

Federal Award Terms and Conditions

The U.S. Department of Labor (USDOL) is authorized to fund and administer this international project under the Consolidated Appropriations Act, 2016, Public Law 114-113, which is hereby incorporated into these terms and conditions of award. See section VII for selected excerpts.

I. ORDER OF PRECEDENCE

In the event of any inconsistency, the following order of precedence shall apply to USDOL award funds:

1. Applicable appropriations
2. Applicable Federal statutes and regulations
3. These terms and conditions of award
4. Applicable Management Procedures and Guidelines (MPG)
5. Recipient's written internal policies and procedures (e.g., a PIO's or NGO's Financial Rules, Regulations and Procedures)

II. FUNDING OPPORTUNITY ANNOUNCEMENT

The Funding Opportunity Announcement (FOA) and any amendments are hereby incorporated into this agreement. Recipients are bound by the authorizations, restrictions and requirements contained in the FOA. If there is any inconsistency between the FOA and any statute, regulation, guidance or cost principle, the statute, regulation, guidance or cost principle take precedence in matters relating to USDOL award funds.

III. TECHNICAL AND COST PROPOSALS

The recipient's technical and cost proposals are incorporated into this agreement and will serve as the framework for project implementation until a Project Document Package is approved. If there is any inconsistency between the technical and cost proposals and any statute, regulation, guidance or cost principle, the statute, regulation, guidance or cost principle take precedence in matters relating to USDOL award funds.

IV. PROJECT DOCUMENT PACKAGE

The recipient is required to carry out a review of the project strategy and budget outlined in their technical and cost proposals in consultation with the Grant Officer's Representative (GOR) within the timeframe specified in the MPG in order to produce the Project Document Package. If adjustments to the project and/or the budget, above thresholds established in the MPG, are deemed necessary following this review, then the recipient will be required to submit a revision request to the GOR.

V. APPROVED BUDGET

In order for a cost supported by the award to be considered allowable, it must be adequately documented, and meet the other requirements for allowability. See 2 CFR 200.403 for factors that affect the allowability of costs.

Notwithstanding 2 CFR 2900.1, for this award, approval of the budget as awarded constitutes prior approval of those items requiring prior approval, including those items specified in the cost principles, MPG, or terms and conditions of award. Approval of the requested budget does not release the recipient from the responsibility to support only allowable costs from awarded funds throughout the life of the award. Approval does not necessarily prevent audit findings related to approved costs.

The Grant Officer is the only official with the authority to provide prior written approval. If there is any inconsistency between items in the budget documents and any statute, regulation, guidance or cost principle, the statute, regulation, guidance or cost principle take precedence in matters relating to USDOL award funds.

VI. PROGRAM REQUIREMENTS

A. Period of Performance

This award has a period of performance starting on ____ and ending on ____.

B. Award Acceptance

The signature on the SF-424, including electronic signature via e-authentication on <http://www.grants.gov>, constitutes a binding offer and constitutes agreement to the terms and conditions of award. This award may be provided with or without pre-award discussions. USDOL reserves the right to withdraw the award if activity does not begin upon award and/or as a remedy for non-compliance as described in 2 CFR 200.338-339.

C. Project Implementation Requirements and Deliverables

Funds provided by USDOL for this award are subject to all post-award requirements outlined in 2 CFR Part 200, 2 CFR Part 2900, the FOA, terms and conditions of award and the Bureau of International Labor Affairs' (ILAB's) applicable MPG. Recipients must submit all requested deliverables. The MPG provides general management procedures and guidance for recipients of ILAB awards in areas that may not be explicitly detailed elsewhere. The MPG applicable to each award is sent as part of the award package to each recipient.

D. Evaluation

For all recipients, evaluations will be handled as described in the FOA and in the MPG.

E. Key Personnel

Individuals who fill positions designated by USDOL as key personnel positions must begin work on the project no later than 45 calendar days after the award start date. The recipient is required to consult with the GOR following award and must adequately demonstrate that the proposed candidates meet all the minimum requirements listed in the FOA.

The key personnel for this award as defined in the FOA are:

Full name: _____

Position on the project: _____

Employer organization name: _____

Position requirements (as listed in the FOA):

- _____

F. Funding Restrictions

The following funding restrictions apply to this award unless prior written approval is received:

- Award funds must not duplicate existing foreign government activities or substitute for activities that are the responsibility of the foreign government. Any award funds budgeted

to support host country governments during the life of the award require USDOL prior approval.

- _____

G. Site Visits

USDOL, through its authorized representatives, has the right, at all reasonable times, to make site visits to review project accomplishments, financial and performance records, fiscal and administrative control systems and to provide such technical assistance as may be required. USDOL intends to make every effort to notify the recipient at least two weeks in advance of any trip to the USDOL-funded project site. If USDOL makes any site visit on the premises of a recipient or a subrecipient(s), the recipient must provide, and must require its subrecipient(s) to provide, all reasonable facilities and assistance for the safety and convenience of government officials in the performance of their duties. All site visits and evaluations are expected to be performed in a manner designed to not unduly delay or disrupt the implementation of the project.

VII. FY2016 APPROPRIATIONS REQUIREMENTS

A. Funding for Travel to and from Meetings with an Executive Branch Agency (P.L. 114-113, Division E, Title VII, Section 739)

Award funds may not be used for the purposes of defraying the costs of a conference held by any Executive branch department, agency, board, commission, or office unless it is directly and programmatically related to the purpose of the award.

B. Reporting of Waste, Fraud and Abuse (P.L. 114-113, Division E, Title VII, Section 743)

No entity receiving federal funds may require employees or contractors seeking to report fraud, waste, or abuse to sign 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.

C. Restriction on Health Benefits Coverage for Abortions (P.L. 114-113, Division H, Title V, Sections 506 and 507)

Award funds may not be used for health benefits coverage that includes coverage of abortions, except as provided in sections 506 and 507.

D. Restriction on the Promotion of Drug Legalization (P.L. 114-113, Division H, Title V, Section 509)

Award funds may not be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established under section 202 of the Controlled Substances Act.

E. Restriction on Purchase of Sterile Needles or Syringes (P.L. 114-113, Division H, Title V, Section 520)

Award funds may not be used to purchase sterile needles or syringes for the hypodermic injection of any illegal drug.

F. Requirement for Blocking Pornography (Pursuant to P.L. 114-113, Division H, Title V, Section 521)

Award funds may not be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

G. “Prohibition on Procuring Goods Obtained Through Child Labor (Pursuant to P.L. 114-113, Division H, Title I, Section 103)

No funds may be obligated or expended for the procurement of goods mined, produced, manufactured, or harvested or services rendered, in whole or in part, by forced or indentured child labor in industries and host countries identified by USDOL. USDOL has identified these here: <http://www.dol.gov/ilab/reports/child-labor/list-of-goods/>.

VIII. ADMINISTRATIVE REQUIREMENTS

This award is subject to the following administrative standards and any other applicable standards that come into effect during the term of the award.

The requirements of Federal awards flow down to subawards provided to subrecipients unless a particular section of the regulations or of these terms and conditions of award specifically indicate otherwise.

U.S. organizations:

Non-profit organizations, educational institutions, and state, local and Indian tribal governments

- 2 CFR Part 200 (Administrative Requirements, Cost Principles, and Audit Requirements)

For-profit organizations

- 2 CFR Part 200 (Administrative Requirements and Cost Principles)
- 48 CFR Part 31 (Cost Principles)
- 29 CFR 96.32 The Secretary of Labor is responsible for those not covered by 2 CFR 200 Subpart F (Audit Requirements) as implemented in the Audits and Attestation Engagements section of this document.

Non-U.S. organizations, including foreign organizations and public international organizations

- 2 CFR Part 200 (Administrative Requirements and Cost Principles)
- 29 CFR 96.32 The Secretary of Labor is responsible for those not covered by 2 CFR 200 Subpart F (Audit Requirements) as implemented in the Audits and Attestation Engagements section of this document.

A. Universal Identifier Requirements

The recipient must adhere to 2 CFR 200.300 including use of Universal Identifier and Central Contractor Registration, except as described in 2 CFR 25.110(d)(2).

The recipient must maintain a current DUNS registration in www.sam.gov until the final financial report is submitted or until the final payment is received, whichever is later. Information in www.sam.gov must be reviewed and updated at least annually after the initial registration, and more frequently if needed.

B. Implementation of the Federal Funding Accountability and Transparency Act

All funds provided by USDOL for this award are subject to the regulations implementing the Federal Funding Accountability and Transparency Act, Pub. L. 109-282. These requirements are found in Attachment A.

C. Transparency

USDOL is committed to conducting a transparent award process and publicizing information about program outcomes. Posting applications on public websites is a means of promoting and sharing innovative ideas. As required by the FOA, the abstract for all applications will be published on USDOL's website or similar location. Additionally, subject to the requirements of the MPG, the Technical Proposal for all applications that are funded will also be published on USDOL's website or a similar location.

See the MPG for more information.

D. Audits and Attestation Engagements

Recipients must comply with the audit requirements set forth in Subpart F – Audit Requirements of the Uniform Guidance (2 CFR Part 200) and must comply with the timeframes established in those regulations for the submission of their audits to the Federal Audit Clearinghouse. Recipients must notify their assigned GOR of each audit conducted within the timeframe of the USDOL-funded project at the time it is submitted to the Federal Audit Clearinghouse.

USDOL has contracted with an independent external auditor to conduct project-specific attestation engagements at USDOL's expense to supplement the coverage provided by the annual audits that recipients are required to arrange, which are referenced in the preceding paragraph. All recipients, including non-U.S.-based and private for-profit recipients, are subject to attestation engagements during the life of the award. Attestation engagements will be conducted in accordance with U.S. Government Auditing Standards, which include auditors' opinions on (1) compliance with USDOL regulations and the requirements of the award and (2) the accuracy and reliability of the recipient's financial and performance reports.

PIOs (e.g. United Nations organizations) agree to project level audits, at USDOL's discretion and expense, conducted by the PIO's external auditors on financial reporting, performance data, and compliance with U.S. Federal laws and USDOL regulations to the extent the laws and regulations are deemed applicable by USDOL to PIOs.

See the MPG section on Implementation Evaluations and Audits for more information.

E. Information Dissemination and Intellectual Property

The recipient shall make select project materials and research outputs available to the public via the recipient's website or other means within 45 days of availability of project materials, completion of each output, or confirmation of USDOL approval. At the same time, the recipient will inform the GOR of the dissemination via email. Select materials and research outputs include but are not limited to 1) project abstracts, 2) baseline and endline studies and data sets, 3) training and other manuals and toolkits developed by the project, 4) rapid assessments, and 5) ad-hoc research products.

The recipient retains copyright ownership of works created or purchased with USDOL funds, however USDOL reserves a royalty-free non-exclusive and irrevocable right to obtain, copy, publish, or otherwise use such works for Federal purposes and to authorize others to do so. See the FOA, 2 CFR 200.315, and 2 CFR 2900.13, Intangible Property.

In addition to the guidance set forth in 2 CFR 200.315(d)(3), the Department of Labor requires intellectual property developed under a Federal award to be licensed under a Creative Commons Attribution license. This license allows subsequent users to copy, distribute, transmit and adapt the copyrighted work and requires such users to attribute the work in the manner specified by the recipient (2 CFR 2900.13 Intangible property).

See the MPG Communication section for more information.

F. Acknowledgement of Federal Funding

Unless otherwise agreed upon by USDOL and the recipient, all publicly disseminated print or electronic materials prepared with USDOL/ILAB award funds must contain an acknowledgment of such funding through the following language:

Funding is provided by the United States Department of Labor under cooperative agreement number IL-XXXXX. These statements do not necessarily reflect the views or policies of the United States Department of Labor, nor does mention of trade names, commercial products, or organizations imply endorsement by the United States Government. XX percentage of the total costs of the project or program is financed with Federal funds, for a total of XX dollars.

Prior to using the USDOL seal and/or other federal logos or marks, the recipient must submit a request to USDOL and receive written permission. USDOL will consider requests from the recipient to apply the seal and/or other federal logos or marks to USDOL-funded material prepared for world-wide distribution, including posters, videos, pamphlets, research documents, national survey results, impact evaluations, best practice reports, and other publications of global interest. The recipient must obtain written approval prior to final draft or final preparation for distribution.

G. Program Income

The recipient is required to use the addition method if any program income is generated throughout the duration of this award. The recipient is allowed to deduct costs incidental to generating program income to arrive at the amount of program income. Recipient activities (including activities conducted by subrecipients) that result in the generation of program income must conform to 2 CFR 200.307, Program Income.

H. Property

2 CFR 200.311-316 must be followed in the acquisition of, accounting for, and disposition of property, equipment and supplies purchased with USDOL award funds.

IX. PUBLIC POLICY REQUIREMENTS

This award is subject to all relevant federal laws and executive orders, including the following public policy requirements, and any other applicable standards that come into effect during the term of the award.

A. Equal Treatment in Department of Labor Programs for Religious Organizations; Protection of Religious Liberty of Department of Labor Social Service Providers and Beneficiaries.

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in 29 CFR Part 2 Subpart D.

B. Nondiscrimination in Federally Assisted Programs of the Department of Labor-- Effectuation of

Title VI of the Civil Rights Act of 1964.

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in 29 CFR Part 31.

C. Nondiscrimination on the Basis of Handicap In Programs and Activities Receiving or Benefiting from Federal Financial Assistance.

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in 29 CFR Part 32.

D. Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance from the Department of Labor.

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in 29 CFR Part 35.

E. Federal Standards for Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance.

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in 29 CFR Part 36.

F. Fly America Act

All funds provided by USDOL for this award and any subawards are subject to the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act).

G. Restrictions on Lobbying

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in 29 CFR Part 93.

H. Government-wide Requirements for Drug-Free Workplace

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in 29 CFR Part 94.

I. Government-wide Debarment and Suspension

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in 2 CFR Part 180 as implemented by USDOL in 29 CFR Part 98, including the exceptions described in 2 CFR 180.215 and 29 CFR 98.110(a)(2).

J. Recipient Integrity and Performance Matters (for awards exceeding \$500,000)

Recipients whose total value of currently active grants, cooperative agreements, and procurement contracts from all Federal agencies exceeds \$10,000,000 for any period of time during the project period of this award, must maintain current information in the Federal Awardee Performance and Integrity Information System (FAPIIS) about certain civil, criminal, or administrative proceedings by updating information at www.sam.gov. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 417b). As required by 41 U.S.C. 2313(e)(1) (section 3010 of Public Law 111-212), all information posted in FAPIIS on or after April 15, 2011, except past performance reviews, will be publicly available.

K. Trafficking in Persons, Commercial Sex Acts, and Forced Labor

The U.S. Government is opposed to human trafficking, prostitution, forced labor and related activities.

All funds provided by USDOL for this award and any subawards are subject to this requirement as described in the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)). See the MPG for more information.

L. Terrorism

U.S. law, including Executive Orders, prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. See the MPG for more information.

X. AWARD ADMINISTRATION

A. Grant Officer's Representative

Name: _____

Telephone: _____

Email: _____

The GOR shall monitor performance by the recipient. The GOR is authorized to approve:

- Technical matters not involving a change in the scope, cost, or conditions of this award.
- Technical and financial progress reports and the applicable monitoring and evaluation document.
- Other project deliverables that do not result in a change in scope, cost, or terms or conditions of the award.

The GOR is authorized to review and recommend approval of requests for payment.

The GOR is not authorized to direct any action that results in a change in scope, cost, terms or conditions of this award.

B. Grant Officer

Requests for actions requiring Grant Officer approval, such as requests for budget revisions and administrative modifications, shall be submitted by the recipient to the GOR, who shall include recommendations with the request and forward them both to the Grant Officer.

C. Payments

Advances/reimbursements must be drawn down by the recipient through the Health and Human Services (HHS) Payment Management System via computer with SMARTLINK capability. When approved, requests for funds may be transferred electronically to the recipient's financial institution as arranged with HHS. A revised direct deposit form must be submitted whenever there are changes in financial institutions and/or approved signatures.

1. Advanced payments

Advanced payments are authorized provided the recipient maintains or demonstrates the willingness to maintain:

- a) Written procedures that minimize the time elapsing between the transfer of funds and disbursement by the recipient.
- b) Financial management systems that meet the standards for fund control and accountability as

established in 2 CFR Part 200 and 2 CFR Part 2900 Subpart D—Post Federal Award Requirements Standards for Financial and Program Management. Cash advances to a recipient organization shall be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved program or project. The timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements by the recipient organization for direct program or project costs and the proportionate share of any allowable indirect costs.

2. Recipient financial management systems

Recipient financial management systems shall provide for the following:

- a) Accurate, current, and complete disclosure of the financial results of each federally-sponsored project or program in accordance with the reporting requirements set forth in 2 CFR 200.302, Financial Management. Though USDOL requires reporting on an accrual basis, the recipient may not be required to establish an accrual accounting system. The recipient may develop such accrual data for its reports on the basis of an analysis of the documentation on hand.
- b) Records that identify adequately the source and application of funds for Federally-sponsored activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.
- c) Effective control over and accountability for all funds, property and other assets. The recipient must 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) Written procedures for determining the allowability of costs in accordance with the provisions of the applicable Federal cost principles and the terms and conditions of the award.
- g) Accounting records including cost accounting records that are supported by source documentation.

3. Interest

The amount of advances requested must be based on actual and immediate cash needs in order to minimize federal cash on hand in accordance with policies established in 2 CFR 200.305 and 2 CFR 2900.7, Payment. In the event that the recipient accrues interest above \$500 per year on funds from this award, such interest must be returned to USDOL.

4. Budget changes

The recipient may not exceed budget line-items outlined in SF-424 and SF-424A without prior approval by the Grant Officer, unless within acceptable parameters outlined by the MPG. In the case

that a recipient anticipates exceeding a budget line-item in an amount more than the acceptable parameters outlined by the MPG, a Project Revision request should be submitted to the GOR following the guidelines in the MPG.

5. Discontinuation of advanced payments

The Grant Officer may, after providing due notice to the recipient, discontinue the advance payment method and allow payments only by reimbursement, when a recipient receiving advance payments demonstrates unwillingness or inability to establish procedures to minimize the time elapsing between the receipt of the cash advance and the disbursement thereof. See 2 CFR 200.305 and 2 CFR 2900.7, Payment.

D. Subawards

Subawards established after the award is funded, and not proposed in the application (complete with the subaward recipient name, a description of project activity, and a subaward budget and budget narrative), require prior approval from USDOL and must comply with requirements of 2 CFR 200.201 and 2 CFR 200.330-332. Subawards are subject to audit.

The debarment and suspension rule, as outlined in 2 CFR Part 180 and implemented by USDOL in 29 CFR Part 98, applies to all subawards, except as described in 2 CFR 180.215 and 29 CFR 98.110(a)(2). The recipient is responsible for ensuring that all subrecipients have a DUNS number and are eligible for participation in Federal assistance programs as described in the requirements (e.g. 2 CFR 200.331).

The requirements of the terms and conditions of this award must be applied to any subrecipient under this award. The recipient is responsible for monitoring the subrecipient, ensuring that the terms and conditions are in all subaward packages and that the subrecipient is in compliance with all applicable regulations and the terms and conditions of this award (2 CFR 200.101(b)(1) Applicability).

E. Procurement

All procurement transactions must be conducted in a manner providing full and open competition consistent with the requirements and exceptions of 2 CFR 200.317-326, Procurement Standards.

F. Indirect Costs *(One of the first three paragraphs of this section will be used, whichever applies to the award. The last two paragraphs of the section will be used for all awards.)*

The most recent federally approved Negotiated Indirect Cost Rate Agreement (NICRA) or current federally approved Cost Allocation Plan (CAP) or USDOL-approved rate plan, has been provided – copy attached. Estimated indirect costs are shown on the SF-424A budget form. If a new rate agreement is issued during the life of the award, it must be provided to USDOL within 30 days of issuance. Funds may be re-budgeted as necessary between direct and indirect costs consistent with institutional requirements and USDOL regulations for prior approval, however the total amount of funding will not be increased. Any budget changes impacting the statement of work and agreed upon outcomes or deliverables require a request for modification and prior approval from the Grant Officer.

The organization elected to exclude indirect costs from the proposed budget. Only direct costs, as defined by the applicable cost principles, will be allowed. Audit disallowances may occur if indirect costs are misclassified as direct.

The organization has never received a negotiated indirect cost rate and, pursuant to the exceptions noted at 2 CFR 200.414(f) in the Cost Principles, has elected to charge a de minimis rate of 10% of modified total direct costs (see 2 CFR 200.68 for definition) which may be used indefinitely. This methodology must be used consistently for all Federal awards until such time as the recipient chooses to negotiate for an indirect cost rate, which the recipient may apply to do at any time. (See 2 CFR 200.414(f) for more information on use of the de minimis rate.)

USDOL's Division of Cost Determination (DCD) has delegated authority to negotiate and issue a NICRA or CAP on behalf of the Federal Government. If USDOL is your federal cognizant agency (FCA), you should work with DCD to modify your existing NICRA. More information about USDOL's DCD is available at <http://www.dol.gov/oasam/boc/dcd/>. This website has guidelines to develop indirect cost rates, links to the applicable cost principles, and contact information. The DCD also has Frequently Asked Questions providing general information about the indirect cost rate approval process and due dates for provisional and final indirect cost rate proposals at <http://www.dol.gov/oasam/faqs/FAQ-dcd.htm>.

The total amount of USDOL's financial obligation under this award will not be increased to reimburse the recipient for higher indirect costs rates that may come into effect after award.

G. Revisions and Modifications

1. Unilateral modifications by Grant Officer

The Grant Officer may unilaterally modify this cooperative agreement in writing whenever there has been a change in any Federal statute, regulation, Executive Order, or other Federal law that USDOL determines is relevant to the financial assistance provided under the award.

2. Modifications requiring Grant Officer approval

2 CFR 200.308 and 2 CFR 2900.11, Revision of budget and program plans, sets forth requirements for obtaining Grant Officer approval for deviations from the approved objectives, scope, or budget. See also 2 CFR 200.420 Considerations for selected items of cost and the MPG for information on actions requiring prior written approval.

H. Allowable Costs

Payment up to the amount awarded shall be made only for allowable costs actually incurred in conducting project activities. The determination of allowable costs shall be made in accordance with the applicable Federal Cost Principles as described in 2 CFR Part 200 Subpart E and in these terms and conditions of award section, Administrative Requirements.

Approval of the requested budget does not release the recipient from the responsibility to support only allowable costs from awarded funds throughout the life of the award.

I. Closeout

At the end of the award period, the recipient will be required to complete closeout activities. Information concerning the recipient's responsibilities at closeout may be found in 2 CFR 200.343, 2 CFR 2900.15, and in the MPG. All closeout activities must be completed no later than 90 days after the end of the award period unless prior approval is received from USDOL.

J. Encumbrance of Award Funds

Award funds may not be encumbered or obligated by the recipient prior to or after the award period. Encumbrances or obligations outstanding as of the end of the award period may be liquidated (paid out) after the end of the award period. Such encumbrances or obligations shall involve only specified commitments for which a need existed during the award period and that are supported by approved contracts, purchase orders, requisitions, invoices, bills, or other evidence of liability consistent with the recipient's purchasing procedures and incurred within the award period. All encumbrances/obligations incurred during the award period shall be liquidated no later than 90 days after the end of the award period or prior to the expiration of the awarded funds, whichever is sooner.

Attachment A (*Applicable to all recipients*)

Reporting Subawards and Executive Compensation (2 CFR Part 170)

a. Reporting of first-tier subawards

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

2. *Where and when to report.*

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

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

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

b. Reporting Total Compensation of Recipient Executives

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

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

ii. in the preceding fiscal year, you received—

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

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

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

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

i. As part of your registration profile at <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

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 2 CFR 200.330, Subrecipient and Contractor Determinations).

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.