

**U. S. DEPARTMENT OF DEFENSE  
OFFICE OF ECONOMIC ADJUSTMENT  
GENERAL TERMS AND CONDITIONS  
October 2019**

**INTRODUCTION**

This award is governed by the following Office of Economic Adjustment (OEA) General Terms and Conditions. These general terms and conditions implement Office of Management and Budget (OMB) guidance, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” published in the Code of Federal Regulations (CFR) at 2 CFR part 200 and implemented by the DoD at 2 CFR part 1103, “Interim Grants and Cooperative Agreements Implementation of Guidance in 2 CFR part 200” (79 FR 76047, December 19, 2014).

**APPLICABILITY**

These General Terms and Conditions apply to OEA grants and cooperative agreements with Institutions of Higher Education, Nonprofit organizations, States, and Local governments. Provisions of Chapter I, Subchapter C of Title 32, CFR, “DoD Grant and Agreement Regulations,” other than parts 21, 22, 32, 33, and 37, continue to be in effect and are incorporated herein by reference, with applicability as stated in those provisions.

**ORDER OF PRECEDENCE**

Any inconsistencies in the requirements of this award shall be resolved in the following order:

- A. Federal statutes
- B. Federal regulations
- C. 2 CFR part 200, as modified and supplemented by DoD's interim implementation found in 2 CFR part 1103
- D. Award-specific terms and conditions
- E. General Terms and Conditions
- F. Program-Specific Terms and Conditions.

All applicable Federal statutes and regulations are posted on OEA’s website at [www.oea.gov](http://www.oea.gov). OEA’s Federal award document is the Notice of Award (NOA), a 3-page form with numbered and labeled sections. These General Terms and Conditions will refer the Grantee to the applicable section.

In case of disagreement with any requirements of this award, the Grantee shall contact the Points of Contact listed in the NOA to resolve the issue. The Grantee shall not assess any costs to the award or accept any payments until the issue is resolved.

## **ARTICLES**

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## A. Affirmation of Award

Grantees are required to submit a countersigned Notice of Award (NOA) to OEA. First, review the Terms and Conditions, and other requirements of this award. Next, the Authorized Representative must provide a wet signature and date in NOA Section 22. *Affirmation of Award*. The final step is to create a pdf file, and upload the countersigned document in its entirety within your OEA Grants Portal account. You may obtain assistance from the *Federal Agency Points-of-Contact* listed in NOA Section 19.

Failure to adhere to this requirement will result in deobligation of funds being delayed as well as the inability to process any payments. OEA is not responsible for delays due to the unsuccessful submission of the countersigned Notice of Award.

## B. Grant Payments

Grantees should refer to NOA Section 5 to determine the *Federal Award Date*. You will utilize the applicable grant payment guidance dependent upon the Federal Award Date occurring **prior to or after 6/1/2019**.

- **Grant Payments Guidance for Federal Award Date AFTER 6/1/2019**

Grant payments will be processed through the U.S. Department of Health and Human Services Payment Management System (PMS).

Due to the requirements of *Chapter 19 of Volume 10 of the Department of Defense (DoD) Financial Management Regulation, 7000.14-R*, **Grantees are required to submit Standard Form (SF)-270 (non-construction) SF-271 (construction) to the Grantor AND submit a payment request within PMS for all payments.** Any funds paid to the Grantee in excess of the approved payment amount will constitute a debt to DoD.

**CURRENT PMS USERS** - If your organization currently uses PMS for a grant awarded by another Federal Agency, a new PMS account number will be created for this Grant. Everyone that currently has access to PMS will need to submit an Update Privileges request in PMS to gain access to this account.

**NEW PMS USERS** - If your organization does not currently use PMS, then staff will need to gain access to PMS and enter banking information. Access can be requested at <https://pms.psc.gov>. Instructions for requesting access and entering banking details can be found on the same website under the “Grant Recipients” tab. In addition, your organization will need to complete PMS training. For a list of training dates, please go to <https://pms.psc.gov/training/grant-recipient-training.html>.

**SF-270 or SF-271 Preparation:**

Grantees must submit current OMB-approved Standard Forms to request payment. First, review NOA Section 3 to determine the *Type of Award*. Then utilize the appropriate set of directions to prepare your payment request.

**Non-Construction**

Grantees with non-construction grants should complete and sign Standard Form (SF) 270, “Request for Advance or Reimbursement.” Refer to OEA’s presentation “Grant Payment Process: Successfully using the SF-270 to receive timely payments” for detailed instructions. SF-270, Section 7 must include the *Federal Award Identification Number* provided in the NOA’s Section 10.

Click on the icon to open:



SF270-V1.0.pdf



OEA SF-270  
Instructions Spring ;

**Construction**

Grantees with construction grants should complete Standard Form (SF) 271, “Outlay Report and Request for Reimbursement for Construction Programs.” The instructions for this form are on the 2nd page of the SF-271 .pdf file. The Adobe Acrobat Pro form is “fillable.” This will allow you to type into the form and as data is entered, the form will autofill and calculate sums. SF-271, Section 7 must include the *Federal Award Identification Number* provided in the NOA’s Section 10. Upon completion print, sign, and date the form. The signed form should be scanned and saved as a .pdf file.

Click on the icon to open:



SF271-V1.0.pdf

**SF-270 or SF-271 Submission:**

Once the correct form is completed, signed, and scanned as a .pdf, the Grantee should attach it to an email and submit it via email to: [oea.ncr.oea.mbx.oea-pms@mail.mil](mailto:oea.ncr.oea.mbx.oea-pms@mail.mil). You will receive an automated email acknowledging receipt of your payment request.

**PMS Payment Submission:**

Grantees must complete a payment request within PMS. You may locate these instructions at: <https://pms.psc.gov/pms-user-guide/accessing-pms.html>

**Inquiries:**

After submission, all inquiries into the status of a grant payment should be directed to the OEA Project Manager. Allow seven (7) calendar days after submission of a payment before following up with your Project Manager.

**Disclaimer:**

Due to the requirements of *Chapter 19 of Volume 10 of the Department of Defense (DoD) Financial Management Regulation, 7000.14-R*, Grantees must obtain Grantor approval through the successful submission and approval of SF-270 or SF-271 prior to receiving payment. Any funds paid to the Grantee in excess of the approved payment amount will constitute a debt to DoD.

The Grantor will reject all payment requests submitted without the Federal Award Identification Number.

- **Grant Payments Guidance for Federal Award Date issued PRIOR to 6/1/2019**

Grantees must submit current OMB-approved Standard Forms to request payment. First, review NOA Section 3 to determine the *Type of Award*. After this determination, utilize the appropriate set of directions to prepare your payment request.

**Non-Construction:**

Grantees with non-construction grants should complete and sign Standard Form (SF) 270, “Request for Advance or Reimbursement.” Refer to OEA’s presentation “Grant Payment Process: Successfully using the SF-270 to receive timely payments” for detailed instructions.

Click on the icon to open:



SF270-V1.0.pdf



OEA SF-270  
Instructions Spring ;

**Construction:**

Grantees with construction grants should complete Standard Form (SF) 271, “Outlay Report and Request for Reimbursement for Construction Programs.” The instructions for this form are on the 2nd page of the SF-271 .pdf file. The Adobe Acrobat Pro form is “fillable.” This will allow you to type into the form and as data is entered, the form will autofill and calculate sums. Upon completion print, sign, and date the form. The signed form should be scanned and saved as a .pdf file.

Click on the icon to open



SF271-V1.0.pdf

**Submission:**

Once the correct form is completed, signed, and scanned as a .pdf, the Grantee should attach it to an email and submit it via email to:

[osd.ncr.odam.mbx.oea-payments@mail.mil](mailto:osd.ncr.odam.mbx.oea-payments@mail.mil)

**Inquiries:**

After submission, all inquiries into the status of a grant payment should be directed to the OEA Project Manager. Generally grantees are paid within 10 business days after submission to Defense Finance and Accounting Service (DFAS). We recommend you allow 10 business days after submission of a payment before following up with your Project Manager.

**Disclaimer:**

All payments shall be made by electronic fund transfers to the bank account registered in System for Award Management (SAM) at <https://www.sam.gov/portal/SAM/>. The Grantee agrees to maintain its registration in SAM including information necessary to facilitate payment via Electronic Funds Transfer (EFT). Should a change in registry or other incident necessitate the payment to an account other than that maintained in SAM, it is the Grantee's responsibility to notify the Federal Agency Points-of Contact identified in Section 19 of the Notice of Award, and obtain a modification to this Grant reflecting the change. The Government shall not be held responsible for any misdirection or loss of payment which occurs as the result of a Grantee's failure to maintain correct/current EFT information within its SAM registration.

The Grantor will reject all payment requests submitted without the Federal Award Identification Number.

**C. Personnel**

The Grantor must approve or disapprove the selection of key personnel as identified in the application and/or this Agreement. Any new hires or changes in key personnel require prior written approval from the Grantor. Resumes, in sufficient detail to reveal the experience, education, and other general and specific qualifications for the position, must be submitted to the Grantor for its consent prior to approval of a candidate.

**D. Salary Cap**

Grantor participation in the salary rate for the highest paid position shall not be in excess of \$174,500, or a Tier I Senior Executive Service (SES) salary at the U.S. Department of Defense. Other salaries shall tier downward from this highest salary rate subject to the Grantor's review and determination of whether the proposed salary (ies) is (are) allowable, allocable, and reasonable.

**E. Prior Written Approval**

Any changes in the project/program described in the application to include those identified below require prior written approval from OEA initiated through an amendment request from the Grantee:

1. Changes in the specific activities described in the application.

2. Changes in key personnel as specified in the application and/or this agreement.
3. Changes in the scope of work contained in any solicitation and/or request for proposals.
4. Need for additional Federal funds or changes in the non-Federal match.
5. Need for decrease in Federal funds or changes in the non-Federal match.
6. Budget reallocations that exceed 10 percent of the total budget among approved direct cost categories or are transferred to new budget line items.
7. Changes in indirect cost rates or recertification of expired indirect cost rates during the project period unless otherwise specified in this grant agreement.
8. Requests to purchase equipment with an estimated acquisition cost of more than \$5,000.
9. Requests to use Federal and/or non-Federal match funds for food and/or beverages in conjunction with meeting costs.
10. Reallocation of funds from the Contingencies budget category.

## **F. Overpayments**

### **(1) Overpayment Guidance for Federal Award Date prior to 6/1/2019**

Any Grant funds advanced or paid and not needed for approved grant purposes shall be reported immediately to the Grantor at: [osd.ncr.odam.mbx.oea-payments@mail.mil](mailto:osd.ncr.odam.mbx.oea-payments@mail.mil).

Grantees are to submit payments, including refunds or reimbursements, directly to the Grantor's Fiscal Agent, the Defense Finance and Accounting Service (DFAS) Cleveland through one of the following methods:

Via ACH with the following information:

Bank Name: Credit Gateway  
RTN: 051036706  
A/C: 220031

Via Wire with the following information:

Bank Name: US Treasury  
City: New York, NY  
Country: USA  
RTN: 021030004  
Swift: FRNYUS33FX1  
Account Name: DFAS-Cleveland

Account Number: 00008522

The Grantor will not accept any paper checks or returned funds directly. Grantor must be notified when funds have been returned to DFAS in order to direct those funds to the appropriate account.

## **(2) Overpayments Guidance for Federal Award Date after 6/1/2019**

The funds can be returned by check or at the bank via ACH or FedWire. The instructions are located at this website:

<https://pms.psc.gov/grant-recipients/returning-funds-interest.html>

The Payment Management System Program Support Center (PSC) prefers funds returned using Automated Clearing House (ACH) Direct Deposit (Remittance Express [REX]) or FedWire.

### **IMPORTANT - PLEASE INCLUDE:**

- PMS Account Number (PAN). NOTE: The PAN is the same series of alpha-numeric characters used for payment request purposes (e.g.: C1234G1). This is important to indicate whom to credit the funding;
- PMS document number; and
- the reason for the return (e.g. Excess cash, funds not spent, interest, part interest part other, etc.)

Electronic returns include fields to include financial data. Please make use of these fields and include pertinent subaccount information if it applies.

### **Domestic Automated Clearing House (ACH) Returns (Direct Deposit)**

Returning funds to PSC via Automated Clearing House (ACH) means you will most likely be returning funds to PSC in the manner in which they were received at your organization.

Below is PSC ACH account information:

- PSC ACH Routing Number is: 051036706
- PSC DFI Accounting Number: 303000
- Bank Name: Credit Gateway - ACH Receiver
- Location: St. Paul, MN

### **International Automated Clearing House (ACH) Returns (Direct Deposit)**

For payments sent in U.S. Dollars (USD):

- Beneficiary Account: Federal Reserve Bank of New York/ITS (Can abbreviate: FRBNY/ITS)
- Bank: Citibank N.A. (New York)
- SWIFT Code: CITIUS33
- Account Number: 36838868
- Bank Address: 388 Greenwich Street, New York, NY 10013

- Payment Details (Line 70): Agency Name (abbreviated when possible) and Agency Locator Code (ALC)
- Agency POC: Lucas Thompson, (301) 492-5067

For a USD payment, the payment sender must include:

- Agency Locator Code (ALC): 75010501
- Name: US Department of Health and Human Services, PMS Account Number and Grant Sub-account Number in the Payment Details (Line 70) section of the SWIFT message.

This information must be in this section of the payment instructions or International Treasury Service (ITS) will not be able to identify for which agency the payment is intended and, ITS will return the payment as unidentified or unable to post. The receiving account is in the name of “Federal Reserve Bank of New York/ITS” and the payment originator should list that as the name on the beneficiary account.

#### FedWire Returns

For a FedWire return, return via a WIRE:

- FedWire Routing Number: 021030004
- Agency Location Code (ALC): 75010501
- Bank Name: Federal Reserve Bank
- Treas NYC/Funds Transfer Division
- Location: New York, NY

Note: If your organization initiates a wire, you are likely to incur a charge from your Financial Institution.

### **G. Grantee Contributions**

Contributions to this project by non-Grantor sources are expected to be paid out at the same general rate as Grant funds.

### **H. Procurement**

Effective June 20, 2018, Grantees are allowed to use the higher threshold of \$10,000 for micro-purchases and \$250,000 for simplified acquisitions in advance of revisions to the FAR at 48 C.F.R. Subpart 2.1 and the Uniform Guidance when exceptions are not prohibited by statute.

### **I. Reimbursement for Travel**

Reimbursement for travel (transportation, food, and lodging) in the performance of Grant activities shall be consistent with those normally allowed in like circumstances in the non-

Federally sponsored activities of the Grantee. Grantees may follow their own established rate but any travel allowance policies in excess of Federal Travel Regulation limits must receive prior approval from the Grantor.

## **J. Use of Consultants/Contractors**

1. The scope of work contained in any solicitation and/or request for proposals may be reviewed and approved by OEA prior to issuance.
2. Procurement of consultant or contractor services shall be in accordance with all standards and procedures set forth in 2 CFR Part 200. The following terms are intended merely to highlight some of these standards and are, therefore, not inclusive.
  - a. All procurement transactions, regardless of whether negotiated or advertised and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition.
  - b. Formal advertising, with adequate purchase description, sealed bids, and public openings, shall not be required for small purchase procurements that are less than the simplified acquisition threshold, currently set as \$250,000 unless otherwise required by State or local law or regulation. If small purchase procedures are used, price or rate quotations shall be obtained. Micro-purchases of supplies or services, the aggregate amount of which does not exceed the micro-purchase threshold currently set at \$10,000 may be used in order to expedite the completion of lowest-dollar small purchase transactions.
  - c. The Grantee shall maintain a code or standards of conduct which shall govern the performance of its officers, employees, or agents in contracting with and expending Federal Grant funds. Grantee's officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from a contractor or potential contractors. To the extent permissible by State or local law, rules, or regulations, such standards shall provide for penalties, sanctions, or other disciplinary actions to be applied for violations of such standards by the Grantee's officers, employees, or agents, or by contractors.
  - d. The Grantee shall ensure that every consultant and every contractor it employs under the Grant complies with the terms of this Agreement as though the consultant or contractor were a party to this Agreement.
  - e. The Grantee is the responsible authority, without recourse to the Grantor, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurements entered into in support of the Grant.

## **K. Contractor Deliverables**

A disclaimer statement will appear on the title page of any study prepared under this Grant. It will read:

“This study was prepared under contract with the, (The Grantee should insert its legal name into this space), with financial support from the Office of Economic Adjustment, Department of Defense. The content reflects the views of the (The Grantee should insert its legal name into this space) and does not necessarily reflect the views of the Office of Economic Adjustment.”

The contractor identification will appear on the title page of any study funded by this grant.

Any final study shall be submitted electronically. The document will be dated the month and year that it is submitted to the Grantor.

## **L. Intellectual Property**

Rights to inventions made under this grant are subject to Federal patent and licensing regulations, which are codified at Title 37 CFR Part 401 and Title 35 USC Sections 200-212. Pursuant to the Bayh-Dole Act (set forth in 35 USC 200-212), Grantor retains the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the assistance agreement holder, as defined in the Act. In order to receive invention submission guidance, the non-federal entity must notify the Grantor when first aware of any invention.

## **M. Performance Monitoring and Reporting**

The Grantee must submit performance reports in accordance with the due dates provided in NOA Section 21, *Award Performance Goals*. All performance reports will contain the following information about expenses incurred during the reporting period:

1. A comparison of actual accomplishments to the objectives established for the period.
2. The reasons for slippage if established objectives were not met.
3. Additional pertinent information when appropriate.
4. Grantees with non-construction awards will provide a computation of Federal funds expended for each SF-424A object class category approved for the award.
5. Grantees with construction awards will provide a computation of Federal funds spent in each SF-424C cost classification approved for the award.

6. The computation of costs will also include the amount of Grant funds on hand at the beginning and end, and non-Grantor share of contributions over the term.
7. The final performance report must contain a summary of activities for the entire Grant period. All required deliverables should be submitted with the final performance report.

## N. Financial Monitoring and Reporting

The Grantee must utilize SF-425, “Federal Financial Report,” to report all financial activity under the award. Submission of this requirement to the Grantor must remain in compliance with the due dates provided in NOA Section 21, *Award Performance Goals*.

When preparing the SF-425, the Grantee is advised to review Form Field Instructions, OMB Number: 4040-0014. You may click this icon to obtain the instructions:



SF425\_2\_0-V2.0-Inst  
ructions.pdf

As a supplement to these instructions, OEA offers supplemental guidance for some fields in SF-425 Section 10, “Federal Expenditures and Unobligated Balance.”

Field Number	Field Name	Supplemental Guidance
10a	Cash Receipts	Federal funds received
10b	Cash Disbursements	Actual costs incurred to perform work. Consists of direct and indirect costs. 10b will equal 10e
10c	Cash on Hand	Financial status of Federal funds
10d	Total Federal Funds	<i>Federal Grant Total Obligated on Award</i> in NOA Section 18
10e	Federal Share of Expenditures	All disbursements made. 10e will equal 10b.
10f	Federal Share of Unliquidated Obligations	Expenses have occurred, but invoices have not come in
10g	Total Federal Share (Sum)	How much has been spent?
10h	Unobligated Balance of Federal Funds	Amount of 10d minus 10g
10i	Total Recipient Share Required	<i>Non-Federal Grant Total</i> in NOA Section 18
10j	Recipient Share of Expenditures	Amount of non-Federal Grant Total met

The final SF 425, "Federal Financial Report," shall be submitted to the Grantor within 90 days after the end date of the Grant. Any Grant funds actually advanced and not needed for Grant purposes shall be reported immediately to the Grantor and returned to the Grantor's Fiscal Agent in accordance with the guidance provided in **Article F. Overpayments**, of this document.

The Grantor reserves the right to conduct on-site reviews and/or off-site desk reviews to confirm compliance with programmatic and administrative terms and conditions.

#### **O. Prohibited Activities**

1. **Duplication of Work:** The purpose and scope of work for which this Agreement is made shall not duplicate programs for which moneys have been received, are committed, or are applied for from other sources, public or private. Upon request of the Grantor, the Grantee shall submit full information about related programs that will be initiated within the Grant period.
2. **Other Funding Sources:** Grantor's funds budgeted or granted for this program shall not be used to replace any financial support previously provided or assured from any other source.
3. The Grantee is prohibited from using funds provided from this Grant or personnel employed in the administration of this program for political activities, sectarian or religious activities, lobbying, political patronage, or nepotism activities.
4. Grant funds may not be used for marketing or entertainment expenses.
5. Grant funds may not be used for capital assets, such as the purchase of vehicles, improvements and renovation of space, and repair and maintenance of privately owned vehicles.

#### **P. Audits**

The Grantee agrees to comply with audit requirements as specified in 2 CFR Part 200, Subpart F, "Audit Requirements."

The Grantee shall provide any audit with findings related to this award, with copies of the reporting package (including corrective action plans), management letters issued by an auditor, and audit working papers, to the Grantor.

The Grantor will seek to issue a management decision to the Grantee within six months of receipt of an audit report with findings, and the Grantee shall take timely and corrective action to comply with the management decision.

The Grantor reserves the right to conduct an independent follow-up audit.

## **Q. Reporting Subawards and Executive Compensation**

### *a. Reporting of first-tier subawards.*

1. *Applicability.* Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

### *2. Where and when to report.*

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. *What to report.* You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

### *b. Reporting Total Compensation of Recipient Executives.*

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received—

(A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To

determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:

- i. As part of your registration profile at <https://www.sam.gov>.
- ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. *Reporting of Total Compensation of Subrecipient Executives.*

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—

i. in the subrecipient's preceding fiscal year, the subrecipient received—

(A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:

- i. To the recipient.
- ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. *Exemptions*

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- i. Subawards, and
- ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. *Definitions.* For purposes of this award term:

1. *Entity* means all of the following, as defined in 2 CFR part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;
- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;
- v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. *Executive* means officers, managing partners, or any other employees in management positions.

3. *Subaward:*

- i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
- ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. \_\_\_\_ .210 of the attachment to OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”).
- iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. *Subrecipient* means an entity that:

- i. Receives a subaward from you (the recipient) under this award; and
- ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. *Salary and bonus.*

ii. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.

v. *Above-market earnings on deferred compensation which is not tax-qualified.*

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

## **R. Recipient Integrity and Performance Matters**

### **A. REPORTING OF MATTERS RELATED TO RECIPIENT INTEGRITY AND PERFORMANCE**

#### *1. General Reporting Requirement*

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

#### *2. Proceedings About Which You Must Report*

Submit the information required about each proceeding that:

- a. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
- b. Reached its final disposition during the most recent five year period; and
- c. Is one of the following:

- (1) A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;
- (2) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
- (3) An administrative proceeding, as defined in paragraph 5. of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000;
- (4) Any other criminal, civil, or administrative proceeding if:
  - (i) It could have led to an outcome described in paragraph 2.c.(1), (2), or (3) of this award term and condition;
  - (ii) It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
  - (iii) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

### *3. Reporting Procedures*

Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

### *4. Reporting Frequency*

During any period of time when you are subject to the requirement in paragraph 1 of this award term and condition, you must report proceedings information through SAM for the most recent five year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

### *5. Definitions*

For purposes of this award term and condition:

- a. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (*e.g.*, Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.
- b. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of *nolo contendere*.
- c. Total value of currently active grants, cooperative agreements, and procurement contracts includes—
  - (1) Only the Federal share of the funding under any Federal award with a recipient cost share or match; and
  - (2) The value of all expected funding increments under a Federal award and options, even if not yet exercised.

## **S. Requirement to Post an Abstract**

Pursuant to the requirements of Section 8123 of the Department of Defense Appropriations Act, 2015, the Grantee is hereby informed that the Office of Economic Adjustment is required to post a publicly releasable abstract statement that describes the project or program supported by this Grant, in terms that the public can understand, to Department of Defense website, <https://dodgrantawards.dtic.mil/grants/index.html#/home>.

By signing this award agreement, the Grantee accepts this requirement and confirms OEA may publicly release and post an abstract obtained from the Grantee's grant application to Department of Defense website, <https://dodgrantawards.dtic.mil/grants/index.html#/home>.

## **T. Prohibition on Using FY 15 Funds under Grants with Entities that Require Certain Internal Confidentiality Agreements**

The recipient shall not require employees, contractors or subrecipients seeking to report fraud, waste, or abuse to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

The recipient must notify its employees, contractors, or subrecipients that the prohibitions and restrictions of any internal confidentiality agreements inconsistent with this prohibition are no longer in effect.

The prohibition of this award provision does not contravene requirements applicable to any form issued by a Federal department of agency governing the nondisclosure of classified information.

If the Government determines that the recipient is not in compliance with this award provision, it:

- (1) Will prohibit the recipient's use of any FY 2015 funds under this award, in accordance with section 743 of Division E, Title VIII of the Consolidated and Further Continuing Resolution Appropriations Act, 2015, (Pub. L 113-235); and
- (2) May pursue other remedies available for the recipient's material failure to comply with award terms and condition

## **U. Compliance**

OEA may suspend or terminate this Agreement in whole, or in part, if the Grantee materially fails to comply with any term or condition of this Agreement. The Grantee shall not incur new obligations for the terminated portions after receiving notice of the termination, and shall cancel as many outstanding obligations as possible. Additional enforcement remedies for non-compliance and termination provisions, in 2 CFR Part 200 apply to this award. The decision of the Grantor in interpreting the Terms and Conditions of this Agreement shall be final.

## V. Interest

Interest earned amounts up to \$500 per year may be retained by the Grantee for administrative expense. Any additional interest earned on Federal advance payment deposited in interest-bearing accounts must be remitted annually to the U.S. Department of Health and Human Services.

**(1) To return interest on a grant not paid through the PMS, make your check payable to the Department of Health and Human Services.**

Mail the Check to:

HHS Program Support Center  
P.O. Box 530231  
Atlanta, GA 30353-0231

Please include a brief statement explaining the nature of the return.

**(2) If the grant for which you are returning interest is paid through PMS, the refund should include:**

- An explanation stating that the refund is for interest
- List the PMS Payee Account Number(s) (PANs)
- List the grant number(s) for which the interest was earned
- The return should be made payable to: Department of Health and Human Services.

You may return funds for principle and interest in the same refund; however, you must note the amounts that should be applied to each.

If the grant for which you are returning interest is not paid through the PMS, the refund should be accompanied with:

- An explanation stating that the refund is for interest
- The name of the awarding agency
- The grant number(s) for which the interest was earned
- The return should be made payable to: Department of Health and Human Services.