**NAVAL MEDICAL LOGISTICS COMMAND (NMLC)**

**AGENCY SPECIFIC TERMS AND CONDITIONS**

**FOR**

**INSTITUTIONS OF HIGHER EDUCATION, HOSPITALS, AND OTHER NON-PROFIT ORGANIZATIONS**

**May 2017**

This award is governed by the guidance in 2 Code of Federal Regulations (CFR) part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," as modified and supplemented by the Department of Defense's (DoD) interim implementation found at 2 CFR part 1103, "Interim Grants and Cooperative Agreements Implementation of Guidance in 2 CFR part 200" (79 FR 76047, December 19, 2014), all of which are incorporated herein by reference and the articles below.

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.

**Article 1. Prior Approval Requirements Not Included in the General T&Cs**

None.

**Article 2. Contact Information for Technical Matters**

Questions regarding technical matters should be referred to the Grants Officer (GO) through the Grants Officer Representative (GOR) named in the appointment letter.

**Article 3. Contact Information for Administrative Matters**

Questions regarding administrative matters should be referred to the Grants Officer or Contract Specialist cited in the award.

**Article 4. Contact Information for Intellectual Property Matters**

Questions regarding intellectual property matters should be referred to the Grants Officer or Contract Specialist cited in the award.

**Article 5. Revised Budget Requirements**

NMLC does not require standard budget forms. Revised budgets, when required, may be submitted in the recipient’s format.

**Article 6. Technical Reporting**

Technical reporting requirements are outlined in the award.

**Article 7. Financial Reporting**

The recipient shall submit on a quarterly basis a Standard Form 425, Federal Financial Report. A final report will also be required after the completion of the award. Each report shall be submitted to the Contract Specialist cited in the award.

**Article 8. Incremental Funding Actions**

When applicable, specific requirements regarding incremental funding or option periods will be included in the award.

**ARTICLES WITH GOVERNMENT-WIDE CORE REFERENCE**

**Article 9. Payments**

1. Payments will be made either in advance or on a cost reimbursement basis. The payment mechanism will be specified in the award.
2. All payments shall be made by funds 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 AGO 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.
3. iRAPT (Invoicing, Receipt, Acceptance and Property Transfer formerly known as WAWF) has been designated as the Department of Defense standard for electronic invoicing and payment. Electronic submission of payment requests requires the Grantee to register in iRAPT and have the appropriate CAGE code activated. The Grantee’s SAM Electronic Business Point of Contact (EBPOC) is responsible for activating the CAGE code in iRAPT by calling 1-866-618-5988. Once the Grantee’s CAGE Code is activated, the SAM EBPOC will self-register in iRPAT and follow the instructions for a group administrator.

**Article 10. The Need for Additional Federal Funding**

The Government’s financial obligation is limited to the amount shown as Block 15G of the award document. NMLC does not amend awards to provide additional funds for such purposes as reimbursement for unrecovered indirect costs resulting from the establishment of final negotiated rates or for increases in salaries, fringe benefits, and other costs.

**Article 11. Equipment**

Title to all equipment purchased or fabricated with NMLC funds provided under this award or recipient cost sharing funds, as direct costs of the project or program, shall unconditionally vest in the recipient upon acquisition without further obligation to the Federal Government unless other conditions are imposed in the award.

**Article 12. Supplies**

Title to supplies and other expendable property shall vest in the recipient providing the residual inventory of unused supplies does not exceed $5,000 in total aggregate value upon termination or completion of the project or program. If the value of residual supplies exceeds $5,000, the provisions of2 CFR 200.314 applies.

**Article 13. Reporting Potentially Classifiable Information**

The Grantee shall report potentially classifiable information to the GOR appointed for the award.

**Article 14. Termination**

In case of a partial or full termination by the recipient, the recipient shall provide the required written termination notice to the Grants Officer at least 30 calendar days prior to the effective date of termination.

**Article 15. Enforcement**

Disagreements regarding issues concerning assistance agreements between the recipient and the Government shall, to the maximum extent possible, be resolved by negotiation and mutual agreement at the Grants Officer level. If agreement cannot be reached, it is our policy to use Alternative Dispute Resolution (ADR) procedures that may either be agreed upon by the Government and the recipient in advance of the award or may be agreed upon at the time the parties determine to use ADR procedures. If the parties cannot agree on the use of ADR procedures, the recipient can submit, in writing, a claim to the Grants Officer. The recipient's submission shall specify the nature and

basis for relief requested and include all data that supports the claim. The Grants Officer will consider the claim and prepare a written decision within 60 days of receipt. The Grants Officer's decision will be considered final. The recipient may appeal the decision within 90 days after receipt of such notification. Appeals will be resolved by the Executive Officer, Naval Medical Logistics Command. The decision by the Executive Officer will be final and not subject to further administrative appeal. However, the recipient does not waive any legal remedy, such as formal claims, under Title 28 United States Code 1491, by agreeing to this term.

**Article 16. Closeout Procedures**

Within ninety (90) days after the end date of the award, any overpayment of funds provided by the award shall be remitted to the Contract Specialist cited in the award, by check made payable to the US Treasury, DFAS, or Dept. of Navy.

**Article 17. Collection of Amounts Due**

In absence of mutual agreement between the recipient and NMLC, the Grants Officer shall make a determination regarding any recipient indebtedness and submit a written notice of such a decision to the recipient. Within 30 calendar days of the Grants Officer’s determination, the recipient shall either pay the amount owed or inform the Grants Officer of the recipient’s intent to appeal the determination. If the recipient elects not to appeal, any amount not paid within 30 calendar days of the Grants Officer’s determination will be considered a delinquent debt. The recipient and the Grants Officer shall attempt to resolve all issues at the Grants Officer level.

**ARTICLES WITH NO GOVERNMENT-WIDE CORE REFERENCE**

**Article 18. Option to Extend the Term of the Award**

If an option is indicated in the award document, the Government may require the continuation of the research in accordance with the terms provided in the award.

**Article 19. Amendment of the Award**

Requests by the Recipient to amend an award must be made in writing to the Grants Officer. An award amendment incorporating the request will be unilaterally issued at the discretion of the Grants Officer.

**Article 20. Activities Abroad**

The Recipient shall assure that project activities carried on outside the United States are coordinated as necessary with appropriate Government authorities and that appropriate licenses, permits, or approvals are obtained prior to undertaking proposed activities. The awarding agency does not assume responsibility for Recipient compliance with the laws and regulations of the country in which the activities are to be conducted.

**Article 21. Cargo Preference**

The recipient agrees that it will comply with the Cargo Preference Act of 1954 (46 U.S.C. 1241), as implemented by Department of Transportation regulations at 46 CFR 381.7, which require that at least 50 percent of equipment, materials, or commodities procured or otherwise obtained with U.S. Government funds under this award, and which may be transported by ocean vessel, shall be transported on privately owned U.S.-flag commercial vessels, if available.

**Article 22. Controlled Unclassified Information**

The parties understand that information and materials provided pursuant to or resulting from this award may be export controlled, sensitive, for official use only, or otherwise protected by law, executive order or regulation. The Recipient is responsible for compliance with all applicable laws and regulations. Nothing in this award shall be construed to permit any disclosure in violation of those restrictions.

**Article 23. Reporting Requirements for Subaward and Executive Compensation**

The Recipient shall report on first –tier subawards and executive compensation in accordance with the Federal Funding Accountability and Transparency Act (FFATA) of 2006 and associated 2008 amendments. Reporting is required for awards equal to or over $25,000. If the initial award is below $25,000 but subsequent modifications result in a total award equal to or over $25,000, the award will be subject to the reporting requirements, as of the date the award exceeds $25,000. If the initial award equals or exceeds $25,000 but funding is subsequently deobligated such that the total award amount falls below $25,000, the award continues to be subject to the reporting requirements of the Transparency Act.

**Article 24. Financial Assistance Use of Universal Identifier and System for Award Management (SAM)**

Recipient and first-tier subrecipients shall have Dun and Bradstreet Data Universal Numbering System (DUNS) numbers and maintain current registrations in the System for Award Management (SAM) data base.

**Article 25. Publications and Acknowledgement of Sponsorship**

1. Publication of results of the research project in appropriate professional journals is encouraged as an important method of recording and reporting scientific information. One copy of each paper planned for publication shall be submitted to the GO and GOR appointed for this award simultaneously with its submission for publication. Following publication, copies of published papers shall be submitted to the GO and GOR.
2. The Recipient agrees that when releasing information relating to this award, the release shall include a statement to the effect that the project or effort undertaken was or is sponsored by the Department of Navy, “insert requiring activity’s name” (for example Naval Medical Research Center).
3. Disclaimer: The Recipient is responsible for assuring that every publication of material (including World Wide Web pages) based on or developed under this award, except scientific articles or papers appearing in scientific, technical or professional journals, contains the following disclaimer: “Any opinions, findings, and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the “insert requiring activity’s name” (for example Naval Medical Research Center).”
4. For the purpose of this clause, information includes news releases, articles, manuscripts, brochures, advertisements, still and motion pictures, speeches, trade association proceedings and symposia.
5. Nothing in the foregoing shall affect compliance with the requirements of articles addressing security or classified information.

**Article 26. Live Organisms**

By accepting funds under this award, the recipient assures that it will comply with applicable

provision of the following policies concerning living organisms and will not begin performance of

research involving human subjects or using animals until all approvals have been obtained.

(a) For human subjects:

(1) Common Federal Policy for the Protection of Human Subjects codified by the Department of

Health and Human Services at 45 CFR 46 Part A, and implemented by the Department of Defense

at 32 CFR 219.

(b) For animals:

(1) Rules on animal acquisition, transport, care, handling, and use in (i) 9 CFR Parts 1-4, Department of Agriculture rules that implement the Laboratory Animal Welfare Act of 1966 (7 U.S.C. 2131-2159, as amended); and (ii) the “Guide for the Care and Use of Laboratory Animals,” National Institutes of Health Publication No. 86-23.

(2) Prohibitions on the purchase or use of dogs and cats for certain medical training purposes, in

Section 8019 (10 U.S.C. 2241 note) of the Department of Defense Appropriations Act, 1991 (Pub.

Law 101-511).

(3) Rules of the Departments of Interior (50 CFR Parts 10-24) and Commerce (50 CFR Parts 217-227) implementing laws and conventions on the taking possession, transport, purchase, sale, export or import of wildlife and plants, including the Endangered Species Act of 1973 (16 U.S.C. 1531-1543); Marine Mammal Protection Act (16 U.S.C. 1361-1384); Lacey Act (18 U.S.C. 42); and Convention on International Trade in Endangered Species of Wild Fauna and Flora.

**Article 27. 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", of July 5, 1994 (59 FR 34496), amended August 5, 1994 (59 FR 40170), amended

April 27, 1995 (60 FR 20726), and such later revision of those guidelines as may be published in

the Federal Register.

**Article 28. Trafficking Victims Protection Act**

Trafficking in persons.

a. Provisions applicable to a recipient that is a private entity.

l. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not--

i. Engage in severe forms of trafficking in persons during the period of time that the award is

in effect;

ii. Procure a commercial sex act during the period of time that award is in effect; or

iii. Use forced labor in the performance of the award or subawards under the award.

2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity--

i. Is determined to have violated a prohibition in paragraph a.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 a.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 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR part 1125.

b. Provision applicable to a recipient other than a private entity. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity--

l. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either--

i. Associated with performance under this award;

ii. Imputed to the subrecipent 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 1125.

c. Provision applicable to any recipient.

l. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of the award term.

2. Our right to terminate unilaterally that is described in paragraph a.2. 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.

d. Definitions. For the purpose of this award term:

l. "Employee" means either:

i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. "Private entity":

i. Means any entity other than a State, local government, Indian Tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

ii. Includes:

A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition if Indian Tribe at 2 CFR 175.25(b).

B. A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

**Article 29. Prohibition on Using FY 2017 Funds under Grants with Entities that Require Certain Internal Confidentiality Agreements**

(a) 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.

(b) The recipient must notify its employees, contractors, or subrecipients that the prohibitions

and restrictions of any internal confidentiality agreements inconsistent with paragraph (a) of this

award provision are no longer in effect.

(c) The prohibition in paragraph (a) of this award provision does not contravene requirements

applicable to Standard Form 312, Form 4414, or any other form issued by a Federal department of

agency governing the nondisclosure of classified information.

(d) 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 2017 funds under this award, in accordance with

section 743 of Division E, Title VIII of the Consolidated and Further Continuing Resolution

Appropriations Act, 2016 (Pub. L. 114-113); and Continuing Appropriations Act, 2017 (Pub. L. 114-223), and

(2) May pursue other remedies available for the recipient’s material failure to comply with

award terms and conditions.

**Article 30. Extramural and Intramural Collaboration**

Research and development which involves awarding to extramural recipients (Non-Government) with collaboration, in part from intramural entities (Government) shall adhere to the following guidance contained herein at subparagraphs (a) - (c).

1. Intramural costs shall not be included and contributory to direct or total cost on proposed extramural efforts. Rather these pieces shall be identified and broken out in separate costs within extramural proposals, as to avoid duplicative expenses to the Government.
2. The extramural portion will be funded via an assistance agreement through NMLC; the intramural portion will be funded directly, via a Military Interdepartmental Purchase Request (MIPR) or some other type of Funding Authorization Document (FAD) between the Government entities.
3. The use of Cooperative Research and Development Agreements (CRADAs) as a mechanism to provide funding to Government entities, in collaboration on Non-Governmental efforts will be prohibited, unless specified otherwise, in all awards resultant from any NMLC Broad Agency Announcements (BAAs) or Program Announcements (PAs).

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