[X]. Transparency, Accountability, and Oversight Required; Federal Financial Assistance Recipient Fraud Awareness Training Requirement

The Department of Commerce (DOC) and the Recipient each have a critical role to play in ensuring that this program is implemented in a manner that ensures transparency, accountability, and oversight sufficient to, among other things:

1. Prevent waste, fraud, and abuse; and

2. Ensure that the Recipient uses award funds only to further the overall purpose of the program. This includes key personnel responsible for managing finances and overseeing subrecipients, contractors, and subcontractors.

Therefore, in accordance with the terms and conditions of the award, the Recipient must:

1. Comply with the requirements set forth in 2 CFR Part 200, the DOC Financial Assistance General Terms and Conditions, applicable award standard and specific conditions, and any other applicable law.

2. Comply with all applicable reporting and audit requirements in 2 CFR Part 200 and any specific reporting and auditing requirements defined in the terms and conditions of the award.

3. Ensure that no award funds will be used to prosecute claims against the Federal Government, including appeals of final Federal agency decisions, or to defend against any criminal, civil, or administrative proceeding (including the filing of a false certification) commenced by the Federal Government per 2 CFR § 200.435.

4. Monitor award activities for common fraud schemes, including but not limited to: (a) false claims for materials and labor; (b) bribes related to the acquisition of materials and labor; (c) product substitution; (d) mismarking or mislabeling on products and materials; and (e) time and materials overcharging.

5. Contact the Program Office, Grants Office, and the DOC Office of Inspector General, (https://www.oig.doc.gov/Pages/Contact-Us.aspx), as soon as possible should the Recipient suspect the possible existence of fraud, mismanagement, waste of funds, abuse of authority, a violation of law or regulation, or any other suspicious activity.

6. Promptly disclose whenever, in connection with the Federal award (including any activities or subawards thereunder), the Recipient has credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the Civil False Claims Act (31 U.S.C. §§ 3729-3733). The disclosure must be made in writing to the Program Office, Grants Office, the DOC's Office of Inspector General, and the pass-through entity (if applicable).

7. Report matters related to recipient integrity and performance in accordance with Appendix XII of 2 CFR Part 200. Failure to make required disclosures can result in any of the remedies described in Section 200.339. (*See also* 2 CFR Part 180, 31 U.S.C. § 3321, and 41 U.S.C. § 2313.)

Fraud Awareness Training and Certification Requirements

In addition, consistent with 2 CFR Part 200, to detect and prevent waste, fraud, and abuse, the Recipient's key personnel must complete training provided by the DOC on fraud awareness. Key personnel include those responsible for managing the Recipient's finances and overseeing any contractors, sub-contractors, or subrecipients (for financial matters and/or general oversight related to this award). Within 90 days of the date of a new award or amendment incorporating this Specific Award Condition into an existing award, the Recipient must complete the required training, maintain documentation of compliance, and produce those documents, upon request.

The Recipient must also require any subrecipients to comply with this Specific Award Condition within 90 days of the date of the subaward in accordance with 2 CFR § 200.332. The Recipient must require any subrecipient to maintain documentation of compliance. In accordance with 2 CFR § 200.334, the Recipient must also maintain records that all subrecipients completed the required training.

The Recipient acknowledges and understands that a number of statutes and legal requirements that address criminal and prohibited activities, including waste, fraud, and abuse, apply to the award, including:

- The Program Fraud Civil Remedies Act (31 U.S.C. § 3801 *et seq.*) provides for the imposition of civil penalties against persons who make false, fictitious, or fraudulent claims to the Federal Government for money (including money representing grants, loans, or other benefits).
- The False Claims Amendments Act of 1986 and the False Statements Accountability Act of 1996 (18 U.S.C. §§ 287 and 1001, respectively), provide that whoever makes or presents any false, fictitious, or fraudulent statement, representation, or claim against the United States must be subject to imprisonment of not more than five years and must be subject to a fine in the amount provided by 18 U.S.C. § 287.
- The Civil False Claims Act (31 U.S.C. §§ 3729 - 3733), provides that suits can be brought by the government, or a person on behalf of the government, for false claims made under Federal assistance programs.

In drawing down any funds under this award, the Recipient certifies that no waste, fraud, or abuse has occurred in activities or representations made under this award.