

P.O. Box 995  
1550 Gadsden Street  
Columbia, SC 29202  
dew.sc.gov



Nikki R. Haley  
Governor

Cheryl M. Stanton  
Executive Director

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## STATE INSTRUCTION NUMBER 15-09

**To:** Local Area Signatory Officials  
Local Area Administrators

**Subject:** Local Workforce Development Area Agreement

**Issuance Date:** November 13, 2015

**Effective Date:** January 1, 2016

**Purpose:** This State Instruction formally transmits the final Local Workforce Development Area Agreement.

**Background:** The Local Workforce Development Area Agreement establishes the working relationship between the Department of Employment and Workforce (DEW), as the designated state agency responsible for implementation and administration of the Workforce Innovation and Opportunity Act (WIOA), and the designated grant recipient/fiscal agent in each of the local workforce development areas. The Agreement outlines the goals, responsibilities, and obligations of the parties with respect to the administration of WIOA programs, for which federal funds are allocated by DEW to the local grant recipient. The document addresses WIOA requirements, as well as the administrative requirements and cost principles contained in the new federal Uniform Guidance Regulations. Throughout the drafting of the Agreement, DEW solicited and incorporated comments from local signatory officials and workforce administrators to ensure understanding of the state-local partnership.

**Policy:** Following this State Instruction, an individual Agreement will be sent to each local workforce area for signature and full execution by January 1, 2016.

**Action:** To expedite timely execution, please ensure that all staff and local workforce development board members receive and understand the attached Agreement.

**Inquiries:** Questions may be directed to Pat Sherlock at [psherlock@dew.sc.gov](mailto:psherlock@dew.sc.gov) or 803-737-2601.

Patricia Sherlock, Director  
Policies and Procedures

Attachment

**State of South Carolina  
Workforce Innovation and Opportunity Act  
Local Workforce Development Area Agreement**

**PURPOSE:** The purpose of this Agreement is to establish the working relationship between the Department of Employment and Workforce (DEW), as the designated state agency responsible for implementation and administration of the Workforce Innovation and Opportunity Act (WIOA), and the designated grant recipient/fiscal agent of the \_\_\_\_\_ Local Workforce Development Area (referred to as "Local Grant Recipient"). This Agreement outlines the goals, responsibilities, and obligations of the parties with respect to the administration of WIOA programs, for which federal funds are allocated by DEW to the Local Grant Recipient.

**DURATION OF AGREEMENT:** This Agreement shall begin on January 1, 2016, and shall terminate on June 30, 2017.

**SIGNATURE AUTHORITY:** I have reviewed the Agreement in full and agree to its terms, performances, and provisions. I hereby warrant that I am fully authorized to execute the Agreement on behalf of the organization I represent, and can provide documentation of such authorization upon request.

<u>Local Grant Recipient Authorized Official</u>	<u>Signature</u>	<u>Date</u>

The \_\_\_\_\_ Workforce Development Board understands the goals, responsibilities, and obligations set forth herein with respect to the administration of WIOA programs for which federal funds are allocated to the \_\_\_\_\_ and for which the Board has oversight.

<u>Local Workforce Development Board Chair</u>	<u>Signature</u>	<u>Date</u>

<u>Department of Employment and Workforce</u>	<u>Date</u>
Cheryl M. Stanton, Executive Director	

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## **LOCAL WORKFORCE DEVELOPMENT AREA AGREEMENT**

### **SECTION 1 – LEGAL AUTHORITY**

The South Carolina Department of Employment and Workforce (DEW) is the designated agency of this state to implement:

- Title I, Subtitles A, B, E of the Workforce Innovation and Opportunity Act (WIOA), Public Law No. 113-128).
- All Applicable state and federal guidance, statutes and regulations.

DEW agrees to provide funds to local workforce development areas (LWDA) in which local workforce development boards have been certified and local plans approved by the Governor, for workforce training and employment services under Title I of WIOA.

### **SECTION 2 – PARTNERSHIP GOALS**

Local Grant Recipient and DEW are committed to a collaborative relationship which:

- A. Promotes and supports an effective workforce system responsive to local economic conditions and labor market needs that offer South Carolina employers, individuals and communities the opportunity to achieve and sustain economic prosperity.
- B. Builds the One-Stop Service Delivery System in a manner consistent with federal and state laws, regulations, and system objectives, whereby DEW oversees implementation of workforce services.
- C. Increases the employment, retention, earnings and occupational skill attainment of participants, thereby improving South Carolina's workforce and the quality of life for citizens of the State.

### **SECTION 3 – DEW's DUTIES**

DEW agrees to:

- A. Allocate grant funds under Title I, Adult, Dislocated Worker and Youth Services of WIOA for services to be designed and managed by Local Grant Recipient.
- B. Disburse to the grant recipient, in a timely manner, funds necessary to pay for allowable expenses or services provided in accordance with applicable state and federal laws upon receipt of proper supporting documentation of disbursements of amounts previously drawn down. Requests for payment under this grant shall be in amounts that minimize the time elapsing between the transfer of funds and disbursements in accordance with 2 CFR Part 200.305.
- C. Provide technical assistance to Local Grant Recipient, as requested by Local Grant Recipient or deemed necessary by DEW, to provide for the effective and efficient administration of programs, to address any programmatic, fiscal or performance deficiencies, and to assure quality delivery of services.

- D. Take actions it deems necessary until compliance is met, including but not limited to withholding requests for drawdowns, to enhance the efficiency and effectiveness of its grant, use of the funds and grant administration processes. See 2 CFR Part 200.338.
- E. Abide by Section 18. for the purposes of any disputes with the Local Grant Recipient that cannot be informally resolved.

In consideration of Local Grant Recipient's full and satisfactory performance of specified services in the grant, DEW shall perform in accordance with the terms and limitations established within this Agreement.

#### **SECTION 4 – LOCAL GRANT RECIPIENT'S DUTIES**

- A. Local Grant Recipient represents and guarantees it possesses the legal authority to enter into this Agreement and in consideration of the commitments set forth in Section 4, agrees to:
  - 1. Conduct its activities and meetings under this Agreement in compliance with the provisions of the S.C. Freedom of Information Act, S.C. Code Ann. § 30-4-10 et seq.
  - 2. At the direction of the Local Workforce Development Board, design service delivery systems for the provision of services in accordance with the terms of the grant and all applicable state and federal guidance, laws, rules and regulations.
  - 3. At the direction of the Local Workforce Development Board, implement and oversee an efficient and effective workforce system and services in compliance with:
    - a. the legal authorities cited in Section 1 of this Agreement;
    - b. the provisions under the funds allocated by DEW including development and implementation of a comprehensive monitoring system, a performance accountability monitoring system, and an outcome-based evaluation system;
    - c. the approved local and regional plans, including modifications or amendments; and
    - d. DEW policies and procedures applicable to Local Grant Recipient program activities set forth in DEW guidance and State Instruction Letters.
  - 4. Develop and implement policies, procedures and standards for reporting financial, programmatic, and customer information in the required timeframes and using the systems and formats specified by DEW.
  - 5. Ensure that priority of service is provided to:
    - a. veterans and eligible spouses; and
    - b. with respect to the Adult program participants; recipients of public assistance, other low income individuals and individuals who are basic skills deficient.
  - 6. Ensure SC Works Centers:

- a. are established in compliance with all applicable rules and regulations; and
  - b. provide the public in the LWDA, availability of an SC Works Center, at a minimum from Monday - Friday between the hours of 8:30 am to 5:00 pm including holidays on which State partners are required by law to be open.
7. Adhere to applicable deadlines; establish contracts and memoranda of understanding that document partnerships, relationships, duties, and cost sharing with SC Works partners as required by WIOA.
  8. Comply and assure that subrecipients conform to appropriate state and federal licensing or certification requirements.
  9. Disclose that programs or projects are financed in whole or in part by state and/or federal funds when issuing requests for proposals and bid solicitations.
  10. Notify DEW no later than thirty (30) calendar days prior to the occurrence of any change in Local Grant Recipient's name, Employer Identification Number (EIN), Dun and Bradstreet Data Universal Numbering System (DUNS) number, and any voluntary or involuntary actions in bankruptcy.
- B. Local Grant Recipient will coordinate with DEW should the State or Local Emergency Plan be effectuated or Emergency Grant awarded.

## **SECTION 5 – ASSURANCES AND CERTIFICATIONS**

### ***Assurances***

- A. As a condition to the award of financial assistance from the U.S. Department of Labor under Title I of WIOA, Local Grant Recipient assures that it will comply fully with the following nondiscrimination provisions, equal opportunity provisions and Orders, including but not limited to:
1. *WIOA Section 188 (29 CFR, Part 38)*, which provides that no individual may be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of, or in connection with, any program or activity because of race, color, religion, sex (including gender identity, gender expression, and sex stereotyping), national origin, age, disability, political affiliation or belief, and, for beneficiaries only, citizenship/status as a lawfully admitted immigrant authorized to work in the United States, or participation in a WIOA Title I-financially assisted program or activity;
  2. *Title VI The Civil Rights Act of 1964 (42 USC 2000d, et seq.), as amended by the Equal Employment Opportunity Act of 1972*, which prohibits discrimination on the basis of race, color, religion, sex and national origin, and applies to any program or activity receiving federal financial aid, and to all employers, including state and local governments, public and private employment agencies, and labor organizations;
  3. *Title VII of the Civil Rights Act*, as amended, which prohibits discrimination on the basis of race, color, religion, sex, or national origin in employment;



4. *Section 504 of the Rehabilitation Act of 1973 (29 USC 794)*, as amended, which prohibits discrimination against qualified individuals with disabilities in all federally-funded programs;
5. *The Age Discrimination Act of 1975 (42 USC 6101)*, as amended, which prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance;
6. *The Americans with Disabilities Act of 1990 (42 USC 12101)*, as amended, which prohibits discrimination on the basis of physical, sensory, or mental disability or impairment and the ADA Amendments Act of 2008 effective January 1, 2009;
7. *Title IX of the Education Amendments of 1972 (20 USC 1681-1688)*, as amended, which prohibits discrimination on the basis of sex in educational programs;
8. *Title V of the Older Americans Act of 1965 and all regulations that apply to the Senior Community Services Employment Program*, which generally prohibit discrimination under any program funded in whole or in part with Title V funds because of race, color, religion, sex, national origin, age, disability or political affiliation or beliefs;
9. *Title II of the Genetic Information Nondiscrimination Act of 2008* which prohibits discrimination in employment on the basis of genetic information;
10. *Equal Protection of the Laws for Faith-based and Community Organizations (EO 13279)* signed December 12, 2002. Prohibits discrimination against grant seeking organizations on the basis of religion in the administration or distribution of federal financial assistance under social service programs, including grants, contracts and loans;
11. *Section 508 of the Rehabilitation Act (29 USC 794d)*, which ensures that individuals with disabilities have comparable access to information and data as do members of the public who are not individuals with disabilities;
12. *Jobs for Veterans Act (38 USC 4215)*, which establishes a priority of service requirement for covered persons (i.e. veterans and eligible spouses, including widows and widowers) in qualified job training programs;
13. *Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency (LEP)"*, which requires that recipients of federal financial assistance ensure that programs and activities provided in English are accessible to LEP persons and thus do not discriminate on the basis of national origin;
14. *Executive Order 13333*, which establishes this agreement may be terminated without penalty, if Local Grant Recipient or any subrecipient engages in: (i) severe forms of trafficking in persons; (ii) the procurement of a commercial sex act during the period of time that the grant is in effect; (iii) the use of forced labor in the performance of the grant; or (iv) acts that directly support or advance trafficking in persons. (22 USC 7104(g));

15. *Buy American Notice Requirement*, which provides that in the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds available under WIOA, entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products, as required by the Buy American Act (41 USC 10a et seq.);
  16. *Executive Order 13043 (April 16, 1997), Increasing the use of seat belts in the United States*, which provides that recipients of federal funds are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating vehicles, whether organizationally owned or rented or personally owned;
  17. *Executive Order 13513, Sec. 4, Text Messaging While Driving by Government Contractors, Subcontractors, and Recipients and Subrecipients*, which provides that recipients of federal funds are encouraged to adopt and enforce policies that ban text messaging while driving company-owned or rented vehicles, Government-owned, Government-leased, or Government-rented vehicles, or while driving privately-owned vehicles when on official Government business or when performing any work for or on behalf of the Government, and to conduct initiatives of the type described in section 3(a) of the Executive Order;
  18. *Special Requirements for Conferences and Conference Space*. Conferences sponsored in whole or in part by the recipient of Federal awards are allowable if the conference is necessary and reasonable for successful performance of the Federal Award. Recipients are urged to use discretion and judgment to ensure that all conference costs charged to the grant are appropriate and allowable. For more information on the requirements and allowability of costs associated with conferences, refer to 2 CFR, Part 200.432.
  19. Local Grant Recipient also assures that it will comply with 29 CFR, Part 38, and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of any WIOA Title I financially assisted program or activity, and to all agreements including lease agreements that Local Grant Recipient makes to carry out the WIOA Title I financially assisted program or activity. Local Grant Recipient understands that the United States has the right to seek judicial enforcement of this assurance, and the State has the authority to withhold funding;
  20. All other applicable state and federal laws, policies and procedures, including those contained within South Carolina's Methods of Administration for ensuring implementation of the nondiscrimination and equal opportunity provisions as required by 29 CFR, Part 38.
- B. Local Grant Recipient and its subrecipients:
1. Shall make a good faith effort to ensure that the employees and personnel of the local workforce development system reflect the demographic composition of the LWDA, subject to the provisions of this Agreement.
  2. May not deny services under any grant to any person and are prohibited from discriminating against any employee, applicant for employment, or beneficiary because of race, color, religion, sex, national origin, age, physical or mental disability, gender identity, gender expression, sex stereotyping, temporary medical condition, political affiliation or belief, citizenship, or his or her participation in any federal or state financially assisted program and/or activity.



3. Shall ensure that the evaluation and treatment of employees and applicants for employment are free from discrimination. The LWDA must provide initial and continuing notice that it does not discriminate on any prohibited grounds to applicants for employment and employees (29 CFR 37.29(a)(3)). The notice must contain specific wording regarding the prohibited bases and the process for filing a complaint, as required by 29 CFR 37.30.

### ***Certifications***

#### **A. Lobbying (2 CFR 200.450)**

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the Local Grant Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.
2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the Local Grant Recipient shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.
3. The Local Grant Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

#### **B. Debarment, Suspension, and Other Responsibility Matters**

1. The Local Grant Recipient agrees to comply with 2 CFR 200.212, which states that non-federal entities and contractors are subject to the non-procurement and debarment and suspension regulations.

#### **C. Drug-Free Workplace (Public Law 100-690)**

1. The Local Grant Recipient agrees to comply with provisions of 41 U.S.C. §702 in providing a drug-free workplace.

### **SECTION 6 – ADMINISTRATIVE REQUIREMENTS AND COST PRINCIPLES**

#### **A. Local Grant Recipient shall conform to the administrative requirements and cost procedures found in:**

1. any specific term or condition within a specific grant;

2. Office of Management and Budget's final guidance on Administrative Requirements, Cost Principles, and Audit Requirements, 2 CFR Part 200, including the DOL exceptions codified at 2 CFR Part 2900, which supersede the requirements from OMB Circulars A-21, A-87, A-110, and A-122; Circulars A-89, A-102, and A-133; 29 CFR Parts 95, 96, 97 and 99, and the guidance in Circular A-50 on Single Audit Act follow-up, including any and all updates;
  3. DEW financial manual; and
  4. any other guidance or technical assistance issued in writing by DEW.
- B. In the event of a conflict between such administrative requirements and cost principles and the terms and conditions of this Agreement, precedence shall be given to such administrative requirements and cost principles.
- C. Local Grant Recipient will ensure subrecipients conform to the administrative requirements and cost principles delineated in this section.

#### **SECTION 7 – EXPENDITURE LIMITATIONS**

- A. DEW is liable to Local Grant Recipient in an amount equal to, but not in excess of, the lesser of the amount of the grant or the actual allowable costs incurred by Local Grant Recipient in rendering services in the grant subject to the following provisions:
1. The limitations established within the Notice of Fund Authorization (NFA).
  2. DEW receives a timely and accurate certified statement of obligations and accrued expenditures per the monthly financial status report that is prepared in accordance with the requirements set forth by DEW.
  3. DEW shall not be liable for expenditures made in violation of the legal authorities cited in the grant, or any other law or regulation applicable to a specific service performed under a grant.
  4. DEW shall not be liable to Local Grant Recipient for costs incurred or services rendered by Local Grant Recipient or its subrecipients before commencement of a grant or after termination of a grant.
  5. DEW shall not be liable for any costs incurred by Local Grant Recipient or subrecipient in the performance of a grant which have not been billed to DEW within the contract closeout period.
- B. Notwithstanding any other provision of a grant, the Parties understand and agree that DEW's obligations for costs incurred or services rendered to Local Grant Recipient under a grant are contingent upon receipt of adequate funds from federal sources. The grant is subject to revision upon actual receipt of funds from federal sources.
- C. Local Grant Recipient agrees that all funds provided through a grant, including any funds expended under subgrants or subcontracts, shall be expended for authorized activities, and that no expenditures will have as their objective the funding of sectarian worship, instruction, or proselytization. This provision shall not be interpreted to prohibit Local Grant Recipient from subcontracting for goods or services with any religious institution or entity. (See WIOA § 188(a)(3)).

- D. Local Grant Recipient must submit its approved Indirect Cost Rate or Acceptance of Certification of Indirect Costs to DEW upon receipt from its cognizant agency annually.

If DEW is the cognizant agency for the Local Grant Recipient, an Indirect Cost Rate proposal must be submitted to DEW no later than 180 days after the June 30 fiscal year end. Failure to do so may result in the disallowance of indirect costs. DEW may either disallow all indirect costs or establish a rate based upon audited historical data or such other data that have been furnished to DEW for indirect costs. (§200.415(b)(2))

- E. Local Grant Recipient understands and agrees that it shall repay to DEW any funds determined to be expended in violation of the terms and conditions of a grant subject to the following:
  - 1. Local Grant Recipient shall be liable for such funds and shall repay such funds even if a subrecipient made the improper expenditure.
  - 2. All repayments made by Local Grant Recipient must be from non-federal funds.
  - 3. Failure to repay such funds within sixty (60) calendar days after demand based on the Final Determination or conclusion of the dispute resolution process may result in DEW pursuing all actions legally available to recover the funds and/or additional costs.

#### **SECTION 8 – OBLIGATION AND DEOBLIGATION OF FUNDS**

The following provisions apply to the obligation and deobligation of funds under a grant:

- A. Local Grant Recipient acknowledges DEW shall deobligate funds for failure to fully expend funds within the specified grant period.
- B. DEW shall not be liable to Local Grant Recipient for any excess or erroneous funding obligations and retains the right to unilaterally deobligate such funds.
- C. In appropriate circumstances, DEW may obligate additional funds under a grant or deobligate funds previously obligated under a grant. DEW may recapture and reallocate local area Youth, Adult, and Dislocated Worker funds because of under-obligation of grant funds by a Local Grant Recipient in the first program year of availability. The amount to be recaptured from a local area is the amount by which the prior program year's unobligated balance of formula funds exceeds 20 percent of the year's allocation. This is generally referred to as the 80% obligation requirement. Any deobligation for not meeting the 80% requirement excludes administrative funds. The amount to be deobligated is separately determined for each funding stream. Funds deobligated based upon the 80% obligation requirement may be reallocated to local areas.
- D. DEW may approve the voluntary de-obligation and subsequent redistribution of Title I Adult, Youth, and Dislocated Worker Local Area formula funds allocated to each LWDA. LWDAs may voluntarily request that WIOA Title I Adult, Youth, and Dislocated Worker allocated formula funds be deobligated from one or more of their respective program allocations. WIOA funds made available as a result of a voluntary deobligation of funds may be provided to other local areas based upon a request for additional funds. Voluntarily deobligated funds retain their year-of-appropriation identity and must be accounted for and reported accordingly.

## **SECTION 9 – FINANCIAL REPORTING**

- A. Local Grant Recipient shall have and require its subrecipients to have financial management systems that provide for accurate, current, and complete disclosure of the financial results of each grant, and records that adequately identify the source and application of funds for each grant and subcontract, including information pertaining to awards, authorizations, obligations, unobligated balances, assets (including cash), expenditures, income, and interest.
- B. According to the instructions specified in the Financial Management Manual and other DEW issuances, Local Grant Recipient shall submit an accurate monthly financial status report, including accrued expenditures and obligations; and a Closeout Package upon expiration of the grant.
- C. The Local Grant Recipient must ensure that the necessary processes and systems are in place to comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 Public Law 109-282 as amended by section 6202 of Public Law 110-252 (“FFATA”). See also TEGl 11-10, which references 2 CFR 170.

## **SECTION 10 – BONDING OR INSURANCE REQUIREMENTS**

In lieu of adequate insurance, Local Grant Recipient shall comply with the following bonding requirements:

- A. The funds provided by any grant shall be included in coverage provided by a fidelity bond that indemnifies DEW against loss arising from a fraudulent or dishonest act of Local Grant Recipient’s officers and employees holding positions of fiduciary trust.
- B. Local Grant Recipient must obtain a bond (or insurance) sufficient to cover the largest cumulative amount of all cash requests submitted by Local Grant Recipient on any given day or the cumulative amount of funds on hand at any given point. This determination shall be made based on cumulative amounts drawn by Local Grant Recipient during any consecutive three (3) day period for single or multiple funding sources.
- C. The bond shall be executed by a corporate surety or sureties holding certificates of authority, authorized to do business in South Carolina.
- D. If a surety upon a bond loses its authority to do business in this state, the bond is cancelled, reduced or otherwise amended; Local Grant Recipient shall immediately notify DEW and provide a replacement bond adequate to cover the terms and conditions of this section. Until such time that an adequate replacement bond is secured by the insurer and provided to DEW, no further disbursements shall be made to Local Grant Recipient.
- E. Local Grant Recipient shall be the insured entity. A copy of the bond or the Certificate of Insurance shall be forwarded by mail or email to:
  - E-mail [wioafunds@dew.sc.gov](mailto:wioafunds@dew.sc.gov)
  - Mail address
    - Attention: Michelle Harris
    - S.C. DEW Finance
    - PO Box 995
    - Columbia, SC 29202



## **SECTION 11 – SPECIFIC ADDITIONAL PROVISIONS**

A. Local Grant Recipient acknowledges and accepts that special additional conditions may be unilaterally imposed by DEW in accordance with 2 CFR 200.207. Such conditions may be imposed if the Local Grant Recipient demonstrates one or more of the following conditions:

- a history of unsatisfactory performance;
- financial instability;
- management system(s) that do not meet standards prescribed in 2 CFR 200.300 et seq.;
- noncompliance with terms and conditions of previous federal awards or subawards;
- absence of responsibility disclosed as a result of ongoing evaluation of risk by DEW conducted in accordance with 2CFR 200.331(b);
- reports and findings from audits performed under 2 CFR Subpart F – Audit Requirements of this part or the reports and findings of any other available audits; and
- ability to effectively implement statutory, regulatory, or other requirements.

B. If DEW determines that a grant award will be made or continued, special provisions shall address the condition identified and shall be included in the award. Such provisions may include but are not limited to:

- requiring payments on a reimbursement basis;
- withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;
- requiring additional, more detailed financial reports;
- requiring additional project monitoring;
- requiring the Local Grant Recipient to obtain technical or management assistance and to implement corrective actions;
- establishing additional prior approval.

DEW will notify the Local Grant Recipient regarding the nature and reason for implementing any of the above special provisions.

## **SECTION 12 – ENFORCEMENT**

A. Failure to comply with any provision of this agreement, assurances, certifications and representations and any applicable law, regulation, or policy may subject the Local Grant Recipient to additional enforcement actions that are determined by DEW to be appropriate under the circumstances. Such enforcement actions include but may not be limited to:

- requiring special award conditions in accordance with Section 11 of this agreement;
- temporarily withholding cash payments pending correction of identified deficiencies;
- disallow cost (and, if appropriate, applicable matching credit) for any claim or action made that is not in compliance with this agreement and require appropriate repayment or financial adjustment;
- suspending the grant award, in whole or in part, pending corrective action;
- terminating the grant award, in whole or in part, in accordance with Section 12(B) of this agreement;
- withholding further awards for the project or program;

- recommending to appropriate federal officials that suspension or debarment proceedings be initiated as authorized under 2 CFR 180;
  - taking other remedies that may be legally available. (See 2 CFR 200.338.)
- B. This agreement may be immediately terminated by DEW in whole or in part for cause or noncompliance whenever such non-compliance is material and in the best interest of the LWDA, DEW, or the U.S. Department of Labor. Such termination may be appealed by the subrecipient in accordance with provisions of Section 18 of this agreement.
- C. This agreement may be terminated in whole or in part by the Local Grant Recipient, in collaboration with the Chief Elected Official(s), for convenience or cause with ninety (90) calendar days advance written notice, whenever it determines that such termination is in its best interest or that of the LWDA. If the Local Grant Recipient seeks a partial termination, DEW reserves the right to determine that action to be unacceptable and may compel full termination.
- D. Regardless of which party initiates termination or the reasons for such termination, the Local Grant Recipient shall remain responsible for any reports, audits, or closeouts required in the agreement. The Local Grant Recipient is further not released from any responsibilities that arise out the following Sections:
- Section 5 – Assurances and Certifications
  - Section 7 – Expenditure Limitations
  - Section 13 – Record Retention and Access to Records
  - Section 17 – Monitoring and Review
  - Section 19 – Preventing and Reporting Fraud and Program Abuse
  - Section 21 – Property
  - Section 23 – Confidentiality of Records

**SECTION 13 – RECORD RETENTION AND ACCESS TO RECORDS**

- A. Local Grant Recipient and its subrecipients shall comply with requirements for custody and retention of records as set forth in 2 CFR Part 200, as applicable.
- B. Local Grant Recipient and its subrecipients shall grant access and the right to examine, or copy all reports, books, papers, minutes, automated data systems, and other documents (collectively referred to as “records”) pertaining to any grant awarded under this Agreement. In the event of suspected fraud, malfeasance, or program abuse, DEW staff shall obtain copies of original records. DEW has obligations under state and federal law to protect personally identifiable information.
- C. Such rights to access shall continue as long as Local Grant Recipient retains the records in accordance with federal requirements.
- D. DEW, and any of its authorized representatives, must have timely and reasonable access to all Local Grant Recipient records and personnel related to this Agreement for the purpose of inspection, investigation, monitoring, auditing, evaluation, interview, and discussion.
- E. If any records are held by a subrecipient, DEW shall not be responsible for the costs of reproducing copies of the subrecipient’s records.



#### **SECTION 14 – CHANGES AND AMENDMENTS**

- A. This Agreement, including all documents or subsequent Agreements referenced herein, is the entire Agreement related to this subject matter between the Parties.
- B. Except as specifically provided by this Agreement, alterations, additions, deletions, or extensions to the terms of this Agreement must be modified in writing and executed by both Parties. Any other attempted changes, including oral modifications, or other modifications, shall be invalid.
- C. Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in federal or state law, or regulations or state instruction are automatically incorporated into this Agreement without written amendment, and shall become effective on the date designated by such law, regulation or instruction.
- D. To ensure effective performance under any grant, Parties agree that DEW may amend requirements during the grant period, to interpret or clarify a change in federal or state law, rules or regulations, by issuing formal directives to establish or clarify such requirements.

#### **SECTION 15 – RIGHTS IN DATA, PRODUCTS, OR INVENTIONS**

- A. DEW may reproduce, prepare derivative works, distribute copies to the public, perform publicly and display publicly, by or on behalf of DEW any data, product or invention developed or purchased with funds from any grant awarded by DEW to Local Grant Recipient as permitted by law.
- B. Excluding copyrighted, licensed and public domain software, Local Grant Recipient grants to DEW and its designated representatives, unlimited rights to any data, databases or data processing programs first produced, developed, or delivered under a grant awarded by DEW to Local Grant Recipient. Such data includes recorded information regardless of form or media.
- C. Upon termination of any grant under this Agreement, whether for cause or convenience, all finished or unfinished documents, reports, photographs, etc., purchased or developed with funds from a grant awarded by DEW to Local Grant Recipient shall, at the option of DEW, become the property of DEW.

In the event of such termination Local Grant Recipient may be requested to transfer title and deliver to DEW any property or products Local Grant Recipient has acquired or produced in performance of the award.

- D. To the extent permitted in Paragraph B, all data and rights necessary to fulfill Local Grant Recipient's obligations to DEW under this Agreement must be secured and obtained from subrecipients for any data or rights purchased or developed with funds from the grant.

If a subrecipient refuses to accept terms affording DEW such rights, Local Grant Recipient shall promptly bring such refusal to the attention of DEW.

- E. DEW and its officers, agents and employees are indemnified against liability, including costs, for infringement of any United States patent (except a patent issued upon an application that is now or may later be withheld from issue pursuant to a Secrecy Order under 35 U.S.C. § 181) arising out of the manufacture or delivery of supplies, performance of services, or the construction, alteration, repair, or modification of real property produced or developed with funds from a grant from DEW to

Local Grant Recipient, or out of the use or disposal by or for the account of DEW of such supplies or construction work.

#### **SECTION 16 – SUBRECIPIENTS**

Local Grant Recipient shall:

- A. Be responsible for subrecipient's performance related to any provision of this Agreement or any associated grant, including all requirements covered by 2 CFR § 200.331.
- B. Require all subrecipients to comply with all requirements, as covered in this Agreement or any associated grant.
- C. Not exclude a charitable or faith-based organization which is eligible to be a subrecipient to Local Grant Recipient on the same basis as any other private organization. As a subrecipient under this Agreement, such an organization retains its control over the definition, development, practice and expression of its charitable or religious beliefs, except as provided by federal law.
- D. Assure that subrecipients carry all forms of insurance required by state or federal law or regulation.
- E. Work diligently with subrecipients to assist with the orderly transfer of services, functions, and operations provided by the subrecipient to another service provider designated by Local Grant Recipient to include termination and transition requirements in all subcontracts, including but not limited to, the following:
  1. Developing and implementing a reasonable transition plan designed to achieve an efficient transfer of responsibility to another entity, in a timely manner and to cooperate fully throughout the post-termination period until such transition is complete;
  2. Identifying and ensuring the cooperation and availability of its key employees during the transfer process;
  3. Exercising its best efforts to ensure that Local Grant Recipient obtains appropriate access to third-party services, hardware, software, personnel, and facilities required to perform an orderly termination.
  4. Exercising reasonable efforts to affect a transfer of license or assignment of agreement(s) for any software or third-party services utilized by the subrecipient to provide services to Local Grant Recipient;
  5. Providing Local Grant Recipient or its designee all information necessary to transition to another subrecipient without interruption of services.
  6. Providing full disclosure to Local Grant Recipient of the equipment, and third-party supplier services required to perform services previously performed by the subrecipient within sixty (60) calendar days of any Local Grant Recipient request for same;
  7. Providing to Local Grant Recipient or its designee in writing, to the extent available, applicable requirements, standards, policies, operating procedures, and other documentation relating to

the affected services and necessary access to any systems and sites for which the affected services were provided.

8. Providing training in the performance of the affected services to Grantee or its designee, upon Local Grant Recipient's request, in the event of the expiration or termination of all or part of the services being provided under the subcontract.
9. Answering questions from Local Grant Recipient or DEW for a minimum of six (6) months after expiration or termination of the subcontract.

#### **SECTION 17 – MONITORING AND REVIEW**

- A. Local Grant Recipient and DEW shall cooperate in any audit, monitoring, review or investigation.
- B. Local Grant Recipients are responsible for managing the day-to-day operations of grant and subgrant supported activities. Local Grant Recipients must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Local Grant Recipient monitoring must cover each program, function or activity. See 2 CFR 200.328(a).

Complete records of all monitoring performed by Local Grant Recipient shall be maintained and made available to DEW and/or DOL during such subcontract performance periods and for as long as an unresolved deficiency may require.

- C. DEW reserves the right to conduct, or cause to be conducted, a review of the performance by and/or all funds received by Local Grant Recipient under the grant. The review must be done in accordance with applicable federal rules and regulations, grant guidelines, and established professional standards and practices. DEW reserves the right to perform such evaluation studies that it determines necessary and will report preliminary results to Local Grant Recipient and any subrecipient before the evaluation is concluded and the final results are made a matter of record.
- D. Local Grant Recipient shall supply to DEW an audit or a Federal Audit Clearinghouse (FAC) link to an audit that is in compliance with the Single Audit Act of 1984, as amended July 1996, 31 U.S.C., Chapter 75; OMB Uniform Guidance, Subpart F, as specified within any grant awarded under this Agreement and in effect at the time costs were incurred.
- E. DEW reserves the right to monitor and/or review any account that includes funds provided through the Grant.

#### **SECTION 18 – APPEALS AND DISPUTE RESOLUTION**

- A. Financial or programmatic monitoring findings may be appealed as follows:
  1. Within 14 days of receipt of the final determination, a written appeal may be made to the Executive Director of DEW.
  2. The Executive Director will issue a written decision within 30 days.
  3. If dissatisfied with the decision, a written appeal may be made to the State Workforce Development Board (SWDB) within 14 days of receipt of decision.

4. The Chair will designate the Executive Committee or an Ad Hoc Committee of at least five SWDB members to hear the appeal.
  5. The SWDB will hear the appeal and render a decision within 60 days.
  6. Appellants will be notified in writing of the SWDB decision within 20 days.
- B. Disputes will be resolved as follows:
1. The parties shall first attempt to resolve all disputes informally. Any party may call a meeting to discuss and resolve disputes.
  2. Should informal resolution efforts fail, a written request regarding resolution may be made to the Executive Director of DEW.
  3. The Executive Director will issue a written decision regarding resolution within 30 days.
  4. If dissatisfied with the decision, a written request regarding resolution may be made to the State Workforce Development Board (SWDB) within 14 days of receipt of decision.
  5. The Chair will designate the Executive Committee or an Ad Hoc Committee of at least five SWDB members to mediate with the Executive Director/County Administrator, or designee, and attempt to resolve the dispute.
- C. The dispute resolution process described is not exclusive and does not deny a party the right to exercise any remedy available to it by law.
- D. Appeals and requests regarding dispute resolution made to the State Workforce Development Board must be submitted in writing as follows:
- South Carolina Department of Employment and Workforce  
 Attn: Appeals, State Workforce Development Board  
 1550 Gadsden Street  
 Columbia, SC 29201
- E. The parties anticipate that the processes outlined in subsections A and B above will be memorialized by the State Workforce Development Board in its By-Laws. However, to the extent the processes adopted by the SWDB differ from the processes outlined above, the SWDB By-Laws will govern, unless such processes (or the ultimate decisions reached) are in contradiction of applicable State or Federal laws or regulations.

**SECTION 19 – PREVENTING AND REPORTING FRAUD AND PROGRAM ABUSE**

- A. Local Grant Recipient shall require any member of Local Grant Recipient, Local Grant Recipient’s staff, or Local Grant Recipient’s subrecipient staff having knowledge of suspected fraud, program abuse, possible illegal expenditures, unlawful activity, violations of law or DEW rules, policies, and procedures occurring under any grant awarded by DEW to Local Grant Recipient to report such information to DEW’s Division of Organizational Integrity no later than five (5) business days from the date of discovery of such act.
- B. Local Grant Recipient shall ensure that its employees, participants, and subrecipients are aware of the USDOL’s Office of Inspector General’s Fraud, Waste and Abuse Hotline, and ensure maximum exposure to all persons associated with or having an interest in the programs or services provided under this Agreement. The Hotline contact information is;

- E-mail [hotline@oig.dol.gov](mailto:hotline@oig.dol.gov)
- Telephone 1-800-347-3756
- Mail address
  - Attention: Hotline
  - Office of Inspector General
  - U.S. Department of Labor
  - 200 Constitution Avenue, N.W.
  - Room S-5506
  - Washington, DC 20210

- C. Except as provided by law or court order, the Parties to this Agreement shall ensure the confidentiality of all reports of violations, as listed above. Neither Local Grant Recipient nor DEW shall retaliate against any person filing a report.
- D. Upon review of submitted reports, DEW's Organizational Integrity Division may elevate the report to the appropriate State or Federal authority, accept the case for investigation and/or action at the State level, or return the case to Local Grant Recipient, or Local Grant Recipient's subrecipient, for action including, but not limited to:
1. further investigation;
  2. referral for prosecution under the S.C. Code of Laws, or other State or Federal laws; and/or
  3. other corrective action, as may be appropriate.
- E. Local Grant Recipient shall ensure that DEW's Organizational Integrity Division is notified of any findings or corrective actions after all feasible avenues of investigation action have been taken.

## **SECTION 20 – CONFLICT OF INTEREST**

- A. No personnel of Local Grant Recipient or subrecipient, and no public official who exercises any functions or responsibilities in connection with the review or approval of any work completed under the Agreement, shall, prior to completion of such work, voluntarily or involuntarily acquire any personal interest, direct or indirect, which is incompatible or in conflict with the discharge or fulfillment of his or her functions or responsibilities with respect to the completion of the work contemplated under this Agreement.
- B. Local Grant Recipient shall immediately disclose in writing to DEW's Workforce Programs Director any such person who prior to or after execution of this Agreement, acquires any personal interest involuntarily or voluntarily. Local Grant Recipient shall ensure any person who, prior to or after the execution of this Agreement, acquires any personal interest, involuntarily or voluntarily, shall immediately disclose his interest to DEW's Workforce Programs Director in writing. Thereafter, such person shall not participate in any action affecting the work under this Agreement unless DEW determines that, in light of the personal interest disclosed, his or her participation in any action would not be contrary to the public interest.
- C. Local Grant Recipient must also maintain two types of conflict of interest policies:



1. **Employee Conflict of Interest** – Local Grant Recipient must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent of Local Grant Recipient may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. A conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of Local Grant Recipient must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of Local Grant Recipient.
  
  2. **Organizational Conflict of Interest** – If Local Grant Recipient has a parent, affiliate, or subsidiary organization that is not a state government, local government, or Indian tribe, Local Grant Recipient must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, Local Grant Recipient is unable or appears to be unable to be impartial in conducting a procurement action, under state or federal law, involving the related organization.
- D. A local Workforce Development Board member, or Board standing committee member must neither cast a vote on, nor participate in any decision-making capacity, on the provision of services by such member (or any organization which that member directly represents), nor on any matter which would provide any direct financial benefit to that member or a member of his immediate family. Neither membership on the Local Board, or a Board standing committee, nor the receipt of WIOA funds to provide training and related services, by itself, violates these conflict of interest provisions. Disclosure of a Board member's or standing committee member's conflict of interest must be presented in writing to the Board or be recorded in the written minutes of a Board or standing committee meeting.

#### **SECTION 21 – PROPERTY**

- A. Local Grant Recipient shall acquire, maintain, and/or dispose of property purchased with funds received under any grant in accordance with 2 CFR Part 200.310 - 200.326 and Agency guidance.
  
- B. Local Grant Recipient shall take all reasonable precautions to ensure all property acquired under any grant is properly maintained, accounted for, and protected from damage, loss, unreasonable deterioration or theft.
  
- C. Local Grant Recipient shall have the right and discretion, at the end of a grant or contract, to require a subrecipient that acquires equipment or supplies under a grant or contract to transfer title of the property to Local Grant Recipient (or another entity designated by Local Grant Recipient) for use in authorized activities of a continuing Local Grant Recipient-administered program.
  
- D. Subrecipients having property acquired under any grant or contract shall acquire and maintain property insurance reasonably sufficient to replace any damaged, lost or stolen property, for as long as the property is kept.



- E. Local Grant Recipients that are governmental entities, or their governmental subrecipients, having property acquired under any grant or contract may be required by DEW to replace any damaged, lost or stolen property from sources other than federal funds, if no or inadequate property insurance is in effect.
- F. Local Grant Recipients shall be responsible for the inventory and control of all real property IT devices (defined as any digital or electronic apparatus designated to store, transmit, or make calculations using data) or equipment purchased in whole or in part with funds received under any grant or contract and in the custody of Local Grant Recipient or its subrecipients. Local Grant Recipient shall conduct an annual physical inventory of such property and reconcile the inventory with the accounting records.
- G. Local Grant Recipient and a representative of DEW shall identify and prepare an annual property inventory of any DEW real property IT devices or equipment in use by Local Grant Recipient at the request of DEW. An authorized agent of Local Grant Recipient must acknowledge all DEW's real property, IT devices or equipment in use by Local Grant Recipient.

## **SECTION 22 – GENERAL PROVISIONS**

- A. This Agreement shall be construed, interpreted and applied in accordance with the laws of South Carolina.
- B. Except with respect to defaults of subrecipients, in the event that the performance of any obligation under this Agreement is prevented due to acts of God, war, terrorist hostilities, civil disturbances, strikes or lockouts, neither DEW nor Local Grant Recipient shall be responsible to the other for failure in performance of its obligations under this Agreement.
- C. Both parties agree that each party shall be liable for its own acts and omissions, and the acts and omissions of its employees, agents and officers, and nothing within this agreement shall impute or transfer liability to the other party. This provision shall survive the expiration or termination of this Agreement, regardless of the reason for termination.
- D. If any of the provisions of this Agreement shall contravene or be invalid under the laws of the United States or South Carolina, such contravention or invalidity shall not invalidate the whole Agreement, but it shall be construed as if not containing the particular provision or provisions held to be invalid, and the rights and obligations of the Parties shall be construed and enforced accordingly and Local Grant Recipient and DEW shall endeavor to agree on a mutually acceptable alternative provision.
- E. Local Grant Recipient assures it will comply with federal and state laws and guidelines for the handling and protection of Personally Identifiable Information, including but not limited to 2 CFR 200.79 and TEGL 39-11.
- F. A state or local WDB must conduct its business in an open manner and make activities of the board available to the public. See TEGL 35-10.
- G. Local Grant Recipient must not claim that DEW endorses its product or services.

H. To the extent of any inconsistency between the provisions of clauses, attachments, and any other specifications or provisions which are a part of or incorporated by reference in this Agreement, the following order of precedence shall apply:

1. First the provisions of clauses within this Agreement; then second, the provisions of any other part attached or incorporated by reference to this Agreement, unless otherwise in conflict with statute or Regulation.

#### **SECTION 23 – CONFIDENTIALITY OF RECORDS**

- A. Local Grant Recipient agrees to maintain the confidentiality of any information that identifies or may be used to identify any grant and benefit participants.
- B. Local Grant Recipient shall not disclose or re-disclose any employer or personally identifying information of the subject of the information unless permitted by law.
- C. All releases of information shall be in accordance with state and federal law, regulations and guidelines, including but not limited to S.C. Code Ann. § 41-29-160; the Family Privacy and Protection Act (S.C. Code Ann. § 30-2-10 et al), 20 CFR 603, and IRS Publication 1075.
- D. Notwithstanding any other provision of this Agreement, Local Grant Recipient shall not release any personally identifiable information obtained from Unemployment Insurance records or from SCWOS or the Workforce Information Portal unless otherwise authorized by DEW.

#### **SECTION 24 – SECURITY MANAGEMENT**

- A. Local Grant Recipient shall take appropriate actions to assure compliance with: the Federal Information Security Management Act (FISMA); 44 U.S.C. 3541 et seq.; IRS Pub. 1075; the National Institute of Standards in Technology (NIST) recommended best practices; and all other state or federal rules, regulations, and laws relating to information security management (collectively, "ISM"). Local Grant Recipient shall:
  1. Implement ISM compliance policies and procedures for Local Grant Recipient staff and Local Grant Recipient subrecipient staff (hereinafter referred to as "Local Grant Recipient staff" for the purposes of this section); and
  2. Assure and be responsible for Local Grant Recipient staff compliance with such ISM requirements.
- B. Local Grant Recipient staff shall follow all DEW Security Policies and Procedures when making use of DEW information resources, DEW-provided data, and/or DEW-administered systems.
- C. User Verification
  1. Local Grant Recipient shall implement and maintain a procedure for user verification to ensure that all user accounts are current.

2. Local Grant Recipient shall immediately revoke access to user accounts resulting from staff departures or contract completions and notify DEW immediately when access to SCWOS or DEW maintained systems must be revoked.
3. Written notice of removal of access authorization for any individual shall be submitted to DEW immediately for removal of that access through the following:
  - a. Chief Information Security Officer- [InfoSec@dew.sc.gov](mailto:InfoSec@dew.sc.gov); and
  - b. Regional Manager (for Workforce Information Portal access removal); and/or
  - c. SCWOS Administrator (for SCWOS access removal)- [SCWOSAdmin@dew.sc.gov](mailto:SCWOSAdmin@dew.sc.gov)
4. Local Grant Recipient shall provide DEW Systems Administrators a quarterly report of all SCWOS or DEW maintained system users. DEW Systems Administrators will conduct a quarterly review of Local Grant Recipient account status to identify obsolete accounts. For all accounts that are no longer in use, the Administrator shall notify the appropriate parties to delete the account and ensure that appropriate DEW accounts are deleted. All accounts dormant for more than three (3) months will be flagged and disabled unless DEW is notified to the contrary by Local Grant Recipient. Accounts dormant for six (6) months or more will be deleted.

#### D. Access and Transfer of Data

1. Access is permitted to data through devices the Local Grant Recipient certifies are updated (e.g. software patches, upgrades as available) and have security controls including anti-virus software. Data that includes personally identifying information and confidential data must be protected pursuant to federal and state law.
2. Exporting or transferring data to an unsecured computer or device is prohibited.
3. Local Grant Recipient shall prohibit the transfer of DEW confidential data (including Federal Tax Information, Personally Identifiable Information) to removable media without specific authorization or exemption granted by an authorized executive of Local Grant Recipient, DEW Chief Information Officer, DEW Chief Information Security Officer, and DEW Executive Director. Requests for such authorization or exemption shall be submitted to [InfoSec@dew.sc.gov](mailto:InfoSec@dew.sc.gov).
4. Removable media is defined as, but not limited to, diskettes, tapes, CDs, DVDs & Blu-ray discs, memory cards/sticks, USB/Firewire "Flash" key/pen/thumb drives, portable mass storage devices such as external hard drives, personal audio/video players such as iPods, cell phones, tablets and smart phones with or without expandable memory capabilities.
5. If an exemption is granted, Local Grant Recipient shall require that any DEW data placed on removable media be encrypted and labeled as "Confidential" for Personally Identifiable Information or for "Internal Use Only" for less sensitive data.
6. Local Grant Recipient shall assure the reuse or disposal of removable media follows data sanitization guidelines in compliance with IRS Pub. 1075 to assure removal of any electronic protected, confidential and/or sensitive DEW data.

#### E. Device and Security Control



1. Local Grant Recipient is solely responsible for the use and installation of virus protection software on all systems and custom applications maintained by Local Grant Recipient.
2. Mobile computing devices such as laptops, netbooks, tablets, and cell phones that are used to access DEW confidential data must employ full disk encryption.

#### F. Disaster Recovery

1. Local Grant Recipient shall develop and maintain a disaster recovery plan for its own computing resources. The plan should cover all relevant platforms – personal computers, local area networks, workstations, and midrange systems, as appropriate.

#### G. Data Access

1. Local Grant Recipient shall determine, assign, and secure the computer access credentials required for a Local Grant Recipient or subrecipient user to perform assigned job duties, including requiring the creation of complex user passwords, changing/resetting user passwords and administering security adds/changes and deletes for Local Grant Recipient and subrecipient users.
2. DEW requires all persons to whom it grants access to DEW applications and data to execute a Security and/or Confidentiality Agreement, as appropriate. Grantee agrees to facilitate the execution of a Security and/or Confidentiality Agreement, as required by DEW.
3. Local Grant Recipient shall maintain a signed copy of the most recent DEW Security/Confidentiality Agreement for each user.
4. Local Grant Recipient must insure completion of annual security awareness training and obtain a signed copy of the confidentiality agreement prior to granting system access to grantee or subrecipient.

#### H. Security Incidents and Violations

1. Local Grant Recipient shall notify DEW's Chief Information Security Officer (CISO) within one (1) hour of discovery of a security violation or breach, or if Local Grant Recipient has any reason to suspect that the security or integrity of any information system has been, or may be, compromised in any way. Local Grant Recipient shall comply with DEW requirements in resolving any incidents.

The CISO's contact is [InfoSec@dew.sc.gov](mailto:InfoSec@dew.sc.gov).