manner his/her obligations under the grant agreement, or if the grantee shall violate any of the covenants, agreements, or stipulations of the agreement, the State shall thereupon have the right to terminate the agreement by giving written notice to the grantee of such termination and specifying the effective date thereof, at least 30 days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials. Notwithstanding the above, the grantee shall not be relieved of liability to the State for damages sustained by the State by virtue of any breach of the contract by the grantee, and the State may withhold any payments due to the grantee under the agreement for the purpose of setoff until such time as the exact amount of damage due the State from the grantee is determined by a court of competent jurisdiction.
23. Closeout:
 - a. A determination of project completion shall be made by the State upon satisfactory completion of the activities and deliverables described in the grant agreement and a site inspection, if applicable.
 - b. The grantee shall provide the State, within 10 working days of the End Date of the grant, with all financial, performance, and other reports available and required as a condition of the agreement. The grantee shall submit a request for final payment within 10 days from the End Date of the grant.
 - c. As a condition of final payment, the grantee shall deliver to the State a release of all claims against the State arising under the agreement. Unless otherwise provided in the agreement or by State law, final payment under the agreement shall not constitute a waiver of the State's claims against the grantee.
 - d. The grantee shall immediately refund to the State any payments or funds advanced to the grantee in excess of allowable reimbursable billings.
 - e. Grants may be audited by the State. In the event a grant project is required to be audited, the amount held back under may be retained by the State until the audit is completed.
24. Audit Requirements: All grant projects may be subject to a post-project audit. The DEQ, Office of Internal Audit will conduct an audit of all the ESSD Administration Section files, and may conduct an audit of a grant recipient's financial files before releasing final payment to the grantee. Therefore, grantees will be expected to maintain records and make available to the DEQ all records pertaining to the grant. Grantees will be required to submit detailed information in their project status reports.
25. Examination of Records: Any books, documents, papers, and records of the grant recipient that are pertinent to the financial assistance received under this Program shall be kept separately and shall be made available for audit, examination, and copying by any duly authorized representative of the state or federal government. All pertinent records must be retained and available for inspection for three years after completion of the final financial transaction.

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

26. Accounting System Survey: If so requested by the State, a grant recipient receiving \$25,000 or more in grant funds will cooperate with a survey of its accounting system early in the contract period. This step, involving examination by a state auditor or designated representative, may be conducted by a visit to the grant recipient's offices if in the state of Michigan; otherwise the grantee will furnish copies of detailed records to the State. On completion of the survey, the grantee will adopt any improvements in accounting practices which may be necessary to meet minimum federal audit requirements.
27. State Held Harmless: Each party to the agreement must seek its own legal representation and bear its own costs, including judgments in any litigation which may arise from performance of the grant agreement. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.
28. Liability:
- a. All liability, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities to be carried out pursuant to the obligations of the grant recipient under a grant agreement shall be the responsibility of the grantee, and not the responsibility of the State, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the grant recipient, any subcontractor, anyone directly or indirectly employed by the grant recipient, provided that nothing herein shall be construed as a waiver of any governmental immunity the grant recipient has as provided by statute or modified by court decisions.
 - b. All liability, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities to be carried out by the State in the performance of a grant agreement shall be the responsibility of the State and not the responsibility of the grant recipient if the liability, loss, or damage is caused by or arises out of, the action or failure to act on the part of any State employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity by the State, its agencies or employees as provided by statute or court decisions.
 - c. In the event that liability, loss, or damage arises as a result of activities conducted jointly by the grant recipient and the State in fulfillment of their responsibilities under a grant agreement, such liability, loss, or damage shall be borne by the grant recipient and the State in relation to each party's responsibilities under these joint activities, provided that nothing herein shall be construed as a waiver of any governmental immunity by the grantee, the State, its agencies, or their employees, respectively as provided by statute or court decisions.
29. Indemnification:
- a. To the extent permitted by law, the grantee shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the grantee in the performance of the grant agreement and that are attributable to the negligence or tortious acts of the grantee or any of its subcontractors, or by anyone else for whose acts any of them may be liable.
 - b. In any and all claims against the State, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the grantee or any of its subcontractors, the indemnification obligation under the agreement shall not be

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

limited in any way by the amount or type of damages, compensation or benefits payable by or for the grantee or any of its subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

- c. To the extent permitted by law, the grantee shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service developed or supplied by the grantee or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.
- d. The grantee's duty to indemnify pursuant to this section continues in full force and effect, notwithstanding the expiration or early cancellation of the Agreement, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

30. Insurance:

- a. The grant recipient shall maintain insurance that will protect it from claims that may arise from the grantee's actions under the grant agreement or from the actions of others for whom the grantee may be held liable.
- b. The grant recipient shall comply with applicable workers' compensation laws while engaging in activities authorized under the grant agreement.

31. Unemployment Compensation: The grant recipient is liable for any valid unemployment compensation claims. No unemployment compensation claims will be paid from the grant agreement. This provision does not prohibit standard allocations to unemployment compensation funds as part of approved indirect cost/fringe benefit arrangements.

32. Officials Not to Benefit: No member of the Legislature of the State of Michigan or any individual employed by the State, or any member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of the grant agreement, or to any benefit that may arise there from.

33. Independent Capacity of Contractor: The parties agree that the grant recipient, and any agents and employees of the grantee, in the performance of the grant agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

34. Gratuities: If the State finds, after a notice and hearing, that the grant recipient or any of their agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State, in an attempt to secure a sub-agreement or favorable treatment in awarding, amending, or making any determinations related to the performance of a grant agreement, the State may, by written notice to the grant recipient, terminate the agreement.

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

35. Nondiscrimination: The grant recipient shall not discriminate against an employee or applicant for employment with respect to their hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position. The grant recipient further agrees that any sub-agreement shall contain a nondiscrimination provision identical to this provision and binding upon any and all subcontractors. This covenant is required pursuant to the Elliott Larsen Civil Rights Act, 1976 Public Act 453, as amended, MCL 37.2201, *et seq*, and the Persons with Disabilities Civil Rights Act, 1976 Public Act 220, as amended, MCL 37.1101, *et seq*, and any breach thereof may be regarded as a material breach of the contract or purchase order.
36. Conflict of Interest: No government employee or member of the legislative, judicicia, or executive branches of local, State, or federal government shall benefit from any part of this agreement.
37. Political Activity Prohibited: None of the funds, materials, property, or services contributed by the State or the grant recipient under the grant agreement shall be used in the performance of this agreement for any partisan political activity, or to further the election or defeat of any candidate for public office.
38. Covenant Against Contingent Fees: The grant recipient warrants that he/she has not employed or retained any company or person, other than a bona fide employee working solely for the grant recipient, to solicit or secure the grant agreement, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the grant recipient, any fee, commission, percentage, brokerage fee, gift, or other consideration, contingent upon or resulting from the award or making of the agreement. For breach or violation of this warranty, the State shall have the right to annul the agreement without liability, or in its discretion to deduct from the contract price or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.
39. Availability to Users: Projects developed for public use with assistance from the grant agreement shall be open to entry and use by all persons, regardless of race, color, religion, sex or national origin, who are otherwise eligible. Discrimination on the basis of residence, including preferential reservation or membership systems, is prohibited, except to the extent that differences in admission or other fees may be maintained on the basis of residence where local contributions to the project make such differences reasonable.
40. Unfair Labor Practices: Pursuant to 1980 Public Act 278, as amended, MCL 423.231, *et seq*, the State of Michigan shall not award a contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to Section 2 of the Act. The grant recipient shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to Section 4 of 1980 Public Act 278, MCL 423.324, the State may void any contract if, subsequent to award of the contract, the name of the grantee as an employer, or the name of the subcontractor, manufacturer, or supplier of the grantee appears in this register.
41. Debarment and Suspension: Assurance will be given to the State that the grant recipient certifies to the best of its knowledge and belief that it and its subcontractors:

**MICHIGAN POLLUTION PREVENTION RESEARCH GRANT PROGRAM
TERMS AND CONDITIONS OF GRANT AWARD (continued)**

- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or contractor;
- b. Have not, within a three-year period preceding the agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in section 2; and
- d. Have not, within a three-year period preceding the agreement, had one or more public transactions (federal, state, or local) terminated for cause or default.

42. Disputes:

- a. Except as otherwise provided under the grant agreement, any dispute concerning a question of fact arising under the grant agreement, which is not disposed of by agreement, shall be decided by the State's designated representative, who shall reduce his/her decision to writing and mail or otherwise furnish a copy thereof to the grantee. The decision of the State's designated representative shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the grantee mails or otherwise furnishes to the State's designated representative a written appeal. Pending final decision of disputes hereunder, the grantee shall proceed diligently with the performance of the contract and in accordance with the State's designated representative decision.
- b. This "disputes" paragraph does not preclude consideration of law questions in connection with decisions provided for in the preceding subparagraph above; provided that nothing in the grant agreement shall be construed as making final the decision of any administrative official, representative, or board on a question of law.