



**U.S. Department of Defense**  
**Office of Local Defense**  
**Community Cooperation**

# **Grants Management Manual**

**Terms and Conditions, Policies, Forms, and  
Instructions**

Released September 2024

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## Foreword

The Office of Local Defense Community Cooperation (OLDCC) provides grant and technical assistance to states and communities to foster partnerships with the Department of Defense, including military installations and the local industrial base; enhance the mission, achieve facility and infrastructure savings, and reduced operating costs; address encroachment and compatible land use issues; support military families; and increase military, civilian, and industrial readiness and resiliency. It also enables state and local governments to plan and carry out civilian economic adjustment responses to workforce, business, and community impacts arising from Defense actions. These efforts routinely leverage other Federal and state/local technical and financial resources to further benefit the Department and our civilian partners.

The *OLDCC Grant Management Manual* outlines the standard grant terms and conditions that are applicable to OLDCC Grant Awards, instructions for preparing and submitting payment requests, post award reporting requirements, and other guidance and resources to assist Grantees in the successful management of their awards. Grantees should also refer to their Notice of Award to ensure they are also complying with any special conditions associated with their awards. For any additional assistance, please contact one of the points of contacts listed in your Notice of Award. Additional resources can also be found on the OLDCC website at <https://oldcc.gov/>.

## **Chapter 1: OLDCC Grant Awards Terms and Conditions**

**U. S. DEPARTMENT OF DEFENSE  
OFFICE OF LOCAL DEFENSE COMMUNITY COOPERATION  
GRANT AWARDS TERMS AND CONDITIONS  
EFFECTIVE SEPTEMBER 10, 2024**

**INTRODUCTION**

This grant award is subject to the following Department of Defense (DoD) Office of Local Defense Community Cooperation (OLDCC) General Terms and Conditions. These General Terms and Conditions implement Office of Management and Budget (OMB) guidance, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” published in the Code of Federal Regulations (CFR) at 2 CFR Part 200, as modified and supplemented by DoD at 2 CFR Parts 1104-1140, “Implementation of Governmentwide Guidance for Grants and Cooperative Agreements,” all of which are incorporated herein by reference and in the sections below. Provisions of 32 CFR Parts 21-37, “DoD Grant and Agreement Regulations,” continue to be in effect and are incorporated herein by reference and in the sections below.

**APPLICABILITY**

These General Terms and Conditions apply to OLDCC grants and cooperative agreements with grantees including, Institutions of Higher Education, States, Local Governments, and Nonprofit Organizations and are incorporated by reference into the Notice of Award (NOA), which is referenced herein.

**ORDER OF PRECEDENCE**

Any inconsistencies in the requirements of this award will be resolved in the following order:

- A. Federal statutes;
- B. Federal regulations;
- C. 2 CFR Part 200, as modified and supplemented by DoD's implementation found in 2 CFR Parts 1104-1140; 32 CFR Parts 21-37;
- D. National Policy Requirements, 2 CFR Part 1122;
- E. Award-Specific Terms and Conditions; and,
- F. OLDCC Grant Awards Terms and Conditions.

In case of disagreement with any requirements of this award, or with the interpretation of those requirements, the Grantee shall engage the Points of Contact listed in the NOA to resolve the issue. The Grantee shall not assess any costs to the award or accept any payments until the issue is resolved.

## ARTICLES

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## **A. Affirmation of Award**

The Grantee must countersign the NOA to execute the grant. See Appendix A of the Grants Management Manual for electronic signature instructions. Failure to adhere to this requirement will delay the Grantor's ability to obligate funds and result in the inability to process payments.

## **B. System for Award Management (SAM.gov) and Universal Identifier (UEI) Requirements**

### *1. Requirement for System for Award Management.*

- a. Unless exempt from this requirement under 2 CFR § 25.110, the recipient must maintain a current and active registration in SAM.gov. The recipient's registration must always be current and active until the recipient submits all final reports required under this Federal award or receives the final payment, whichever is later. The recipient must review and update its information in SAM.gov at least annually from the date of its initial registration or any subsequent updates to ensure it is current, accurate, and complete. If applicable, this includes identifying the recipient's immediate and highest-level owner and subsidiaries and providing information about the recipient's predecessors that have received a Federal award or contract within the last three years.

### *2. Requirement for UEI.*

- a. If the recipient is authorized to make subawards under this Federal award, the recipient:
  - i. Must notify potential subrecipients that no entity may receive a subaward until the entity has provided its UEI to the recipient.
  - ii. Must not make a subaward to an entity unless the entity has provided its UEI to the recipient. Subrecipients are not required to complete full registration in SAM.gov to obtain a UEI.

### *3. Definitions.* For the purposes of this award term:

*SAM.gov* means the Federal repository into which a recipient must provide the information required for the conduct of business as a recipient. Additional information about registration procedures may be found in SAM.gov (currently at <https://www.sam.gov>).

*UEI* means the universal identifier assigned by SAM.gov to uniquely identify an entity.

*Entity* is defined at 2 CFR § 25.400 and includes all of the following types as defined in 2 CFR § 200.1:

- a. Non-Federal entity;
- b. Foreign organization;
- c. Foreign public entity;
- d. Domestic for-profit organization; and,
- e. Federal agency.

*Subaward* has the meaning given in 2 CFR § 200.1.

*Subrecipient* has the meaning given in 2 CFR § 200.1.

### **C. Grant Payments for Federal Awards**

The Grantee must obtain Grantor approval of current Office of Management and Budget (OMB) approved Standard Forms to request payment. The Grantee must submit either Standard Form (SF)-270 (Non-Construction) or SF-271 (Construction) to the Grantor AND submit a payment request for all payments pursuant to the requirements of Chapter 19, Volume 10 of the Department of Defense Financial Management Regulation, DoD 7000.14-R. Grant payments will be processed through the U.S. Department of Health and Human Services Payment Management System (PMS). On either the SF-270 or SF-271, Section 7 must include the **Federal Award Identification Number (FAIN)** provided in Section 10 of the NOA. The Grantor will reject all payment requests submitted without the FAIN. Any funds paid to the Grantee in excess of the approved payment amount will constitute a debt to DoD. See Appendix B of the OLDCC Grants Management Manual for grant payment submission instructions.

### **D. Personnel**

The Grantee must seek prior written approval from the Grantor for any new hires or changes in key personnel for non-construction awards per 2 CFR § 200.308(c)(2).

### **E. Salary Cap**

The salary rate for the highest paid position identified in this NOA that will be included as part of the grant award shall not exceed \$195,000, or the current Tier I Senior Executive Service (SES) salary at the U.S. DoD. This salary cap is applicable to the total salary, including both Federal and non-federal shares. Any additional salary paid above the cap is solely the responsibility of the Grantee to fund and will not be included as part of the Grantee's non-federal share.



## **F. Prior Written Approval**

Any material changes in the project/program described in the application, including, but not limited to those identified below, require prior written approval from the Grantor initiated through an amendment request from the Grantee in accordance with 2 CFR § 200.308:

1. Change in the scope or the objective (e.g., approved activities) of the project or program, even if there is no associated budget revision requiring prior written approval.
2. Change in key personnel (including employees and contractors) that are identified by name or position in the Federal award.
3. The disengagement from a project for more than three months, or a 25 percent reduction in time and effort devoted to the Federal award over the course of the period of performance, by the approved project director or principal investigator.
4. Changes to the budget, including changes to Federal funds or changes to the non-Federal match (e.g., reallocation of funds from the Contingencies budget category in the case of construction projects).
5. Budget reallocations that exceed 10 percent of the total approved budget if the Federal share of the Federal award exceeds the simplified acquisition threshold.
6. Transfer of funds budgeted for participant support costs to other budget categories.
7. Changes in indirect cost rates during the project period, unless otherwise specified in the NOA.
8. Changes to subaward activities that were not proposed in the application and approved in the Federal award.
9. Transfer of funds between construction and non-construction work.
10. Need for extension to the period of performance.
11. Requests to purchase equipment having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds \$10,000 not otherwise approved in the original grant award.

To avoid subsequent disallowance or dispute based on unreasonableness or nonallocability, the recipient may seek the prior written approval of the Federal agency (or, for indirect costs, the cognizant agency for indirect costs) before incurring the cost.

## **G. Overpayments**

In accordance with 2 CFR § 200.344, the Grantee must promptly refund any balances of unobligated cash that the Grantor paid in advance or paid and that are not authorized to be retained by the Grantee. See Appendix C of the OLDCC Grants Management Manual for instructions for returning overpayments.

## **H. Grantee Contributions**

Contributions to this project by non-Grantor sources are expected to be paid out at the same general rate as Grantor funds.

## **I. Procurement Standards**

In accordance with 2 CFR § 200.317, Grantees that are State entities must follow the same policies and procedures used for procurements from non-Federal funds. States that do not have procedures and all other Grantees, including subrecipients of a State, must adhere to procurement standards as outlined in 2 CFR § 200.318 through § 200.327 as well as those standards described below:

1. **Competition.** Grantees must award procurement transactions under this award in accordance with the competition requirements described in 2 CFR § 200.319.
2. **Procurement methods.** Grantees must award procurement transactions under this award using methods described in 2 CFR § 200.320.
  - a. Notwithstanding the preceding provisions, when procuring contractual services by proposal, a non-federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby offeror's qualifications are evaluated, and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. This method, where the price is not used as a selection factor, can only be used to procure A/E professional services; it cannot be used to purchase other types of services provided by A/E firms that are a potential source to perform the proposed effort [2 CFR § 200.320(b)(2)(iv)]. The relevant definition of architectural and engineering services can be found in 40 U.S.C. § 1102(2).
3. **Use of Consultants/Contractors.**
  - a. Grantees will provide the Grantor the opportunity to review scopes of work contained in any solicitation for contractor support and any related request for proposals prior to issuance to ensure such scopes of work are consistent with those in the approved application.
  - b. Grantees will procure consultant or contractor services in accordance with all standards and procedures set forth in 2 CFR Part 200.

- c. Grantees will ensure that all procurement transactions, regardless of whether negotiated or advertised and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition.
- d. Grantees shall maintain a code or standards of conduct which shall govern the performance of its officers, employees, or agents in contracting with and expending Federal Grant funds. Grantee's officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from a contractor or potential contractors. To the extent permissible by State or local law, rules, or regulations, such standards shall provide for penalties, sanctions, or other disciplinary actions to be applied for violations of such standards by the Grantee's officers, employees, or agents, or by contractors.
- e. The Grantee shall ensure that every consultant and every contractor it employs under the grant complies with the terms of this NOA as though the consultant or contractor were a party to the NOA.
- f. The Grantee is the responsible authority, without recourse to the Grantor, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurements entered into in support of the NOA.

## **J. Contractor Deliverables**

The Grantee will ensure that a disclaimer statement appears on the title page of any study prepared under this Grant. It must read:

1. This study was prepared under contract with [GRANTEE'S LEGAL NAME], with financial support from the Office of Local Defense Community Cooperation, Department of Defense.
2. The content herein reflects the views of the [GRANTEE'S LEGAL NAME] and does not necessarily reflect the views of the Office of Local Defense Community Cooperation or the Department of Defense.

Sufficient information to identify the contractor (e.g., name of company, address, logo, etc.) who prepared the report must also appear on the title page of any study funded by this grant.

All deliverables shall be submitted via the Grantor's electronic grants management system located at [https://grants.oldcc.gov/s\\_Login.jsp](https://grants.oldcc.gov/s_Login.jsp).

## **K. Intellectual Property**

Rights to inventions made under this grant are subject to Federal patent and licensing regulations, which are codified at 37 CFR Part 401 and 35 U.S.C. § 200-212 (the Bayh-Dole Act). The Grantor retains the right to a worldwide, nonexclusive, nontransferable,

irrevocable, paid-up license to practice the invention owned by the assistance agreement holder, as defined in the Act. To receive invention submission guidance, the non-federal entity must notify the Grantor when first aware of any invention.

## **L. Performance Monitoring and Reporting**

The Grantee must submit Performance Reports in accordance with due dates provided in Section 21 of the NOA, “Award Performance Goals.” All Performance Reports will contain the following information about expenses incurred during the reporting period:

1. A comparison of actual accomplishments to the objectives established for the period.
2. The reasons for slippage if established objectives were not met.
3. Additional pertinent information when appropriate.
4. Grantees with non-construction awards will provide a computation of Federal funds expended for each SF-424A object class category approved for the award.
5. Grantees with construction awards will provide a computation of Federal funds spent in each SF-424C cost classification approved for the award.
6. The computation of costs will also include the amount of Grant funds on hand at the beginning and end of the reporting period, and non-Grantor share of contributions over the term.
7. The final performance report must contain a summary of activities for the entire Grant period. All required deliverables should be submitted with the final performance report.

The Final Performance Report shall be submitted to the Grantor within 120 days after the end date of the Grant. All Performance Reports will be submitted via the Grantor’s electronic grants management system located at [https://grants.oldcc.gov/s\\_Login.jsp](https://grants.oldcc.gov/s_Login.jsp).

## **M. Financial Monitoring and Reporting**

The Grantee must utilize SF-425, “Federal Financial Report,” to report all financial activity under the award. Submission of this requirement to the Grantor must remain in compliance with the due dates provided in Section 21 of the NOA, “Award Performance Goals.”

The final SF-425, “Federal Financial Report,” shall be submitted to the Grantor within 120 days after the end date of the period of performance. Any Grant funds advanced and not needed for Grant purposes shall be reported immediately to the Grantor and returned to the Grantor’s Fiscal Agent in accordance with the guidance provided in Article G, “Overpayments.”

All Federal Financial Reports shall be submitted via the Grantor's electronic grants management system located at [https://grants.oldcc.gov/s\\_Login.jsp](https://grants.oldcc.gov/s_Login.jsp). See Appendix D of the OLDCC Grants Management Manual for instructions on how to complete the SF-425.

The Grantor reserves the right to conduct on-site reviews and/or off-site desk reviews to confirm compliance with the programmatic and administrative terms and conditions of the NOA.

#### **N. Prohibited Activities**

1. **Duplication of Work:** The purpose and scope of work for which this Agreement is made shall not duplicate programs for which funds have been received, are committed, or are applied for from other sources, public or private. Upon request of the Grantor, the Grantee shall submit full information about related programs that will be initiated within the Grant period.
2. **Other Funding Sources:** The Grantor's funds budgeted or awarded for this program shall not be used to replace any financial support previously provided or assured from any other source.
3. The Grantee is prohibited from using funds provided from this Grant or personnel employed in the administration of this program for political activities, sectarian or religious activities, lobbying, political patronage, or nepotism activities.
4. Grant funds may not be used for marketing or entertainment expenses.
5. Grant funds may not be used for the purchase of vehicles (e.g., car, truck, cart, etc.) or maintenance of vehicles.

#### **O. Buy America Preference; Build America, Buy America; and Domestic Preferences for Procurements**

The Grantee agrees to comply with the following requirements of the Buy America regulations at 2 CFR Part 184 and the Build America, Buy America Act that was signed into law as part of the Infrastructure Investment and Jobs Act of 2021 (Public Law 117-58 section 70914) when entering into a grant for an infrastructure project:

1. Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:
  - a. All iron and steel used in the project are produced in the United States.
    - i. Specifically, all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
  - b. All manufactured products used in the project are produced in the United States.

- i. Specifically, the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.
  - ii. The term “manufactured products” is defined at 2 CFR § 184.3.
- c. All construction materials are manufactured in the United States.
  - i. Specifically, all manufacturing processes for the construction material occurred in the United States.
  - ii. The term “construction materials” is defined at 2 CFR § 184.3.
- d. The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Consistent with the Domestic Preferences for Procurements for all awards required in 2 CFR § 200.322, all Grantees of both construction and non-construction awards should, to the greatest extent practicable, purchase, acquire, or use goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). These requirements must be included in all subawards including all contracts and purchase orders for work or products under this award.

## **P. Audits**

The Grantee agrees to comply with audit requirements as specified in 2 CFR Part 200, Subpart F, “Audit Requirements.”

A Grantee that expends \$1,000,000 or more during the Grantee’s fiscal year must have a single audit conducted in accordance with 2 CFR § 200.514, except where it expends Federal awards under only one program, and it elects to have a program-specific audit conducted instead. A Grantee that expends less than \$1,000,000 is exempt from this requirement but must make its records available for review or audit by appropriate officials.

The Grantee is responsible for follow-up and corrective actions required by all audit findings (2 CFR §§ 200.508 and 200.511, “Auditee Responsibilities,” and “Audit Findings Follow-Up”). Upon receipt of the completed audit, the Grantee shall promptly provide the Grantor with a copy of the audit findings related to this award, including copies of the reporting package (including corrective action plans), management letters issued by an auditor, and audit working papers pursuant to 2 CFR § 200.512.

The Grantor must issue a management decision letter to the Grantee within six months of receipt of an audit report with findings, and the Grantee must take timely and corrective action to comply with the management decision.

The Grantor reserves the right to conduct an independent follow-up audit.

## **Q. Reporting Requirements for Subawards and Executive Compensation**

Grantees must report on subawards and executive compensation according to requirements of the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by section 6202 of Public Law 110-252, and in accordance with 2 Parts 25 and 170.

### **1. *Reporting of first-tier subawards.***

- a. ***Applicability.*** Unless the recipient is exempt as provided in paragraph (4) of this award term, the recipient must report each subaward that equals or exceeds \$30,000 in Federal funds for a subaward to an entity or Federal agency. The recipient must also report a subaward if a modification increases the Federal funding to an amount that equals or exceeds \$30,000. All reported subawards should reflect the total amount of the subaward.
- b. ***Reporting Requirements.***
  - i. The entity or Federal agency must report each subaward described in paragraph (1)(a) of this award term to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) at <http://www.fsrs.gov>.
  - ii. For subaward information, report no later than the end of the month following the month in which the subaward was issued. (For example, if the subaward was made on November 7, 2025, the subaward must be reported by no later than December 31, 2025).

### **2. *Reporting total compensation of recipient executives for entities.***

- a. ***Applicability.*** The recipient must report the total compensation for each of the recipient’s five most highly compensated executives for the preceding completed fiscal year if:

- i. The total Federal funding authorized to date under this Federal award equals or exceeds \$30,000;
    - ii. In the preceding fiscal year, the recipient received:
      - a) 80 percent or more of the recipient's annual gross revenues from Federal procurement contracts (and subcontracts) and Federal awards (and subawards) subject to the Transparency Act; and
      - b) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal awards (and subawards) subject to the Transparency Act; 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 after receiving this subaward. (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>).
  - b. **Reporting Requirements.** The recipient must report executive total compensation described in paragraph (2)(a) of this award term:
    - i. As part of the recipient's registration profile at <https://www.sam.gov>.
    - ii. No later than the month following the month in which this Federal award is made, and annually after that. (For example, if this Federal award was made on November 7, 2025, the executive total compensation must be reported by no later than December 31, 2025).
3. **Reporting of total compensation of subrecipient executives.**
- a. **Applicability.** Unless a first-tier subrecipient is exempt as provided in paragraph (4) of this award term, the recipient must report the executive total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if:
    - i. The total Federal funding authorized to date under the subaward equals or exceeds \$30,000;
    - ii. 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 awards (and subawards) subject to the Transparency Act; and,
  - b) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal awards (and subawards) subject to the Transparency Act; 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 after receiving this subaward (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>).
- b. **Reporting Requirements.** Subrecipients must report to the recipient their executive total compensation described in paragraph (3)(a) of this award term. The recipient is required to submit this information to the FSRS at <http://www.fsrs.gov> no later than the end of the month following the month in which the subaward was made (For example, if the subaward was made on November 7, 2025, the subaward must be reported by no later than December 31, 2025).

#### 4. **Exemptions.**

- a. A recipient with gross income under \$300,000 in the previous tax year is exempt from the requirements to report:
  - i. Subawards, and
  - ii. The total compensation of the five most highly compensated executives of any subrecipient.

#### 5. **Definitions.** For purposes of this award term:

*Entity* includes:

- a. Whether for profit or nonprofit:
  - i. A corporation;
  - ii. An association;
  - iii. A partnership;
  - iv. A limited liability company;

- v. A limited liability partnership;
  - vi. A sole proprietorship;
  - vii. Any other legal business entity;
  - viii. Another grantee or contractor that is not excluded by subparagraph (2); and
  - ix. Any State or locality;
- b. Does not include:
- i. An individual recipient of Federal financial assistance; or
  - ii. A Federal employee.

*Executive* means an officer, managing partner, or any other employee holding a management position.

*Subaward* has the meaning given in 2 CFR § 200.1.

*Subrecipient* has the meaning given in 2 CFR § 200.1.

*Total Compensation* means the cash and noncash dollar value an executive earns during an entity's preceding fiscal year. This includes all items of compensation as prescribed in 17 CFR § 229.402(c)(2).

## **R. Recipient Integrity and Performance Matters**

Grantees are required to report matters related to recipient integrity and performance to the SAM at <https://sam.gov/content/home>.

### **1. General Reporting Requirement.**

- a. If the total value of your active grants, cooperative agreements, and procurement contracts from all Federal agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient must ensure the information available in the responsibility/ qualification records through the SAM.gov, about civil, criminal, or administrative proceedings described in paragraph (2) of this award term is current and complete. 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 responsibility/qualification records in SAM.gov on or after April 15, 2011 (except past performance reviews required for Federal procurement contracts) will be publicly available.

2. *Proceedings About Which You Must Report.*

- a. You must submit the required information about each proceeding that—
  - i. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
  - ii. Reached its final disposition during the most recent five-year period; and
  - iii. Is one of the following—
    - a) A criminal proceeding that resulted in a conviction;
    - b) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
    - c) An administrative proceeding that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or,
    - d) Any other criminal, civil, or administrative proceeding if—
      - 1) It could have led to an outcome described in paragraph (2)(1)(iii)(1) through (c);
      - 2) It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and,
      - 3) The requirement in this award term to disclose information about the proceeding does not conflict with applicable laws and regulations.

3. *Reporting Procedures.* Enter the required information in SAM.gov for each proceeding described in paragraph (2) of this award term. You do not need to submit the information a second time under grants and cooperative agreements that you received if you already provided the information in SAM.gov because you were required to do so under Federal procurement contracts that you were awarded.

4. *Reporting Frequency.* During any period of time when you are subject to the requirement in paragraph (1) of this award term, you must report proceedings information in SAM.gov for the most recent five-year period, either to report new information about a proceeding that you have not reported previously or affirm that there is no new information to report. If you have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000, you must disclose semiannually any information about the criminal, civil, and administrative proceedings.

5. *Definitions*. For purposes of this award term and condition:

*Administrative proceeding* means a non-judicial process that is adjudicatory in nature to make a determination of fault or liability (for example, Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with the performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

*Conviction* means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

Total value of currently active grants, cooperative agreements, and procurement contracts includes the value of the Federal share already received plus any anticipated Federal share under those awards (such as continuation funding).

**S. Requirement to Post an Abstract**

Pursuant to the requirements of Section 8123 of the Department of Defense Appropriations Act, 2015, the Grantee is hereby informed that the Grantor is required to and will post a publicly releasable abstract statement that describes the project or program supported by this Grant, in terms that the public can understand, to DoD website, <https://discover.dtic.mil/grant/>.

By signing this NOA, the Grantee accepts this term and confirms the Grantor may publicly release and post an abstract obtained from the Grantee's grant application to the DoD website noted above.

**T. Compliance and Termination**

This grant award may be terminated in whole or in part as follows:

1. By OLDCC, if the Grantee fails to comply with the terms and conditions of the award;
2. By OLDCC, if the award no longer effectuates the program goals or OLDCC priorities;
3. By OLDCC with consent of the Grantee, in which case 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;
4. For mutual convenience according to terms set by OLDCC and the Grantee;

5. For Grantee non-adherence to the Project Development Schedule where the Grantee has not sought and received OLDCC's acceptance of a new schedule;
6. By the Grantee upon notice to OLDCC, setting forth the reasons for termination, the effective date, and, in the case of partial termination, the portion to be terminated; and,
7. In accordance with any additional remedies at 2 CFR § 200.340 or the grant award Special Conditions.

The Grantee shall not incur new obligations for the terminated portions after receiving notice of termination and shall cancel as many outstanding obligations as possible. Costs incurred after termination are allowable under very limited circumstances if they meet the requirements of 2 CFR § 200.343.

Any disputes will be processed and decided in accordance with 32 CFR § 22.815.

#### **U. Interest**

Interest earned amounts up to \$500 per year may be retained by the Grantee for administrative expense in accordance with 2 CFR § 200.305. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the U.S. Department of Health and Human Services PMS. See Appendix C of the OLDCC Grants Management Manual for instructions on how to complete this action.

#### **V. Research & Development**

The Grantor does not fund awards within the cluster of programs identified as Research & Development.

#### **W. Records Retention and Grantor Access to Grantee Records**

The Grantee must retain all records for a minimum period of three years from the date of submission of the final expenditure report in accordance with the rules and exceptions at 2 CFR § 200.334. The Grantor, Inspectors General, the Comptroller General of the United States, and any pass-through entities, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the Grantee that are pertinent to the Grant.

#### **X. Trafficking in Persons**

1. *Provisions applicable to a recipient that is a private entity.*
  - a. Under this award, the recipient, its employees, subrecipients under this award, and subrecipient's employees must not engage in:
    - i. Severe forms of trafficking in persons;

- ii. The procurement of a commercial sex act during the period of time that this award or any subaward is in effect;
- iii. The use of forced labor in the performance of this award or any subaward; or
- iv. Acts that directly support or advance trafficking in persons, including the following acts:
  - a) Destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents;
  - b) Failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if requested by the employee, unless:
    - 1) Exempted from the requirement to provide or pay for such return transportation by the Federal department or agency providing or entering into the grant or cooperative agreement; or
    - 2) The employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or a witness in a human trafficking enforcement action;
  - c) Soliciting a person for the purpose of employment, or offering employment, by means of materially false or fraudulent pretenses, representations, or promises regarding that employment;
  - d) Charging recruited employees a placement or recruitment fee; or,
  - e) Providing or arranging housing that fails to meet the host country's housing and safety standards.
- b. The Federal agency may unilaterally terminate this award or take any remedial actions authorized by 22 U.S.C. § 7104b(c), without penalty, if any private entity under this award:
  - i. Is determined to have violated a prohibition in paragraph (1)(a) of this award term; or,
  - ii. Has an employee that is determined to have violated a prohibition in paragraph (1)(a) of this this award term through conduct that is either:
    - a) Associated with the performance under this award; or

- b) Imputed to the recipient 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 Government-wide Debarment and Suspension (Nonprocurement),” as implemented by the Department of Defense at 2 CFR Part 1125.

2. *Provision applicable to a recipient other than a private entity.*

- a. The Federal agency may unilaterally terminate this award or take any remedial actions authorized by 22 U.S.C. § 7104b(c), without penalty, if a subrecipient that is a private entity under this award:
  - i. Is determined to have violated a prohibition in paragraph (1)(a) of this award term; or
  - ii. Has an employee that is determined to have violated a prohibition in paragraph (1)(a) of this award term through conduct that is either:
    - a) Associated with the performance under this award; or
    - b) 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 Government-wide Debarment and Suspension (Nonprocurement),” as implemented by the Department of Defense at 2 CFR Part 1125.

3. *Provisions applicable to any recipient.*

- a. The recipient must inform the Federal agency and the Inspector General of the Federal agency immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (1)(a) of this award term.
- b. The Federal agency’s right to unilaterally terminate this award as described in paragraphs (1)(b) or (2)(a) of this award term:
  - i. Implements the requirements of 22 U.S.C. § 78, and
  - ii. Is in addition to all other remedies for noncompliance that are available to the Federal agency under this award.
- c. The recipient must include the requirements of paragraph (1)(a) of this award term in any subaward it makes to a private entity.
- d. If applicable, the recipient must also comply with the compliance plan and certification requirements in 2 CFR § 175.105(b).

4. *Definitions.* For purposes of this award term:

*Employee* means either:

- a. An individual employed by the recipient or a subrecipient who is engaged in the performance of the project or program under this award; or,
- b. Another person engaged in the performance of the project or program under this award and not compensated by the recipient 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 requirements.

*Private entity* means any entity, including for-profit organizations, nonprofit organizations, institutions of higher education, and hospitals. The term does not include foreign public entities, Indian Tribes, local governments, or states as defined in 2 CFR § 200.1.

The terms “severe forms of trafficking in persons,” “commercial sex act,” “sex trafficking,” “Abuse or threatened abuse of law or legal process,” “coercion,” “debt bondage,” and “involuntary servitude” have the meanings given at section 103 of the Trafficking Victims Protection Act, as amended (22 U.S.C. § 7102).

**Y. Prohibited Telecommunications and Video Surveillance Services and Equipment**

The Grantee agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)] and 2 CFR § 200.216.

**Z. Whistleblower Protections**

The Grantee agrees to inform all employees and to require subrecipients to inform all employees in writing of the following right and protections, in the predominant native language of the workforce:

1. *Prohibition of Reprisals.* In accordance with 41 U.S.C. § 4712, an employee of a contractor, subcontractor, grantee, subgrantee, or personal services contractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in paragraph (2) of this award term information that the employee reasonably believes is evidence of:
  - a. Gross mismanagement of a Federal contract or grant,
  - b. Gross waste of Federal funds,
  - c. An abuse of authority relating to a Federal contract or grant,



- d. A substantial and specific danger to public health or safety, or,
  - e. A violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant.
2. *Persons and bodies covered.* The persons and bodies described in this paragraph are the persons and bodies as follows:
- a. A Member of Congress or a representative of a committee of Congress.
  - b. An Inspector General.
  - c. The Government Accountability Office.
  - d. A Federal employee responsible for contract or grant oversight or management at the relevant agency.
  - e. An authorized official of the Department of Justice or other law enforcement agency.
  - f. A court or grand jury.
  - g. A management official or other employee of the contractor, subcontractor, grantee, subgrantee, or personal services contractor who has the responsibility to investigate, discover, or address misconduct.
3. *Investigation of Complaints.*
- a. Submission of Complaint. A person who believes that they have been subjected to a reprisal prohibited above may submit a complaint regarding the reprisal to the Office of Inspector General (OIG).
  - b. Time Limitation for Submittal of a Complaint. A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
  - c. Required Actions of the Inspector General. Actions, limitations, and exceptions of the OIG's office are established under 41 U.S.C. § 4712(b).
4. *Remedy and Enforcement Authority.*
- a. Assumption of Rights to Civil Remedy. Upon receipt of an explanation of a decision not to conduct or continue an investigation by the OIG, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c)(2).

## **AA. Drug Free Workplace**

The Grantee agrees to comply with the requirements at 2 CFR 182 Subparts B and C.

## **BB. Artificial Intelligence**

The Grantee assures that if artificial intelligence (AI) or AI tools are being used in furtherance of grant performance and the performance reporting process, that all products will be subject to human review to ensure data security and accuracy of responses.

In the event of an AI incident, at the request of the Grantor, the Grantee shall thoroughly investigate their systems of any suspected AI incident and promptly report findings to the Grantor. An “AI incident” is an alleged harm or near harm event to the people, property, reputation, or technical integrity of the environment where an AI system is implicated. Examples of AI incidents include providing false information, copyright infringement, generating harmful bias, system misuse, exposure of sensitive information, and liability risk.

## **CC. Non-Construction Awards.**

Non-construction awards are identified with non-construction Assistance Listing Numbers identified in Section 16 of the NOA and Appendix E of the OLDCC Grants Management Manual.

### **1. Award Specific Conditions**

The Grantee will adhere to the award-specific Terms & Conditions included in Section 20 of the NOA.

### **2. Restricted Activities**

Unless otherwise specified by the NOA, the Grantee is restricted from using grant funds on the following activities:

- a. Construction;
- b. Purchase of personal property (e.g., equipment) unless specifically authorized by the Grantor;
- c. International travel;
- d. Activities otherwise eligible for or funded through other Federal grant programs; and,
- e. Activities that seek to reverse or oppose Department of Defense spending reductions.

### 3. Business Relocation Provision

Funds provided under this award may not be used to directly identify or assist a business, including a business expansion, in the relocation of a plant, facility, or operation from one Labor Market Area (LMA) to another if the relocation is likely to result in the loss of jobs in the LMA from which the relocation occurs.

### 4. Means of Production Provision

The Grantee may not use funds provided under this award as a means for production of commercial goods or activities (tangible or intangible). This includes direct production of commercial goods and assistance to entities with the design and production of goods of commercial value, unless otherwise stipulated in the Grant Agreement.

### 5. Work and Information Produced Under the Grant

The Grantor reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, use, and authorize others to use copyrighted works or other data developed under this assistance agreement for Federal purposes. Examples of a Federal purpose include but are not limited to:

- a. Use by the Grantor and other Federal employees for official Government purposes;
- b. Use by Federal contractors performing specific tasks for the Government;
- c. Publication in DoD documents provided the document does not disclose trade secrets (e.g., software codes) and the work is properly attributed to the recipient through citation or otherwise;
- d. Reproduction of documents for inclusion in Federal depositories; and
- e. Limited use by other grantees to carry out Federal grants provided the use is consistent with the terms of the Grantor authorization to the other grantee to use the copyrighted works or other data.

### 6. Non-Construction Grants Authorizing Purchase of Personal Property

The Grantee must comply with the Federal Interest Period encumbrance and associated provisions as described in the NOA and the Terms and Conditions.

The Grantee should refer to Chapter 3 of the OLDCC Grants Management Manual for information on the Federal Interest Period of this encumbrance.

## **DD. Construction Awards.**

Construction awards are identified with construction Assistance Listing Numbers identified in Section 16 of the NOA and Appendix E of the OLDCC Grants Management Manual.

### **1. Restricted Activities**

Unless otherwise specified by the NOA, the Grantee is restricted from using grant funds on the following activities:

- a. Activities otherwise eligible for or funded through other Federal grant programs; and,
- b. Activities that seek to reverse or oppose Defense spending reductions.

### **2. Program Income & Usage Fees for Grant-Funded Facilities and/or Assets**

The Grantee agrees to provide programs and services on the same basis as such programs are made available at any other Grantee-operated facility. Unless Program Income is authorized during the grant period, the Grantee may not charge for the ordinary use of facilities, furnishing, or equipment purchased with Grant funds during the grant period.

After the end of the grant period, the Grantee may collect fees to offset operational costs consistent with how the Grantee operates facilities and provides similar services under its jurisdiction.

### **3. Use of Rebates/Credits**

Applicable credits refer to those receipts or reduction-of-expenditure transactions that offset or reduce expenses allocable to the Federal award. Examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; insurance refunds or rebates; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the non-Federal entity relate to allowable grant costs, they must be credited to the Federal award either as a cost reduction or refund, as appropriate.

### **4. Reimbursement Based on Proportional Project Expenditures**

The Grantee shall ensure requests for disbursements under this award are in proportion to the Federal and non-Federal portions of the total approved project costs. For example, for every \$1 in eligible costs on a project with a 50% Federal share, requests for disbursements should ensure Federal funds do not exceed 50% of the total expenditures for the project at any point over the term of the award. The Grantee may exceed the matching share proportionality and may choose to do so in order to satisfy cost underrun requirements or other external budget constraints.

## 5. Pre-Payment Conditions

The Grantee must provide financial supporting documentation that is accepted by the Grantor for funds to be disbursed under the award. If not addressed/included in the grant application, this documentation may include:

- a. Evidence of the source and availability of non-Federal share sufficient for the completion of the project;
- b. Evidence of a bid guarantee, performance bond, and payment bond sufficient for completion of the project as set forth in 2 CFR § 200.326; or,
- c. Evidence of completion of sub award agreements necessary to execute sub awards.

## 6. Real Property and Federal Interest Encumbrance

The Grantee agrees:

- a. To use any facilities constructed on real property for the originally authorized purpose as long as it is needed for that purpose.
- b. To retain ownership of the new, expanded, or renovated real property and to insure, operate, and maintain or replace any land improvements, structures, and appurtenances to the same standard and conditions as any other Grantee-owned property. This includes scheduling and funding necessary for future maintenance, expansion, and/or replacement of the improved real property.
- c. To comply with reporting and change-request requirements related to this property as described in Chapter 3 of the OLDCC Grants Management Manual, “Office of Local Defense Community Cooperation Real Property, Equipment, and Intangible Property Federal Interest Supplement.”
- d. That this real property may be subject to a Federal Interest Encumbrance in accordance with Chapter 3 of the OLDCC Grants Management Manual.

## 7. Site Control

Prior to the start of construction and any ground disturbing activity, the Grantee shall provide to the Grantor for prior approval evidence of adequate access and site control to permit necessary construction, renovation, repair, expansion, demolition and/or swing space activities as well as operation and maintenance of the completed facility.

Generally, the Grantee must provide evidence that it will have site control for at least 30 years after the start of construction, unless otherwise specified in the Grant Notice of Award.

## 8. National Environmental Policy Act

Prior to the start of construction and any ground disturbing activity, the Grantee must provide the Grantor with environmental analysis sufficient to sustain and document the Grantor's requirements under the National Environmental Policy Act to include all applicable avoidance and mitigation measures when required. Consequently, the Grantee must not proceed with construction or undertake any other ground-disturbing project activities prior to receiving written notice from the Grantor that the requirements of the National Environmental Policy Act and other federal environmental requirements have been met. This restriction does not apply to project design, development of environmental information, administrative activities, securing permits, or other activities that present no risk of irreparable injury to the environment.

## 9. Davis-Bacon Act

The Grantee should verify whether the Federal Davis Bacon Act (40 U.S.C. §§ 3141-3144, 3146, and 3147, et. seq.) or other state and local prevailing wage rates are required if the project undertaken under this program expends any Federal or Non-Federal funds beyond just those from the Grantor. Generally, the Davis-Bacon Act does not apply to construction activities funded solely with Grantor funding under this program. However, this does not affect the Grantee's responsibility to comply with all other Federal laws, as well as state and local laws, which may require the application of state or locally mandated prevailing wage rates. If applicable to any part of the project, the Davis Bacon Act or other state or local prevailing wage requirements would apply to the entire project.

## 10. Construction Project Standards

The Grantee shall administer and supervise implementation of the project, maintaining competent architectural supervision and inspection at the project site to ensure the work conforms to the approved drawings and specifications.

## 11. Contingency

### a. Public Schools on Military Installations Grant Awards

Any Public Schools on Military Installations project underrun amounts shall be added to the Contingencies line item. Grantor prior approval is required before the Grantee may move or realign any funding from the Contingencies cost category to any other cost category. Unless otherwise specified in the grant award, in the event the final project cost is less than the currently estimated total project cost in the grant award, the amount of matching share funds shall be unchanged and the Federal grant amount will be reduced accordingly.

b. All Other Construction Grant Awards

For all other construction awards, and unless otherwise specified in the grant award, Grantor prior approval is required before the Grantee may move or realign any funding from the Contingencies cost category to any other cost category. In the event the final project cost is less than the currently estimated total project cost in the grant award, cost savings will be shared, and the grant amount will be reduced proportionally based on the Federal and non-Federal portions of the total approved project cost.

12. Project Overruns

In the event the final project cost exceeds the approved budget for this award, the Grantee is responsible to provide any additional funding needed to complete the project.

13. Project Development Schedule

The Grantee will abide by the Project Development Schedule identified in the NOA. Failure to meet the Project Development Schedule is considered noncompliance with the Grant Agreement and may result in action by the Grantor to suspend or terminate the Grant in accordance with 2 CFR §§ 200.339-200.343. The Project Development Schedule may only be revised through prior written approval by the Grantor. Written requests must be submitted to the Grantor and will be subject to an official approval process.

If the Grantor and Grantee are unable to agree on a new Project Development Schedule that allows adequate time for all construction milestones to be achieved, the Grantee agrees that it will voluntarily terminate the award by sending the Grantor a written notification identifying this as the reason for the termination in accordance with Article T, Compliance and Termination, of this award.

14. Deliverables

- a. If applicable, the Grantee will provide the Grantor with a copy of the certificate of occupancy, or other completion certification, for the completed project issued by the appropriate jurisdiction.
- b. If applicable, the Grantee will provide the Grantor with a list of all grant-related personal property that conforms to the requirements at 2 CFR §§ 200.313-315 (e.g., equipment and non-fixed asset machinery or renovations).
- c. If applicable, the Grantee will provide the Grantor with final “as-built” construction plans as well as final inspection reports (including photo documentation).

- d. If applicable, the Grantee will provide the Grantor with evidence a Notice of Federal Interest has been recorded in the appropriate official records of the jurisdiction in which the property is located within 10 days of recordation.
- e. The Grantee will provide the Grantor any additional deliverables as specified in the approved grant application.



## **Chapter 2: DoD National Policy Requirements**

**U.S. DEPARTMENT OF DEFENSE  
OFFICE OF LOCAL DEFENSE COMMUNITY COOPERATION  
NATIONAL POLICY REQUIREMENTS  
UPDATED AS OF SEPTEMBER 10, 2024**

## **INTRODUCTION**

The Department of Defense (DoD) Office of Local Defense Community Cooperation's (OLDCC) Notice of Award (NOA) references these National Policy Requirements as applicable to the grant award. These National Policy Requirements implement Office of Management and Budget (OMB) guidance, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," published in the Code of Federal Regulations (CFR) at 2 CFR Part 200 as modified and supplemented by the DoD at 2 CFR Parts 1104-1140, "Implementation of Governmentwide Guidance for Grants and Cooperative Agreements, all of which are incorporated herein by reference and in the sections below. Provisions of 32 CFR parts 21-37, "DoD Grant and Agreement Regulations," continue to be in effect and are incorporated herein by reference and in the sections below.

## **APPLICABILITY**

These National Policy Requirements apply to OLDCC grants and cooperative agreements with Institutions of Higher Education, States, Local Governments, and Nonprofit Organizations.

## **ORDER OF PRECEDENCE**

Any inconsistencies in the requirements of this award will be resolved in the following order:

1. Federal statutes;
2. Federal regulations;
3. 2 CFR part 200, as modified and supplemented by DoD's implementation found in 2 CFR parts 1104-1140, and 32 CFR parts 21-37;
4. National Policy Requirements, 2 CFR Part 1122;
5. Award-Specific Terms and Conditions; and,
6. OLDCC General Terms and Conditions.

All applicable Federal statutes and regulations are posted on OLDCC's website at [www.oldcc.gov](http://www.oldcc.gov). OLDCC's Federal award document is the NOA, a three-to-five-page form with numbered and labeled sections.

In case of disagreement with any requirements of this award, the Grantee shall contact the Points of Contact listed in the NOA to resolve the issue. The Grantee shall not assess any costs to the award or accept any payments until the issue is resolved.

These are Department of Defense ["National Policy Requirements: General Award Terms and Conditions," 2 CFR Part 1122](#), which implement Office of Management and Budget guidance in

2 CFR § 200.300, as those paragraphs of 2 CFR Part 200 relate to national policy requirements for general terms and conditions of DoD grants and cooperative agreements to institutions of higher education and other nonprofit organizations, States, local governments, and Indian tribes.

## **NP Article I.**

### **Nondiscrimination national policy requirements.**

**Section A. Cross-cutting nondiscrimination requirements.** By signing this award or accepting funds under this award, you assure that you will comply with applicable provisions of the national policies prohibiting discrimination:

1. On the basis of race, color, or national origin, in Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), as implemented by DoD regulations at 32 CFR part 195.
2. On the basis of gender, blindness, or visual impairment, in Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), as implemented by DoD regulations at 32 CFR part 196.
3. On the basis of age, in the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), as implemented by Department of Health and Human Services regulations at 45 CFR part 90.
4. On the basis of disability, in the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by Department of Justice regulations at 28 CFR part 41 and DoD regulations at 32 CFR part 56.
5. On the basis of disability in the Architectural Barriers Act of 1968 (42 U.S.C. 4151 *et seq.*) related to physically handicapped persons' ready access to, and use of, buildings and facilities for which Federal funds are used in design, construction, or alteration.

## **NP Article II.**

### **Environmental national policy requirements.**

**Section A. Cross-cutting environmental requirements.** You must:

1. Comply with all applicable Federal environmental laws and regulations. The laws and regulations identified in this section are not intended to be a complete list.
2. Comply with applicable provisions of the Clean Air Act (42 U.S.C. 7401, *et seq.*) and Clean Water Act (33 U.S.C. 1251, *et seq.*).
3. Comply with applicable provisions of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), as implemented by the Department of Housing and Urban Development at 24 CFR part 35. The requirements concern lead-based paint in buildings owned by the Federal Government or housing receiving Federal assistance.

4. Immediately identify to us, as the Federal awarding agency, any potential impact that you find this award may have on:
  - a. The quality of the “human environment,” as defined in 40 CFR 1508.1, including wetlands; and provide any help we may need to comply with the National Environmental Policy Act (NEPA, at 42 U.S.C. 4321 *et seq.*), the regulations at 40 CFR 1500-1508, and Executive Order 12114, if applicable; and assist us to prepare Environmental Impact Statements or other environmental documentation. In such cases, you may take no action that will have an environmental impact (e.g., physical disturbance of a site such as breaking of ground) or limit the choice of reasonable alternatives to the proposed action until we provide written notification of Federal compliance with NEPA or Executive Order 12114.
  - b. Flood-prone areas and provide any help we may need to comply with the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 *et seq.*), which require flood insurance, when available, for federally assisted construction or acquisition in flood-prone areas.
  - c. A land or water use or natural resource of a coastal zone that is part of a federally approved State coastal zone management plan and provide any help we may need to comply with the Coastal Zone Management Act of 1972 (16 U.S.C. 1451, *et seq.*) including preparation of a Federal agency Coastal Consistency Determination.
  - d. Coastal barriers along the Atlantic and Gulf coasts and Great Lakes’ shores and provide help we may need to comply with the Coastal Barrier Resources Act (16 U.S.C. 3501 *et seq.*), concerning preservation of barrier resources.
  - e. Any existing or proposed component of the National Wild and Scenic Rivers system and provide any help we may need to comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 *et seq.*).
  - f. Underground sources of drinking water in areas that have an aquifer that is the sole or principal drinking water source and in wellhead protection areas, and provide any help we may need to comply with the Safe Drinking Water Act (42 U.S.C. 300f *et seq.*).
5. You must comply fully with the Endangered Species Act of 1973, as amended (ESA, at 16 U.S.C. 1531 *et seq.*), and implementing regulations of the Departments of the Interior (50 CFR parts 10-24) and Commerce (50 CFR parts 217-227). You also must provide any help we may need in complying with the consultation requirements of ESA section 7 (16 U.S.C. 1536) applicable to Federal agencies or any regulatory authorization we may need based on the award of this grant. This is not in lieu of responsibilities you have to comply with provisions of the Act that apply directly to you as a U.S. entity, independent of receiving this award.

6. You must fully comply with the Marine Mammal Protection Act of 1972, as amended (MMPA, at 16 U.S.C. 1361 *et seq.*) and provide any assistance we may need in obtaining any required MMPA permit based on an award of this grant.

## **NP Article IV.**

### **Other national policy requirements**

#### **Section A. Cross-cutting requirements.**

1. Debarment and suspension. You must comply with requirements regarding debarment and suspension in Subpart C of 2 CFR part 180, as adopted by DoD at 2 CFR part 1125. This includes requirements concerning your principals under this award, as well as requirements concerning your procurement transactions and subawards that are implemented in PROC Articles I through III and SUB Article II.
2. Drug-free workplace. You must comply with drug-free workplace requirements in Subpart B of 28 CFR part 83 and 41 U.S.C. chapter 81, “Drug-Free Workplace.”
3. Lobbying.
  - a. You must comply with the restrictions on lobbying in 31 U.S.C. 1352, as implemented by DoD at 32 CFR part 28, and submit all disclosures required by that statute and regulation.
  - b. You must comply with the prohibition in 18 U.S.C. 1913 on the use of Federal funds, absent express Congressional authorization, to pay directly or indirectly for any service, advertisement or other written matter, telephone communication, or other device intended to influence at any time a Member of Congress or official of any government concerning any legislation, law, policy, appropriation, or ratification.
  - c. If you are a nonprofit organization described in section 501(c)(4) of title 26, United States Code (the Internal Revenue Code of 1968), you may not engage in lobbying activities as defined in the Lobbying Disclosure Act of 1995 (2 U.S.C., chapter 26). If we determine that you have engaged in lobbying activities, we will cease all payments to you under this and other awards and terminate the awards unilaterally for material failure to comply with the award terms and conditions.
4. Officials not to benefit. You must comply with the requirement that no member of Congress shall be admitted to any share or part of this award, or to any benefit arising from it, in accordance with 41 U.S.C. 6306.
5. Hatch Act. If applicable, you must comply with the provisions of the Hatch Act (5 U.S.C. 1501-1508) concerning political activities of certain State and local government employees, as implemented by the Office of Personnel Management at 5 CFR part 151, which limits political activity of employees or officers of State or local governments

whose employment is connected to an activity financed in whole or part with Federal funds.

6. Native American graves protection and repatriation. If you control or possess Native American remains and associated funerary objects, you must comply with the requirements of 43 CFR part 10, the Department of the Interior implementation of the Native American Graves Protection and Repatriation Act of 1990 (25 U.S.C., chapter 32).
7. Fly America Act. You must comply with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118), commonly referred to as the “Fly America Act,” and implementing regulations at 41 CFR 301-10.131 through 301-10.143. The law and regulations require that U.S. Government financed international air travel of passengers and transportation of personal effects or property must use a U.S. Flag air carrier or be performed under a cost-sharing arrangement with a U.S. carrier, if such service is available.
8. Use of United States-flag vessels. You must comply with the following requirements of the Department of Transportation at 46 CFR 381.7, in regulations implementing the Cargo Preference Act of 1954:
  - a. Pursuant to Public Law 83-664 (46 U.S.C. 55305), at least 50 percent of any equipment, materials or commodities procured, contracted for or otherwise obtained with funds under this award, and which may be transported by ocean vessel, must be transported on privately owned United States-flag commercial vessels, if available.
  - b. Within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, “on-board” commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph 8.a. of this section must be furnished to both our award administrator (through you in the case of your contractor’s bill-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590.
9. Research misconduct. You must comply with requirements concerning research misconduct in Enclosure 4 to DoD Instruction 3210.7, “Research Integrity and Misconduct.” The Instruction implements the Government wide research misconduct policy that the Office of Science and Technology Policy published in the Federal Register (65 FR 76260, December 6, 2000, available through the U.S. Government Printing Office web site: <https://www.federalregister.gov/documents/2000/12/06/00-30852/executive-office-of-the-president-federal-policy-on-research-misconduct-preamble-for-research>).
10. Requirements for an Institution of Higher Education Concerning Military Recruiters and Reserve Officers Training Corps (ROTC).

- a. As a condition for receiving funds available to the DoD under this award, you agree that you are not an institution of higher education (as defined in 32 CFR part 216) that has a policy or practice that either prohibits, or in effect prevents:
  - i. The Secretary of a Military Department from maintaining, establishing, or operating a unit of the Senior ROTC at that institution (or any sub-element of that institution);
  - ii. Any student at that institution (or any sub-element of that institution) from enrolling in a unit of the Senior ROTC at another institution of higher education;
  - iii. The Secretary of a Military Department or Secretary of Homeland Security from gaining access to campuses, or access to students (who are 17 years of age or older) on campuses, for purposes of military recruiting in a manner that is at least equal in quality and scope to the access to campuses and to students that is provided to any other employer; or,
  - iv. Access by military recruiters for purposes of military recruiting to the names of students (who are 17 years of age or older and enrolled at that institution or any sub-element of that institution); their addresses, telephone listings, dates and places of birth, levels of education, academic majors, and degrees received; and the most recent educational institutions in which they were enrolled.
- b. If you are determined, using the procedures in 32 CFR part 216, to be such an institution of higher education during the period of performance of this award, we:
  - i. Will cease all payments to you of DoD funds under this award and all other DoD grants and cooperative agreements; and,
  - ii. May suspend or terminate those awards unilaterally for material failure to comply with the award terms and conditions.

11. Historic preservation. You must identify to us any:

- a. Property listed or eligible for listing on the National Register of Historic Places that will be affected by this award, and provide any help we may need, with respect to this award, to comply with section 106 of the National Historic Preservation Act of 1966 (54 U.S.C. 306108), as implemented by the Advisory Council on Historic Preservation regulations at 36 CFR part 800 and Executive Order 11593, "Protection and Enhancement of the Cultural Environment." Impacts to historical properties are encompassed in the definition of "human environment" that require impact assessment under NEPA.

- b. Potential under this award for irreparable loss or destruction of significant scientific, prehistorical, historical, or archeological data, and provide any help we may need, with respect to this award, to comply with the Archaeological and Historic Preservation Act of 1974 (54 U.S.C. chapter 3125).
- 12. Relocation and real property acquisition. You must comply with applicable provisions of 49 CFR part 24, which implements the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601, et seq.) and provides for fair and equitable treatment of persons displaced by federally assisted programs or persons whose property is acquired as a result of such programs.
- 13. Confidentiality of patient records. You must keep confidential any records that you maintain of the identity, diagnosis, prognosis, or treatment of any patient in connection with any program or activity relating to substance abuse education, prevention, training, treatment, or rehabilitation that is assisted directly or indirectly under this award, in accordance with 42 U.S.C. 290dd-2.
- 14. Pro-Children Act. You must comply with applicable restrictions in the Pro-Children Act of 1994 (Title 20, Chapter 68, subchapter X, Part B of the U.S. Code) on smoking in any indoor facility:
  - a. Constructed, operated, or maintained under this award and used for routine or regular provision of kindergarten, elementary, or secondary education or library services to children under the age of 18.
  - b. Owned, leased, or contracted for and used under this award for the routine provision of federally funded health care, day care, or early childhood development (Head Start) services to children under the age of 18.
- 15. Constitution Day. You must comply with Public Law 108-447, Div. J, Title I, section 111 (36 U.S.C. 106 note), which requires each educational institution receiving Federal funds in a Federal fiscal year to hold an educational program on the United States Constitution on September 17 during that year for the students served by the educational institution.
- 16. Trafficking in persons. You must comply with requirements concerning trafficking in persons specified in the award term at 2 CFR 175.15(b), as applicable.
- 17. Whistleblower protections. You must comply with 10 U.S.C. 4701, including the:
  - a. Prohibition on reprisals against employees disclosing certain types of information to specified persons or bodies; and,
  - b. Requirement to notify your employees in writing, in the predominant native language of the workforce, of their rights and protections under that statute.



18. Prohibiting Funding with Institutes of Higher Education Hosting Confucius Institutes.

- a. Section 1062 of the NDAA for FY 2021 (Public Law 116-283) prohibits the Department from providing any funding (other than direct funding to students as educational assistance) to an institution of higher education in the United States that hosts a cultural institute funded directly or indirectly by the People's Republic of China (otherwise known as a "Confucius Institute") beginning in FY 2024.
- b. Beginning on October 1, 2023, recipient organizations that are institutions of higher education located in the United States are prohibited from hosting such cultural institutes unless the institution has been given a waiver from the Section 1062 prohibition by the Secretary of Defense.
- c. Definition. For the purposes of this section, an institution of higher education in the United States is one that meets the definition in section 1002 of Title 20, United States Code.

**Section B. Additional requirements.**

- 1. Prohibition on Using Funds under Grants and Cooperative Agreements with Entities that Require Certain Internal Confidentiality Agreements.
  - a. You may not require your employees, contractors, or subrecipients seeking to report fraud, waste, or abuse to sign or comply with internal confidentiality agreements or statements prohibiting or otherwise restricting them from lawfully reporting that waste, fraud, or abuse to a designated investigative or law enforcement representative of a federal department or agency authorized to receive such information.
  - b. You must notify your employees, contractors, and subrecipients that the prohibitions and restrictions of any internal confidentiality agreements inconsistent with paragraph a. of this award provision are no longer in effect.
  - c. The prohibition in paragraph 1.a. of this section does not contravene requirements applicable to Standard Form 312, Form 4414, or any other form issued by a Federal department or agency governing the nondisclosure of classified information.
  - d. If the Federal Government determines that you are not in compliance with this award provision, it:
    - i. Will prohibit your use of funds under this award, in accordance with section 743 of Division E of the Consolidated and Further Continuing Resolution Appropriations Act, 2015, (Public Law 113-235) or any successor provision of law; and,

- ii. May pursue other remedies available for your material failure to comply with award terms and conditions.

## **Chapter 3: OLDCC Real Property, Equipment, and Intangible Property Federal Interest Supplement**

**U.S. DEPARTMENT OF DEFENSE  
OFFICE OF LOCAL DEFENSE COMMUNITY COOPERATION  
REAL PROPERTY, EQUIPMENT, AND INTANGIBLE PROPERTY FEDERAL  
INTEREST SUPPLEMENT  
UPDATED AS OF SEPTEMBER 10, 2024**

## **PURPOSE**

The purpose of this Supplement is to provide guidance for overseeing Federal Interests resulting from an Office of Local Defense Community Cooperation (OLDCC) grant supporting the acquisition or improvement of Real Property, Equipment, or Intangible Property.

## **LEGAL AUTHORITIES**

All Office of Local Defense Community Cooperation grants are governed by the OLDCC General Terms and Conditions, which implement Office of Management and Budget (OMB) guidance, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” published in the Code of Federal Regulations (CFR) at 2 CFR part 200 as modified and supplemented by the Department of Defense (DoD) at 2 CFR parts 1104-1140, “Implementation of Governmentwide Guidance for Grants and Cooperative Agreements” and 32 CFR parts 21-37, “DoD Grant and Agreement Regulations.”

Property Standards for federal financial assistance awards are at 2 CFR § 200.310-200.316 and requirements for reporting on real property are at 2 CFR § 200.330.

## **DEFINITIONS**

For purposes of this guidance, the definitions in 2 CFR § 200.1 are adopted unless otherwise noted or defined by this policy.

## **APPLICABILITY**

This Supplement applies to all recipients and subrecipients receiving OLDCC grants involving Real Property, Equipment, or Intangible Property.

## **TYPES OF PROPERTY**

When considering federal interest, it is first necessary to determine the type of property at issue. There are different categories of property under 2 CFR Part 200:

*Property* means real property or personal property.

- *Real property* means land, including land improvements, structures, and appurtenances thereto, but excludes moveable machinery and equipment.

- *Personal property* means property other than real property. It may be tangible, having physical existence, or intangible.
  - *Tangible Property*
    - *Equipment* means tangible personal property (including information technology systems) having both:
      - A useful life of more than one year, and,
      - A per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$10,000.
    - *Supplies* means all tangible personal property other than those described in the definition of equipment.
  - *Intangible Property* means property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

This policy focuses on Federal Interest rules that apply to Real Property, Equipment, and Intangible Property. For information about the Federal Interest rules that apply to Supplies, see 2 CFR § 200.314.

## **GUIDANCE**

When Federal funding provided by a grant is used to acquire or improve Real Property, Equipment, or Intangible Property, title generally vests upon the recipient or subrecipient when the grant is closed but may be subject to conditions. Specifically, Real Property or Intangible Property must continue to be used for the originally authorized purpose as long as it is needed for that purpose and Equipment must be used either for the period of performance or until the property is no longer needed for the purposes of the project.

Section 200.316 of Title 2 of the Code of Federal Regulations (CFR) allows a Federal awarding agency such as OLDCC to require a recipient or subrecipient to record liens or other appropriate notices of record to indicate that Real Property or Equipment has been acquired or improved with a Federal award and that use and disposition conditions apply to the property. These indications create a security interest that OLDCC herein calls a “Federal Interest.” In some circumstances, a Federal Interest can also attach to property without recordation of a lien or other appropriate notice.

During the time period a Federal Interest exists, the recipient or subrecipient must not encumber the title or other interests of the Real Property, Equipment, or Intangible Property without prior approval from OLDCC. Further, if the recipient or subrecipient determines the Real Property, Equipment, or Intangible Property is no longer needed for the originally authorized purpose

during the Federal Interest period, the recipient or subrecipient must contact OLDCC or the pass-through entity for disposition instructions.

In accordance with 2 CFR §§ 200.310-200.316 and 200.330, the following constitutes OLDCC's guidance regarding a Federal Interest where Real Property, Equipment, or Intangible Property is acquired or improved through the use of OLDCC grant funding.

## **1. Property must be held in trust and used for authorized purposes**

Real Property, Equipment, and Intangible Property that are acquired or improved as part of a project receiving an OLDCC grant must be held in trust by the recipient or subrecipient as trustee for the beneficiaries of the project or program under which the property was acquired or improved.

For Real Property and Intangible Property, recipients and subrecipients must use the property for its originally authorized purpose as long as it is needed for that purpose and must not dispose of or encumber the property's title or other interests except as allowed by OLDCC or a pass-through entity or when the Federal Interest period expires.

For Equipment, recipients and subrecipients must use the equipment for the authorized purposes of the project during the period of performance or until the property is no longer needed for the purposes of the project regardless of whether the project or program continues to be supported by the OLDCC award. Recipients and subrecipients must also not dispose of or encumber the property's title or other interests without approval of OLDCC or a pass-through entity.

## **2. Length of Federal Interest Period varies based on the type of property**

a. For Real Property, the length of the Federal Interest Period depends upon the type of construction. Recipients must also demonstrate they have the authority to perform the grant activities on the Real Property described in the grant award (i.e., the construction site) by providing evidence of a deed or lease (herein referred to as "site control").

### *i. New Construction*

The Federal Interest Period is thirty (30) years from the start date of construction unless otherwise specified by the Grant Agreement. Prior to commencing construction, the recipient or subrecipient must also provide written assurance that it has site control for a minimum of thirty (30) years from the start date of construction.

ii. *Renovation* (includes installation of building materials, affixture of fixed assets or other items, and all other construction activity short of new construction, including exterior site improvements and landscaping)

The Federal Interest Period is fifteen (15) years from the date of installation, or the date construction improvements began. Prior to commencing construction, the recipient or subrecipient must also provide written assurance of site control for a minimum of fifteen (15) years from the start date of construction.

iii. *Construction in Public Right of Way*

Any construction supported through OLDCC grant proceeds that is wholly located in a public right of way shall not be encumbered with a Federal Interest, meaning there is no ongoing Federal Interest in the property and the requirements of this policy do not apply, unless the Grant Agreement specifies otherwise in #20, Terms and Conditions. To affirm construction occurred in a public right of way, the grantee must submit documentation from the public owner as part of the pre-award or post-award site control process, and the Grant Officer will confirm in writing OLDCC's agreement with public ownership of the project location.

b. *Equipment*

The Federal Interest Period will be consistent with the useful life of the Equipment and will cease when (1) the equipment is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or OLDCC disposition instructions or (2) if the fair market value of the equipment falls below the capitalization level established by the non-Federal entity for financial statement purposes, or \$10,000.

c. *Intangible Property*

The Federal Interest Period will be consistent with the regulations at 2 CFR § 200.315 and any applicable regulations governing patent and inventions, including government-wide regulations at 37 CFR part 401.

**3. For Real Property grants, a recipient may be required to file a Notice of Federal Interest per the terms of the Grant Agreement**

A recipient or subrecipient acquiring or improving Real Property using funds from an OLDCC grant may be required to record a Notice of Federal Interest in the appropriate official records of the jurisdiction in which the Property is located. If applicable, this requirement will be noted in the Special Terms and Conditions of the Grant Agreement (Section 20).

If recordation of a Notice of Federal Interest is required, the recipient or subrecipient must record a lien or other appropriate notice of record to indicate that Real Property has been acquired or improved with grant proceeds and that use and disposition conditions apply to the Real Property. The recordation must occur at the time the Real Property acquisition or improvement begins and must remain in effect for the entire Federal Interest Period as set forth in Section 2 of this Supplement, unless otherwise stipulated in the Grant Agreement.

A recipient or subrecipient must provide a copy of a recorded Notice of Federal Interest to OLDCC within ten (10) days following the date of recordation.

#### **4. Recipient and subrecipient obligations during the period of performance**

Recipients and subrecipients must provide the status of property acquired or improved through grant proceeds on all performance reports during the grant period as directed in the Grant Agreement, regardless of whether the property was acquired or improved by the recipient or a subrecipient.

#### **5. Recipient and subrecipient obligations at Closeout**

The recipient or subrecipient must:

- a. Account for any Real Property and Equipment purchased with grant proceeds at Closeout in accordance with 2 CFR Subpart D and § 200.330.
- b. Submit to OLDCC as a deliverable prior to grant closeout a list that includes the purchase date and estimated useful life of each piece of Equipment acquired.
- c. Submit Office of Management and Budget Standard Form 429-A for Real Property [SF-429-A Real Property Status Report Attachment A (General Reporting)] or the Office of Management and Budget Standard Form 428-B for Equipment (Tangible Personal Property Report - Final Report – SF-428-B) at the time of grant closeout as part of the submission of the final performance report.

The requirement to provide a Real Property status report at the time of grant closeout does not relieve the recipient or subrecipient of its responsibility to provide a timely copy of the recorded Notice of Federal Interest within the ten (10) days of the recordation as provided in section 3 above.

#### **6. Recipient and subrecipient obligations continue once a grant is closed on a Real Property or Equipment subject to a Federal Property Interest**

##### **a. *Property Status Reports***

Using the Office of Management and Budget Standard Form 429-A for Real Property [SF-429-A Real Property Status Report Attachment A (General Reporting)] and the Office of Management and Budget Standard Form 428-A for Equipment (Tangible Personal Property Report – Annual Report – SF-428-A), the recipient or subrecipient must submit reports periodically during the post-closeout use of the Real Property or Equipment, at the time of disposal, and in the event that the Grantee requests disposition or change in the use of the Real Property or Equipment.



For Real Property, recipient post-closeout period reporting shall be as follows:

- For New Construction, recipient post-closeout periodic reporting shall be every five (5) years.
- For Renovations, recipient post-closeout periodic reporting shall be yearly.
- For Construction in Public Right of Way no post-closeout periodic reporting is required.

For Equipment, recipient post-closing periodic reporting shall be yearly.

b. *Prior Approval for Changes/Renovations to Real Property*

Before undertaking significant changes or renovations that have potential to alter aspects of the Real Property's end use approved at the time of the grant award, the recipient must obtain prior approval from the Grant Officer. The recipient or subrecipient must request approval using the Office of Management and Budget Standard Form 429-B for Real Property [Real Property Status Report Attachment B (Request to Acquire, Improve or Furnish)]. The recipient or subrecipient may not proceed with any planned changes or renovations until the Grant Officer provides written approval.

7. **Recipients or subrecipients must contact OLDCC to dispose of property subject to a Federal Interest**

During the Federal Interest Period, a recipient or subrecipient must submit a written request to OLDCC before disposing of property subject to a Federal Interest. A recipient or subrecipient must submit the request using Office of Management and Budget Standard Form 429-C for Real Property [SF-429-C Real Property Status Report Attachment C (Disposition or Encumbrance Request)] and the Office of Management and Budget Standard Form 428-C for Equipment (Tangible Personal Property Report – Disposition Request/Report – SF-428-C). OLDCC will review the request and provide a written decision approving or denying the request.

At the time of property disposal in compliance with OLDCC-issued disposition instructions and/or the Grant Officer's prior written approval the Grantee must report the disposal of said property to OLDCC using Office of Management and Budget Standard Form 429-C for Real Property and the Office of Management and Budget Standard Form 428-C for Personal Property.

If Equipment is beyond its estimated useful life while a Federal Interest remains or the fair market value of the property has dropped below \$10,000, the recipient or subrecipient is not required to obtain written approval prior to disposal.

**8. Federal Interest Expiration**

The Federal Interest arising through an OLDCC grant award will expire at the end of the Federal Interest Period specified in Section 2 of this Supplement.

At the expiration of the Federal Interest Period, if disposition instructions were not already provided by OLDCC as part of grant closeout, the Grantee must request them from the OLDCC Grant Officer.

**9. Remedies for Noncompliance**

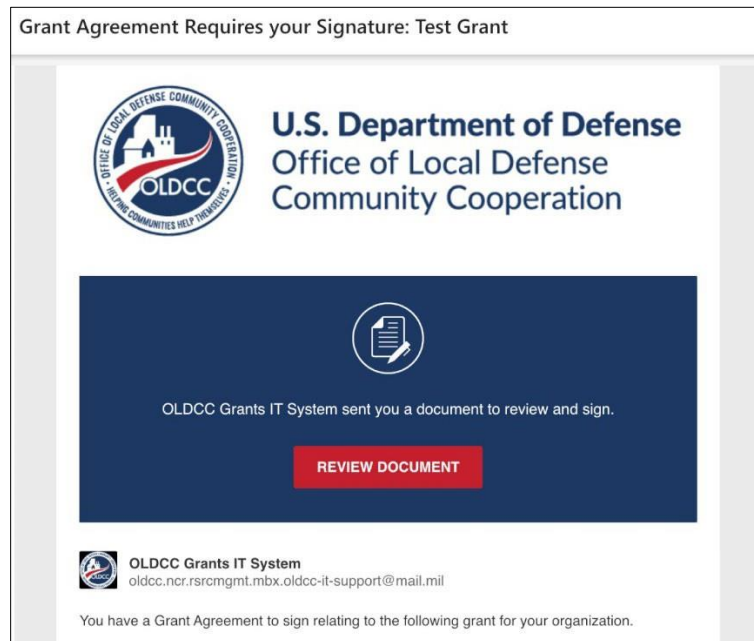
If a recipient or subrecipient fails to comply with the requirements of this Supplement prior to closeout, OLDCC may take actions available under 2 CFR §§ 200.339-200.343 or any other applicable Federal, State, or local laws. If a recipient or subrecipient fails to comply with post-grant reporting and disposition requirements, OLDCC may take actions under applicable Federal, State, or local laws, including any remedies contemplated in 2 CFR Part 200.

## Appendix A – Electronic Signature Instructions

### Authorizing Official Reviews and Signs Grant Agreement

The OLDCC Grants Portal allows the Authorizing Official to digitally sign the Grant Agreement by using DocuSign.

1. The AO will be notified that the Grant Agreement is ready by an email from DocuSign.
  - a. The subject line will say “Grant Agreement Requires your Signature: [Grant Name]”.
2. Click the **Review Document** button.



3. The link to review will open a new web browser tab and the screen below will appear. Check the box next to “**I agree to use electronic records and signatures**” then click **Continue**.



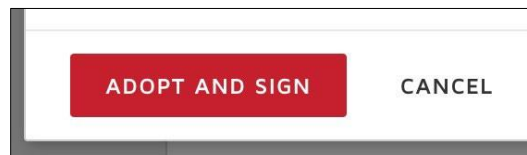
4. Click **Start** when the button appears on the left side of the screen.



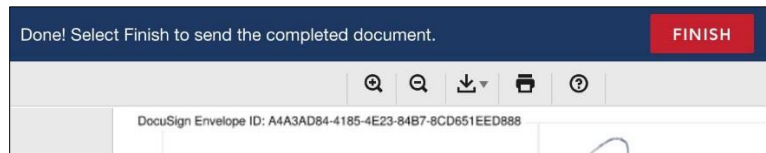
5. Review the Grant Agreement and click **Sign** when ready.
  - a. The Adopt Your Signature pop-up box will appear; complete using the preferred signature method.



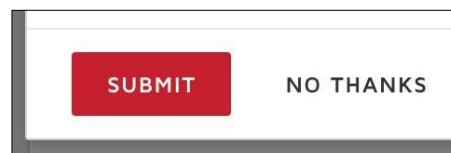
6. Once signed, click **Adopt and Sign**.



7. The notification below will appear. Click **Finish**.



8. Click **No Thanks** when the “Save a Copy of Your Document” box appears.
9. Click **Submit** to complete the DocuSign process.



10. Once signed, Authorizing Officials can access the signed Grant Agreement two ways:
  - a. Via an email from DocuSign with a copy of the signed Grant Agreement attached.
    - i. The subject line will say “Completed: Grant Agreement Requires your Signature: [Grant Name]”.
  - b. By logging into the OLDCC Grants Portal.
    - i. Navigate to the Grant Agreements & Closeouts tab and click **Open** next to the correct Grant Agreement.
    - ii. Navigate to the **Grant Agreement** tab to see the completed PDF.
    - iii. The Instructions for Counter-Signed Grant Agreement section also contains steps for using DocuSign.

## Appendix B - Grant Payment Submission Instructions

In accordance with Chapter 19 of Volume 10 of the Department of Defense (DoD) Financial Management Regulation, 7000.14-R, Grantees must obtain Grantor approval through the successful submission and approval of a SF-270 or SF-271 prior to receiving payment. The Grantor will reject all payment requests submitted without the Federal Award Identification Number (FAIN).

### Grant Payments Instructions

Grant payments will be processed through the U.S. Department of Health and Human Services Payment Management System (PMS).

In accordance with *Chapter 19 of Volume 10 of the Department of Defense (DoD) Financial Management Regulation, 7000.14-R*, **Grantees are required to submit Standard Form (SF)-270 (non-construction) or SF-271 (construction) to the Grantor AND submit a payment request within PMS for all payments.**

**CURRENT PMS USERS:** If your organization currently uses PMS for a grant awarded by another Federal Agency, a new PMS account number will be created for this award. Your organization will need to submit an “Update Privileges” request within its PMS account to gain access to the OLDCC award. The “Update Privileges” request must be repeated every time your organization receives an OLDCC award.

**NEW PMS USERS:** If your organization does not currently use PMS, then staff will need to gain access to PMS and enter banking information. Access can be requested at <https://pms.psc.gov>. Instructions for requesting access and entering banking details can be found on the same website under the “Grant Recipients” tab. In addition, your organization will need to complete PMS training. For a list of training dates, please see the schedule at <https://pms.psc.gov/training/grant-recipient-training.html>.

**SF-270 or SF-271 Preparation:** Grantees must submit current OMB-approved Standard Forms to request payment. First, review Section 3 of the NOA to determine the *Type of Award*. Then utilize the appropriate set of directions to prepare your payment request.

**SF-270 for Non-Construction Grants:** Grantees with non-construction grants should complete and sign Standard Form (SF) 270, “Request for Advance or Reimbursement.” The SF-270 can be downloaded here: <https://grants.gov/forms/forms-repository/post-award-reporting-forms>. SF-270, Section 7 must include the FAIN provided in Section 10 of the NOA. Upon completion, Grantees must print, sign, and date the form. The signed form should be scanned and saved as a .pdf file.

**SF-271 for Construction Grants:** Grantees with construction grants should complete Standard Form (SF) 271, “Outlay Report and Request for Reimbursement for Construction Programs,”

which can be downloaded here: <https://grants.gov/forms/forms-repository/post-award-reporting-forms>. SF-271, Section 7 must include the FAIN provided in Section 10 of the NOA. Upon completion, Grantees must print, sign, and date the form. The signed form should be scanned and saved as a .pdf file.

**PMS Payment & SF-270 or SF-271 Submission:** Once the correct form is completed, signed, and scanned as a .pdf file, the next step is to complete and submit a PMS payment request for the identical amount. Log into the Payment Management System at <https://pms.psc.gov/index.html>. You may locate these instructions at <https://pms.psc.gov/training/pms-user-guide.html>. Attach the SF-270 or SF-271 pdf to the PMS Payment Request. Finally, submit the request. You will receive an automated email notification of this submission.

**Inquiries:** After submission, all inquiries into the status of grant payments should be directed to [OLDCC.ncr.OLDCC.mbx.OLDCC-pms@mail.mil](mailto:OLDCC.ncr.OLDCC.mbx.OLDCC-pms@mail.mil).

## Appendix C - Overpayment Refund Instructions

Overpayments can be returned by check or at the bank via Automated Clearing House (ACH) or FedWire. The instructions are located at this website: <https://pms.psc.gov/grant-recipients/returning-funds-interest.html>

The PMS PSC prefers funds returned using ACH Direct Deposit (Remittance Express [REX]) or FedWire.

### IMPORTANT - PLEASE INCLUDE:

- PMS Account Number (PAN). NOTE: The PAN is the same series of alpha-numeric characters used for payment request purposes (e.g.: C1234G1). This is important to indicate whom to credit the funding;
- PMS document number; and,
- Reason for the return (e.g., Excess cash, funds not spent, interest, part interest part other, etc.).

Electronic returns include fields to include financial data. Please make use of these fields and include pertinent subaccount information if it applies.

**Domestic ACH Returns (Direct Deposit):** Returning funds to PSC via ACH means you will most likely be returning funds to PSC in the manner in which they were received at your organization.

Below is PSC ACH account information:

- PSC ACH Routing Number is: 051036706
- PSC DFI Accounting Number: 303000
- Bank Name: Credit Gateway - ACH Receiver
- Location: St. Paul, MN

### International ACH Returns (Direct Deposit)

For payments sent in U.S. Dollars (USD) include:

- Beneficiary Account: Federal Reserve Bank of New York/ITS (Can abbreviate: FRBNY/ITS)
- Bank: Citibank N.A. (New York)
- SWIFT Code: CITIUS33
- Account Number: 36838868
- Bank Address: 388 Greenwich Street, New York, NY 10013

- Payment Details (Line 70): Agency Name (abbreviated when possible) and Agency Locator Code (ALC)
- Agency POC: Lucas Thompson, (301) 492-5067

For a USD payment, the payment sender must include:

- Agency Locator Code (ALC): 75010501
- Name: US Department of Health and Human Services, PMS Account Number and Grant Sub-account Number in the Payment Details (Line 70) section of the SWIFT message.

This information must be in this section of the payment instructions or International Treasury Service (ITS) will not be able to identify which agency the payment is intended and ITS will return the payment as unidentified or unable to post. The receiving account is in the name of “Federal Reserve Bank of New York/ITS” and the payment originator should list that as the name on the beneficiary account.

### **FedWire Returns**

For a FedWire return, return via a WIRE and include:

- FedWire Routing Number: 021030004
- Agency Location Code (ALC): 75010501
- Bank Name: Federal Reserve Bank
- Treas NYC/Funds Transfer Division
- Location: New York, NY

Note: If your organization initiates a wire, you are likely to incur a charge from your Financial Institution.



## **Appendix D - SF-425 Federal Financial Report Instructions**

[SEE NEXT PAGE]

## Federal Agency Form Instructions

Form Identifiers	Information
Agency Owner	Grants.gov
Form Name	Federal Financial Report
Form Version Number	3.0
OMB Number	4040-0014
OMB Expiration Date	02/28/2025

## Form Field Instructions

Field	Field Name	Required or Optional	Information
1.	Federal Agency and Organizational Element to Which Report is Submitted	Required	Enter Federal Agency and Organizational Element for which the report is submitted. This field is required.
2.	Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)	Required	Enter Federal Grant or Other Identifying Number Assigned by Federal Agency. (To report multiple grants, use FFR Attachment) This field is required.
3-1.	Recipient Organization Name	Required	Enter the legal name of the applicant that will undertake the assistance activity. This
3-2.	Street1	Required	Enter the first line of the Street Address. This field is required.
3-3.	Street2	Optional	Enter the second line of the Street Address.
3-4.	City	Required	Enter the City. This field is required.
3-5.	County	Optional	Enter the County.
3-6.	State	Required	Select the state, US possession or military code from the provided list.
3-7.	Province	Optional	Enter the Province.
3-8.	Country	Required	Select the Country from the provided list. This field is required.

Field Number	Field Name	Required or Optional	Information
3-9.	Zip/Postal Code	Required	Enter the Postal Code (e.g., ZIP code).
4a.	UEI	Required	Enter the UEI of the applicant organization. This field is required
4b.	EIN	Required	Enter either TIN or EIN as assigned by the Internal Revenue Service. If your organization is not in the US, enter 44-4444444. This field is required.
5.	Recipient Account Number or Identifying Number	Optional	Enter Recipient Account Number or Identifying Number.
6.	Report Type	Optional	Select one.
7.	Basis of Accounting	Optional	Select one.
8.	Project/Grant Period From	Required	Enter the Project/Grant Period From Date as mm/dd/yyyy. This field is required.
8-1.	Project/Grant Period To	Required	Enter the Project/Grant Period To Date as mm/dd/yyyy. This field is required.
9.	Report Period End	Required	Enter the Reporting Period End Date as mm/dd/yyyy. This field is required.
10a.	Cash Receipts	Optional	Enter the amount of the federal cash receipts.
10b.	Cash Disbursements	Optional	Enter the amount of the federal cash disbursements.
10c.	Cash on Hand (line a minus b)	Optional	Federal cash on hand. This is a calculated field
10d.	Total Federal funds authorized	Optional	Enter the total federal funds that are authorized.
10e.	Federal share of expenditures	Optional	Enter the federal share of the expenditures.
10f.	Federal share of unliquidated obligations	Optional	Enter the Federal share of the unliquidated obligations.
10g.	Total Federal share (sum of lines e and f)	Optional	Total Federal share (sum of lines e and f). This is a calculated field.

Field Number	Field Name	Required or Optional	Information
10h.	Unobligated balance of Federal Funds (line d minus g)	Optional	Unobligated balance of Federal Funds (line d minus g). This is a calculated field.
10i.	Total recipient share required	Optional	Enter total recipient shared that is required.
10j.	Recipient share of expenditures	Optional	Enter the recipient's share of expenditures
10k.	Remaining recipient share to be provided (i minus j)	Optional	Remaining recipient share to be provided (line i minus j). This is a calculated field.
10l.	Total Federal program income earned	Optional	Enter the total federal program income earned.
10m.	Program Income expended in accordance with the deduction alternative	Optional	Enter the amount of program income that was used to reduce the Federal share of the total project costs.
10n.	Program Income expended in accordance with the addition alternative	Optional	Enter the amount of program income that was added to funds committed to the total project costs and expended to further eligible project or program activities.
10o.	Unexpended program income (line l minus line m and line n)	Optional	Enter Unexpended program income (line l minus line m and line n).
11.	Indirect Expense	Optional	
11a.	Type	Optional	Enter the type of indirect expense.
11b.	Rate	Optional	Enter the rate for the given indirect expense.
11c-1.	Period From	Optional	Enter the start date of the indirect expense.
11c-2.	Period To	Optional	Enter the end date of the indirect expense.

Field Number	Field Name	Required or Optional	Information
11d.	Base	Optional	Enter base amount for the type of indirect expense.
11e.	Amount Charged	Optional	Enter amount charged for the type of indirect expense.
11f.	Federal Share	Optional	Enter the Federal Share for the type of indirect expense.
11g-1.	Totals	Optional	Calculated. Sum of Base
11g-2.	Totals	Optional	Calculated. Sum of Amount Charged.
11g-3.	Totals	Optional	Calculated. Sum of Federal Share.
12.	Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:	Optional	Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.
13a.	Name and Title of Authorized Certifying Official	Required	
13a-1.	Prefix	Optional	Select the Prefix from the provided list or enter a new Prefix not provided on the list.
13a-2.	First Name	Required	Enter the First Name. This field is required.
13a-3.	Middle Name	Optional	Enter the Middle Name.
13a-4.	Last Name	Required	Enter the Last Name. This field is required.
13a-5.	Suffix	Optional	Select the Suffix from the provided list or enter a new Suffix not provided on the list.
13a-6.	Title	Required	Enter the position title. This field is required.
13b.	Signature of Authorized Certifying Official	Required	Report is to be signed by the Authorized Certifying Official.
13c.	Telephone	Required	Enter the daytime Telephone Number. This field is required.
13d.	Email Address	Required	Enter a valid Email Address. This field is required.

Field Number	Field Name	Required or Optional	Information
13e.	Date Report Submitted	Required	Enter the date this report was submitted as mm/dd/yyyy. This field is required.

## Appendix E – Assistance Listing Numbers

### Non-Construction Awards

The following OLDCC Assistance Listing Numbers and program activities are non-construction grant funding awards:

- 12.003. Community Economic Adjustment Assistance for Responding to Threats to the Resilience of a Military Installation
- 12.027. Defense Community Infrastructure Program
- 12.029. Community Noise Mitigation Program
- 12.600. Community Investment, Defense Manufacturing Community Support Program
- 12.604. Community Economic Adjustment Assistance for Reductions in Defense Spending
- 12.607. Community Economic Adjustment Assistance for Realignment or Closure of a Military Installation
- 12.610. Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies
- 12.611. Community Economic Adjustment Assistance for Reductions in Defense Industry Employment
- 12.614. Community Economic Adjustment Assistance for Advance Planning and Economic Diversification
- 12.615. Research and Technical Assistance
- 12.617. Economic Adjustment Assistance for State Governments
- 12.618. Community Economic Adjustment Assistance for Establishment or Expansion of a Military Installation

### Construction Awards

The following OLDCC Assistance Listing Number and program activities are construction grant funding awards:

- 12.600, Community Investment, which includes:
  - Public Schools on Military Installations
  - Military Medical Center Access Improvement Program (Roads)
  - Pacific Defense Deterrence Infrastructure (Guam)
  - Defense Manufacturing Community Support Program

## Appendix F – List of Acronyms

ACH	Automated Clearinghouse
AE	Architectural and Engineering
CFR	Code of Federal Regulations
DoD	Department of Defense
DoDI	Department of Defense Instruction
FAIN	Federal Award Identification Number
FFATA	Federal Funding Accountability and Transparency Act
FSRS	Federal Funding Accountability and Transparency Act Subaward Reporting System
FWA	Federal-wide Assurance
HRPO	Human Research Protection Official
HSR	Human Subjects Research
IRB	Institutional Review Board
ITS	International Treasury Service
LMA	Labor Market Area
NEPA	National Environmental Policy Act
NOA	Notice of Award
OLDCC	Office of Local Defense Community Cooperation
OMB	Office of Management and Budget
PAN	Payment Management System Account Number
PMS	Payment Management System
SAM	System of Award Management
SF	Standard Form



## Appendix G - Forms

The following post award reporting forms can be found on the [Grants.gov](https://www.grants.gov) website:

- SF-270 Request for Advance or Reimbursement
- SF-271 Outlay Report and Reimbursement Request for Construction Programs
- SF-425 Federal Financial Report
- SF-428 Tangible Personal Property Report
- SF-428A Tangible Personal Property Report – Annual Report
- SF-428B Tangible Personal Property Report – Final Report
- SF-428C Tangible Personal Property Report – Disposition Request/Report
- SF-429 Real Property Status Report (Cover Page)
- SF-429A Real Property Status Report Attachment A (General Reporting)
- SF-429B Real Property Status Report Attachment B (Request to Acquire, Improve, or Furnish)
- SF-429C Real Property Status Report Attachment C (Disposition or Encumbrance Request)