

SUBJECT AGREEMENT IS HEREBY MODIFIED AS FOLLOWS:

1. The purpose of this modification is to provide clarifications and additions to the Performance Work Statement (PWS) and Deliverables Schedule. Where minimal editorial changes were made, no individual capture of the revision is included in this cover sheet. Only substantive changes made to the Cooperative Agreement are indicated below. Narrative revisions were made to clearly define the intent of the deliverable and/or capture new requirements.
2. Pages 9-10, Section B.5 – Commercial Lines of Business, Revised to better define requirement. Language incorporated to detail requirements and purpose.

Previous language (Mod 1):

The Commission authorizes use of Program Fee for commercial efforts to the extent that the commercial efforts are intended to have a direct benefit to the Program mission and do not otherwise detract from the CNA's performance or are considered unallowable under this Agreement. The Commission's Administrative Memorandum Number 11, Central Nonprofit Agency (CNA) Fee Ceiling Determination Process, states CNAs are authorized to set fees to "generate revenue within their approved business plan, to incentivize the expansion of employment opportunities and to assist in start-ups." Accordingly, the CNA shall provide the Commission PMO with a business plan prior to investing Program Fee in a commercial effort. This plan shall include details of how the product or service is being developed and how it will benefit the Program. For example,

- what studies, if any, will be conducted and once conducted, what are the results?
- Will new assistive technology or methods be developed?
- Are there any new training packages or techniques that will be implemented and if so, what is the projected net gain?

The Commission shall review the plan and approve or deny the use of Program Fee for the proposed commercial effort.

Revised language (Mod 02): The Commission authorizes use of Program Fee for commercial efforts to the extent that the commercial efforts are intended to have a direct benefit to the Program mission and do not otherwise detract from the CNA's performance or are considered unallowable under this Agreement.

The Commission's Administrative Memorandum Number 11, Central Nonprofit Agency (CNA) Fee Ceiling Determination Process, states CNAs are authorized to set fees to "generate revenue within their approved business plan, to incentivize the expansion of employment opportunities and to assist in start-ups." Accordingly, the CNA shall provide the Commission PMO with a business plan prior to investing Program Fee in a commercial effort. **The CNA must submit a business plan after conducting research but prior to moving to the development of a commercial effort.**

The CNA will provide an update on each commercial effort in research and

development in each quarterly report. The business plan shall be submitted no later than thirty (30) days after conclusion of research and shall include details of how the product or service will be developed and how it will benefit the Program. For example, what studies, if any, will be conducted and once conducted, what are the results? Will new assistive technology or methods be developed? Are there any new training packages or techniques that will be implemented and if so, what is the projected net gain? **The Commission shall review the plan and provide concurrence or non-concurrence to use Program Fee for the proposed commercial effort within thirty (30) days of receiving the plan.**

3. Page 20, Section C.3.2.5 – Equitable Allocations and Recommendations, revised deliverable date to match January 31, 2020 date in Deliverables Schedule.
4. Page 21, Section C.3.2.6 – Quality Work Environment, removed paragraph with hard dates that had elapsed.

****END MODIFICATION****