

STANDARD TERMS AND CONDITIONS APPLICABLE TO FOREIGN GRANT RECIPIENTS

1. General Administrative Requirements and Cost Principles

The recipient agrees to maintain appropriate systems, policies, and procedures for ensuring the proper stewardship and financial management of EPA grant funds in accordance with the terms and conditions of this award. The general principles for determining allowable costs under this award are provided in the Office of Management and Budget Circular A-122, Attachments A and B, available at http://www.whitehouse.gov/omb/circulars_a122_2004. In addition to the audit requirements included in the terms and conditions, the EPA will conduct annual programmatic and administrative post-award reviews of the recipient to verify compliance with the terms and conditions.

2. Financial Management System

Recipients must have in place accounting and internal control systems to relate financial data to performance data and develop unit cost information whenever practical. Recipients' financial management systems shall provide the following for EPA-sponsored activities:

- (a) Accurate, current and complete disclosure of the financial results of each EPA-sponsored project or program to comply with EPA financial reporting requirements.
- (b) Records that identify adequately the source and application of funds for EPA-sponsored activities. These records shall contain information pertaining to EPA awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.
- (c) Effective control over and accountability for all funds, property and other assets. Recipients shall adequately safeguard all such assets and assure they are used solely for authorized purposes.
- (d) Comparison of outlays with budget amounts for each award. Whenever appropriate, financial information should be related to performance and unit cost data.
- (e) Written procedures to minimize the time elapsing between the transfer of funds to the recipient from the U.S. Treasury and the issuance or redemption of checks, warrants or payments by other means for program purposes by the recipient.
- (f) Accounting records including cost accounting records that are supported by source documentation.

3. Revision of Budget and Program Plans

The recipient is required to report deviations from budget and program plans, and request prior approvals for budget and program plan revisions. Recipients shall request prior written approvals from EPA for the following:

- (a) Change in scope or the objective of the project or program (even if there is no associated budget revision requiring prior approval).
- (b) Transfer of funds among direct cost categories where the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by EPA.
- (c) The need for additional U.S. Federal funding.
- (d) The inclusion of costs that require prior approval in accordance with OMB Circular A-122.
- (e) Change in key person specified in the application or award document.
- (f) The absence for more than three months, or a 25 percent reduction in time devoted to the project director or principal investigator.
- (g) The transfer of amounts budgeted for indirect costs, or vice versa.
- (h) The transfer of funds allotted for training allowances to other categories of expense.
- (i) Unless described in the application and funded in the approved award, the subaward, transfer or contracting out any work under an award. This provision does not apply to the purchase of supplies, material, equipment or general support services.

4. Procurement

As a recipient, you must conduct all procurement transactions through an open, free, and fair competition. Procurement includes the purchase of supplies, equipment and services with federal funds. This requirement applies whether purchasing transactions are negotiated or competitively bid, and without regard to dollar value. In your application, you should indicate that a competitive process will occur in which supplies, equipment or service will be selected, but you may not name a specific bidder without competition. The competitive process used by the grantee must ensure the cost or price of your supplies, equipment, and services is reasonable. Records documenting the procurement process shall be retained by the grantee throughout the life of the award and be available for review by the EPA or an agent acting on behalf of the EPA.

5. Equipment

Title to equipment acquired by a recipient with EPA funds shall vest in the recipient, subject to the following conditions:

- (a) The recipient shall not use equipment acquired with EPA funds to provide services for a fee that is less than private companies charge for equivalent services for as long as the EPA retains an interest in the equipment.
- (b) The recipient shall use the equipment in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by U.S. Federal government and shall not encumber the property without approval of EPA. When no longer needed for the original project or program, the recipient shall use the equipment in connection with its other U.S. Federally sponsored activities in the following order of priority: activities sponsored by EPA, then activities sponsored by other U.S. Federal awarding agencies.

- (c) During the time that equipment is used on the project or program for which it was acquired, the recipient shall make it available for use on other projects or programs if such other use will not interfere with the work on the project or program for which the equipment was originally acquired.
- (d) Equipment user charges shall be treated as program income.
- (e) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of equipment. Any loss, damage, theft of equipment shall be investigated and fully documented.
- (f) Adequate maintenance procedures shall be implemented to keep the equipment in good condition.
- (g) The recipient is responsible for contacting the EPA for final disposition instructions. Records for equipment acquired with EPA funds shall be retained for 3 years after final disposition.

6. Prompt Payment Act

Federal funds may not be used by the recipient for the payment of interest penalties to contractors when bills are paid late nor may interest penalties be used to satisfy cost sharing requirements. Obligations to pay such interest penalties will not be obligations of the United States.

7. No U.S. Federal Employee Benefit

The recipient understands that none of the funds for this project (including funds contributed by the recipient as cost sharing) may be used to pay for the travel of Federal employees or for other costs associated with Federal participation in this project. Except however, if a Federal agency is selected through the recipient's procurement process to carry out some of the work as a contractor to the recipient, funds may be used to allow necessary Federal travel and other costs associated with Federal participation in this project.

8. Fly America Act

The recipient understands that all travel **funded with U.S. Federal money** must comply with the Fly America Act. All travel must be on U.S. air carriers certificated under 49 U.S.C. Section 1371, to the extent that service by such carriers is available even if foreign air carrier costs are less than the American air carrier.

9. Federal Financial Report (SF-425)

EPA recipients shall submit a final Federal Financial Report (SF-425) to EPA no later than 90 calendar days after the end of the project period. The form is available on the internet at <http://www.epa.gov/ocfo/finservices/forms.htm> . All FFRs must be submitted to the Las Vegas Finance Center: US EPA, LVFC, 4220 S. Maryland Pkwy., Bldg. C, Rm. 503, Las Vegas, NV 89193, or by Fax to: 702-798-2423.

The LVFC will make adjustments, as necessary, to obligated funds after reviewing and accepting a final Federal Financial Report. Recipients will be notified and instructed by EPA if they must complete any additional forms for the closeout of the assistance agreement.

If the recipient does not comply with this term and condition, EPA may temporarily withhold cash payments, disallow all or part of the cost of activity or action not in compliance, wholly or partly suspend or terminate the current award, withhold further awards for the project or program or take other remedies that may be legally available.

10. Lobbying Certification and Disclosure

Lobbying (over \$100,000)

The recipient certifies, to the best of its knowledge and belief, that:

(a) No Federal appropriated funds have been or will be paid, by or on behalf of the recipient, to any person for influencing or attempting to influence an officer or employee of any U.S. agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any U.S. agency, a Member of Congress, or any employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the recipient shall complete and submit the attached Standard Form -- LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The recipient shall require that the language of this certification be included in the award documents for all subawards exceeding \$100,000 at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. A copy of this certification and the "Disclosure Form to Report Lobbying" are attached for the recipient's use in obtaining the certifications for subawards.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

11. Lobbying and Litigation

The chief executive officer of the recipient organization shall ensure that no grant funds awarded under this assistance agreement are used to engage in lobbying of the U.S. Federal Government or in litigation against the United States unless authorized under existing law.

12. Consultant Fees

EPA participation in the salary rate (excluding overhead) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors shall be limited to the maximum daily rate for a Level IV of the Executive Schedule (formerly GS-18), to be adjusted annually. This limit applies to consultation services of designated individuals with specialized skills who are paid at a daily or hourly rate. As of January 1, 2012, the limit is \$596.00 per day and \$74.50 per hour. This rate does not include transportation and subsistence costs for travel performed (the recipient will pay these in accordance with their normal travel reimbursement practices).

13. Subaward Agreements

a. The recipient agrees to:

- (1) Obtain approval from EPA for any new subaward work that is not outlined in the approved work plan.
- (2) Establish all subaward agreements in writing;
- (3) Maintain primary responsibility for ensuring successful completion of the EPA-approved project (this responsibility cannot be delegated or transferred to a subrecipient);
- (4) Ensure that any subawards are not used to acquire commercial goods or services for the recipient;
- (5) Ensure that any subawards are awarded to eligible subrecipients and that proposed subaward costs are necessary, reasonable, and allocable;
- (6) Ensure that any subawards to organizations do not involve lobbying activities;
- (7) Monitor the performance of their recipients and ensure that they comply with all applicable regulations, and terms and conditions which flow down in the subaward; and

b. Any questions about subrecipient eligibility or other issues pertaining to subawards should be addressed to the recipient's EPA Project Officer.

c. The recipient is responsible for selecting its subrecipients and, if applicable, for conducting subaward competitions.

14. Subaward Reporting 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 U.S. Federal funds for a subaward to an entity (see definitions in paragraph e of this award term).

2. Where and when to report. You must report each obligating action described in paragraph A.1. of this award term to www.fsrs.gov. 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 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

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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 Central Contractor/System for Award Management profile available at <http://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

1. 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.

15. Suspension and Debarment

Recipients shall fully comply with Subpart C of 2 CFR Part 180, entitled "Responsibilities of Participants Regarding Transactions." Recipient is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of 2 CFR Part 180, entitled "Covered Transactions," includes a term or condition requiring compliance with Subpart C. Recipient is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. Recipient acknowledges that failing to disclose the information required under 2 CFR 180.335 may result in the delay or negation of this assistance agreement, or pursuance of legal remedies, including suspension and debarment.

Recipients may access suspension and debarment information at <http://www.sam.gov>. This term and condition supersedes EPA Form 5700-49, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters."

International Suspension and Debarment for Public International Organizations

The recipient agrees to the following:

(1) The recipient agrees to verify that any person it intends to directly enter into a lower tiered covered transaction with, as described in Subpart B of 2 CFR Part 180, entitled "Covered Transactions," and in effect at the time of this award is not excluded or disqualified from Federal non-procurement transactions by:

(a) Checking the System for Award Management (SAM) (Recipients may access the List at <http://www.sam.gov>); or

(b) Obtaining a certification from that person stating they are not excluded or disqualified from U.S. Federal non-procurement transactions; or

(c) Including a term and condition in the covered transaction in which the person acknowledges that he/she/it is not excluded or disqualified from U.S. Federal non-procurement transactions.

(2) To require that its direct lower tier transaction also complies with Item (1) above with respect to any subsequent lower tier covered transaction.

(3) That if the recipient knowingly enters into a covered transaction with a person excluded or disqualified from Federal non-procurement transactions, EPA may disallow the costs, annul or terminate this agreement.

16. Management Fees

Management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs which are not allowable under this assistance agreement. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

17. Human Trafficking

1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not engage in severe forms of trafficking in persons during the period of time that the award is in effect; procure a commercial sex act during the period of time that the award is in effect; or use forced labor in the performance of the award or subawards under the award.

2. We as the U.S. Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity is determined to have violated a prohibition in paragraph 1 of this award term; or ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph 1 of this award term through conduct that is either A. Associated with performance under this award; or B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide

Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR part 1532.

You must immediately inform the designated Grants Specialist listed in the award of any information you receive from any source alleging a violation of a prohibition in paragraph 1 of this award term. Our right to terminate unilaterally that is described in paragraph 2 a or b of this section: i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and ii. Is in addition to all other remedies for noncompliance that are available to us under this award.

3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

18. Reimbursement Limitation

EPA's financial obligations to the recipient are limited by the amount of U.S. Federal funding awarded to date as shown on line 15 in its EPA approved budget. If the recipient incurs costs in anticipation of receiving additional funds from EPA, it does so at its own risk.

19. Central Contractor Registration/System for Award Management and Universal Identifier

A. Requirement for Central Contractor Registration (CCR)/System for Award Management (SAM). You as the recipient must ensure that the information in the SAM is up to date until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) numbers. If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.

2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions. For purposes of this award term:

1. Central Contractor Registration (CCR)/System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the System for Award Management Internet site (currently at <http://www.sam.gov>).

2. Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business

entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:

- a. A Governmental organization, which is a State, local government, or Indian tribe;
- b. A foreign public entity;
- c. A domestic or foreign nonprofit organization;
- d. A domestic or foreign for-profit organization; and
- e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

4. Subaward:

- a. 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.
- b. 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").
- c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. Subrecipient means an entity that:

- a. Receives a subaward from you under this award; and
- b. Is accountable to you for the use of the Federal funds provided by the subaward.

20. Copyrighted Software and Written Materials

EPA has the right to reproduce, publish, use, and authorize others to use copyrighted works or other data developed under this assistance agreement for U.S. Federal purposes.

Examples of a Federal purpose include but are not limited to: (1) Use by EPA and other Federal employees for official Government purposes; (2) Use by Federal contractors performing specific tasks for the Government; (3) Publication in EPA documents provided the document does not disclose trade secrets (e.g. software codes) and the work is properly attributed to the recipient through citation or otherwise; (4) Reproduction of documents for inclusion in Federal depositories; (5) Use by State, tribal and local governments that carry out delegated Federal environmental programs as "co-regulators" or act as official partners with EPA to carry out a national environmental program within their jurisdiction and; (6) Limited use by other recipients to carry out Federal grants provided the use is consistent with the terms of EPA's authorization to the other recipient to use the copyrighted works or other data.

Under Item 6, the recipient acknowledges that EPA may authorize another recipient(s) to use the copyrighted works or other data developed under this grant as a result of:

- a. The selection of another recipient by EPA to perform a project that will involve the use of the copyrighted works or other data or;

b. Termination or expiration of this agreement.

In addition, EPA may authorize another recipient to use copyrighted works or other data developed with Agency funds provided under this grant to perform another grant when such use promotes efficient and effective use of Federal grant funds.

21. Sufficient Progress Unliquidated Obligations

EPA may terminate the assistance agreement for failure of the recipient to make sufficient progress so as to reasonably ensure completion of the project within the project period, including any extensions. EPA will measure sufficient progress by examining the performance required under the workplan in conjunction with the milestone schedule, the time remaining for performance within the project period, and/or the availability of funds necessary to complete the project.

22. Program Income

Program income is defined as gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the award. Program Income the recipient generates shall be added to the EPA funds committed to the agreement and used to further the objectives of the EPA approved project. The recipient must account for all program income.

23. Light Refreshments and Meals

Unless the event(s) and all of its components (i.e., receptions, banquets and other activities that take place after normal business hours) are described in the approved workplan, the recipient agrees to obtain prior approval from EPA for the use of grant funds for light refreshments and/or meals served at meetings, conferences, training workshops, and outreach activities (events).

The recipient must send requests for approval to the EPA Project Officer and include:

- (1) An estimated budget and description for the light refreshments, meals, and/or beverages to be served at the event(s);
- (2) A description of the purpose, agenda, location, length and timing for the event.
- (3) An estimated number of participants in the event and a description of their roles.

Recipients may address questions about whether costs for light refreshments, and meals for events are allowable to the recipient's EPA Project Officer. However, the Agency Award Official or Grant Management Officer will make final determinations on allowability. Agency policy prohibits the use of EPA funds for receptions, banquets and similar activities that take place after normal business hours unless the recipient has provided a justification that has been expressly approved by EPA's Award Official or Grants Management Officer.

Note: U.S. General Services Administration regulations define light refreshments for morning, afternoon or evening breaks to include, but not be limited to, coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins. (41 CFR 301-74.11)

24. Progress and Final Reporting Requirements [required, but choose appropriate option]

A. Progress Reports

Semi-Annual Reports (Standard)

The recipient agrees to submit semi-annual progress reports in English to the EPA Project Officer within thirty days after each six-month anniversary of the award. These reports shall cover work status, work progress, difficulties encountered, preliminary data results and a statement of activity anticipated during the subsequent reporting period, including a description of equipment, techniques, and materials to be used or evaluated. A discussion of expenditures along with a comparison of the percentage of the project completed to the project schedule and an explanation of significant discrepancies shall be included in the report. The report shall also include any changes of key personnel concerned with the project.

In addition, the report shall include brief information on each of the following areas: 1) a comparison of actual accomplishments with the anticipated outputs/outcomes specified in the assistance agreement work plan; 2) reasons why anticipated outputs/outcomes were not met; and 3) other pertinent information, including, when appropriate, analysis and explanation of cost overruns or high unit costs. The recipient agrees that it will notify EPA of problems, delays, or adverse conditions which materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

Quarterly Reports (Optional)

The recipient agrees to submit quarterly progress reports in English to the EPA Project Officer within thirty days after each reporting period. These reports shall cover work status, work progress, difficulties encountered, preliminary data results and a statement of activity anticipated during the subsequent reporting period, including a description of equipment, techniques, and materials to be used or evaluated. A discussion of expenditures along with a comparison of the percentage of the project completed to the project schedule and an explanation of significant discrepancies shall be included in the report. The report shall also include any changes of key personnel concerned with the project.

In addition, the report shall include brief information on each of the following areas: 1) a comparison of actual accomplishments with the anticipated outputs/outcomes specified in the assistance agreement work plan; 2) reasons why anticipated outputs/outcomes were not met; and 3) other pertinent information, including, when appropriate, analysis and explanation of cost overruns or high unit costs. The recipient agrees that it will notify EPA of problems, delays, or adverse conditions which materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

Annual Reports (Optional)

The recipient agrees to submit annual progress reports in English to the EPA Project Officer within ninety days after the yearly annual anniversary of the award if the project period exceeds one year. These reports shall cover work status, work progress, difficulties encountered, preliminary data results and a statement of activity anticipated during the subsequent reporting period, including a description of equipment, techniques, and materials to be used or evaluated. A discussion of expenditures along with a comparison of the percentage of the project completed to the project schedule and an explanation of significant discrepancies shall be included in the report. The report shall also include any changes of key personnel concerned with the project.

In addition, the report shall include brief information on each of the following areas: 1) a comparison of actual accomplishments with the anticipated outputs/outcomes specified in the assistance agreement work plan; 2) reasons why anticipated outputs/outcomes were not met; and 3) other pertinent information, including, when appropriate, analysis and explanation of cost overruns or high unit costs. The recipient agrees that it will notify EPA of problems, delays, or adverse conditions which materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

B. Final Reports (Standard)

The recipient agrees to submit to the EPA Project Officer within 90 days after the expiration or termination of the approved project period a final report in English and at least one reproducible copy suitable for printing. The final report shall document project activities over the entire project period and shall include brief information on each of the following areas: 1) a comparison of actual accomplishments with the anticipated outputs/outcomes specified in the assistance agreement work plan; 2) reasons why anticipated outputs/outcomes were not met; and 3) other pertinent information, including, when appropriate, analysis and explanation of cost overruns or high unit costs. The recipient agrees that it will notify EPA of problems, delays, or adverse conditions which materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

25. Audit Requirements

(a) The recipient agrees to furnish the U.S. Government with a final report on activities carried out under this grant, including accounting for grant funds in sufficient detail to enable EPA to liquidate the grant. The report must be submitted to the EPA program office.

(b) It is understood that financial records, including documentation to support entries on accounting records and to substantiate charges against the grant, will be maintained in accordance with the recipient's usual accounting procedures, which must follow generally accepted accounting practices. All such financial records must be maintained for at least three years after the final disbursement of funds under this grant.

(c) The recipient confirms that the grant account will be audited applying established procedures under appropriate provisions of the financial regulations and rules of the United Nations, and agrees to furnish copies of any audit reports to U.S. EPA along with such other related information as may be requested by U.S. EPA with respect to questions arising from the audit report.

26. Records Retention

Financial records, supporting documents, statistical records and all other records pertinent to an award shall be retained for a period of 3 years from the date of submission of the final expenditure report.

27. Closeout

The recipient shall submit, within 90 calendar days after the date of completion of the award a final financial and performance report. The recipient shall promptly refund any balances of unobligated cash that EPA has advanced or paid and that is not authorized to be retained by the recipient.

28. Enforcement and Termination

1. If the recipient materially fails to comply with the terms and conditions of this award, EPA may take one or more of the following actions, as appropriate in the circumstances.

- (a) Temporarily withhold cash payments pending correction of the deficiency.
- (b) Disallow all or part of the cost of the activity or action not in compliance.
- (c) Withhold further awards for the project or program.
- (d) Take other remedies that may be legally available.

2. In exceptional circumstances, this award may be terminated by EPA in whole or in part, if the recipient materially fails to comply with the terms and conditions of the award. An award that is prematurely terminated remains subject to the audit, recordkeeping, and submission of reports requirements.

3. EPA will allow the recipient an opportunity to respond to all proposed enforcement and termination actions.

AS APPLICABLE ADMINISTRATIVE TERMS AND CONDITIONS

1. Partial Funding Clause

EPA is partially funding this budget period and will consider funding the balance of the budget request contingent upon satisfactory progress as certified by the EPA Project Officer, the availability of funds, and EPA priorities. It is understood that the scope of work will be renegotiated to reflect the amount awarded if additional funds are not available.

2. Paperwork Reduction

Since the scope of work includes a survey, a questionnaire or similar information gathering activity, EPA is required to obtain Office of Management and Budget (OMB) clearance prior to the recipient's collection of information by means of identical questions posed to 10 or more persons.

The recipient will provide to the EPA Project Officer the following information: (1) description of the information to be collected; (2) explanation of the need for the information; and (3) to whom the survey is being directed.

The EPA Project Officer is responsible for requesting assistance from the Office of Policy, Regulatory Information Division to obtain clearance from OMB. EPA and the recipient agree that no work requiring OMB approval shall be initiated until such OMB approval is obtained.

3. Research Misconduct

The recipient agrees to notify the EPA Project Officer in writing about research misconduct involving research activities that are supported in whole or in part with EPA funds under this project. EPA defines research misconduct as fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising or suggesting that subordinates engage in research misconduct. The recipient agrees to immediately notify the EPA Project Officer who will then inform the EPA Office of Grants and Debarment (OGD) if, at any time, an allegation of research misconduct falls into one of the categories listed below:

- A. Public health or safety is at risk.
- B. Agency resources or interests are threatened.
- C. Circumstances where research activities should be suspended.
- D. There is a reasonable indication of possible violations of civil or criminal law.
- E. Federal action is required to protect the interests of those involved in the investigation.
- F. The research entity believes that the inquiry or investigation may be made public prematurely so that appropriate steps can be taken to safeguard evidence and protect the rights of those involved.
- G. Circumstances where the research community or public should be informed.

4. Human Subjects

The recipient agrees to meet all EPA requirements for studies relating to the testing of human beings prior to implementing any work with human subjects under the agreement. No actual work involving human subjects, including recruiting, may be initiated until EPA has approved the recipient's compliance with these requirements as stated in 40 C.F. R. Part 26, "Protection of Human Subjects." Approval by EPA requires submission to EPA of (i) proof of approval by the recipient's Institutional Review Board (IRB), and (ii) a copy of everything submitted to the IRB to get its approval. If Human Subjects are involved in this agreement the recipient must provide, as part of the annual report(s), evidence of the subsequent review(s) by the IRB as required by 40 C.F.R. 26.109(e).

5. Animal Subjects

The Recipient agrees to comply with the Animal Welfare Act of 1966 (P.L. 89-544), as amended, 7 USC 2131-2156. Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training." (Federal Register 50(97): 20864-20865. May 20,1985). The nine principles can be viewed at: <http://www.nal.usda.gov/awic/pubs/IACUC/vert.htm>. For additional information about the Principles, the recipient should consult the Guide for Care and Use of Laboratory Animals, prepared by the Institute of Laboratory Animal Resources, National Research Council and can be accessed at: <http://www.nap.edu/readingroom/books/labrats/>.

6. Quality Assurance

Acceptable Quality Assurance Documentation must be submitted to the EPA Project Officer within 60 days of the acceptance of this agreement. No work involving direct measurements or data generation, environmental modeling, compilation of data from literature or electronic media, and data supporting the design, construction, and operation of environmental technology shall be initiated under this project until the EPA Project Officer, in concert with the EPA Quality Assurance Manager, has approved the quality assurance documentation. Additional information on these requirements can be found at the EPA Office of Grants and Debarment Web Site: <http://www.epa.gov/ogd/grants/assurance.htm>