



**THE U.S. DEPARTMENT OF STATE  
STANDARD TERMS AND CONDITIONS  
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*\*Applicable to Awards to Individuals*

## **I. Introduction**

The recipient and any subrecipient must, in addition to the assurances and certifications made as part of the award, comply with all applicable terms and conditions during the project period.

## **II. Order of Precedence**

In the event of any inconsistency between provisions of the award, the inconsistency will be resolved by giving precedence in the following order:

- A. Applicable laws and statutes of the United States, including any specific legislative provisions mandated in the statutory authority for the award.
- B. Code of Federal Regulations (CFR)
- C. Award Specifics
- D. Standard Terms and Conditions
- E. Other documents and attachments

## **III. Controlling Language**

In accordance with [2 CFR 200.111](#), it is the Department of State's policy that all award documents must be in the English language and in terms of U.S. dollars, including correspondence and supporting documents. If the award or any supporting documents are provided in both English and a foreign language, it must be stated in each version that the English language version is the controlling version.

## **IV. Department of State Responsibilities**

The Department of State has overall responsibility for Department-funded awards, including providing oversight for technical, programmatic, financial and administrative performance.

### Agency Award Administrator - Grants Officer (GO):

The GO is responsible for all actions on behalf of the Department, including entering into, changing, or terminating the award. The GO is authorized by a warrant issued by the Procurement Executive in the Office of the Procurement Executive. In addition, the GO is responsible for administrative coordination and liaison with the recipient.

The GO is the only person authorized to approve changes in any of the requirements in the award. In the event the recipient effects any change at the direction of any person other than the GO, the change(s) will be considered to have been made without authority and no adjustment will be made in the amount of the award to cover any increase in costs incurred as a result thereof.

Agency Program Contact - Grants Officer Representative (GOR):

In accordance with Department standard policy, the GO is responsible for all aspects of the award, but may designate technically qualified personnel to join in the administration of the award. The GOR is delegated by the GO and responsible for the programmatic, technical, and/or scientific aspects of the award. Recipients should direct any correspondence related to programmatic and budgetary issues to both the GO and GOR.

## **V. Federal Awardee Performance and Integrity Information System**

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

## **VI. Recipient Responsibilities and Compliance with Federal Requirements**

The recipient is responsible for notifying the Department of State of any significant problems relating to the administrative, programmatic or financial aspects of the award.

The recipient has full responsibility for the management of the project or activity supported under the award and for adherence to Federal regulations and the award terms and conditions. Although the recipient is encouraged to seek the advice and opinion of the GO and/or the GOR on special problems that may arise, such advice does not diminish the recipient's responsibility for making prudent and sound administrative judgments under the circumstances prevailing at the time the decision was made and should not imply that the responsibility for operating decisions has shifted to the Department.

Recipient Key Personnel:

Within thirty (30) days after the date of execution of the award, the recipient must furnish names, titles, and brief biographical sketches (if these have not been previously furnished), including information on the education and experience of key personnel in charge of the award project and other key professional and supervisory

personnel; i.e., the members of the professional staff in a program supervisory position engaged for or assigned to duties under the award to the GO. The recipient must also provide similar information for Executive officer personnel that may subsequently be assigned by recipient to perform duties in connection with the award. Any changes, prolonged absences, or significant adjustments of total time devoted to the award project of any listed personnel should be brought to the attention of the GO and requires prior written approval.

Subrecipient Flow Down Requirement:

In accordance with [2 CFR 330](#), terms and conditions flow down to all subrecipients and contractors, and must be appropriately addressed in the performing entity's subaward instrument. All cost reimbursement subawards (sub-grants, subcontracts, etc.) are subject to those Federal cost principles applicable to the particular entity concerned.

Administrative and Allowable Cost Requirements:

Recipients shall comply with the following terms and conditions unless otherwise specified in the award.

Certain applicable Federal administrative standards are incorporated by reference. Appropriate officials are made aware that electronic copies containing the complete text of the Code of Federal Regulations are available at <https://ecfr.io/>. In addition, all 2 CFR references are available at <https://ecfr.io/Title-02/>.

The principal investigator(s) or project director(s) shall receive a copy of the terms and conditions, including the award -specific requirements, and any subsequent changes to the terms and conditions.

The appropriate recipient officials shall be made aware of the terms and conditions made available by the Department in electronic form at <https://www.state.gov/about-us-office-of-the-procurement-executive/>. These term and conditions may be duplicated, copied or otherwise reproduced as appropriate.

This provision does not alter the recipient's full responsibility for conduct of the project and compliance with all terms and conditions.

## **VII. Mandatory Disclosures**

Consistent with [2 CFR 200.113](#), the recipient must disclose, in a timely manner, in writing to the Office of the Inspector General (OIG) for the Department of State, with a copy to the cognizant GO, all violations of Federal criminal law involving fraud, bribery, or illegal gratuities potentially affecting a Federal award.

Subrecipients must disclose, in a timely manner, in writing to the OIG and to the prime recipient (pass-through entity) all violations of Federal criminal law involving fraud, bribery, or illegal gratuities potentially affecting the Federal award. Failure to

make required disclosures can result in any of the remedies described in [2 CFR 200.338](#) “Remedies for Noncompliance,” including suspension or debarment.

Forward disclosures to:

U.S. Department of State  
Office of Inspector General  
P.O. Box 9778  
Arlington, VA 22219  
Phone: 1-800-409-9926 or 202-647-3320  
Website: <https://oig.state.gov/hotline>

## **VIII. Confidentiality of Information**

Confidential information, as used in this Provision, means:

- Information or data of a personal nature about an individual that, if released, would constitute a clearly unwarranted invasion of personal privacy.

In addition to the types of confidential information described above, information which might require special consideration with regard to the timing of its disclosure may derive from studies or research, during which public disclosure of preliminary invalidated findings could create erroneous conclusions, which might threaten public health or safety if acted upon.

The GO and the recipient may, by mutual consent, identify elsewhere in the award specific information and/or categories of information which the Government will furnish to the recipient or that the recipient is expected to generate which is confidential. Similarly, the GO and the recipient may, by mutual consent, identify such confidential information from time to time during the performance of the award.

If it is established that information to be utilized under the award is subject to the Privacy Act, the recipient will follow the rules and procedures of disclosure set forth in the [Privacy Act of 1974](#), and implementing regulations and policies, with respect to systems of records determined to be subject to the Privacy Act.

Written advance notice of at least 45 calendar days will be provided to the GO of the recipient’s intent to release findings of studies or research, which have the possibility of adverse effects on the public or the Department, as described above. If the GO does not pose any objections in writing within the 45-calendar day period, the recipient may proceed with disclosure.

Whenever the recipient is uncertain with regard to the proper handling of material under the award, or if the material in question is subject to the Privacy Act or is confidential information subject to this Provision, the recipient shall obtain a written determination from the GO prior to any release, disclosure, dissemination, or publication.

## **IX. Conflict of Interest and Federal Assistance Awards**

The recipient must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of sub-awards and sub-contracts. No employee, officer, or agent may participate in the selection, award, or administration of a subaward or subcontract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from another organization considered for a subaward or subcontract. The officers, employees, and agents of the recipient must neither solicit nor accept gratuities, favors, or anything of monetary value from subrecipients, subcontractors, or parties to subawards and subcontracts. However, the recipient may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

If the recipient has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the recipient must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest are those where, because of relationships with a parent company, affiliate, or subsidiary organization, the recipient is unable or appears to be unable to be impartial in conducting an award or procurement action involving a related organization.

The recipient must disclose in writing any potential conflict of interest to the Department or pass-through entity. If the effects of the potential or actual conflict of interest cannot be avoided, neutralized, or mitigated before award, the employee, officer or agent must recuse themselves from participating in the award. Where there is an organizational conflict, the prospective recipient is not eligible for the award.

If a potential or actual conflict of interest is identified after award and the effects cannot be avoided, neutralized or mitigated, the Department will terminate the award unless continued performance is determined to be in the best interest of the Federal government.

## **X. Liability**

The recipient shall hold and save the Government, its officers, agents and employees harmless from all liability of any nature or kind, including costs and expenses, for or on account of any or all suits for damage sustained by any person or persons or property by virtue of performance of the award.

Notification of Award for Similar Program:

The recipient must immediately provide written notification to the GO and GOR in the event that, subsequent to the award, other Federal financial assistance is received relative to that particular project award.

Protocol and Decorum:

During the term of the award, the recipient will be associated with the Government in such a manner that the recipient's actions will reflect upon the Government and the United States. Therefore, the recipient will be held accountable for appropriate protocol and decorum during the award period of performance.

## **XI. Financial Management System Requirements**

Recipients must adhere to the Code of Federal Regulations ([2 CFR 200: Subpart D](#)) standards for financial management systems and methods for making payments, and rules for satisfying cost sharing and matching requirements, accounting for program income, budget revision approvals, making audits, determining allowability of costs, and establishing funds availability.

## **XII. Payments**

Payment methods shall minimize the time elapsing between the transfer of funds from the U.S. Treasury and the issuance or redemption of checks, warrants, or payment by other means by the recipient. Payment methods of State agencies or instrumentalities shall be consistent with Treasury-State Cash Management Improvement Act (CMIA) agreements or default procedures codified at [31 CFR 205](#). Approval of payment requests will be based on the recipient's progress towards achieving the award objectives, the amount of unexpended cash on-hand as reported on the SF-425 and SF-270, and the recipient's adherence to the terms and conditions of the award, particularly in terms of timely submission of required financial, program and other reports. Delinquency in submitting reports may result in payment delays.

Advances:

Recipients may be paid in advance, provided they maintain or demonstrate the willingness to maintain:

1. Written procedures that minimize the time elapsing between the transfer of funds and disbursement by the recipient, and
2. Financial management systems that meet the standards for fund control and accountability as established in 2 CFR Parts 200 and 600

Requirements and Procedures:

Whenever possible, advances shall be consolidated to cover anticipated cash needs for all awards made by the Department of State to the recipient.

In order of preference, advance payment mechanisms include:

1. Electronic funds transfer (EFT) via the Department of Health & Human Services (HHS) Payment Management System (PMS);
2. Department of State-issued electronic funds transfers (EFT); and
3. Treasury check.

The Department must authorize payment by a means other than through PMS.

Forms:

Unless otherwise specified in these Terms and Conditions, only the following forms shall be authorized for the recipient in requesting advances and reimbursements. The Department shall not require more than an original and two copies.

1. SF-270, Request for Advance or Reimbursement. Requests for Treasury check advance payment shall be submitted on SF-270, —Request for Advance or Reimbursement, or other forms as may be authorized by OMB. This form is not to be used when Treasury check advance payments are made to the recipient automatically through the use of a predetermined payment schedule or if precluded by special Department of State instructions for electronic funds transfer.
2. Payments under the award will be made through the U.S. Department of Health and Human Services Payment Management System (PMS-SMARTLINK). PMS-SMARTLINK can also be accessed at the following address: <https://pms.psc.gov/>.

If the recipient needs further assistance, they are to contact the GO identified on form DS-1909. Recipients should request funds based on immediate disbursement requirements and disburse funds as soon as possible to minimize the Federal cash on hand in accordance with the policies established by the U.S. Treasury Department and mandated by OMB.

### **XIII. Prior Approval Requirements**

For non-construction Federal awards, the recipient must request prior approvals from Federal awarding agencies for one or more of the following program or budget-related reasons: (a) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator. (b) The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval. (c) The transfer of funds budgeted for participant support costs as defined in §200.75 “Participant support costs” to other categories of expense. (d) Unless described in the application and funded in the approved Federal awards, the subawarding, transferring or contracting out of any work under a Federal award. This provision does not apply to the acquisition of supplies, material, equipment or general support services. (e) Changes in the approved cost-sharing or matching provided by the recipient. (f) Re-budgeting



more than 10% of the total approved award between direct cost categories. No other prior approval requirements for specific items may be imposed unless an exception has been approved by OMB.

#### **XIV. Period of Availability of Funds**

The project period of the award is indicated on the award cover sheet (Form DS-1909). The recipient may charge to the award only allowable costs resulting from obligations incurred during the project period. However, the funds shall be available, barring cancellation of the relevant appropriation, for closeout activities that occur after the project period, and the recipient shall liquidate all obligations incurred under the award no later than 90 days after the project period.

#### **XV. Indirect Costs**

Indirect costs will not be allowable charges against the award unless specifically included as a line item in the approved budget for the award.

Indirect cost recovery for any actual indirect costs incurred by the recipient which are greater than the indirect cost line item in the approved award budget is limited up to the award amount.

A non-profit organization which has not previously established an indirect cost rate with a Federal agency, that believes the Department of State should be its cognizant agency, shall submit its initial indirect cost proposal immediately after the organization is advised that the award will be made and, in no event, later than three months after the effective date of the award. For all NICRA and indirect rate inquiries please contact [AQM-NICRA@state.gov](mailto:AQM-NICRA@state.gov).

If a dispute arises in a negotiation of an indirect cost rate between the Department and the recipient, the dispute shall be resolved in accordance with the appeals procedures of the Department of State, Office of Acquisition Management (A/OPE/AQM).

#### **XVI. Publication for Professional Audiences**

Any publications or articles resulting from the award must acknowledge the support of the Department of State and include a disclaimer of official endorsement as follows: “This [article] was funded [in part] by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the author[s] and do not necessarily reflect those of the United States Department of State”. The recipient must ensure that this disclaimer be included on all brochures, flyers, posters, billboards, or other graphic artwork that are produced under the terms of the award.

## **XVII. Branding and Marking Strategy**

The recipient shall recognize the United States Government's funding for activities specified under the award at the project site with a graphic of the U.S. flag accompanied by one of the following two phrases based on the level of funding for the award:

1. Fully funded by the award: 'Gift of the United States Government'
2. Partially funded by the award: 'Funding provided by the United States Government'

Exemptions from this requirement may be allowable but must be agreed to in writing by the GO.

All programs, projects, assistance, activities, and public communications to foreign audiences, partially or fully funded by the Department, should be marked appropriately overseas with the standard U.S. flag in a size and prominence equal to (or greater than) any other logo or identity. The requirement does not apply to the recipient's own corporate communications or in the United States.

The recipient should ensure that all publicity and promotional materials underscore the sponsorship by or partnership with the U.S. Government or the U.S. Embassy. The recipient may continue to use existing logos or program materials; however, a standard rectangular U.S. flag must be used in conjunction with such logos.

The U.S. flag may replace or be used in conjunction with the Department of State seal, the U.S. embassy seal, or other Department program logos.

Subrecipients and subsequent tier subaward agreements are subject to the marking requirements and the recipient shall include a provision in the subaward agreement indicating that the standard, rectangular U.S. flag is a requirement.

In the event the recipient does not comply with the marking requirements as established in the approved assistance agreement, the GO and GOR must initiate corrective action with the recipient.

## **XVIII. Travel**

All Federal Government-financed international air transportation must be accomplished by U.S. Flag air carriers or U.S. code sharing to the extent that service by those carriers is available. These circumstances are outlined below:

1. The United States – European Open Skies Air Transport Agreement (U.S.-E.U. Open Skies Agreement) is a bilateral/multilateral agreement that allows federal funded transportation services to use foreign air carriers under specific

circumstances. Due to recent modifications to the U.S. – E.U. Open Skies Agreement, the Department's travel policy has been amended.

2. The modified agreement allows travelers to:
  - a. Use EU carriers if the travelers are not eligible to use City Pair Fares. Examples would be recipient and subrecipients of Federal awards traveling between points not reflected in the approved Federal award budget.
  - b. Use EU carriers between points in the United States and points OUTSIDE of the EU when there is no City Pair Fare on the route or the traveler is not eligible to use the fare. In essence, this allows travelers to compare costs and select between an EU and U.S. flag carrier when the flight originates, arrives in, or stops in any of the EU countries.
  - c. For additional information regarding these issues, we invite the recipient to review the frequently asked questions posted on our A/LM website at [http://almopsttm.a.state.gov/EU\\_OPEN\\_SKIES\\_AMENDMENT\\_FA\\_Q.aspx](http://almopsttm.a.state.gov/EU_OPEN_SKIES_AMENDMENT_FA_Q.aspx) or contact [TransportationQuery@state.gov](mailto:TransportationQuery@state.gov).

For information on other "open skies" agreements into which the United States has entered, please refer to GSA's website at: <http://www.gsa.gov/portal/content/103191>.

Refer to the Code of Federal Regulations as published in [41 CFR 301.10](#), "Public Contracts and Property Management, Transportation Expenses" to obtain entire Fly America Act regulatory guidance.

## **XIX. Prohibition Against Assignment**

Notwithstanding any other provision of the award, the recipient must not transfer, pledge, mortgage, or otherwise assign the award, or any interest therein, or any claim arising thereunder, to any party or parties, bank trust companies, or other financing or financial institutions.

## **XX. Monitoring and Reporting Requirements**

The recipient is responsible for oversight of the operations of the Federal award supported activities. The recipient must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Per [2 CFR 200.328](#), monitoring by the recipient must cover each program, function or activity.

### Annual Reconciliation of Continuing Assistance Awards:

The Department must reconcile multi-year awards at least annually and evaluate program performance and financial reports. Items to be reviewed include a comparison of the recipient's work performance to its progress reports and project

expenditures. See the Award Provisions document for details regarding reporting and monitoring.

**Federal Funding Accountability and Transparency Act (FFATA) Reporting Procedures:**

Awards that are deemed ‘sensitive’ and therefore do not require FFATA reporting will be designated in the U.S. Department of State Award Provisions stating that this award is not subject to the Federal Funding Accountability and Transparency Act (FFATA) subaward reporting requirements as outlined in the Office of Management and Budgets (OMB) guidance issued August 27, 2010.

**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 <https://www.fsrc.gov/>.
  - ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrc.gov> specify.

**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 <https://www.sec.gov/fast-answers/answers-execomphm.html>).
2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:
    - i. As part of your registration profile at <https://www.sam.gov/SAM/>.
    - ii. By the end of the month following the month in which this award is made, and annually thereafter.

### **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 <https://www.sec.gov/fast-answers/answers-execomphm.html>).
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.

### **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.

### **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.

## **XXI. Post-Award Requirements for Closeout**

Closeout procedures require:

1. submission of final financial and program reports within ninety (90) calendar days after the project period end date;
2. reconciliation of all cost or expenditure discrepancies;
3. prompt payment of allowable costs;
4. immediate collection of any unexpended funds or disallowed costs;
5. de-obligation of excess funds; and
6. disposition of property and/or equipment acquired under the award.

The recipient must make every effort to obtain its final indirect rate from its cognizant agency. The settlement for any upward or downward adjustment to the Federal share of costs for provisional NICRA rates are based on the recipient's submission of its final SF-425 and, for rate increases, the availability of funds remaining in the award obligation. Unrecovered indirect costs may be considered cost share or matching with prior approval of the GO. Note that the recipient must be able to substantiate any cost share.

If the recipient organization does not have its final indirect cost rate within 12 months after the end of the project period end date, the GO shall proceed with close-out after which all funds remaining in the obligation shall be de-obligated.

## **XXII. Retention and Access Requirements for Records**

The recipient must maintain financial records, supporting documents, statistical records, and all other records pertinent to the award for a period of three years from the date of submission of the final expenditure report. Exceptions to the three-year rule are referenced in [2 CFR 200.333](#). For awards that are renewed quarterly or annually, the retention period is from the date of the submission of the quarterly or annual financial report as authorized by the Department. The Department must request transfer of certain records to its custody from the recipient when it determines

that the records possess long-term retention value. However, in order to avoid duplicate recordkeeping, the Department may arrange for the recipient to retain any records that are continuously needed for joint use.

Timely and Unrestricted Access:

Department of State authorized officials, the Inspector General, Comptroller General, or any of their duly authorized representatives have the right of timely and unrestricted access to any books, documents, papers, or other records of the recipient that are pertinent to the award, in order to make audits, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the recipient's personnel for the purpose of interview and discussion related to such documents. The rights of access in this paragraph are not limited to the required retention period, but must last as long as records are retained.

### **XXIII. Audits**

For all Department of State awards to U.S. based recipients, regardless of business type, the recipients are subject to the audit requirements found in [2 CFR Part 200 Subpart F](#). In addition, the recipients are subject to the audit requirements found in the Single Audit Act of 1984, [31 U.S.C. 7501-7506](#).

Recipients that expend \$750,000 or more in a year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the revised circular.

The Inspector General or any of his or her duly authorized representatives shall have access to any pertinent books, documents, papers and records of the recipient. Information accessible to the Inspector General includes written, printed, recorded, produced, or reproduced by any mechanical, magnetic, or other process or medium. The Department of State reserves the right to make audits, inspections, excerpts, transcriptions or other examinations as authorized by law of the recipient's documents and facilities.

The data collection form and the reporting package shall be submitted electronically to the Federal Audit Clearinghouse (<https://harvester.census.gov/facweb/>).

The Department of State and its authorized representatives have the legally enforceable right to examine, audit, and copy, at any reasonable time, all records in the Department's possession pertaining to the award.

Audits of Foreign Non-Federal entity Organizations:

All foreign organizations that expend \$750,000 or more in a fiscal year in Federal awards must perform an independent, non-Federal entity-contracted Single Audit or Program Specific Audit.



Program-specific Audit means an audit of one Federal award program. Single Audit means an audit that includes both the entity's financial statements and the Federal Awards to be conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS).

The audits must be independently and professionally executed in accordance with GAGAS either prescribed by a government's Supreme Audit Institution with auditing standards approved by the Comptroller General of the United States, or in accordance with the host country's laws or adopted by the host country's public accountants or associations of public accountants, together with generally accepted international auditing standards. However, foreign entity audits consistent with International Standards for Auditing or other auditing standards are acceptable with the GO's approval.

For subrecipients expending \$750,000 or more in Department of State award funding during their fiscal year, Department of State standard audit provisions require that Prime recipients certify that audits of subrecipients are performed annually and according to the standards described above.

The cost of audits may be charged either as an allowable direct cost to the award, or included in the organizations established indirect costs in the award's detailed budget.

## **XXIV. Debarment and Suspension**

Debarment and suspension are discretionary actions that, taken in accordance with this subpart, are appropriate means to effectuate this policy.

1. The serious nature of debarment and suspension requires that these sanctions be imposed only in the public interest for the Government's protection and not for purposes of punishment. Agencies shall impose debarment or suspension to protect the Government's interest and only for the causes and in accordance with the procedures set forth in [2 CFR Part 180 subparts A Through I](#) and [2 CFR Part 601](#).
2. When more than one agency has an interest in the debarment or suspension of a recipient, the Interagency Committee on Debarment and Suspension, established under [Executive Order 12549](#), and authorized by Section 873 of the National Defense Authorization Act, 2009 ([P. L. 110-417](#)), shall resolve the lead agency issue and coordinate such resolution among all interested agencies prior to the initiation of any suspension, debarment, or related administrative action by any agency.

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

1. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

2. Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated; and
4. Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default.

Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective primary participant shall attach an explanation to the award.

## **XXV. Termination**

Awards may be terminated in whole or in part if any of the circumstances stated below apply:

### National Security or Foreign Policy Interests:

By the Department of State, if at any time the Department determines that continuation of all or part of the funding for a program should be suspended or terminated because such assistance is not consistent with the national security or foreign policy interests of the United States, or would be in violation of an applicable law. In such cases, the Department may, following notice to the recipient, suspend or terminate the award in whole or in part and prohibit the recipient from incurring additional obligations chargeable to the award other than those costs specified in the notice of suspension.

### By Mutual Agreement:

When the Department of State wishes to terminate a project, the GO will issue, in writing, a termination notice to the recipient's authorized representative with a copy to the project manager and the GOR. The recipient may terminate their performance of a project in whole or in part. When both parties agree that continuation of the project would not produce results commensurate with further expenditure of funds or for any other reason, the award may be terminated by mutual consent. The recipient may terminate the project after the authorized representative advises the GO in writing; and concurrently sends a copy to the GOR. Within 30 days after receipt of a request by either party for termination by mutual agreement, the other party will provide an appropriate written response. The two parties must agree upon the termination conditions, including the effective date, and, in the case of partial termination, the portion to be terminated. The recipient must not incur new

obligations for the terminated portion after the effective date and must cancel as many outstanding obligations as possible. The Department will allow full credit to the recipient for the Federal share of the obligations that cannot be cancelled properly incurred by the recipient prior to termination.

For Cause:

The Department of State reserves the right to terminate the award in whole or in part at any time before the project period end date, whenever it is determined that the recipient has failed to comply with the conditions of the award. However, if the Department determines in the case of partial termination that the reduced or modified portion of the award will not accomplish the purposes for which the award was made, it may terminate the award in its entirety.

The Department must promptly notify the recipient in writing of the determination and reasons for the termination, together with the effective date. Payments made to the recipient or recoveries by the Department on awards terminated for cause must be in accordance with the legal rights and liabilities of the parties.

## **XXVI. Certification Regarding Lobbying**

As required by [section 1352, title 31 of the U.S. Code](#), and implemented at 22 CFR Part 138, for persons entering into a grant or cooperative agreement over \$100,000, the applicant certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an 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.
2. 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 agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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 imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$20,134 and not more than \$201,340 for each such failure.

## **XXVII. Section 504, Rehabilitation Act**

[Section 504 of the Rehabilitation Act](#) provides that no otherwise qualified individual with a disability in the United States, shall, solely by reason of his/her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal assistance. A recipient of federal financial assistance must provide programs and services in a manner that does not discriminate based on disability and ensures equal access and opportunity for people with disabilities.

For the purpose of section 504, the term individual with a disability means any person who (a) has a physical or mental impairment which substantially limits one or more of such person's major life activities, (b) has a record of such impairment, or (c) is regarded as having such impairment.

## **XXVIII. Award to Faith-Based and Community Organizations**

The recipient may not discriminate against any beneficiary or prospective beneficiary under the award on the basis of religion or belief:

Accordingly, in providing services supported in whole or in part by this agreement or in its outreach activities related to such services, the recipient may not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

Unless specifically authorized by the Department of State, a recipient that engages in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, and proselytization, must perform such activities and offer such services at a different time or location from any programs or services directly funded by this award, and participation by beneficiaries in any such explicitly religious activities must be voluntary.

If the recipient makes subawards under an agreement, faith-based organizations should be eligible to participate on the same basis as other organizations, and should not be discriminated against on the basis of their religious character or affiliation.

## **XXIX. Religious Persecution**

The recipient must ensure that its personnel take into account in their work the considerations reflected in the International Religious Freedom Act concerning

country-specific conditions, the right to freedom of religion, methods of religious persecution practiced in foreign countries, and applicable distinctions within a country between the nature of and treatment of various religious practices and believers.

### **XXX. Prohibition on Abortion Related Activities**

The recipient agrees that none of the funds provided by this award shall be used to issue funds to lobby for or against abortion. The recipient agrees that none of the funds provided by this award shall be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions.

### **XXXI. Minority Business Participation**

In accordance with [Executive Order 12432](#), Minority Business Enterprise Development, the Department of State encourages recipients to utilize minority business enterprises in the performance of the award. When contracting for any supplies, services, research, or construction under the award, the recipient must make their best efforts to solicit bids, proposals, or quotations from minority business enterprises.

A minority business enterprise is defined as a business that is at least 51 percent owned by one or more minority individuals, or in the case of any publicly owned business, at least 51 percent of the voting stock is owned by one or more minority individuals. The daily business operations are likewise managed by a minority owner. A minority individual is defined as a U.S. citizen who has been subjected to racial or ethnic prejudice or cultural bias because of his or her identity as a member of this group without regard to his or her individual qualities. Such groups include, but are not limited to: Black [African] Americans, Hispanic Americans, Native Americans, and Asian-Pacific Americans.

### **XXXII. Trafficking in Persons**

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

1. 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 the 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 part 180](#), “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at [2 CFR part 601](#).

**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—**

1. 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; or
  - ii. Imputed to 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 601](#).

**c. Provisions applicable to any recipient.**

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this 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 purposes of this award term:**

1. “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 of 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](#)).

### **XXXIII. Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism**

[Executive Order 13224](#) prohibits transactions with certain individuals and entities that commit or pose a significant risk of committing terrorist acts and also authorized the Secretary of State to designate additional individuals and entities.

The order also authorized the Secretary of the Treasury to designate additional individuals and entities that provide support or services to, are owned or controlled by, act for or on behalf of, or are “otherwise associated with,” an individual or entity who has been designated in or under the order. All property and interests in property of the individual or entity in the United States or in the possession or control of United States persons are blocked. The order prohibits all transactions and dealings in blocked property or interests in the United States or by United States persons, and prohibits transactions with, and provision of support for, individuals or entities listed in or subject to the order.

Recipients should be aware of Executive Order 13224 and the names of the individuals and entities designated thereunder. A list of these names may be found in the exclusions section of the [SAM.gov](https://www.sam.gov). Recipients are reminded that U.S. Executive Orders and U.S. laws prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the recipient to ensure compliance with these orders and laws.