

**U. S. ARMY RESEARCH OFFICE
GENERAL TERMS AND CONDITIONS
FOR GRANT AWARDS TO EDUCATIONAL
INSTITUTIONS AND OTHER NONPROFIT ORGANIZATIONS**

TABLE OF CONTENTS

<u>1.</u> Recipient Responsibility	<u>23.</u> Claims, Disputes, and Appeals
<u>2.</u> Order of Precedence	<u>24.</u> Debarment and Suspension
<u>3.</u> Administration and Cost Principles	<u>25.</u> Termination and Enforcement
<u>4.</u> Amendment of the Grant	<u>26.</u> Security
<u>5.</u> Waivers of Prior Approvals and Other Authorizations	<u>27.</u> Representations and Assurances
<u>6.</u> PreAward Costs	<u>28.</u> Officials Not To Benefit
<u>7.</u> Unobligated Balances	<u>29.</u> Retention and Access to Records
<u>8.</u> Approval of Change in Performance Period	<u>30.</u> Certifications
<u>9.</u> Payments	<u>31.</u> Research Involving Recombinant DNA Molecules
<u>10.</u> Publication and Acknowledgment	<u>32.</u> Prohibition on Use of Human Subjects
<u>11.</u> Technical Reporting Requirements	<u>33.</u> Prohibition on Use of Laboratory Animals
<u>12.</u> Financial Reporting Requirements	<u>34.</u> Data Collection

<u>13.</u> Foreign Travel Reporting Requirement	<u>35.</u> Site Visits
<u>14.</u> Delegation of Administration Duties	<u>36.</u> Preference for U.S. Flag Air Carriers
<u>15.</u> Funding Increments and/or Options	<u>37.</u> Military Recruiting on Campus
<u>16.</u> Cost Sharing	<u>38.</u> Audits
<u>17.</u> Title to Expendable and Nonexpendable Property	<u>39.</u> Allowable Costs
<u>18.</u> Program Income	<u>40.</u> Procurement Standards
<u>19.</u> Interest Earned	<u>41.</u> Subawards
<u>20.</u> Debt Collection	<u>42.</u> Year 2000 Computer Compliance
<u>21.</u> Patent Rights	<u>43.</u> After-the-Award Requirements
<u>22.</u> Rights in Technical Data and Computer Software	<u>44.</u> Acceptance of Grant

1. **Recipient Responsibility.**

- a. The recipient will bear primary responsibility for the conduct of the research and will exercise judgment towards attaining the stated research objectives within the limits of the grant's terms and conditions.
- b. The principal investigator(s) specified in the grant award will be continuously responsible for the conduct of the research project and will be closely involved with the research effort. The principal investigator, operating within the policies of the recipient, is in the best position to determine the means by which the research may be conducted most effectively.

2. **Order of Precedence.** Any inconsistency or conflict in the terms or conditions specified in this grant shall be resolved according to the following order of precedence:

a. The Research Grant

b. These General Terms and Conditions for Grant Awards to Educational Institutions and Other Nonprofit Organizations.

3. **Administration and Cost Principles.** The following documents and attachments thereto, effective the earlier of (i) the start date of this grant or (ii) the date on which the recipient incurs costs to be assessed the grant, are incorporated by reference as part of this grant:

a. OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations."

b. OMB Circular A-21, "Cost Principles for Educational Institutions."

c. OMB Circular A-122, "Cost Principles for Nonprofit Organizations." (see note below)

d. OMB Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations."

e. DOD 3210.6-R, "DOD Grant and Agreement Regulations (DODGARs)."

Note: For those nonprofit organizations specifically exempted from the provisions of OMB Circular A-122, Subpart 31.2 of the Federal Acquisition Regulation (FAR) (48 CFR Subpart 31.2) shall apply.

The above OMB documents may be obtained from:

Executive Office of the President Telephone: (202) 395-7332
Office of Management and Budget
Publications Service
New Executive Office Building
725 17th Street, N.W. Room 2200
Washington, DC 20503

The DOD 3210.6-R may be obtained from:

National Technical Information Service Telephone: 1-800-553-6847
5285 Port Royal Road <http://www.ntis.gov/ordering.htm>
Springfield, VA 22161

4. **Amendment of the Grant.** The only method by which this grant may be amended is by a formal, written amendment signed by the Grants Officer. No other communications, whether oral or in writing, are valid.

5. **Waivers of OMB Circular Prior Approvals and Other Authorizations.** All prior approvals required by OMB Circulars A-21 and A-110 are waived except for the following:

a. Change in the scope or objectives of the research project, the methodology or experiment when such is stated in the grant as a specific objective, or the phenomenon or phenomena under study as required by Article 1 of these terms and conditions titled "Recipient Responsibility."

b. Any request for additional funding.

c. Award of a subcontract or subgrant to accomplish substantial programmatic work required in the agreement to be performed by the prime recipient unless the subaward is identified in the approved budget incorporated as part of the grant, exclusive of supplies, material, or general support services.

d. Expenditures for equipment costing \$5,000 or more not specifically identified in the budget incorporated as part of the grant.

e. Expenditures for foreign travel not specifically identified in the budget incorporated as part of the grant.

f. A change in principal investigator or project director (PI/PD).

g. The continuation of the research work during the absence for more than three (3) months, or a twenty-five (25) percent reduction in time devoted to the project, by the approved PI/PD.

6. **PreAward Costs.** The recipient may incur preaward costs in accordance with the DODGARs §32.25(d)(2)(i).

7. **Unobligated Balances.** In the absence of any specific notice to the contrary, the recipient is authorized to carry forward unobligated balances to subsequent funding periods of this grant agreement in accordance with DODGARs §32.25(d)(2)(ii).

8. **Approval of Change in Performance Period.** Extensions of performance periods must

be based on a request in writing to the Grants Officer which shall be received at least thirty (30) calendar days prior to the end of the current performance period.

9. **Payments.**

- a. Payments to the recipient shall be by the use of a predetermined schedule of payments or reimbursement.
- b. Recipients not receiving predetermined schedule of payments shall submit requests for payment using the SF 270, Request for Advance or Reimbursement, no more frequently than monthly. The request shall be submitted to the Office of Naval Research identified in the Research Grant.
- c. Payments will be made by the following Government payment office unless specified in the special terms and conditions article of the Research Grant.

Defense Finance and Accounting Service 1-888-332-7742
Rock Island Operating Location
Building 68
DFAS-RI-FPV
Rock Island, IL 61299-8301

10. **Publication and Acknowledgment.**

- a. Publication. The recipient is encouraged to publish results of the research, unless classified, in appropriate journals. One copy of each paper planned for publication will be submitted to the Army Research Office Scientific Officer/Technical Monitor simultaneously with its submission for publication. Copies of all publications resulting from the research will be forwarded to the grantor as they become available even though publication may occur subsequent to the termination date of the grant.
- b. Acknowledgment. The recipient agrees that in the release of information relating to this grant, such release shall include a statement to the effect that the project or effort depicted was or is sponsored by the Department of the Army, Army Research Office, and that the content of the information does not necessarily reflect the position or the policy of the federal government, and no official endorsement should be inferred. For purposes of this Article 10, information includes news releases, articles, manuscripts, brochures, advertisements, still and motion pictures, speeches, trade association proceedings, etc.
- c. Disclosure of Federal Funding. When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with federal money, all recipients receiving federal funds, including

but not limited to state and local governments, shall clearly state: (i) the percentage of total costs of the program or project which will be financed with federal money and (ii) the dollar amount of federal funds for the project or program (Section 8136, FY 1989 DOD Appropriations Act).

11. **Technical Reporting Requirements.** For detailed technical reporting requirements and instructions, see ARO Form 18, "Reporting Instructions," found on ARO's website at <http://www.aro.army.mil>. If the recipient does not have access to the Internet, copies of ARO Form 18 are available by calling the ARO Information Line on 919-549-4375.

12. **Financial Reporting Requirements.**

a. The following financial reports are required for recipients receiving funds through a **predetermined payment schedule:**

(1) Report of Federal Cash Transaction (SF 272) (Quarterly): Due within 15 working days following the end of each quarter.

(2) Financial Status Report (SF 269) (Final): Due at completion of grant.

b. The following financial reports are required for recipients receiving funds by **reimbursement:**

(1) Report of Federal Cash Transaction (SF 272): Due annually.

(2) Financial Status Report (SF 269) (Final): Due at completion of grant.

c. All reports shall be submitted to the Office of Naval Research Office identified in the Research Grant.

Copies of these forms may be found on the internet at <http://www.whitehouse.gov/OMB/grants/index.html>.

13. **Foreign Travel Reporting Requirement.** Within thirty (30) days after returning to the United States from foreign travel, the Principal Investigator shall submit an acceptable trip report to the Grants Officer summarizing the highlights of the trip. Reimbursement for travel is contingent upon receipt of an acceptable trip report. If the trip report is not received by the required date, reimbursement will not be authorized.

14. **Delegation of Administration Duties.** Certain grant administration duties have been delegated to the Office of Naval Research (ONR) identified in the Research Grant. These

duties are as follows:

- a. Provisionally approve all Requests for Advance or Reimbursement (SF 270).
- b. Perform all property administration services except the approval of recipient's requests to purchase equipment with grant funds. Such approvals must be granted by the ARO Grants Officer.
- c. Perform all plant clearance functions.
- d. Approve requests for Registration of Scientific and Technical Information Services (DD Form 1540).
- e. Obtain the interim (if required) and final financial report(s).
- f. Obtain the interim patent report (s).
- g. Execute administrative close-out procedures, which includes the following:
 - (1) Obtain the final Report of Inventions and Subcontracts (DD Form 882).
 - (2) Obtain final payment request, if any.
 - (3) Obtain final property report and dispose of purchased property and government furnished equipment (GFE) in accordance with the DODGARs Part 22, Subpart G.
 - (4) Perform a review of final incurred costs and assist the Grants Officer in resolving exceptions, if any, resulting from questioned costs.
 - (5) Assure that all refunds due the Government are received by the Grants Officer.

15. **Funding Increments and/or Options**. The recipient is advised that the grantor's obligation to provide funding for increments and/or options included in the grant is contingent on satisfactory performance and the availability of funds. Accordingly, no legal liability on the part of the grantor exists unless or until funds are made available to the grantor and notice of such availability is confirmed in writing to the recipient and performance of the research is deemed satisfactory in the judgment of the ARO Scientific Officer/Technical Monitor.

16. **Cost Sharing**. Unless specified otherwise in the Special Terms and Conditions paragraph of the Research Grant, cost sharing, if any, is included in accordance with OMB

Circular A-110 and DODGARs §32.23.

17. **Title to Expendable and Nonexpendable Property.** Unless specified otherwise in the Special Terms and Conditions paragraph of the Research Grant, title to all expendable and nonexpendable tangible personal property purchased with grant funds shall be vested in the recipient after acquisition subject to OMB Circular A-110 and DODGARs §32.33. Such property is considered exempt property and subject to the conditions established in OMB Circular A-110 and the DODGARs §32.33.

18. **Program Income.** All program income earned during the project period (except proceeds from the sale of real and personal property and license fees and royalties received as a result of copyrights or patents produced under the grant) shall be deducted from the total project's allowable costs in determining the net allowable costs on which the Federal share of costs will be based (see DODGARs §32.24).

19. **Interest Earned.** Interest earned on Federal advances deposited in interest bearing accounts shall be managed in accordance with DODGARs §32.22(1).

20. **Debt Collection.** The establishment of debts owed by recipients of grants and transferring them to payment offices for collection shall be dealt with in accordance with DODGARs §22.820.

21. **Patent Rights.** The clause, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," (37 CFR Part 401), is incorporated as part of the grant by reference. Invention reports shall be filed at least annually and at the end of the grant's performance period. Annual reports are due sixty (60) days after the anniversary date of the grant and final reports are due ninety (90) days after the expiration of the final research period. The recipient shall use DD Form 882, Report of Inventions and Subcontracts, to file the invention reports. Negative reports are required. The grant shall not be closed out until all invention reporting requirements are met.

NOTE: This term and condition is **not applicable** to instrumentation and equipment grant awards.

22. **Rights in Technical Data and Computer Software.** Rights in technical data and computer software under this grant shall be as described in the DODGARs §32.36.

23. **Claims, Disputes and Appeals.** Claims, disputes, and appeals shall be processed in accordance with the procedures in DODGARs §22.815.

24. **Debarment and Suspension.** Recipients shall be subject to the debarment and

suspension conditions found in DODGARs §32.13.

25. **Termination and Enforcement.** Recipients shall be subject to the termination and enforcement conditions found in DODGARs §32.61 and §32.62.

26. **Security.** As a general rule, principal investigators will not need access to classified security information in the conduct of research supported under this grant. Should it appear that access to such information is desirable, the recipient shall advise the grantor and request clearance for the investigator. Should information be developed under the course of work under this grant that, in the judgment of the principal investigator or the recipient, should be classified, the Grants Officer shall be notified immediately.

27. **Representations and Assurances.** By accepting funds under this grant, the recipient assures that it will comply with applicable provisions of the following:

a. National policies prohibiting discrimination:

(1) On the basis of race, color, or national origin, in Title VI of the Civil Rights Act of 1964 (43 U.S.C. 2000d, et seq.) as implemented by DOD regulations at 32 CFR Part 195.

(2) On the basis of sex or blindness, in Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.).

(3) On the basis of age, in the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.), as implemented by Department of Health and Human Services regulations at 45 CFR Part 90.

(4) On the basis of handicap, in: Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by Department of Justice regulations at 28 CFR Part 41 and DOD regulations at 32 CFR Part 56 and the Architectural Barriers Act of 1968 (42 U.S.C. 4151, et seq.).

b. Assurances that the recipient will:

(1) Comply with applicable provisions of the Clean Air Act (42 U.S.C. 7401, et seq.) and Clean Water Act (33 U.S.C. 1251 et seq.), as implemented by Executive Order 11738 [3 CFR, 1971-1975 Comp., p. 799] and Environmental Protection Agency (EPA) rules at 40 CFR Part 15. In accordance with the EPA rules, the recipient further agrees that it will:

(a) Not use any facility on the EPA's List of Violating Facilities in performing any award that is nonexempt under 40 CFR 15.5, as long as the facility remains on the list.

(b) Notify the awarding agency if it intends to use a facility in performing this award that is on the List of Violating Facilities or that the recipient knows has been recommended to be placed on the List of Violating Facilities.

(2) Identify to the awarding agency any impact this award may have on:

(a) The quality of the human environment, and provide help the agency may need to comply with the National Environmental Policy Act (NEPA, at 42 U.S.C. 4321, et seq.) and to prepare Environmental Impact Statements or other required environmental documentation. In such cases, the recipient agrees to take no action that will have an adverse environmental impact (e.g., physical disturbance of a site such as breaking of ground) until the agency provides written notification of compliance with the environmental impact analysis process.

(b) Coastal zones, and provide help the agency may need to comply with the Coastal Zone Management Act of 1972 (16 U.S.C. 1451, et seq.), concerning protection of U.S. coastal resources.

(c) Coastal barriers, and provide help the agency may need to comply with the Coastal Barriers Resources Act (16 U.S.C. 3501 et seq.), concerning preservation of barrier resources.

(d) Any existing or proposed component of the National Wild and Scenic Rivers system, and provide help the agency may need to comply with the wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271, et seq.).

(e) Underground sources of drinking water in areas that have an aquifer that is the sole or principal drinking water source, and provide help the agency may need to comply with the Safe Drinking Water Act (42 U.S.C. 300h-3).

28. **Officials Not to Benefit.** No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this agreement, or to any benefit arising from it, in accordance with 41 U.S.C. 22.

29. **Retention and Access to Records.** Retention and access to records pertinent to this award are subject to the requirements of DODGARs §32.53.

30. **Certifications.** By accepting funds under this agreement, the recipient acknowledges the following:

a. 32 CFR Part 25 regarding debarment, suspension, and other responsibility matters

b. 32 CFR Part 26 regarding drug-free workplace requirements.

c. 32 CFR Part 28 regarding lobbying.

31. **Research Involving Recombinant DNA Molecules.** Any recipient performing research involving recombinant DNA molecules and/or organisms and viruses containing recombinant DNA molecules agrees by acceptance of this award to comply with the National Institutes of Health "Guidelines for Research Involving Recombinant DNA Molecules," July 5, 1994 (59 FR34496) amended August 5, 1994 (59 FR40170) amended April 27, 1995 (60 FR 20726), or such later revision of those guidelines as may be published in the Federal Register.

32. **Prohibition on Use of Human Subjects.** Notwithstanding any other provisions contained in this grant or incorporated by reference herein, the recipient is expressly forbidden to use or subcontract or subgrant for the use of human subjects in any manner whatsoever. In the performance of this grant, the recipient agrees not to come into contact with, use, employ, or subcontract or subgrant any human subject for research, experimentation, test, or other treatment under the scope of work as set out in the grant without the express written approval from the Grants Officer.

33. **Prohibition on Use of Laboratory Animals.** Notwithstanding any other provisions contained in this grant or incorporated by reference herein, the recipient is expressly forbidden to use or subcontract or subgrant for the use of laboratory animals in any manner whatsoever without the express written approval of the Grants Officer.

34. **Data Collection.** Data collection activities, if any, performed under this grant are the responsibility of the recipient. Awarding agency support of the project does not constitute approval of the survey design, questionnaire content, or data collection procedures. The recipient shall not represent to respondents that such data are being collected for or in association with the awarding agency without the specific written approval of the cognizant awarding agency official. However, this requirement is not intended to preclude mention of the awarding agency support of the project in response to an inquiry or acknowledgment of such support in any publication of this data.

35. **Site Visits.** The grantor, through authorized representatives, has the right, at all reasonable times, to make site visits to review project accomplishments and to provide such technical assistance as may be required. If any site visit is made by the grantor on the premises of the recipient, a subrecipient, or subcontractor, the recipient shall provide, and shall require its subrecipients and subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the government representatives in the performance of their duties. All site visits and evaluations shall be performed in such a

manner that will not unduly interfere with or delay the work.

36. Preference for U.S.-Flag Air Carriers. Persons using these grant funds to travel are required by 49 U.S.C. 40118, commonly referred to as the "Fly America Act," to use U.S. flag air carrier service for all air travel funded by the U.S. Government, except when:

- a. No U.S. flag air carrier provides services on a particular leg of the route, in which case foreign air carrier service may be used, but only to or from the nearest interchange point on an usually traveled route to connect with U.S. flag air carrier service.
- b. Service is provided under a code share agreement with a foreign air carrier and the ticket, or documentation for an electronic ticket, identifies the U.S. flag air carrier's designator code and flight number.
- c. A U.S. flag air carrier involuntarily reroutes travel on a foreign air carrier.
- d. Service on a foreign air carrier would be three hours or less, and use of the U.S. flag air carrier would at least double your en route travel time.
- e. U.S. flag carrier service is available but cannot provide the air transportation needed; or will not accomplish the awardee's mission, in which case use of a foreign air carrier is determined to be a matter of necessity for any of the following reasons, including but not limited to:
 - (1) Medical reasons, including use of foreign air carrier service to reduce the number of connections and possible delays in the transportation of persons in need of medical treatment; or
 - (2) Avoiding an unreasonable risk to the safety of the traveler and is approved by the agency (e.g., terrorist threats). Written sponsor approval is required.
 - (3) When you cannot purchase a ticket in your authorized class of service on a U.S. flag air carrier and a seat is available in your authorized class of service on a foreign air carrier.
- f. You are traveling between the U.S. and a foreign country and
 - (1) Using a U.S. flag carrier that provides nonstop or direct service (no aircraft change) from origin to destination would extend travel time, including delay at origin, by 24 hours or more,
 - (2) A U.S. flag air carrier does not offer nonstop or direct service (no aircraft change)

between origin and destination, a U.S. flag air carrier must be used on every portion of the route where it provides service unless, when compared to using a foreign air carrier, such use would:

- (a) Increase the number of aircraft changes you must make outside of the U.S. by two or more; or
- (b) Extend your travel time by at least six hours or more; or
- (c) Require a connecting time of four hours or more at an overseas interchange point.

37. **Military Recruiting on Campus.** Military recruiting on campus under this award shall be as specified in the DODGARs §22.520, Military Recruiting and Reserve Officer Training Corps Program Access to Institutions of Higher Education, which is incorporated by reference.

38. **Audits.** Recipients are to periodically have independent, financial and compliance audits subject to DODGARs §32.26.

39. **Allowable Costs.** Allowability of costs is in accordance with DODGARs §32.27.

40. **Procurement Standards.** Recipients shall comply with the standards set forth in DODGARs §32.40-.49 and applicable Federal statutes and Executive Orders when expending Federal funds for supplies, equipment, real property, and expendable property.

41. **Subawards.** Recipients shall flow down requirements to subawards in accordance with DODGARs §32.5.

42. **Year 2000 Computer Compliance.** Recipients of ARO research grants are reminded of their responsibility to take appropriate actions to ensure that the ARO project being supported is not adversely affected by the Year 2000 problem. Potentially affected items include computer systems, databases, and equipment. If an award deals with future dates, that award must be Year 2000 compliant before the first use of dates beyond 31 December 1999. The ARO should be notified if a recipient concludes that the Year 2000 will have a significant impact on its ability to carry out an ARO funded project.

43. **After-the-Award Requirements.** Closeout, subsequent adjustments, continuing responsibilities, and collection of amounts due are subject to requirements found in DODGARs §32.71-.73.

44. **Acceptance of Grant.** The recipient is not required to countersign the grant document; however, the recipient agrees to the conditions specified in the Research Grant

and the Articles contained herein unless notice of disagreement is furnished to the Grants Officer within fifteen (15) calendar days after the date of the Grants Officer's signature. In case of disagreement, the recipient shall not assess the grant any costs of the research unless and until such disagreement(s) is resolved.