

**ATTACHMENT 4**  
**STATE GRANT CONTRACT PROVISIONS**

In case of any conflict or discrepancy, these State Grant Contract Provisions will prevail over the "SacRT General Contract Provisions" contained in the Contract Documents.

**1. ACCOUNTING RECORDS.** CONTRACTOR and its subcontractors must maintain all books, documents, papers, accounting records and other evidence pertaining to the performance and costs of this Contract. CONTRACTOR's accounting system must conform to generally-accepted accounting principles, and all records must provide a breakdown of total costs charged to this Contract, including properly-executed payrolls, time records, invoices and vouchers. CONTRACTOR must establish and maintain an accounting system and records that properly accumulate and segregate incurred costs by project line item. CONTRACTOR's accounting system must enable the determination of incurred costs at interim points of completion, and provide support for invoices. All accounting records and other supporting papers must be maintained for a minimum of three years from the date of final payment, and must be open to inspection and audit by representatives from SacRT, the State Auditor General of the State of California, Federal Highway Administration or any duly-authorized representative of the state or federal government. CONTRACTOR must make such records and materials available at its office at all reasonable times and copies thereof must be furnished upon request.

CONTRACTOR must include this clause in each subcontract under this Contract.

**2. ALLOWABLE COSTS.** CONTRACTOR must use the following federal requirements to determine the allowability of individual Contract cost items: 48 C.F.R., Chapter 1, Part 31, Contract Cost Principles and Procedures, and CONSULTANT must comply with the following federal administrative procedures for this Contract: 2 C.F.R., Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Reimbursable costs for travel expenses must not exceed rates authorized to be paid to State employees under the current State Department of Personnel Administration Rules. Any CONTRACTOR costs that are determined by the State to be unallowable pursuant to the above-referenced regulations must be repaid to SacRT within 30 calendar days from the date of the written demand.

CONTRACTOR must include this clause in each subcontract under this Contract.

**3. AUDIT AND INSPECTION.** CONTRACTOR must permit SacRT, the State of California, the State Auditor, the Federal Highway Administration or the duly-authorized representative of any of the foregoing to review and inspect all work, materials, payrolls, project activities, files and any books, records, or other documents of CONTRACTOR pertaining to the Contract at all reasonable times during the performance period of this Contract, including review and inspection on a daily basis. Copies of any documents relevant to this Contract must be furnished upon request. Further, CONTRACTOR must maintain all required data, documents, reports, records, contracts and supporting materials relating to the Contract for at least three years from the date of final payment under the Contract.

Any dispute concerning a question of fact arising from an interim or post audit of this Contract that is not disposed by Contract must be reviewed by SacRT's Chief Financial Officer. Not later than 30 days after issuance of a final audit report, CONTRACTOR may request a review by SacRT's Chief Financial Officer of unresolved audit issues. The request for review will be submitted in writing. Neither the pendency of a dispute nor its consideration by SacRT will excuse CONTRACTOR from full and timely performance, in accordance with the terms of this Contract.

**4. FAIR EMPLOYMENT PRACTICES (NONDISCRIMINATION).** CONTRACTOR, and all subcontractors, respectively, agree that in the performance of work under this Contract agree that it will not unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of race, color, ancestry, national origin, religious creed, sexual orientation, sex, gender, gender identity, gender expression, genetic information, age, medical condition, physical disability or mental disability, marital status, military or veteran status, family care, or pregnancy disability care leave. CONTRACTOR and all subcontractors must comply with the provisions of the Fair Employment and Housing Act (*Government Code § 12940 et seq.*) and the applicable regulations (*California Code of Regulations Title 2, Section 7285.0 et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12940(a-o) are set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into the Contract by reference and made a part hereof as if set forth in full. CONTRACTOR and all of its subcontractors must give written notice of their obligations under this Article to labor organizations with which they have a collective bargaining Agreement or other Agreement.

CONTRACTOR and all subcontractors must permit access to their records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California for the purpose of investigation to

ascertain compliance with this Fair Employment Practices Article.

CONTRACTOR must include this clause in each subcontract under this Contract.

**5. DISADVANTAGED BUSINESS ENTERPRISE RECORDS.** CONTRACTOR and CONTRACTOR's subcontractors must maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of contracts with minority and/or women business enterprises including, but not limited to, the costs of administering the various contracts. CONTRACTOR and CONTRACTOR's subcontractors must make such materials available at their respective offices at all reasonable times during the Contract term and for three years from the date of final payment under such Contract. SacRT, the State, the State Auditor General, the Federal Highway Administration, or any duly-authorized representative of the Federal Government must have access to any books, records, and documents that are pertinent to this Contract for audits, examinations, excerpts, and transactions, and copies thereof must be furnished.

**6. NATIONAL LABOR RELATIONS BOARD CERTIFICATION.** In accordance with Public Contract Code Section 10296, CONTRACTOR hereby states under penalty of perjury that no more than one final unappealable finding of contempt by a federal court has been issued against CONTRACTOR within the immediately preceding 2-year period because of CONTRACTOR's failure to comply with an order of a federal court that ordered CONTRACTOR to comply with an order of the National Labor Relations Board.

**7. DRUG-FREE CERTIFICATION.** By signing this Contract, CONTRACTOR hereby certifies under penalty of perjury under the laws of the State of California that CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code § 8350, *et seq.*) and will provide a drug-free workplace by taking the following actions:

- A. Publishing a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited, and specifying actions to be taken against employees for violations.
- B. Establishing a Drug-Free Awareness Program to inform employees about:
  - 1. The dangers of drug abuse in the workplace;
  - 2. The person's or the organization's policy of maintaining a drug-free workplace;
  - 3. Any available counseling, rehabilitation, and employee assistance programs; and
  - 4. Penalties that may be imposed upon employees for drug abuse violations.
- C. Every employee of CONTRACTOR who works under this Contract must:
  - 1. Receive a copy of CONTRACTOR's Drug-Free Workplace Policy Statement; and
  - 2. Agree to abide by the terms of CONTRACTOR's Statement as a condition of employment on this Contract.

**8. TRAVEL REIMBURSEMENT.** Payments to CONTRACTOR for Contract related travel and subsistence expenses of claimed for reimbursement must not exceed rates authorized to be paid rank and file State employees under current State Department of Personnel Administration (DPA) rules.