**SUBGRANT AGREEMENT  
BETWEEN**

**[INSTITUTION NAME]  
AND  
[SUBGRANTEE NAME]**

This Subgrant, is entered into by and between [INSTITUTION NAME], hereinafter referred to as the “Institution” and [SUBGRANTEE LEGAL ENTITY NAME], hereinafter referred to as the “Subgrantee”.

Whereas**,** Institution is the Grantee under a Grant Agreement by and between the Tennessee Higher Education Commission (“THEC”) and the Institution acting as fiscal agent for the provision of the Governor’s Investment in Vocational Education (“GIVE”) grant funds to facilitate the alignment of local workforce and education partners in the development and implementation of employer-driven career pathways; and

Whereas, Subgrantee is a participant in the collaboration identified in the Grant Proposal submitted to THEC by Institution and the Lead Institution which is attached hereto as Attachment A.

Now, Therefore, the Parties agree as follows:

A. SCOPE OF SERVICES:

A.1. [DESCRIBE IN DETAIL THE SERVICES THE SUBGRANTEE IS TO PROVIDE UNDER THE GRANT PROPOSAL AND THE SERVICES THAT THE INSTITUTION IS TO PROVIDE TO THE SUBGRANTEE – THIS MAY BE A SUMMARY WITH DETAILED SPECIFICATIONS IN AN ATTACHMENT.]

(this Section is not a restatement of the entire grant proposal but should be specific language of the subgrantee’s responsibilities, which can be cut and pasted from the grant proposal.

B. TERM:

B.1. Subgrant Term. This Subgrant shall be effective for the period commencing on [START DATE] and ending on [END DATE]. The Institution shall have no obligation for services rendered by the Subgrantee which are not performed within the specified period.

B.2. Term Extension. The Institution reserves the right to extend this Subgrant for an additional period or periods of time representing increments of no more than one year and a total Subgrant term of no more than [WRITTEN NUMBER, NO GREATER THAN FIVE] years, provided that the Institution notifies the Subgrantee in writing of its intention to do so at least [WRITTEN NUMBER] [NUMBER])days prior to the Subgrant expiration date. An extension of the term of this Subgrant will be effected through an amendment to the Subgrant. If the extension of the Subgrant necessitates additional funding beyond that which was included in the original Subgrant, the increase in the Institution’s maximum liability will also be effected through an amendment to the Subgrant and shall be based upon rates provided for in the original Subgrant.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the Institution under this Subgrant exceed [WRITTEN DOLLAR AMOUNT] [$NUMBER AMOUNT]. The Service Rates in Attachment B include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Subgrantee. The maximum liability represents available funds for payment to the Subgrantee and does not guarantee payment of any such funds to the Subgrantee under this Subgrant unless the Institution requests work and the Subgrantee performs the work.

C.2. Compensation Firm. The Service Rates and the Maximum Liability of the Institution under this Subgrant are firm for the duration of the Subgrant and are not subject to escalation for any reason unless this Subgrant is amended.

C.3. Payment Methodology. The Subgrantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget in Attachment B (hereinafter the “Grant Budget”) not to exceed the Maximum Liability established in Section C.1.

The Subgrantee shall submit monthly invoices, in form and substance acceptable to the Institution with all of the necessary supporting documentation, prior to any payment. Such invoices shall be submitted for completed units of service or project milestones for the amount stipulated.

C.4. Travel Compensation. Reimbursement to the Subgrantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for reimbursement.

C.5. Budget Line-items. Expenditures, reimbursements, and payments under this Subgrant shall adhere to the Grant Budget.

C.6. Disbursement Reconciliation and Close Out. The Subgrantee shall submit any final invoice and a grant disbursement reconciliation report within forty-five (45) days of the Subgrant end date and in form and substance acceptable to the Institution.

a. If total disbursements by the Institution pursuant to this Subgrant exceed the amounts permitted by section C, payment terms and conditions of this Subgrant, the Subgrantee shall refund the difference to the Institution. The Subgrantee shall submit the refund with the final grant disbursement reconciliation report.

b. The Institution shall not be responsible for the payment of any invoice submitted after the grant disbursement reconciliation report. The Institution will not deem any Subgrantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the Institution, and such invoices will not be paid.

c. The Subgrantee must close out its accounting records at the end of the Term in such a way that reimbursable expenditures and revenue collections are not carried forward.c

C.7. Indirect Cost. Should the Subgrantee request reimbursement for indirect cost, the Subgrantee must submit to the Institution a copy of the indirect cost rate approved by the cognizant federal agency or the cognizant state agency, as applicable. The Subgrantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate and amounts and limitations specified in the Grant Budget. Once the Subgrantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the Term. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency or the cognizant state agency, as applicable. If the indirect cost rate is provisional during the Term, once the rate becomes final, the Subgrantee agrees to remit any overpayment of funds to the Institution, and subject to the availability of Give grant funds the Institution agrees to remit any underpayment to the Grantee.

C.8. Cost Allocation. If any part of the costs to be reimbursed under this Subgrant are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the Term.

C.9. Payment of Invoice. The payment of an invoice by the Institution shall not prejudice the Institution's right to object to or question any invoice or matter in relation thereto. Such payment by the Institution shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.

C.10. Invoice Reductions. The Subgrantee's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the Institution, on the basis of audits conducted in accordance with the terms of this Subgrant, not to constitute proper remuneration for compensable services.

C.11. Deductions. The Institution reserves the right to deduct from amounts which are or shall become due and payable to the Subgrantee under this or any Subgrant between the Subgrantee and the Institution any amounts which are or shall become due and payable to the Institution by the Subgrantee.

D. TERMS AND CONDITIONS:

D.1. Required Approvals. The Institution is not bound by this Subgrant until it is approved by the appropriate officials in accordance with applicable Tennessee laws and regulations as shown on the signature page of this Subgrant.

D.2. Modification and Amendment. This Subgrant may be modified only by a written amendment executed by all parties hereto and approved by the appropriate officials.

D.3. Termination for Convenience. The Institution may terminate this Subgrant without cause for any reason. Termination under this Section D. 4 shall not be deemed a Breach of Subgrant by the Institution. The Institution shall give the Subgrantee at least [WRITTEN NUMBER] [NUMBER] days written notice before the effective termination date. The Subgrantee shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the Institution be liable to the Subgrantee for compensation for any service which has not been rendered. Upon such termination, the Subgrantee shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount based upon such termination.

D.4. Termination for Cause. If the Subgrantee fails to perform its obligations under this Subgrant in a timely or proper manner, or if the Subgrantee violates any term of this Subgrant, the Institution shall have the right to immediately terminate the Subgrant and withhold payments in excess of fair compensation for completed services; provided, however, Institution shall have the option to give Subgrantee written notice and a specified period of time in which to cure. Notwithstanding the above, the Subgrantee shall not be relieved of liability to the Institution for damages sustained by virtue of any breach of this Subgrant by the Subgrantee.

D.5. Subcontracting. The Subgrantee shall not assign this Subgrant or enter into a subcontract for any of the services performed under this Subgrant without obtaining the prior written approval of the Institution. If such subcontracts are approved by the Institution, they shall contain, at a minimum, sections of this Subgrant pertaining to "Conflicts of Interest" and "Nondiscrimination". Notwithstanding any use of approved subcontractors, the Subgrantee shall be responsible for all work performed.

D.6. REMOVE PARAGRAPH IF SUBGRANTEE IS STATE INSTITUTION Conflicts of Interest. The Subgrantee warrants that no part of the total Subgrant amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Subgrantee in connection with any work contemplated or performed relative to this Subgrant.

D.7. Nondiscrimination. The Subgrantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Subgrant or in the employment practices of the Subgrantee on the grounds of disability, age, race, color, religion, sex, veteran status, national origin, or any other classification protected by Federal, or State constitutional or statutory law. The Subgrantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.8. Records. The Subgrantee shall maintain documentation for all charges against the Institution under this Subgrant. The books, records, and documents of the Subgrantee, insofar as they relate to work performed or money received under this Subgrant, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the Institution, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

D.9. Monitoring. The Subgrantee’s activities conducted and records maintained pursuant to this Subgrant shall be subject to monitoring and evaluation by the Institution, the Comptroller of the Treasury, or their duly appointed representatives.

D.10. Progress Reports. The Subgrantee shall submit brief, periodic, progress reports to the Institution as requested. [**OR** SPECIFY TIME PERIOD – MONTHLY, QUARTERLY, SEMI-ANNUALLY, ANNUALLY, ETC.]

D.11. Strict Performance. Failure by any party to this Subgrant to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Subgrant shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Subgrant shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

D.12. Independent Subgrantee. The parties hereto, in the performance of this Subgrant, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that the parties are independent Subgranting entities and that nothing in this Subgrant shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Subgrantee, being an independent Subgrantee and not an employee of the Institution, agrees to carry adequate public liability and other appropriate forms of insurance on the Subgrantee’s employees, and to pay all applicable taxes incident to this Subgrant.

D.13. Institution Liability. The Institution shall have no liability except as specifically provided in this Subgrant.

D.14. Force Majeure. The obligations of the parties to this Subgrant are subject to prevention by causes beyond the parties’ control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, epidemics or any other similar cause.

D.15. State and Federal Compliance. The Subgrantee shall comply with all applicable State and Federal laws and regulations, including Institution policies and guidelines in the performance of this Subgrant.

D.16. Governing Law. This Subgrant shall be governed by and construed in accordance with the laws of the State of Tennessee. The Subgrantee agrees that it will be subject to the exclusive jurisdiction of the Tennessee Claims Commission in actions that may arise under this Subgrant. The Subgrantee acknowledges and agrees that any rights or claims against the Institution or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under ***Tennessee Code Annotated***, Sections 9-8-101 through 9-8-407.

D.17. Severability. If any terms or conditions of this Subgrant are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Subgrant are declared severable.

D.18. Headings. Section headings of this Subgrant are for reference purposes only and shall not be construed as part of this Subgrant.

E. ADDITIONAL TERMS AND CONDITIONS:

E.1. Communications and Contacts.

The Institution:  
 [NAME AND TITLE OF INSTITUTION CONTACT PERSON]  
 [INSTITUTION NAME]  
 [ADDRESS]  
 [TELEPHONE NUMBER]  
 [FACSIMILE NUMBER]

TBR:

Contracts and Reporting

[Contracts.reporting@tbr.edu](mailto:Contracts.reporting@tbr.edu)

The Subgrantee:  
 [NAME AND TITLE OF SUBGRANTEE CONTACT PERSON]  
 [SUBGRANTEE NAME]  
 [ADDRESS]  
 [TELEPHONE NUMBER]   
 [FACSIMILE NUMBER]  
  
All instructions, notices, consents, demands, or other communications shall be sent in a manner that verifies proof of delivery. Any communication by facsimile transmission shall also be sent by United States mail on the same date as the facsimile transmission. All communications which relate to any changes to the Subgrant shall not be considered effective until agreed to, in writing, by both parties.

E.2. Subject to Funds Availability. The Subgrant is subject to the appropriation and availability of the GIVE grant funds. In the event that the funds are not appropriated or are otherwise unavailable, the Institution reserves the right to terminate the Subgrant upon written notice to the Subgrantee. Termination under this Section E.2 shall not be deemed a breach of the Subgrant by the Institution. Upon receipt of the written notice, the Subgrantee shall cease all work associated with the Subgrant. Should such an event occur, the Subgrantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Subgrantee shall have no right to recover from the Institution any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.3. Copyrights and Patents/Institution Ownership of Work Products. Subgrantee grants Institution a world-wide, perpetual, non-exclusive, irrevocable, fully paid up license to use any proprietary software products delivered under this Subgrant. The Institution shall have royalty-free and unlimited rights to use, disclose, reproduce, or publish, for any purpose whatsoever, as well as share in any financial benefits derived from the commercial exploitation of all work products created, designed, developed, or derived from the services provided under this Subgrant. The Institution shall have the right to copy, distribute, modify and use any training materials delivered under this Subgrant for internal purposes only.

The Subgrantee agrees to indemnify and hold harmless the Institution as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the Institution for infringement of any third party’s intellectual property rights, including but not limited to, any alleged patent or copyright violations. The Institution shall give the Subgrantee written notice of any such claim or suit and full right and opportunity to conduct the Subgrantee’s own defense thereof. In any such action brought against the Institution, the Subgrantee shall take all reasonable steps to secure a license for Institution to continue to use the alleged infringing product or, in the alternative, shall find or develop a reasonable, non-infringing alternative to satisfy the requirements of this Subgrant.

The Subgrantee further agrees that it shall be liable for the reasonable fees of attorneys for the Institution in the event such service is necessitated to enforce the obligations of the Subgrantee to the Institution.

E4. REMOVE PARAGRAPH IF SUBGRANTEE IS STATE INSTITUTION. Insurance.  The Subgrantee shall maintain a commercial general liability policy.  The commercial general liability policy shall provide coverage which includes, but is not limited to, bodily injury, personal injury, death, property damage and medical claims, with minimum limits of $1,000,000 per occurrence, $3,000,000 in the aggregate.  The Subgrantee shall maintain workers’ compensation coverage or a self-insured program as required under Tennessee law.  The Subgrantee shall deliver to the Institution both certificates of insurance no later than the effective date of the Subgrant.  If any policy providing insurance required by the Subgrant is cancelled prior to the policy expiration date, the Subgrantee, upon receiving a notice of cancellation, shall give immediate notice to the Institution.

The enumeration in the Subgrant of the kinds and amounts of liability insurance shall not abridge, diminish or affect the Subgrantee’s legal responsibilities arising out of or resulting from the services under this Subgrant.

E.5. Procurement. If the other terms of this Grant Agreement allow reimbursement for the cost of goods, materials, supplies, equipment, motor vehicles, or contracted services, the procurement of these goods or services by the Grantee shall be competitive where practicable and all applicable regulations. For any procurement for which reimbursement is paid under this Grant Agreement, the Grantee shall document the competitive procurement method. In each instance where it is determined that use of a competitive procurement method is not practicable, supporting documentation shall include a written justification for the decision and for the use of a non-competitive procurement. If the Grantee is a subrecipient, the Grantee shall comply with 2 C.F.R. §§ 200.318—200.326 when procuring property or services under a federal award.

E.6. Inventory/Equipment Control.

If no equipment will be purchased under the Sub-Grant, use this language:

No equipment shall be purchased under this Subgrant

If equipment purchased under the Sub-Grant, use this language:

The Subgrantee agrees to be responsible and accountable for the maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Subgrant. The Subgrantee shall maintain a perpetual inventory system for all equipment purchased with funds provided under this Subgrant and shall submit an inventory control report with the required progress reports.

The Subgrantee shall notify the Institution, in writing, of any equipment loss describing reason(s) for the loss. Should the equipment be destroyed, lost, or stolen, the Subgrantee shall be responsible to the Institution for the *pro rata* amount of the residual value at the time of loss based upon the Institution's original contribution to the purchase price.

If Fiscal Agent (TBR school) want to own/retain equipment after the grant, they will purchase, inventory, capitalize, and depreciate the asset and use the following language as the 3rd paragraph to Section E.6.:

Upon completion or cancellation of this Subgrant, all equipment purchased with funds provided under this Subgrant shall be returned to the Institution.

If the Fiscal Agent (TBR School) intends for the Grantee to own the equipment then the Grantee shall purchase and put the item on their inventory, capitalize, and depreciate use the following language as the 3rd paragraph to Section E.6.:

Upon completion or cancellation of this Subgrant, all equipment purchased by Grantee shall remain with the Grantee.

E.7. Institution Furnished Property. The Subgrantee shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the Institution for the Subgrantee’s temporary use under this Subgrant. Upon termination of this Subgrant, all property furnished shall be returned to the Institution in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Subgrantee shall be responsible to the Institution for the residual value of the property at the time of loss.

E.8. **Political Activity Certification.** **Subgrantee, by signing this Subgrant, certifies that no state property provided hereunder will be used for any political purpose prohibited by state or federal law and further that no funds provided hereunder have been paid, or will be paid, by or on behalf of the Subgrantee to any person or any agency for any political purpose prohibited by state or federal law or in connection with the awarding of this Agreement. The Subgrantee agrees to comply with all applicable disclosure laws relating to political contributions or lobbying activities.**

E.9. Prohibited Advertising. The Subgrantee shall not refer to this Subgrant or the Subgrantee’s relationship with the Institution hereunder in commercial advertising in such a manner as to state or imply that the Subgrantee or the Subgrantee's services are endorsed.

E.10. REMOVE PARAGRAPH IF SUBGRANTEE IS STATE INSTITUTION. Hold Harmless. The Subgrantee agrees to indemnify and hold harmless the Institution as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person (including Institution), firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Subgrantee, its employees, or any person acting for or on its or their behalf relating to this Subgrant. The Subgrantee further agrees it shall be liable for the reasonable cost of attorneys for the Institution in the event such service is necessitated to enforce the terms of this Subgrant or otherwise enforce the obligations of the Subgrantee to the Institution.

In the event of any such suit or claim, the Institution shall give the Subgrantee written notice of any such claim or suit, and the Subgrantee shall have full right and obligation to conduct the Subgrantee’s own defense thereof and shall provide all assistance required by the Institution in the Institution’s defense. Nothing contained herein shall be deemed to accord to the Subgrantee, through its attorney(s), the right to represent the Institution in any legal matter, such rights being governed by ***Tennessee Code Annotated***, Section 8-6-106.

E.11. Debarment and Suspension. The Subgrantee certifies, to the best of its knowledge and belief, that it and its principals:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or state department or agency;

b. have not within a three (3) year period preceding this Subgrant been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining attempting to obtain, or performing a public (Federal, State, or Local) transaction or grant 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 for or otherwise criminally or civilly charged by a government entity (Federal, State, or Local) with commission of any of the offenses listed in section b. of this certification; and

d. have not within a three (3) year period preceding this Subgrant had one or more public transactions (Federal, State, or Local) terminated for cause or default.

E.12. Prohibition on Hiring Illegal Immigrants.  T.C.A. § 12-3-309 prohibits State entities from contracting to acquire goods and/or services from any person who knowingly utilizes the service of illegal immigrants in the performance of the contract and by signing this Subgrant, the Subgrantee attests that the Subgrantee shall not knowingly utilize the goods and/or services of illegal immigrants in the performance of the Subgrant and will not knowingly utilize the goods and/or services of any subcontractor, if permitted under the Subgrant, who will utilize the goods and/or services of illegal immigrants in the performance of the Subgrant. **The Subgrantee hereby attests, certifies, warrants, and assures that the Subgrantee shall not knowingly utilize the goods and/or services of an illegal immigrant in the performance of this Subgrant and shall not knowingly utilize the goods and/or services of any subcontractor who will utilize the goods and/or services of an illegal immigrant in the performance of this Subgrant.**

E.13. Red Flags and Identity Theft. If applicable, Subgrantee shall have policies and procedures in place to detect relevant Red Flags that may arise in the performance of the Subgrantee’s activities under the Subgrant.

E.14. Data Privacy and Security.

1. Data Privacy.
2. “Personal Information” means information provided to Subgrantee by or at the direction of Institution, or to which access was provided to Subgrantee by or at the direction of Institution, in the course of Subgrantee’s performance under this Agreement that:
3. identifies or can be used to identify an individual (including, without limitation, names, signatures, addresses, telephone numbers, e-mail addresses and other unique identifiers); or
4. can be used to authenticate an individual (including, without limitation, employee identification numbers, government-issued identification numbers, passwords or PINs, financial account numbers, credit report information, biometric or health data, answers to security questions and other personal identifiers.
5. Subgrantee represents and warrants that its collection, access, use, storage, disposal and disclosure of Personal Information complies with all applicable federal and state privacy and data protection laws, including without limitation, the Gramm-Leach-Bliley Act (“GLBA”); the Health Information Portability and Accountability Act (“HIPAA”);the Family Educational Rights and Privacy Act (“FERPA”) of 1974 (20 U.S.C. 1232g), the FTC’s Red Flag Rules and any applicable federal or state laws, as amended ,together with regulations promulgated thereunder. Subgrantee represents and warrants that Subgrantee will use the Personal Information only for the purposes authorized by this Agreement and will not sell or share the Personal Information with any other person or entity. Subgrantee shall not use Personal Information for profiling, analytics, training of algorithms or models (including AI/ML), or any purpose not explicitly authorized in writing by Institution.
6. Some Personal Information provided by Institution to Subgrantee is subject to FERPA. Subgrantee acknowledges that its improper disclosure or re-disclosure of Personal Information covered by FERPA may, under certain circumstances, result in Subgrantee’s exclusion from eligibility to contract with Customer for at least five (5) years and agrees to become a “school official” as defined in the applicable Federal Regulations for the purposes of this Agreement.
7. Data Security. Subgrantee represents and warrants that Subgrantee will maintain compliance with the SSAE18 standard or successor standard, and shall undertake any audits and risk assessments Subgrantee deems necessary to maintain compliance with SSAE18.
8. Incident Response. “Security Incident” means any reasonably suspected breach of information security, unauthorized access to any system, server or database, or any other unauthorized access, use, or disclosure of Personal Information or Highly-Sensitive Personal Information occurring on systems under Subgrantee’s control. Subgrantee shall: (a) provide Institution with the name and contact information for an employee of Subgrantee who shall serve as Customer’s primary security contact and shall be available to assist Customer twenty-four (24) hours per day, seven (7) days per week as a contact in resolving obligations associated with a Security Incident; (b) notify Institution of a Security Incident as soon as practicable, but no later than forty eight (48) hours after Subgrantee becomes aware of it, except where disclosure is prohibited by law; and (c) notify Institution of any such Security Incident as follows:

(insert applicable IT or other staff contact information specific to the Institution here)

Contact:

Contact Email:

Contact Phone:

and

a copy by e-mail to Subgrantee’s primary business contact at the Institution.

1. Subgrantee shall use best efforts to immediately mitigate or resolve any Security Incident, at Subgrantee’s expense and in accordance with applicable privacy rights, laws, regulations and standards. Subgrantee shall reimburse Institution for actual costs incurred by Institution in responding to, and mitigating damages caused by, any Security Incident, including all costs of notice and/or remediation incurred under all applicable laws as a result of the Security Incident.
2. Return of Personal Information. At any time during the term of this Agreement, at the Institution’s written request or upon the termination or expiration of this Agreement, Subgrantee shall return to the Institution all copies, whether in written, electronic or other form or media, of Confidential, Highly-Sensitive, or Personal Information in its possession, or at Customer’s direction, securely dispose of all such copies conforming to NIST SP 800-88 Rev. 1 “Guidelines for Media Sanitization” or successor standard. Upon request or contract termination, the Subgrantee must provide a certificate or certified document stating that they have either returned all requested Confidential, Highly-Sensitive, or Personal Information to TBR or securely destroyed it in accordance with relevant regulations. This certificate should include details of the methods used for destruction and confirmation that no copies of the information remain in the Subgrantee's possession. Subgrantee shall provide the certificate of destruction within ten (10) business days of request or contract termination.
3. The Subgrantee shall provide and retain timely, accurate, and comprehensive information such as records and reports that allow TBR to monitor risks. The inventory of reports should include SOC 1, SOC 2, and reports for data breaches. In cases where SOC reports are not available, TBR will accept a Higher Education Community Vendor Assessment Toolkit (HECVAT) report as an alternative. Subgrantee shall provide updated SOC 2, SOC 2 Bridge letters, or HECVAT reports annually or upon material change to operations. Subgrantee shall immediately report any exceptions or control failures identified during audits.
4. Data Residency. Subgrantee shall ensure that all data, including but not limited to Personal Information and Highly-Sensitive Personal Information, is stored and processed within the geographic boundaries of the United States. The Subgrantee shall not transfer or store any data outside of the United States without the prior written consent of the Institution. In the event of any data transfer or storage outside the United States, the Subgrantee must comply with all applicable data protection laws and regulations and provide adequate safeguards to protect the data. Subgrantee may use sub-processors such as AWS or Microsoft Azure, provided that all data remains within data centers located in the continental United States, and those sub-processors comply with equivalent security and privacy obligations.

E.15. Subgrantee Commitment to Strategic Suppliers. The Subgrantee shall assist the Institution in monitoring the Subgrantee’s performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Subgrant by small business enterprises and businesses owned by minorities, women, and Tennessee service-disabled veterans. Such reports shall be provided to the Institution in form and substance as required by Institution.

E.16. Service and Software Accessibility Standards.  The Subgrantee warrants and represents that the service and software, including any updates, provided to the Institution will meet the accessibility standards set forth in WCAG 2.1 AA (also known as ISO standard, ISO/IEC 40500:2012), EPub 3 and Section 508 of the Vocational Rehabilitation Act. To the extent that the products fail to meet the WCAG 2.1 AA, EPub 3 and Section 508 standards, the Subgrantee will provide Institution with a fully completed Accessibility Statement and Conformance and Remediation forms.  The Subgrantee shall indemnify and hold the Institution harmless in the event of claims arising from inaccessibility related to the Subgrantee’s product and/or services.

|  |  |
| --- | --- |
| **IN WITNESS WHEREOF:** | |
| **[SUBGRANTEE LEGAL ENTITY NAME]:** | |
|  | |
| **[NAME AND TITLE]** | **Date** |
|  | |
| **[INSTITUTION NAME]:** | |
|  | |
| **[NAME AND TITLE]** | **Date** |
|  | |
| **APPROVED:** | |
| **TENNESSEE BOARD OF REGENTS:** | |
|  | |
| **Flora W. Tydings, Chancellor** | **Date** |

**ATTACHMENT A**

**(FISCAL AGENT TO INSERT GRANT PROPOSAL)**

**ATTACHMENT B**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **GRANT BUDGET** | | | | |
|  | | | | |
| **The grant budget line-item amounts below shall be applicable only to expense incurred during the following**  **Applicable Period: BEGIN: \_\_\_\_\_\_\_\_\_\_\_\_ END: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | | | | |
| **The grant budget line-item amounts below shall be applicable only to expense incurred during the following**  **Applicable Period: BEGIN: \_\_\_\_\_\_\_\_\_\_ END: \_\_\_\_\_\_\_\_\_\_\_** | | | | |
| **Item** | **EXPENSE OBJECT LINE-ITEM CATEGORY** | **SUBGRANT AGREEMENT** | **GRANTEE PARTICIPATION** | **TOTAL PROJECT** |
| 1 | Salaries, Benefits & Taxes |  |  |  |
| 2 | Professional Fee, Grant & Award |  |  |  |
| 3 | Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications |  |  |  |
| 4 | Travel, Conferences & Meetings |  |  |  |
| 5 | Interest |  |  |  |
| 6 | Insurance |  |  |  |
| 7 | Specific Assistance To Individuals |  |  |  |
| 8 | Depreciation |  |  |  |
| 9 | Other Non-Personnel |  |  |  |
| 10 | Capital Purchase |  |  |  |
| 11 | Indirect Cost |  |  |  |
| 12 | In-Kind Expense |  |  |  |
|  | **GRAND TOTAL** |  |  |  |

**1**