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	Geo-Heat Center Oregon Institute of Technology 3201 Campus Dr. Klamath Falls, OR 97601	503-885-1750 Paul Lienau
	U. S. Department of Energy Geothermal Division 1000 Independence Ave. S.W. Washington, DC 20585	202-586-5340 Dave Lombard 202-586-4952
	U. S. Department of Energy Idaho Operations Office 785 DOE Place Idaho Falls, ID 83415	208-526-1432 fts - 583-1403 Peggy B.
	U. S. Geological Survey 345 Middlefield Road Menlo Park, CA 94025	415-329-5239 Patrick Muffler
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Colorado	Colorado Geological Survey 715 State Centennial Bldg. 1313 Sherman St. Rm 715 Denver, CO 80203	303-866-2611 Debbie Dyer 3,000+ pubs
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Idaho	Boise State University Department of Geology & Geophysics Boise, ID 83725	208-385-1308 Jim Osiensky
	State of Idaho Dept. of Water Resources 1301 North Orchard St. Boise, ID 83720	208-327-7900 Energy Section
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	Nevada Bur. Mines and Geology MS 178 University of Nevada Reno, NV 89557	702-784-6691 1 publication Thermal waters
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M E M O R A N D U M

TO: Peggy Brookshier

FROM: Howard Ross

SUBJECT: Mailing List for State Cooperative
Program RFP

DATE: October 21, 1986

A recommended mailing list for the State Cooperative Program RFP is attached. Some considerations applied in selecting this list should be noted for your information. I understand that the mailing list will supplement a solicitation notice to be published in the Commerce Business Daily.

- . Present State Teams. One or two investigators for all present state teams have been included. Thus some duplication may result, as for the states of AL, MT, WA.
- . Alternate State Agency. An alternate agency, generally the State Geologist and/or Director of the State Geological Survey (or equivalent agency) has been listed when the present state team may not be part of the State Geological Survey (such as AZ, TX, ND, ID, NM).
- . State Geologist or Director, State Geological Survey. Office addressed for those states not presently funded by the State Cooperative Program, but likely to have a resource as defined by USGS Circulars 790 or 892.
- . States Included. All Western States, including and west of North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas; and Arkansas.
- . Eastern States. Georgia, North Carolina and Virginia are included because they are identified in USGS Circular 892 as states with an accessible resource base, qualifying thermal gradient or spring temperature, and estimated Beneficial Heat.

States Not Included.

Louisiana - No resource identified in Circl. 892-
Geopressed resources not addressed in this RFP.

Massachusetts, New York, West Virginia - Minor resource
identified in Circl. 892 but Beneficial Heat estimated
at 0.0 Mwt. Addresses for these states are listed as
optional recipients for RFP if DOE prefers to be all
inclusive. State resource probably will not qualify,
however.

Howard

HOWARD ROSS

HPR:leo

V = current

October 17, 1986

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Special Terms and Conditions for Research Grants

The requirements of this attachment take precedence over all other requirements of this grant found in regulations, the general terms and conditions, DOE orders, etc. except requirements of statutory law. Any apparent contradiction of statutory law stated herein should be presumed to be in error until the Grantee has sought and received clarification from the Contracting Officer, whose signature appears on the face page of this award.

1. Payments

- a. The Grantee may request advance payment of cost to be incurred. Such requests should not exceed the expected outlays by the Grantee in the succeeding 30-day period.
- b. Payments to the Grantee shall equal the Federal share of actual allowable costs of performance of this grant, provided however, and notwithstanding any other provision of this grant, that the Government's monetary liability under this grant shall not exceed the Government share of the total approved budget or an amount equal to the Federal share of actual allowable costs, whichever is less. The Grantee shall be obligated to perform under this grant throughout the agreed-upon period of performance, and to bear all costs which DOE has not agreed to pay. However, the Grantee shall have the right to cease to perform when or after the Federal share of actual allowable costs equals or exceeds the Government share of the total approved budget and if prior written notice to that has been provided to DOE.
- c. The Government obligations may be increased unilaterally by DOE by written notice to the Grantee and may be increased or decreased by written agreement of the parties.
- d. Upon termination or expiration of the total period of performance, the Grantee shall promptly refund to DOE (or make such disposition as DOE may in writing direct) any sums paid by DOE to the Grantee under this grant in excess of the cumulative Government allowable cost incurred in performance under the grant.
- e. Applicable Credits. The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee or any assignee under this grant shall be paid by the Grantee to the Government, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the Government under this grant. Reasonable expenses incurred by the Grantee for the purpose of securing such refund, rebates, credits, or other amounts shall be allowable costs hereunder when approved by the Contracting Officer.

- f. Audit Adjustments. The Contracting Officer may have invoices or vouchers and statements of cost submitted under this grant audited at any time prior to the end of the required retention period for the grant records. Each payment made shall be subject to reduction for amounts included in the related invoice or voucher which are found by the Contracting Officer, on the basis of audit, not to constitute allowable cost. If a final audit of costs has not been performed prior to closeout of the grant, DOE or its successor agency, shall have the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit when conducted.
- g. Cognizant Office. Invoices should be sent to the individual designated in Block 12. of the Notice of Financial Assistance Award Form. In addition to the initial supply of forms made available with this award, appropriate payment forms and instructions will be provided by that office upon request.

2. Reporting Program Technical Performance

- a. Copies. Copies of reports and all other related data and information generated under this grant shall be submitted in accordance with the attached Federal Assistance Reporting Checklist (DOE Form EIA-459A).
- b. Publication of Results. The Grantee may publish the results of its work. However, publications and reports prepared under this grant shall contain the following acknowledgment statement, "This (material) was prepared with the support of the U.S. Department of Energy (DOE) Grant No. DE-FG07-85ID12607. However, any opinions, findings, conclusions, or recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of DOE."
- c. Reporting Requirements. The Federal assistance recipient shall prepare and submit (postage prepaid) the plans and reports indicated on the Federal Assistance Reporting Distribution List. Preparation of the specified plans and reports shall be in accordance with the DOE Order 1332.2. The level of detail the recipient provides in the plans and reports shall be commensurate with the scope and complexity of the task and shall be as delineated in Block 4 - Reporting Requirements - and Block 5 - Special Instructions.

All reports delivered to DOE shall be the sole property of the DOE. The Grantee shall not claim that any report contains any trade secrets or commercial or financial information deemed by the Grantee to be privileged or confidential, or that the Grantee has any proprietary interest in any report.

3. Designated Key Personnel

The following individuals are designated key personnel in accordance with General Condition No. 14:

None.

4. Project Completion Date

The project completion date identified in Block 7. of the Notice of Financial Assistance Award includes and additional 90 days for completion of the final report. All R&D effort must be completed 90 days prior to the project completion date. Only costs associated with preparation of the final report will be allowed during the 90 days prior to the project completion date.

5. Technical Data

Except for technical data contained in pages N/A of the recipient's application, dated N/A, which are asserted by the Grantee as being proprietary data, it is agreed that as a condition of this award, and notwithstanding the provisions of any notice appearing on the application, the Government shall have the right to use, duplicate, disclose and have others do so for any purpose whatsoever the technical data not identified in the above blanks contained in the application upon which this award is based.

6. Prior Approval

The following actions or costs specified in the application require prior approval of DOE and are specifically disapproved in accordance with General Condition No. 3:

None.

7. Patent Clauses

The following patent clauses are applicable to this grant award:

Patent Rights (Small Business Firm or Nonprofit Organization) (see 10 CFR Part 600.118(b)(1) attached).

Rights in Technical Data (Short Form) (see 10 CFR Part 600.118(b)(3) attached).

Notice and Assistance Regarding Patent and Copyright Infringement (see 10 CFR Part 600.118(b)(6) attached).

Reporting of Royalties (see 10 CFR Part 600.118(c) attached).

8. Title to Equipment

- a. Title to the following items of equipment shall vest with the Grantee upon completion of this grant:

None.

- b. Title to the following items of equipment shall vest with the Government at the end of the grant project period:

None.

General Terms and Conditions for Research Grants

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General Terms and Conditions for Research Grants

1. Explanation

These general terms and conditions do not restate all the provisions of applicable statutes and regulations nor do they represent an exhaustive listing of all requirements applicable to this grant. Rather they highlight and are consistent with those requirements which are especially pertinent to research grants in general. They are being emphasized by inclusion here either because they are invoked with high frequency, their violation is a matter of especially serious concern (e.g., use of human subjects), and/or they have been restated in the research context to be more easily understood by the research community.

In addition to these general terms and conditions, the grantee must comply with all governing requirements, including those identified in Block 18 of the Notice of Financial Assistance Award and those included in the Special Terms and Conditions attached to this grant award.

2. Grantee Adherence to Grant Terms and Conditions

The grantee's signature on the application and on the Notice of Financial Assistance Award signifies the grantee's agreement to the terms and conditions of award. Should the grantee believe modification of any of the terms and conditions of this award is necessary, an authorized official of the grantee organization or, in the case of an individual, the grantee, must submit a written request on its own behalf or on behalf of any subgrant recipient or applicant to the Contracting Officer named on the face page of this award.

Following this procedure is very important because many of the terms and conditions of this grant are required by statute and must be enforced by the Department of Energy.

3. Definitions

Principal Investigator

As used herein, the scientist or other programmatic expert named in Block 8 of the Notice of Financial Assistance Award designated by the grantee organization to direct the scientific/technical efforts being supported (also called program director or project director/leader).

Prior Approval

A statement in writing, signed by the DOE Contracting Officer, that a cost may be incurred or an action may be taken. The approval may take the form of a letter or of a revision to the grant. If actions or costs requiring prior approval are specified in the application and are not expressly disapproved by DOE in the attached Special Terms and Conditions, the award of the grant constitutes such prior approval.

4. Authorized Grantee Signatures for Prior Approval Requests

All requests for prior approval must be signed by an individual who is authorized to act for the grantee organization. The signature of the Principal Investigator (unless also a corporate officer or otherwise authorized) is insufficient to obtain action on a prior approval request, although countersignature by the Principal Investigator is not discouraged. Requests for budget revisions shall be made on the same budget format as used in applying for this grant and must be supported by a narrative justification. Other prior approval requests may be made by letter. Prior approval requests should be addressed to the Contracting Officer named on the face page of this award.

5. Allowable Costs/Applicable Cost Principles

In accordance with the applicable cost principles cited below and up to the amount shown on the face page of this award for the total approved budget for the current budget period (line 16.a.(6)), the allowable costs of this grant shall consist of the actual allowable direct costs incident to performance of this project plus the allocable portion of the allowable indirect costs, if any, of the organization less applicable credits.

The allowability of costs for work performed under this grant and any subsequent subaward will be determined in accordance with the Federal cost principles applicable to the grantee or subrecipient in effect on the date of award or, for any subaward, in effect as of the date of that subaward, except as modified by other provisions of this grant or the subaward.

The Federal cost principles applicable to specific types of grantees and subrecipients are:

1. Institutions of Higher Education. OMB Circular A-21, Cost Principles Applicable to Grants, Contracts and Other Agreements with Institutions of Higher Education, is applicable to both public and private colleges and universities.
2. State and local governments and Indian tribal governments. OMB Circular A-87, Cost Principles Applicable to Grants, Contracts and other Agreements With State and Local Governments, is applicable to state, local, and Indian tribal governments (and shall also be used to the extent appropriate for foreign governments).
3. Hospitals. 45 CFR Part 74, Appendix E, Principles for Determining Costs Applicable to Research and Development under Grants and Contracts with Hospitals, applies to nonprofit and for-profit hospitals.

4. Other nonprofit organizations and individuals. OMB Circular A-122, Cost Principles Applicable to Grants, Contracts, and other Agreements with Nonprofit Organizations, applies to nonprofit organizations and individuals except for nonprofits specifically exempted by the terms of the circular or those nonprofits covered by the cost principles cited in items 1.-3. above.
5. Commercial firms and certain nonprofit organizations. 48 CFR Subpart 31.2, Contracts with Commercial Organizations, as supplemented by 48 CFR Subpart 931.2, applies to those nonprofit organizations not covered by OMB Circular A-122, as specified by the terms of that circular, and to all commercial organizations other than those covered by the cost principles in item 3. above.

6. Payment

Payments under this award will be made by an advance payment method unless DOE determines that the grantee's financial management system does not meet the requirements of 10 CFR 600.109 or the grantee has not maintained, or demonstrated the willingness and ability to maintain, procedures that will minimize the time elapsing between transfer of funds from the U.S. Treasury and their disbursement for grant-related purposes.

The appropriate advance payment method or the reimbursement method and the cognizant finance office are specified in the attached Special Terms and Conditions.

Advances by the grantee to subgrantee and contractor organizations must conform substantially to the same standards of timing and amount that govern advances made by the Federal Government to the grantee. Excess cash advances erroneously withdrawn from the U.S. Treasury shall be promptly refunded to DOE unless the funds will be disbursed within seven calendar days or the amount is less than \$10,000 and will be disbursed within 30 calendar days.

Interest earned on advance payments to other than state governments or their subgrantees shall be reported on the Report of Federal Cash Transactions (SF-272) and promptly remitted to the cognizant finance office (unless otherwise specified in the attached Special Terms and Conditions) by check payable to the Department of Energy.

7. Preaward Costs

Costs incurred prior to the beginning date of a new or renewal award are allowable only if they were approved in writing, prior to incurrence, by a DOE Contracting Officer. (Note - this provision does not apply to such bid and proposal costs as may be recovered through an indirect cost rate negotiated in accordance with the applicable Federal cost principles.)

8. Reporting Requirements

Attached to this grant award is EIA 459A, a checklist of the reports required under this grant.

The grantee shall submit a technical progress report (also called a performance report) as part of any application for continuation or renewal of DOE grant support. This report shall be in lieu of a separate annual performance report. Upon completion or termination of the project, the final technical report shall be prepared in accordance with the applicable program rule cited on the face page of this award or, in the absence of such program rule coverage, with the technical reporting format specified in the Uniform Reporting System for Federal Assistance (Grants and Cooperative Agreements) (DOE/MA-001).

The grantee shall submit an annual Financial Status Report (SF-269) within 90 days after the close of the budget period shown on the face page of this award. The grantee shall submit a final Financial Status Report within 90 days after the completion or termination of the project period shown on the face page of this award unless the project period is extended. In the latter case, the report for the last budget period of the existing project period shall be considered an annual report.

Instructions concerning reports to be submitted in conjunction with payment under this award are specified in the attached Special Terms and Conditions.

9. Cost-Sharing

Any cost-sharing as shown on the face page of this award shall defray allowable costs of the project only. Allowability of such costs shall be determined in accordance with the statutes, regulations, applicable cost principles, and other terms and conditions governing this award.

Cost-sharing contributions may be in the form of direct or indirect costs, including cash or in-kind contributions, incurred by the grantee, its subgrantees, or contractors. The cost sharing may be in any allowable budget category or combination of categories. When a direct cost item represents some or all of the non-Federal contribution, any associated indirect costs may not be charged to Federal funds but may be counted as part of the cost-sharing. The treatment of a contributed cost as direct or indirect must be consistent with the classification of similar items charged to DOE funds.

Valuation of in-kind contributions and documentation of cost-sharing shall be in accordance with 10 CFR 600.107.

10. Continuations, Renewals, and Extensions

Grantees are responsible for assuring that properly completed applications for continuation awards are received no later than 4 months prior to the expiration date of the current budget period shown on the Notice of Financial Assistance Award.

If a grantee wishes to apply for a renewal award in order to receive funding beyond the scheduled expiration of the existing project period, a properly completed application must be submitted to DOE no later than four months prior to the scheduled expiration date of the project period as shown on the Notice of Financial Assistance Award.

Grantee requests for extensions (modifications extending an existing project period by 18 months or less in order to complete a project) must be submitted prior to the expiration date of the project period as shown on the face page of this award, and must include a budget for the use of any remaining funds or any additional funds requested. Any request for an extension, which includes a request for additional funds and any request for an extension of more than 90 days, should be submitted to DOE no later than four months prior to the scheduled expiration date of the project period.

11. Maximum DOE Obligation

This grant is subject to the requirement that the maximum DOE obligation to the recipient is the amount shown on the Notice of Financial Assistance Award as the amount of DOE funds obligated. DOE shall not be obligated to make any additional, supplemental, continuation, renewal or other award for the same or any other purpose.

12. Transfers of Funds Between Grants

Transfers of funds between DOE grants, and transfers of funds from a DOE grant to a project (or portion of a project) not supported by that grant require the prior approval of DOE. Transfer of funds into a DOE grant-supported project from a grant awarded by another Federal agency does not require DOE prior approval but may, of course, require the approval of the other Federal agency. Funds so transferred from the grant of another Federal agency may not be used to satisfy any cost-sharing requirement on a DOE grant.

13. Property

Real and Tangible Personal Property

No real property may be acquired under this award.

Title to any equipment (an article of tangible personal property that has a useful life of more than 2 years and an acquisition cost of \$500 or more) or supplies acquired by a nonprofit institution of higher education or a nonprofit organization whose primary purpose is the conduct of scientific research shall vest in the grantee and such

equipment shall be exempt from accountability except that DOE has the right to transfer ownership of any item of equipment having a unit acquisition cost of \$1,000 or more under the conditions specified in 10 CFR 600.117(d)(2). This exemption is derived from Public Law 95-224. The Federal Grant and Cooperative Agreement Act of 1977, as amended.

Title to equipment and supplies acquired by all other grantees shall vest in the grantee. However, such grantees shall be accountable for equipment with a unit acquisition cost of \$1,000 or more acquired under this grant as specified in 10 CFR 600.117(d)(2), (3) and (4). For such grantees, supplies need only be accounted for at closeout and then only if they are unused and exceed \$1,000 in total aggregate current fair market value. In this case accountability requires that DOE be compensated in an amount computed in accordance with Section 600.117(e) if the supplies are retained for use on non-Federal activities.

All grantees shall follow property management policies and procedures which provide for adequate control of the acquisition and use of assets acquired under the grant.

Intangible Property

Treatment, including reporting, of patent and data rights and copyrights shall be as specified in the Special Terms and Conditions of this grant.

14. Change or Absence of the Principal Investigator or Designated Key Personnel

Since the DOE decision to fund a project is based, to a significant extent, on the qualifications and level of participation of the Principal Investigator, a change of Principal Investigator or of the level of effort of the Principal Investigator is considered a change in the approved project. The approval of DOE must be obtained prior to any change of the Principal Investigator or, in certain cases, other key personnel who have been identified as key personnel in the Special Terms and Conditions of this grant. In addition, any continuous absence of the Principal Investigator in excess of three months or plans for the Principal Investigator to become substantially less involved in the project than was indicated in the approved grant application requires DOE prior approval. Grantee is encouraged to contact DOE immediately upon becoming aware that any of these changes are likely to be proposed, but in any event must do so and receive DOE prior approval before effecting any such change.

15. Changes in Objectives or Scope

Any change in the objectives or scope of a grant-supported project requires the prior approval of DOE. Such changes include changes in the phenomenon or phenomena under study and in the methodology or experiment if they are a specific objective of the research work as stated in the application approved by DOE.

16. Transfer of Substantive Programmatic Effort

None of the substantive effort of this project may be transferred by contract or subgrant to another organization or person without the prior approval of DOE. This provision does not apply to the procurement of equipment, supplies, materials, or general support services which may, however, be subject to other prior approval requirements as found, for example, in the applicable cost principles or procurement standards.

17. General Procurement Prior Approval Requirements

A grantee must receive prior approval from DOE before entering into any sole source contract or a contract where only one bid or proposal is received when the value of the contract in the aggregate is expected to exceed 1) \$10,000 and the grantee is a state, local, or indian tribal government or 2) \$5,000 for all other grantees.

18. Equipment and Other Capital Expenditures

Expenditures for equipment and other capital assets having a unit acquisition cost of \$500 or more require the prior approval of DOE with one exception. For special purpose equipment, prior approval is required only when the unit acquisition cost is \$1,000 or more. (Special purpose equipment means equipment which is used only for research, medical, scientific, or other technical activities.)

19. Travel

Foreign Travel - DOE prior approval is required for each separate foreign trip. Foreign travel must be directly related to the project objectives. Foreign travel is any travel outside Canada and the United States and its territories and possessions or, for grantees located in another country, travel outside that country.

Domestic Travel - Such costs are allowable to the extent provided in the approved budget. In addition, grantees may exceed the approved budget amount for domestic travel by up to 25% or \$500 whichever is greater, without DOE prior approval. All other expenditures for domestic travel beyond these limits require prior approval.

20. Consultant Services

Costs of consultant services are allowable subject to satisfaction of the requirements of the applicable cost principles, including the requirement that the consultant not be an employee of the grantee organization. There is one exception to the requirement that the consultant not be an employee of the grantee organization which applies to colleges and universities only. For colleges and universities, in unusual cases, and only with the prior approval of DOE, intra-organizational consultation may be permitted where consultation is across departmental lines or involves a separate or remote operation.

21. Paperwork Reduction

This award is subject to the requirements of the Paperwork Reduction Act of 1980 as implemented by the Office of Management and Budget rules, "Controlling Paperwork Burdens on the Public," published at 5 CFR 1320 (48 FR 13666, 3/31/83) if the grantee will collect information from ten or more respondents either:

- A. At the specific request of DOE, or
- B. If the award requires specific DOE approval of the information collection or the collection procedures.

Any proposed sponsored information collection under item 21 B. above shall be submitted by the grantee to the Contracting Officer named on the face page of this award at least 90 days prior to the intended date of information collection. DOE will seek the requisite approval from the Office of Management and Budget and will promptly notify the grantee of the disposition of the request.

22. Generally Applicable Requirements

In accordance with 10 CFR 600.12, this grant is subject to a number of statutory and other generally applicable requirements. Those requirements most pertinent to research projects are highlighted below:

Animal Welfare

Any grantee performing research on warm-blooded animals shall comply with the Laboratory Animal Welfare Act of 1966 (Public Law 89-544, as amended) and the regulations promulgated thereunder by the Secretary of Agriculture at 9 CFR Chapter 1, Subchapter A, pertaining to the care, handling, and treatment of warm-blooded animals held or used for research, teaching, or other activities supported by Federal awards. The grantee is expected to ensure that the guidelines described in Department of Health and Human Services (DHHS) Publication No. [NIH] 78-23, "Guide for the Care and Use of Laboratory Animals," are followed (Copies are available from the Superintendent of Documents, Government Printing Office, Washington, DC 20024, Stock No. 017-040-00427-3).

Research Involving Recombinant DNA Molecules

Any grantee performing research involving recombinant DNA molecules and/or organisms and viruses containing recombinant DNA molecules agrees by acceptance of this grant to comply with the National Institutes of Health "Guidelines for Research Involving Recombinant DNA Molecules," June 1983 (48 FR 24556) or such later revision of those guidelines as may be published in the Federal Register.

Use of Human Subjects in Research, Development, and Related Activities

Any DOE grantee performing research, development, or related activities involving any use of human subjects must comply with DOE regulations found at 10 CFR Part 74S "Protection of Human Subjects" and any additional Provisions which may be included in the Special Terms and Conditions of this grant. Such provisions are intended to safeguard the rights and welfare of human subjects at risk of possible physical, psychological, or social injury as a consequence of their participation.

23. Nondiscrimination

This grant is subject to the provisions of 10 CFR Part 1040 "Nondiscrimination in Federally Assisted Programs."

24. Public Access to Information

The Freedom of Information Act, as amended, and the DOE implementing regulations (10 CFR Part 1004) require the release by DOE of certain documents and records regarding grants upon written request by any member of the public. The intended use of the information will not be a criterion for release. These requirements apply to information held by DOE, and do not require grantees, their subgrantees, or their contractors to permit public access to their records.

Records maintained by DOE with respect to grants are subject to the provisions of the Privacy Act and the DOE implementing regulations (10 CFR Part 1008) if those records constitute a "system of records" as defined in the Act and the regulations. Generally, records maintained by grantees, their subgrantees, or their contractors are not subject to these requirements.

25. Acknowledgement of Support

Publication of the results of this grant, subject to any applicable restrictions in 10 CFR 600.118 ("Patents, data, and copyrights"), is encouraged. Any article which is published shall include an acknowledgement that the research was supported, in whole or in part, by a DOE grant (including the grant number), but that such support does not constitute an endorsement by DOE of the views expressed in the article.

26. National Security

It is not expected that activities under this grant will generate or otherwise involve classified information (i.e., Restricted Data, Formerly Restricted Data, National Security Information).

However, if in the opinion of the grantee or DOE such involvement becomes expected prior to the closeout of the grant, the grantee or DOE shall notify the other in writing immediately. If the grantee believes any information developed or acquired may be classifiable, the grantee

shall not provide the potentially classifiable information to anyone, including the DOE officials with whom the grantee normally communicates, except the Director of Classification, and shall protect such information as if it were classified until notified by DOE that a determination has been made that it does not require such handling. Correspondence which includes the specific information in question shall be sent by registered mail to U.S. Department of Energy, Attn: Director of Classification, DP-32, Washington, DC 20545. If the information is determined to be classified the grantee may wish to discontinue the project, in which case the grantee and DOE shall terminate the grant by mutual agreement. If the grant is to be terminated, all material deemed by DOE to be classified shall be forwarded to DOE, in a manner specified by DOE, for proper disposition. If the grantee and DOE wish to continue the grant, even though classified information is involved, the grantee shall be required to obtain both personnel and facility security clearances through the Office of Safeguards and Security. Costs associated with handling and protecting any such classified information shall be negotiated at the time the determination to proceed is made.

- (5) Limitation of Costs 52.232-20.
- (6) Limitation of Funds 52.232-22.
- (7) Allowable Cost and Payment 952.216-7.
- (8) Buy American Act, 52.225-3 or 52.225-5.
- (9) Price Reduction for Defective Cost or Pricing Data 52.215-22.

(10) Subcontractor Cost or Pricing Data 52.215-24.

(11) Additional Technical Data Requirements 952.227-73.

(12) Utilization of Small Business Concerns and Small Disadvantaged Business Concerns 52.219-8.

(13) Utilization of Women-Owned Business Concerns 52.219-13.

(e) *Optional special provisions.* The below listed clauses constitute special optional provisions which should be considered for use in Cooperative Agreements. They may be modified in any manner and no deviations procedure is required for such modification, or for a decision not to use any of these clauses. Contracting Officers should take special precautions to insure that the principles inherent in these clauses are considered for inclusion in any Agreement being prepared to the extent necessary to protect the Government's interest.

(1) Payment for Overtime Premiums 52.222-2.

(2) Affirmative Action for Special Disabled and Vietnam Era Veterans 52.222-35.

(3) Cost Reimbursement Type Research and Development Clauses for Contracts Involving Construction, FPR Temporary Regulation 70, (June 28, 1983).

(4) Excusable Delays 52.249-14.

(5) Negotiated Overhead Rates 52.216-7.

(6) Notice to Government of Labor Disputes 52.222-1.

(7) Make or Buy Program 52.215-21.

(8) Advance Payments 10 CFR 600.283(b)(4).

(9) Workmen's Compensation Insurance 52.228-3.

(10) Required Source for Jewel Bearings 52.208(1).

(11) Government Supply Sources 52.251-1.

(12) Interest 52.232-17.

(13) Balance of Payments Program 52.225-7.

(14) Care of Laboratory Animals 10 CFR 600.12.

(15) Cost Accounting Standards 52.230-3.

(16) Alterations in Contract 52.252-4.

(17) Approval of Contract 52.204-1.

(18) Date of Incurrence of Cost 952.231-70.

(19) Changes 52.243-2.

(20) Key Personnel 952.235-70.

(21) Insurance—Liability to Third Parties 52.228-7.

(22) Printing 952.208-70.

(23) Federal Reports Act 10 CFR 600.12.

(24) Foreign Travel 952.247-70.

(25) Security Requirements 952.204-2.

(26) Privacy Act 52.224-2.

(27) Safety and Health 952.223-71.

(28) Priorities, Allocations, and Allotments for Energy Programs 952.212-71.

(29) Sensitive Foreign Nations Controls 952.204-71.

(30) Nuclear Hazards Indemnity 952.250-70.

(31) Stop Work Order 52.212-13.

(32) Walsh-Healy Public Contracts Act 52.222-20.

(33) Preservation of Individual Occupational Radiation Exposure Records 952.223-75.

(34) Waiver of Indemnity 41 CFR 9-9.103-4.

(35) Classified Inventions 41 CFR 9-9.106.

(36) Rights to Proposal Data 10 CFR 600.18.

(37) Small Business and Small Disadvantaged Business Subcontracting Plan 52.219-9.

(38) Waiver of indemnity, 41 CFR 9-9.103-4.

(39) Classified inventions, 41 CFR 9-9.106;

(40) Rights to proposal data, 10 CFR 600.231(c);

(41) Small Business and Small Disadvantaged Business Subcontracting Plan (Negotiated), 41 CFR 9-1.710-3(c) (45 FR 24378, Apr. 9, 1980);

(42) Women Owned Business Concerns Subcontracting Program, FPR Temporary Reg. 54 (45 FR 35814 May 28, 1980).

(Secs. 644 and 646, Pub. L. 95-91, 91 Stat. 599, (42 U.S.C. 7254 and 7256); Pub. L. 95-224, 92 Stat. 3 (41 U.S.C. 501))

[45 FR 46047, July 8, 1980, as amended at 47 FR 44108, Oct. 5, 1982; 49 FR 31393, Aug. 7, 1984]

(Secs. 644 and 646, Pub. L. 95-91, 91 Stat. 599, (42 U.S.C. 7254 and 7256); Pub. L. 95-224, 92 Stat. 3 (41 U.S.C. 501))

[45 FR 46047, July 8, 1980, as amended at 47 FR 44108, Oct. 5, 1982; 49 FR 31393, Aug. 7, 1984]

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Architectural Barriers Act of 1968, as amended (42 U.S.C. 4151 *et seq.*).

National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*), 40 CFR Part 1500, as implemented by (45 FR 20694, March 28, 1980).

Sec. 306, Clean Air Act, as amended (42 U.S.C. 7606c).

Sec. 508, Federal Water Pollution Control Act of 1972 (33 U.S.C. 1251 *et seq.*); Executive Order 11738, September 12, 1973.

Title XIV, Public Health Service Act, as amended (42 U.S.C. 300f—*et seq.*).

Sec. 102(a), Flood Disaster Protection Act of 1973 (Pub. L. 93-234, 87 Stat. 975).

10 CFR Part 1022, "Protection of Wetlands and Floodplains."

Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601 *et seq.*).

Coastal Zone Management Act of 1972, as amended (16 U.S.C. 1451 *et seq.*) (15 CFR Part 930).

Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*).

Fish and Wildlife Coordination Act (16 U.S.C. 661 *et seq.*).

Sec. 106, National Historic Preservation Act of 1966, as amended (16 U.S.C. 470f); Executive Order 11593, "Protection and Enhancement of the Cultural Environment," May 13, 1971, 3 CFR 1971 Comp., p. 154; Archaeological and Historic Preservation Act of 1966 (16 U.S.C. 469 *et seq.*); Protection of Historic and Cultural Properties, 36 CFR Part 800.

Wild and Scenic Rivers Act of 1968, as amended (16 U.S.C. 1271 *et seq.*).

Protection of Human Subjects, 10 CFR Part 745.

Federal Laboratory Animal Welfare Act (7 U.S.C. 2131 *et seq.*) (9 CFR Parts 1, 2, and 3).

Lead-Based Paint Prohibition (42 U.S.C. 4831(b)).

Sec. 7(b), Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e(b)).

Cargo Preference Act of 1954 (46 U.S.C. 1241(b)) (46 CFR § 381.7).

International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 1517).

Executive Order 12138, "Creating a National Women's Business Enterprise Policy and Prescribing Arrangements for Developing, Coordinating, and Implementing a National Program for Women's Business Enterprise," (May 18, 1979) 3 CFR 1979 Comp., p. 393.

Sec. 403(b), Power Plant and Industrial Fuel Use Act of 1978, (42 U.S.C. 8373(b)); Executive Order 12185 (December 17, 1979, 3 CFR 1979 Comp., p. 474).

Sec. 403(b), Power Plant and Industrial Fuel Use Act of 1978, (42 U.S.C. 8373(b)); Executive Order 12185 (December 17, 1979, 3 CFR 1979 Comp., p. 474).

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reference point for negotiating Cooperative Agreement terms conditions. Use of these provisions, modified as appropriate, should insure that the agreement reached by the parties is considered in the light of the experience gained in interpretation of these provisions based on established legal precedent in the procurement field. Hopefully, by avoiding many of the problems that have arisen in the procurement field, the parties will be able to negotiate an agreement that reflects the true nature of the Cooperative Agreement.

(2) Some FAR and DEAR provisions express basic federal policies that are equally applicable to procurement contracts and Cooperative Agreements. These provisions are contained in paragraph (c) of this section and constitute mandatory General Provisions for Cooperative Agreements under this regulation for certain classes of participants.

(3) Many other provisions in the FAR and DEAR are normally suitable for Cooperative Agreements and should be utilized unless the context of the specific Agreement being negotiated calls for different provisions. These provisions are specified in paragraph (d) of this section. Finally, many of the provisions in the FAR and DEAR might be appropriate and as a minimum, should be considered by DOE and the participant to insure the issues raised by the provisions have been considered. These provisions are contained in paragraph (e) of this section. The provisions contained in paragraphs (d) and (e) constitute the Special Provisions of the Cooperative Agreement along with any provisions negotiated between the parties. When used, the Special Provisions in paragraphs (d) and (e) of this section should be modified to reflect the intent of the parties to the Cooperative Agreement. For example, the Government's rights of termination and change under paragraphs (d)(2) and (e)(20) of this section (which could constitute separate Article(s) in the Cooperative Agreement Schedule) are clearly appropriate where the Government bears all the costs but when there is an undertaking on a cooperative basis, the Participant who has a

direct financial interest should have a voice regarding termination, and/or changes (recognizing DOE may need to retain final decision authority in these areas). In the area of liability and indemnifications, provisions in the Cooperative Agreement should reflect the hazards, and risks, and respective responsibilities of the Government and the participant, especially in regard to liability to third parties.

(4) Cooperative Agreements entered into pursuant to this part are subject to the patents, data, and copyright regulations set forth in 41 CFR Part 9-9, 48 CFR 927, and 10 CFR Part 600.118(b)(1), as appropriate. For cooperative agreements, the terms "grant," "grantee," and "subgrant" in the Patent Rights clause of § 600.118(b)(1) shall be substituted to include "cooperative agreement," "participant," and "subagreement" respectively.

(i) The long form Patent Rights clause of 41 CFR 9-9.107-5(a) shall be used in all Cooperative Agreements with other than domestic small business firms or nonprofit organizations having as a purpose the conduct of research, development or demonstration work, except where a waiver is granted or in agreements for which the short form patent rights clause of 41 CFR 9-9.107-6 is appropriate. In such agreements with domestic small business firms or nonprofit organizations, the patent rights clause of § 600.118(b)(1) shall be used.

(ii) The Rights in Technical Data Clause (long form) of 48 CFR Part 952.227-75 shall be used in all Cooperative Agreements having as a purpose the conduct of research, development, or demonstration work, or in any other agreement where technical data are expected to be first produced under the Agreement, where technical data are specified to be delivered in the Agreement, or where the Agreement contains the Additional Technical Data Requirements clause of 48 CFR 952.227-73. As more fully explained in the discussion contained in 48 CFR 927.402-3 (e)(2) and (e)(3), optional paragraph (g) "Limited Rights in Proprietary Data" of Alternate I of the Rights in Technical Data (long form) clause shall be used where DOE

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may have a need for delivery of proprietary data under the Agreement; optional paragraph (h) "Contractor Licensing" of Alternate II shall be used where licensing of proprietary data is necessary for the achievement of DOE's objectives relating to the purpose of the Agreement;

(iii) The other clauses relating to patents and technical data for Cooperative Agreements listed in paragraphs (c), (d), and (e) of this section are set forth in 41 CFR Part 9-9, 48 CFR Part 952.227, and 10 CFR Part 600.118(b)(1).

(iv) Any modifications of the provisions of 41 CFR Part 9-9, 48 CFR Part 952.227, or 10 CFR Part 600.118(b)(1) shall be obtained from the DOE Assistant General Counsel for Patents.

(5) The citations in paragraphs (c), (d), and (e) of this section are all 48 CFR unless indicated otherwise.

(6) The provisions of paragraphs (c), (d), and (e) of this section will be utilized under the conditions set forth in the cited FAR or DEAR. For example, if for particular provisions there is a \$100,000 threshold for applicability, the provisions should not be used below that threshold. [Note: Any applicable threshold means cost of the total project, including DOE and participant share and any later phases of the same project that may receive DOE support]. The provisions must always be revised to change "contract" to "Cooperative Agreement" or "agreement," and "contractor" to "participant." The use of the term "subcontractor" in any of the provisions means contractor to the participant and all tiers of subcontractor thereunder unless the conditions for use of a provision as set forth in the FAR or DEAR provide otherwise.

(c) *Mandatory General Provisions.* These provisions are mandatory as to text in all cooperative agreements with participants other than those covered under OMB Circulars A-102 and A-110. Deviations from this requirement may not be made unless approved in accordance with § 600.4 except for nonsubstantive changes reflecting that a cooperative agreement rather than a grant or procurement contract is being entered into.

(1) Order of Precedence 952.215-18.

(2) Definitions 952.202-1.
 (3) Inspection 52.246-9.
 (4) Examination of Records by Comptroller General 10 CFR 600.25.
 (5) Convict Labor 52.222-3.
 (6) Officials Not to Benefit 52.203-1.
 (7) Covenant Against Contingent Fees 52.203-5.

(8) Notice and Assistance Regarding Patent and Copyright Infringement 41 CFR 9-9.104.

(9) Competition in Subcontracting 52.244-5.

(10) Audit 52.215-2.
 (11) Clean Air and Water 10 CFR 600.12.
 (12) Preference for U.S. Flag Carriers 10 CFR 600.12.

(13) Use of U.S. Flag Commercial Vessels 10 CFR 600.12.

(14) Permits and Responsibilities 52.236-7.
 (15) Reporting of Royalties 41 CFR 9-9.110.

(16) Authorization and Consent 41 CFR 9-9.102-2.

(17) Nondiscrimination in Federally Assisted Programs 10 CFR Part 1040.

(18) Rights in Technical Data (Long Form) 952.227-75, unless the Rights in Technical Data (Short Form) 952.227-77 is applicable.

(19) Contract Work Hours and Safety Standards Act 52.222-4.

(20) Patent Rights 41 CFR 9-9.107-5(a), or, for domestic small firms and domestic nonprofit organizations as defined in Pub. L. 96-517, the Patent Rights Clause of § 600.118(b)(1).

(21) Flood Insurance 10 CFR 600.12.
 (22) Utilization of Labor Surplus Area Concerns 52.220-3.

(23) Labor Surplus Area Subcontracting Program 52.220-4.

(24) Disputes 10 CFR 600.26.

(d) *Mandatory special provisions and deviation requirements.* The special provisions listed below are to be included in all cooperative agreements with participants other than those covered by OMB Circulars A-102 and A-110. The specific required clauses, may, upon written justification by the Contracting Officer, be modified or waived without seeking a deviation under § 600.4. The written justification shall specify why the provision is not appropriate for a particular cooperative agreement and why the provision was either waived or modified.

(1) Subcontracts 52.244-2.

(2) Termination for Convenience of the Government 52.249-1-6.

(3) Government Property 952.245-5.

(4) Patent Indemnity 41 CFR 9-9.102-3(b).

Where common or equitable administrative requirements can not be designed which satisfy the Circulars, relevant statutes, and programmatic needs, separate parallel competitions should be conducted or a waiver of the requirements under the Circulars should be requested from the Office of Management and Budget through the Director of Procurement and Contracts Management.

[45 FR 46047, July 8, 1980, as amended at 47 FR 44108, Oct. 5, 1982]

§ 600.281 Contents of a Cooperative Agreement.

A Cooperative Agreement should at a minimum include the following: a Face Page, which shall be the DOE Notice of Financial Assistance Award, a Schedule, General Provisions, and Special Provisions.

[47 FR 44108, Oct 5, 1982]

§ 600.283 Schedule.

(a) The schedule of a Cooperative Agreement will contain Articles which clearly reflect the cooperative relationship intended and the respective interest and investment of the parties, including their respective rights, obligations, and accountabilities.

(b) The Articles will be negotiated and will, as a minimum, include:

(1) *Statement of Joint Objectives Article.* This Article identifies the purpose and objectives of the Agreement as well as the benefits to be derived by the participants from the contemplated relationships which is to be established pursuant to the arrangement. The statement must be in sufficient detail to demonstrate:

(i) The Agreement is in fact an undertaking of a clearly defined objective;

(ii) The basis for the endeavor is founded on support or stimulation of a public purpose authorized by Federal Statute;

(iii) The activity to be undertaken is in furtherance of the DOE mission; and

(iv) The benefits to be derived from performance of the project.

(2) *Project Management Plan Article.* (i) The Project Management Plan Article includes the following:

(A) Identification of the respective role, responsibility, obligation and accountability which each participant to the Agreement will assume in its effort to achieve the stated joint objective(s). In this regard, the Government's role will vary substantially, dependent on the degree of government/industry investment, risk, involvement, commercialization potentials, etc.;

(B) An explicit statement of the nature, character, and extent of anticipated DOE involvement. These statements must be developed with care to avoid unnecessarily increasing DOE liability under the Cooperative Agreement;

(C) A statement of how project and performance will be measured to evaluate the meeting, and/or achievement of specific milestones or agreed objectives; and

(D) The details of the resources, such as services, facilities, equipment, materials, supplies, personnel, etc., that DOE and the participant(s) will provide, and when they will be provided.

(ii) Dependent upon the complexities of the project, the management plan may be a simple narrative included in the Schedule of the Cooperative Agreement, or it may be a detailed management plan that may be incorporated as an appendix to the Agreement and if so, should be referenced in the Schedule.

(3) *Financial Support Article.* (i) Financial support arrangements for the project will be detailed in the Financial Support Article. The DOE and the participant's share contribution to the project will be outlined in the Article. Such financial support will identify the dollar costs assigned to each participant acceptable in-kind contributions (other than funds), and will specify when these contributions will be committed/delivered to support the proposed project. The details of the planned financial support of the project must be as clearly defined as possible with regard to financial support ceilings, minimum contributions, percentage ratios, whether funds are to be committed, or obligated at award, or will be incrementally obli-

gated at specified time/performance intervals.

(ii) Details concerning alternative approaches and responsibilities as agreed to by DOE and the participant(s) will be shown in the Financial Support Article in the event of overruns or underruns of the project's budget, or in the event that changes in the scope of activity, or changes in the period of performance occur, which may increase or decrease the estimated cost. This Article will also provide for steps to be taken with respect to each participant's financial obligations in the event of termination of the Agreement.

(iii) The Article should include coverage in any revenue derived as a result of the Agreement. Whenever revenue is derived as a result of the Agreement, in general, such revenues should inure to DOE and the participants in proportionate share to each participant's contribution, investment, and risk. For participants subject to OMB Circulars A-102, attachments E and D, respectively, will normally apply. When Attachments E and D to OMB Circular A-102 and A-110 are utilized, the Agreement would normally specify that all other program income under paragraph 5 of Attachments E and D would be deducted from the total project costs for the purpose of determining the net costs on which the Federal share of costs will be based. In addition, the Cooperative Agreement shall specify whether any revenue from funded activities shall accrue to the Government after the conclusion of the Cooperative Agreement.

(iv) A reference to the applicable Federal cost principles shall be included in the award document. The cost principles set forth at § 600.103(b) of this part shall be used to determine the allowability of project costs.

(4) *Payment Article.* The method of payment and payment procedures specified in this Article shall be consistent with § 600.112 of this part.

(5) *Term of the Agreement Article.* This Article establishes the effective date of the Agreement and the date the Agreement will end. Where appropriate, provisions with resultant conditions and/or restrictions which might

occur and which may be used to extend or otherwise change the completion date of the Agreement, may be included pursuant to this Article.

(6) *Project Information System Article.* This Article specifies the pertinent technical data requirements, administrative information, and/or reports to be generated in performance of the project, the manner and times in which this information will be submitted, the responsibilities of the participants in acting upon information generated, and the mutual support to be provided to the respective participant's management information systems. Appropriate standards for reports to be generated and submitted to DOE will be specified in this Article.

(7) *Property Management and Disposition Article.* The provisions of this Article concerning the management and disposition of property shall be consistent with § 600.117 of this part.

[45 FR 46047, July 8, 1980, as amended at 47 FR 44108, Oct. 5, 1982]

§ 600.290 General and special provisions.

(a) *Introduction.* This section provides guidance on general and special terms and conditions to be used in Cooperative Agreements with participants other than those covered under OMB Circulars A-102 and A-110. Section 600.271(a)(1) contains the administrative requirements applicable to participants covered by OMB Circulars A-102 and A-110, except as provided in § 600.271(c).

(b) *General and Special Provisions.* (1) In Federal procurement, the Government's need to acquire goods and services at fair value has led to highly developed procurement procedures. The operational rules for guiding DOE procurement transactions are contained in the Federal Acquisition Regulation (FAR), 48 CFR Chapter 1 and the Department of Energy Acquisition Regulations (DEAR), 48 CFR Chapter 9. These regulations contain a panoply of standard, optional, and special provisions which spell out rights and obligations of the parties in detail. Although these regulations are not applicable per se to Cooperative Agreements, some of the provisions contained in these regulations provide a

- (2) Executive summary letter;
- (3) Section I—Departmental objectives;
- (4) Section II—Solicitation considerations;
- (5) Section III—Evaluation factors for selection;
- (6) Section IV—Instructions, conditions, and notices to proposer(s);
- (7) Section V—Representations, certifications, and other statements of proposer(s);
- (8) Section VI—List of documents, exhibits, and other attachments;

(d) The method of evaluation, selection, and award shall be as specified below:

(1) *Selection.* A panel shall be appointed by the cognizant program office to evaluate proposals submitted in response to a PRDA. The panel will be composed of program office and other DOE personnel, including representatives from Procurement, Counsel, and, as deemed appropriate by the appointing official, supplemented by personnel from other Government Agencies. The representative of Counsel shall be a non-voting member of the panel. Personnel from DOE prime management, or operating contractors, may be used as advisors to the panel when their services are necessary and available. Care is to be taken in the selection of these personnel so as to avoid any actual or apparent conflict of interest. Moreover, such advisors are expressly forbidden to use privileged information contained in proposals for personal gain or other improper purposes.

(2) *Evaluation criteria.* The evaluation criteria shall be specified in the PRDA along with a narrative description of their relative importance. The following items are illustrative of the elements which may be considered as evaluation criteria:

- (i) Overall technical feasibility of the proposed effort;
- (ii) Adequacy and relevance of the proposed plan, including validity tests as related to the proposed goals;
- (iii) Availability, qualifications, and past performance of proposed staff and consultants;
- (iv) Resources, experience, flexibility, and commitment of the proposing organization;
- (v) The ability of the proposer to furnish necessary financial support;
- (vi) Project and financial plans for management of the activities includ-

ing the adequacy of proposed arrangements among all participants;

(vii) Cost realism and probable cost to the government; and

(viii) Plans for involvement of small, and socially and economically disadvantaged business concerns.

(3) *Program policy factors.* Program policy factors may be used in evaluating and selecting proposals submitted pursuant to PRDAs. Program policy factors are those factors which, while not appropriate indicators of a proposal's individual merit (e.g. technical excellence, proposer's ability, cost) are relevant and essential to the process of choosing which of the proposals received will, taken together, best achieve the program objectives. All such factors shall be predetermined and specified in the PRDA so as to notify proposers that factors which are essentially beyond their control, will affect the selection process. Section 600.233(f)(3) outlines examples of program policy factors.

(4) The selection official for PRDAs will be the individual authorized in accordance with § 600.19(a).

(5) *Intermediate evaluation.* Prior to making a comprehensive evaluation of a proposal, the evaluation panel shall determine if the proposal:

(i) Contains sufficient technical, cost, and other required information to enable comprehensive evaluation; and

(ii) Has been signed by a responsible official authorized to obligate such organization(s).

If the proposal does not meet these requirements, a comprehensive evaluation shall not be made. In such case, a prompt reply shall be sent to the proposer, indicating the reason(s) for its proposal(s) not being evaluated.

(6) *Comprehensive evaluation.* The basic purpose of the comprehensive evaluation process is to assess the relative merits of proposals passing the intermediate evaluation to determine which of the proposals offer the greatest likelihood of achieving the stated program objectives, considering technical quality, ability of the proposer, estimated cost, and other relevant factors. Proposal evaluations shall consist of two steps. First, each proposal will be evaluated by the panel in accord-

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ance with the stated criteria and ranked in order of excellence. Second, the selection official will take into account the relevant program policy factors in order to determine the mix of projects which will best further specific program goals. All findings and selections are to be documented, signed, and retained to provide an adequate record of the proceedings.

(7) *Award or support.* While only those proposals which best further the needs of the program as specified in the PRDA will be considered for support, DOE may accept for support, all, none, or any number, or part of the proposals submitted.

(Secs. 644 and 646, Pub. L. 95-91, 91 Stat. 599, (42 U.S.C. 7254 and 7256); Pub. L. 95-224, 92 Stat. 3 (41 U.S.C. 501))
(45 FR 46047, July 8, 1980, as amended at 47 FR 44108, Oct. 5, 1982; 49 FR 31393, Aug. 7, 1984)

600.270 Cooperative Agreement structure.

The Cooperative Agreement is structured in a manner which:

- (a) Describes the business arrangement based upon the respective interest and investment of the parties; and
- (b) Defines and allocates respective responsibilities, obligations, rights, and accountability as appropriate to the particular project.

The Cooperative Agreement sets forth the respective rights, and obligations of the parties in such areas as project performance and management, partial or total termination of the work, changes in the scope of work, period of performance, application of funding and resources, title to property, insurance, liability, etc. Each Cooperative Agreement shall be clear and concise and shall include only those provisions necessary to implement terms agreed upon between the parties.

600.271 Administrative requirements for Cooperative Agreements.

(a) The basic administrative requirements applicable to individual Cooperative Agreements will be determined by class of participant of the Cooperative Agreement Award:

(1) For participants covered by OMB Circular A-102, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments, or

OMB Circular A-110, Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-profit Organizations, the administrative requirements specified in those circulars will apply.

(2) For classes of participants not covered by OMB Circular A-102 or A-110 (e.g., international organizations such as agencies of the United Nations, Government-owned contractor operated facilities, or research centers providing continued support for mission oriented large scale programs that are government owned, or controlled, or are designed as federally funded research and development centers, profit making organizations, and individuals) § 600.290 will be followed in determining the provisions of the Cooperative Agreement.

(b) The administrative requirements will always reflect the cooperative effort and the respective interests, investments, rights, etc., of the participants to the agreement.

(c) Mixed competitions are those involving potential competitors who are subject to OMB Circulars A-102 and A-110 and profit-making competitors and others not subject to the Circulars. Mixed competitions should be avoided unless common administrative requirements are prescribed for all classes of competitors or no unfair competitive advantage accrues to a class of participant due to the application of different administrative standards. The Circulars provide that the administrative requirements set forth in the Circulars are to be used as normal practice for participants subject to the Circulars. The Circulars, however, also provide that they are not applicable if different administrative standards are needed because of policies or specific requirements contained in any statute. As an example, different administrative requirements may be utilized for demonstration projects conducted under the Federal Nonnuclear Energy Research and Development Act of 1974 (42 USC 5901 et seq.). Also, the Circulars do not apply to technical requirements nor to administrative standards in areas not covered by the Circulars.

evaluation shall not be made. In such a case, a prompt reply shall be sent to the proposer, indicating the reason(s) for its proposal not being evaluated.

(7) *Comprehensive evaluation.* The basic task in the evaluation and selection of proposals for support is to assess their relative merit in order to determine which offer the greatest likelihood for achieving the program objectives stated in the PON, considering technical quality, ability of the proposer, estimated cost, and other relevant factors. Proposals which survive intermediate review shall be evaluated by a SEB or panel, as applicable, in accordance with the stated criteria. The selection official will select proposals for support from the findings established by the SEB or panel. In this latter process, the selection official will take into account the relevant program policy factors in order to determine the mix of projects which will best further specific program goals. All findings and selections are to be documented, signed and retained to provide an adequate record of the proceedings.

(8) *Award or support.* While only those proposals which best meet the needs of the program as specified in the PON will be considered for support, DOE may accept for support all, none, or any number or part of the proposals submitted.

(9) *Optional two-step method.* Where a large number of proposals are anticipated, proposals may be evaluated in two steps. First, the evaluation may be limited to technical considerations. Second, the cost proposals may be subsequently requested from those proposers whose technical proposals are evaluated as technically acceptable.

(Secs. 644 and 646, Pub. L. 95-91, 91 Stat. 599, (42 U.S.C. 7254 and 7256); Pub. L. 95-224, 92 Stat. 3 (41 U.S.C. 501))

(45 FR 46047, July 8, 1980, as amended at 47 FR 44108, Oct. 5, 1982; 49 FR 31393, Aug. 7, 1984)

§ 600.234 Program Research and Development Announcement (PRDA).

(a)(1) The Program Research and Development Announcement (PRDA) is a unique form of solicitation used by DOE to provide information and solicit proposals concerning the Depart-

ment's interest in entering into arrangements for research, development, and related projects in specified areas of interest in the energy field. The PRDA is different from a SCAP or a PON in that there is not a specific need or solution sufficiently definable or known to permit a narrowly defined competition. It can be expected that proposals submitted in response to a PRDA may be totally dissimilar in concept and approach and multiple awards are normally anticipated to support a variety of concepts and approaches. The selection of one or more of these proposals to receive support must, of necessity, result from the application of broad discretion and judgment, since the selection will likely have to be made from among dissimilar concepts, ideas, or approaches offered.

(2) As a result of a PRDA, a procurement contract, grant, or cooperative agreement may be awarded. If the intended relationship is expected to be a procurement contract, DEAR 917.73 shall be followed. If the intended relationship is expected to be a financial assistance instrument, the DOE Financial Assistance Rules (DOE-FAR) shall be followed. Specifically, this section will apply if the intended relationship is expected to be a Cooperative Agreement. In any event, any public notice, solicitation, request for applications or proposals, should indicate whether the intended relationship will be one of procurement or assistance and state that the applicable DEAR will govern if a procurement contract is entered into and that the DOE-FAR will govern if a financial assistance instrument is utilized.

(b)(1) This section governs the submission, evaluation and selection for award, or support of proposals offered in response to a specific PRDA issued by DOE, to conduct, support, participate, and/or otherwise cooperate in projects for research, development, and related activities in the energy field.

(2) PRDAs are not to be used where a requirement can be sufficiently defined for SCAP under § 600.232. Similarly, PRDAs are not to be used to inhibit or curtail submission of unsolicited proposals in areas not covered by

the PRDA. However, a proposal which is submitted as though it were unsolicited, but is in fact, germane to an extant PRDA, will be treated as though submitted in response to the announcement or returned without action to the proposer, at the proposer's option. Further, the PRDA is not to be used in a competitive situation where it is appropriate to complete a study contract to obtain analysis and recommendations to be incorporated in the subsequent issuance of a request for proposals.

(3) The PRDA is to be used only where:

(i) Research and development is required within broadly defined areas of interest to support program goals, but it is difficult, if not impossible, to describe in any reasonable degree of detail the nature of the work contemplated because of:

(A) The multiplicity of possible approaches within the current state of the art, available for solving the problems;

(B) The desirability of involving a broad spectrum of organizations in seeking out solutions to the problems posed;

(C) The expectation that many individual proposers will have unique qualifications or specialized capabilities which will enable them to perform portions of the research or development program (without necessarily possessing the qualifications to perform the entire program) so that the overall support may be broken into segments which cannot be ascertained in advance; and

(D) The desirability of fostering new and creative solutions.

(ii) Consistent with paragraph (b)(3)(i) of this section, it is anticipated that choices will have to be made among dissimilar concepts, ideas, or approaches; and

(iii) It is determined that a broad range of organizations exist that would be capable of contributing towards the overall research and development goals identified in paragraph (b)(3)(i) of this section.

(4) Prior to use of a PRDA, the procedures specified below shall be followed:

(i) Before the PRDA is selected by the program office as the appropriate solicitation procedure, a written program determination shall be made to show that the conditions in paragraph (b)(3) exist to support the conclusion that the use of the PRDA procedure is both necessary and appropriate. The determination must not be merely conclusory but shall be supported by specific facts and explanations. If no individual award under the PRDA is anticipated to exceed \$2 million, the senior program official or designee may approve the determination with the prior concurrence of the designee of the Senior Procurement Official, Headquarters.

(ii) If any individual award is anticipated to exceed \$2 million, the program determination as required in paragraph (b)(1) of this section shall, in addition, explain why the PRDA procedure is more appropriate than existing Cooperative Agreement procedures for soliciting proposals. Determinations above \$2 million require recommendations by the Senior Program Official or designee, concurrence by the designee of the Senior Procurement Official, Headquarters, and approval by the Senior Procurement Official, Headquarters; and

(iii) The approved program determination as required in paragraph (b)(4)(i) of this section, shall accompany the PRDA file through the preparation, concurrence, approval, and issuance phases.

(5) Origination, approval of contents, and issuance of a PRDA shall follow the procedures specified below:

(i) A PRDA may be originated at whatever level is consistent with the program objectives established by the Senior Program Official;

(ii) The PRDA content may be approved by the Senior Program Official or designee after prior concurrence by Counsel and the Senior Procurement Official, Headquarters or designee; and

(iii) All PRDAs will be issued by the cognizant head of the contracting activity or designee.

(c) The basic PRDA format consists of:

(1) Cover sheet;

office. The panel should utilize any of the procedures and documentation requirements of the SEB Handbook (as modified as appropriate to the PON and the requirements of this regulation) and the PON whenever necessary to insure the impartial, equitable, and thorough evaluation of each proposal. The panel will be composed of program office and other personnel including representatives of Procurement and Counsel, and, as deemed appropriate by the appointing official, supplemented by personnel from other Government agencies. The representative of Counsel will be a non-voting member of the panel. Personnel from DOE prime management of operating contractors may be used as advisors to the panel when their services are necessary and available. Care is to be taken in the selection of these personnel so as to avoid any actual or apparent conflict of interest. Moreover, such advisors are expressly forbidden to use privileged information contained in proposals for personal gain or other improper purposes.

(2) *Evaluation criteria.* The evaluation criteria shall be specified in the PON along with a narrative description of their relative importance. The criteria below, to the extent applicable, as well as any additional criteria stated in the PON, shall be considered in the evaluation of the submitted proposals:

(i) The overall technical feasibility of the proposed effort;

(ii) The contribution which the proposed effort is expected to make to DOE in carrying out its program responsibilities including, but not limited to, solving energy extraction and storage, transportation, conversion, waste utilization, and conservation problems;

(iii) The capabilities, related experience, facilities, instrumentation, or techniques which the proposer possesses and offers and which are considered to be integral factors for achieving the objectives of the proposal;

(iv) The qualifications, capabilities, experience, and availability of proposed key personnel;

(v) The probable time schedule for completion;

(vi) The project and financial plans for the management of the activities, including the adequacy of the proposed arrangement among all participants;

(vii) Plans for involvement of small, and socially and economically disadvantaged business concerns;

(viii) The importance of an accurate representation of cost; and

(ix) The total estimated cost including probable cost to the Government.

(3) *Program policy factors.* Program policy factors are those which, while not appropriate indicators of a proposal's individual merit (e.g., technical excellence, proposer's ability, cost), are relevant and essential to the process of choosing which of the proposals received will, taken together, best achieve the program objectives. All such factors, shall be predetermined and specified in the PON so as to notify proposers that factors which are essentially beyond their control will affect the selection process. The following are examples of possible program policy factors:

(i) The nature of the energy source, the type of projects envisioned, or limitations of past efforts make it desirable to select for support projects with a broad or specific geographic distribution;

(ii) The desirability of selecting for support (for reasons that must be stated in the PON) projects from diverse types and sizes of proposing organizations;

(iii) The desirability of selecting for support a group of projects which represent a diversity of methods, approaches, applications, or kinds of work; and

(iv) The desirability of selecting for support projects which are complementary to other DOE efforts or projects.

(4) *Proposal information.* All proposals should be specific and as a minimum include the information set forth below:

(i) Name and address of the entity(ies) submitting the proposal;

(ii) Date of proposal submission;

(iii) Identification of the notice (by number and title) to which the proposal responds;

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(iv) Type of entity(ies) submitting the proposal, whether public (including state and local governments), and/or private (including individuals, profit and non-profit organizations and educational institutions);

(v) Concise title and abstract of the proposed demonstration project for which assistance or participation is being sought;

(vi) An outline and discussion of the proposed demonstration which shall, to the extent possible, specifically address and reference the evaluation criteria and include:

(A) Specification of the technology;

(B) Proposed demonstration effort to be performed;

(C) Description of prior plant operating experience with the technology;

(D) Preliminary design of the demonstration plant;

(E) Time tables containing proposed construction or fabrication, and installation and operation plans;

(F) Budget-type estimates of construction or fabrication and operating costs;

(G) Description and proof of title to land for proposed site (as applicable), natural resources, electricity and water supply, and logistical information related to access to raw materials to construct and operate the plant and dispose of salable products from the plant;

(H) Analysis of the environmental impact of the proposed plant and plans for disposal of wastes resulting from the operation of the plant;

(I) Plans for commercial use of the technology if the demonstration is successful;

(J) Plans for continued use of the plant if the demonstration is successful;

(K) Plans for dismantling of the plant if the demonstration is unsuccessful or otherwise abandoned;

(L) Form and amount of assistance or participation being sought;

(M) Form and amount of funding, or other contribution to be provided by the proposer or others, including proposed disposition of revenues generated; and

(N) The extent to which the proposed expenditures would constitute permanent (non-severable) improve-

ment to real property and proposed plans for the disposal of any such improvements. The information called for under this subsection relate primarily to a demonstration project involving the construction and operation of a "plant." In instances where the proposed concerns a demonstration that does not involve a project or plant (for example, the demonstration of a process, apparatus, or device), the program opportunity notice shall state what additional information is to be submitted with the proposal;

(vii) *Résumés* of key personnel to be involved, which includes a description of relevant experience and associated data;

(viii) The participant(s)' current financial statement(s);

(ix) Period for which proposal is valid;

(x) Names and telephone numbers of proposer's primary business and technical personnel whom DOE may contact;

(xi) Each proposal containing technical data and other data, including trade secrets, and/or privileged or confidential commercial, or financial information, which the proposer intends to be used by DOE for evaluation purposes only, should be marked as prescribed in § 600.18(c).

(xii) Representations, certifications and acknowledgements which may be required by law or regulation shall be submitted as specified in the PON; and

(xiii) Signature and title of an official of the proposing organization authorized to obligate such organization.

(5) *Selection Official.* The selection official will be the official authorized in accordance with § 600.19(a).

(6) *Intermediate evaluation.* (1) Prior to making a comprehensive evaluation of a proposal, the SEB, or the panel, when an SEB is not required, shall determine if the proposal:

(A) Contains sufficient technical, cost, and other required information to enable comprehensive evaluation;

(B) Has been signed by a responsible official authorized to obligate such organization(s); and

(C) Meets other requirements of the PON.

(2) If the proposal does not meet these requirements, a comprehensive

ents of the SEB Handbook (modified appropriate to conform to the requirements of this regulation and the (CAP) whenever necessary to insure the impartial, equitable and thorough evaluation of each proposal. The panel will be composed of program office and other personnel, including representatives of Procurement and Counsel, and, as deemed appropriate by the appointing official, supplemented by personnel from other Government agencies. The representative of Counsel will be a nonvoting member of the panel. Personnel from DOE prime management or operating contractors may be used as advisors to the panel when their services are necessary and available. Care is to be taken in the selection of these personnel so as to avoid any actual or apparent conflict of interest. Moreover, such advisors are expressly forbidden to use privileged information contained in proposals for personal gain or other improper purposes.

(3) The selection official will be the individual authorized in accordance with § 600.19(a).

(45 FR 46047, July 8, 1980, as amended at 47 FR 44108, Oct. 5, 1982)

§ 600.233 Program Opportunity Notices (PON).

(a) It is DOE's intent to encourage the submission of proposals to accelerate demonstration of the technical, operational, economic and commercial feasibility and environmental acceptability of particular energy technologies, systems, subsystems and components. DOE shall, from time to time, issue PONs for proposals for demonstration of various forms of nonnuclear energy and technology utilization.

(b) A PON is a unique form of solicitation used by DOE in accelerating the demonstration of the technical feasibility and commercial application of potentially beneficial nonnuclear energy sources and utilization technologies. The Federal Nonnuclear Energy Research and Development Act of 1974, Pub. L. 93-577 (as amended) section 6, authorized the Department to accelerate commercial application of new energy technologies and to provide Federal assistance for participation in demonstration projects. Sec-

tion 6d(1) of the Act required the Agency to promulgate regulations to provide a procedure for selection of proposals for projects authorized under this section of the Act and the PON implements a portion of this requirement. (See 48 CFR 917.72)

(c) If the estimate of the Federal investment with respect to construction costs of any demonstration project proposed to be established under Section 8 exceeds \$50,000,000 no amount may be appropriated for the project except as specifically authorized by legislation hereinafter enacted by Congress (See sec. 8(e), Pub. L. 93-577). If the Federal contribution to the construction cost is estimated to exceed \$25,000,000 a full and comprehensive report on the proposed demonstration project must be provided to the appropriate committees of the Congress and no funds may be expended prior to the expiration of sixty calendar days from the date the report is received by the Congress (See Sec. 8(f), Pub. L. 93-577).

(d) For purposes of this section, demonstration projects include demonstrating technological advances and field demonstrations of new methods and procedures and demonstrations of prototype commercial applications for the exploration, development, production, transportation, conversion and utilization of nonnuclear energy resources.

(e) Before the PON is selected by the program office as the appropriate solicitation procedure for the providing of federal assistance, a written program determination shall be made that the PON procedure is both necessary and appropriate. The determination must not be merely conclusory but shall be supported by specific facts and explanations and show that consideration has been given to the extent to which the proposed effort meets the Federal support criteria of section 8(b) of the Act and the criteria of priority of section 5(b)(2) of the Act including, but not limited to:

(1) The urgency of public need for the potential results of the research, development, or demonstration effort is high, and it is unlikely that similar results would be achieved in a timely

manner in the absence of Federal assistance;

(2) The potential opportunities for non-Federal interests to recapture the investment in the undertaking through the normal commercial utilization of proprietary knowledge appear inadequate to encourage timely results;

(3) The extent of the problems treated and the objectives sought by the undertaking are national or widespread in their significance;

(4) The opportunities to induce non-Federal support of the undertaking through regulatory actions, end-use controls, tax and price incentives, public education, or other alternatives to direct Federal financial assistance are limited;

(5) The degree of risk of loss of investment inherent in the research is high, and the availability of risk capital to the non-Federal entities which might otherwise engage in the field of research is inadequate for the timely development of the technology;

(6) The magnitude of the investment appears to exceed the financial capabilities of potential non-Federal participants in the research to support effective efforts;

(7) The research, development, and application objectives anticipated by the activities or facilities proposed;

(8) The economic, environmental, and societal significance which a successful demonstration may have for the national fuels and energy system; and

(9) The availability of non-Federal participants to construct and operate the facilities or perform the activities associated with the proposal and to contribute to the financing of the proposal.

(f) The written determination of paragraph (e) of this section shall be submitted to the Senior Procurement Official, Headquarters, or designee for concurrence. The Senior Program Official or his designee may approve the determination and the approved determination shall accompany the PON file through the preparation, concurrence, approval and issuance phases.

(g) The content of the PON shall be originated, reviewed, approved and issued as follows:

(1) When the dollar amounts are less than SEB level, a PON may be originated at whatever level is consistent with the program objectives established by the Senior Program Official;

(2) When an SEB is not required, PONs may be approved by the Senior Program Official or designee after prior concurrence by the designee of the Senior Procurement Official, Headquarters, and Counsel;

(3) When an SEB is required, PONs shall be reviewed and approved by the SEB after prior concurrence by the designee of the Senior Procurement Official, Headquarters, Counsel, and the Senior Program Official or designee; and

(4) All PONs shall be issued by the cognizant head of the contracting activity or designee.

(h) The PON format is as follows:

1. Cover sheet.
2. Executive summary letter.
3. Section I—Departmental objectives.
4. Section II—Solicitation considerations.
5. Section III—Evaluation factors for selection.
6. Section IV—Instructions, conditions, and notices to proposer(s).
7. Section V—Representations, certifications, and other statements of proposer(s).
8. Section VI—List of documents, exhibits, and other attachments.

(i) The selection, evaluation and award of a PON will be in accordance with the procedures in the following paragraphs:

(1) *Selection procedure.* (i) When any individual proposed project, together with later phases of the same project that may receive DOE support, is estimated to meet the Source Evaluation Board (SEB) dollar threshold, comprehensive evaluation shall be conducted by a specially constituted board which shall follow the procedures and documentation requirements of the SEB Handbook, modified as appropriate to the requirements of this regulation and the PON.

(ii) When an individual proposed project, together with later phases of the same project that may receive DOE support, is not expected to meet the SEB dollar threshold, proposals submitted in response to a PON will be evaluated by a panel which shall be appointed by the cognizant program

pose is ultimate commercialization or utilization of technology by the private sector, or present or future economic benefits are accruable to the participant beyond the instant award, as a result of performance of the effort, it is DOE policy to provide only a portion of the costs for the required project.

(2) DOE will consider, on a case-by-case basis, the technical feasibility, projected economic viability, and societal acceptability of commercial application, as well as possible effects of other DOE supported projects in competing technologies in determining the nature and amount of its cost participation for a particular project.

(3) Cost participation is required for non-nuclear energy demonstration projects. Demonstration projects, pursuant to this section, include demonstrating technological advances and field demonstrations of new methods and procedures, and demonstrations of prototype commercial applications for the exploration, development, production, transportation, conversion and utilization of non-nuclear energy resources.

(c) *Application.* The DOE cost participation policy set forth herein is applicable to all Cooperative Agreements within the following limitations:

(1) Potential benefits to a participant are less likely where basic research is involved and extent or amount of cost participation by the Government is expected to be more than in circumstances where advanced or engineering development is being supported. As projects or proposed efforts reach stages approaching commercial viability, the extent of the Government's cost participation should be based on the overall project risk;

(2) In those instances where it is determined by the cognizant program Assistant Secretary that payment by DOE of a substantial part of or the full allowable cost of the contemplated effort is in the best interest of the DOE program mission, cost participation by the Government may be maximized (except as required under (b)(3) of this section); and

(3) Cost participation may be provided, all or in part, by third party enti-

ties (other companies or associations). Similarly, the Federal share of project costs may include funding from DOE and other Federal agency(s).

(d) *Cost participation requirements.*
(1) The value of any non-cash cost contributions by the participants to the defined effort shall be considered by DOE after consultation with the participant in determining the amount of funding provided by such participant. The manner of cost participation and how it is to be accomplished shall be set forth in the award.

(2) Cost contributions may be to either direct or indirect costs provided such costs are otherwise allowable in accordance with the cost principles applicable to the award. Allowable costs which are absorbed by the participant as its share of costs may not be charged directly or indirectly or may not have been charged in the past to the Federal Government under other contracts, agreements, or grants.

(3) Federal funds provided under another Federal financial assistance award including loans (but not including loan guarantee agreements since these do not provide for disbursement of Federal funds) are not acceptable for calculating cost contributions of the participants unless the terms of the other award instrument allow such use or written advice from the agency(s) providing such other funds is obtained which would permit such use. Any method used by the participant in providing the required funds which relies upon Federal funds, must be disclosed and identified in the DOE award instrument.

(4) Participants should provide a reasonable amount of the total project cost covered under the award. The ratio of funds provided by the participants and DOE should correlate to the apparent advantages available to the participants and DOE and the proximity of implementing commercialization where applicable. In setting the levels of funds required by the participant, all salient factors should be considered such as;

(i) The availability of the technology to the participant's competitors;

(ii) The risks involved in achieving commercial success;

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(iii) The length of time before the project is likely to be commercially successful;

(iv) Improvements in the participants' future commercial competitive position;

(v) Disposition of property at project's end;

(vi) Whether the potential benefits will be lessened if the participant lacks production or other capabilities with which to capitalize the results of the project. However, if the results of the project are transferable to entities with production capabilities, and the performing participant would obtain patent or other property rights which could be sold or licensed, this should be considered;

(vii) Whether the performing organization lacks adequate non-Federal sources of funds from which to make cost participation; and

(viii) The relative degree of management control to be exercised by the participants and DOE.

(5) The solicitation document shall state whether there is a limit on the extent of the cost participation provided by DOE and may also set forth a target level of cost funding by the participant(s). The extent of cost participation requested in unsolicited proposals will be considered on a case-by-case basis.

(6) The extent to which a participant provides funds to a project will be taken into consideration in the allocation of patent rights under DOE's waiver policy.

(7) Fee or profit will not be paid the participant(s) under a Cooperative Agreement. Neither will foregone fee or profit be considered in establishing the degree of cost participation.

(e) *Records.* Participants in Cooperative Agreements shall be required to maintain records adequate to reflect the nature and extent of their costs and to insure that the required cost participation is achieved.

[45 FR 46047, July 8, 1980, as amended at 47 FR 44107, Oct. 5, 1982]

§ 600.232 Solicitation for Cooperative Agreement Proposals

(a) The Solicitations for Cooperative Agreement Proposals (SCAP) shall be prepared jointly by the cognizant pro-

curement operations office and the program office with the assistance of counsel. The program office will be responsible for development of the proposed effort, specifications, project objectives, and schedule while the procurement office will be responsible for the business aspects of the SCAP.

(b) The general outline for a SCAP should be in the sequence below:

Part I

1. Section A. Cover Sheet
2. Section B. Cooperative Agreement Representations, Certifications, and other Statements of Proposer(s)
3. Section C. Instructions and Conditions Notices to Proposer(s)
4. Section D. Evaluation Factors for Selection and Award

Part II

5. Section E. Description of Proposed Effort—Period of Performance and Project Management Plan
6. Section F. Cooperative Agreement Administration

Part III

7. Section G. Draft Cooperative Agreement

Part IV

8. Section H. List of Documents, Exhibits and Other Attachments

(c) The evaluation and selection of proposals submitted in response to a SCAP shall be conducted as follows:

(1) When any individual proposal together with later phases of the same project that may receive DOE support is estimated to meet the Source Evaluation Board (SEB) Handbook (Procurement Regulation Handbook No. 1 dollar threshold, comprehensive evaluation shall be conducted by a specially constituted board which shall follow the procedures and documentation requirements of the SEB Handbook, modified as appropriate to the requirements of this regulation and the SCAP.

(2) When no individual proposal is expected to meet the SEB dollar threshold, proposals submitted in response to a SCAP will be evaluated by a panel which shall be appointed by the cognizant program office. The panel should utilize any of the procedures and documentation require-

period, the records shall be retained until such action and all related issues are resolved, or until the end of the regular three-year retention period, whichever is later.

(f) The awarding party may request that records be transferred to its custody. After the records are transferred to the awarding party, the three-year retention requirement does not apply to the transferred records.

(g) Microfilm copies may be substituted for original records.

(h) The retention requirements applicable to contractor and subcontractor records are specified in § 600.119(d).

Subpart C—Cooperative Agreements

Authority: Secs. 644 and 646 of the Dept. of Energy Organization Act, Pub. L. 95-91 (42 U.S.C. 7254 and 7256) and the Federal Grants and Cooperative Agreements Act of 1977, Pub. L. 95-224, (41 U.S.C. 501 et seq.).

Source: 45 FR 46047, July 8, 1980, unless otherwise noted.

§ 600.200 Scope of Subpart C.

This subpart establishes requirements for the award and administration of cooperative agreements.

[47 FR 44107, Oct. 5, 1982]

§ 600.211 Selection of the Cooperative Agreement as award instrument.

(a) The basic criterion set forth in the Federal Grant and Cooperative Agreement Act of 1977 for distinguishing between Grants and Cooperative Agreements is that for the latter, "substantial involvement is anticipated between the executive agency and the recipient during performance of the contemplated activity" (emphasis added). To insure consistent determinations, this criterion should be used when deciding to use either a Grant or a Cooperative Agreement.

(b) Anticipated substantial Federal involvement is a relative rather than an absolute concept. The examples that follow in paragraphs (c) and (d) are not meant to be a checklist or to be considered as individual determinants. Rather, they are to illustrate the general policy that:

(1) When the terms of an assistance instrument indicate the participant

can expect to run the project without DOE collaboration, participation, or intervention as long as it is run in accordance with the terms of the assistance instrument, substantial involvement is not anticipated; and

(2) When the instrument indicated the participant can expect DOE collaboration or participation in the management of the project, substantial Federal involvement is anticipated.

(c) As a guide to making these determinations, anticipated substantial involvement during performance does not include:

(1) DOE approval of recipient plans prior to award;

(2) Normal exercise of Federal stewardship responsibilities during the project period such as site visits, performance reporting, financial reporting, and audit to insure that the objectives, terms and conditions of the award are accomplished;

(3) Unanticipated DOE involvement to correct deficiencies in programmatic or financial performance by the participant;

(4) General statutory requirements understood in advance of the award such as civil rights, environmental protection, and provisions for the handicapped;

(5) DOE review of performance after completion; and

(6) General administrative requirements, such as those included in OMB Circulars A-21, A-95, A-102, A-110, and A-87.

(d) Conversely, anticipated involvement during performance would exist and, depending on the circumstances, could be substantial, where the relationship includes, for example:

(1) DOE has option to immediately halt an activity if detailed performance specifications (e.g., construction specifications) are not met. These would be provisions that go beyond the suspension remedies of the Federal Government for nonperformance as in OMB Circulars A-102 and A-110;

(2) DOE review and approval of one stage before work can begin on a subsequent stage during the period covered by the assistance instrument;

(3) DOE review and approval of substantive provisions of proposed subgrants or contracts. These would be

provisions that go beyond existing policies on Federal review of participant procurement standards and sole source procurement;

(4) DOE involvement in the selection of key participant personnel. (This does not include assistance instrument provisions for the participation of a named principal investigator for research projects);

(5) DOE and participant collaboration or participation in the performance of the assisted activity;

(6) DOE monitoring to permit specified kinds of direction or redirection of the work because of interrelationships with other projects;

(7) Substantial, direct DOE operational involvement or participation during the assisted activity is anticipated prior to award to insure compliance with such statutory requirements as civil rights, environmental protection, and provisions for the handicapped. Such participation would exceed that normally anticipated under paragraph (c)(4) of this section; and

(8) Highly prescriptive DOE requirements prior to award limiting participant discretion with respect to scope of services offered, organizational structure, staffing, mode of operation, and other management processes, coupled with close DOE monitoring or operational involvement during performance over and above the normal exercise of Federal stewardship responsibilities to ensure compliance with these requirements.

(e) The practice of providing technical assistance, advice or guidance to participants in assistance awards does not constitute substantial involvement if:

(1) It is provided at the request of the participant; or

(2) The participant is not required to follow it; or

(3) The participant is required to follow it, but it is provided prior to the start of the assisted activity and the participant understood this prior to the assistance award.

(f) The decision to use a Cooperative Agreement will in all cases be based on the need for substantial Federal involvement in the assisted activity after considering a range of factors includ-

ing the technology's stage of development; the technological, economic and market feasibility of the project; and management, financial, and technical needs and expertise of the organization.

(g) DOE should limit Federal involvement in Cooperative Agreements to the minimum consistent with program requirements. Nothing in this regulation should be construed as authorizing DOE to increase its involvement beyond that authorized by applicable legislation.

[45 FR 46047, July 8, 1980, as amended at 47 FR 44107, Oct. 5, 1982]

§ 600.212 Alternative uses of Cooperative Agreements.

(a) Some DOE programs now using Grants will in the future require the award of Cooperative Agreements exclusively for particular activities. This determination should be based on statutory requirements or policy level determinations of substantial Federal involvement in the performance of an assisted project.

(b) Other DOE programs may use Grants or Cooperative Agreements, depending on the nature of the project or the ability of the recipients. For example:

(1) Some projects may start out as Cooperative Agreements in the first year and may be converted to Grants after recipient capacity has been established; or

(2) Other projects, initially funded as Grants, may have to be renewed or continued for subsequent budget periods as Cooperative Agreements if there is a need to revise the project, upgrade recipient capacity, or protect the Federal interest.

§ 600.213 DOE criteria for cost participation.

(a) *Scope of section.* This section sets forth the DOE policy on cost participation by the Government under DOE cooperative agreements except where cost participation is established by statute, in which case this section will not apply.

(b) *Policy.* (1) When DOE supports performance under a Cooperative Agreement, where the principal pur-

(3) If the action does not apply to the entire grant, a description of the activities affected by the action;

(4) Instructions concerning which costs shall be allowable during the period of suspension, or instructions concerning allowable termination costs, including in either case, instructions concerning any subgrants or contracts;

(5) Instructions concerning required final reports and other closeout actions for terminated grants (see § 600.123);

(6) A statement of the grantee's right to appeal a termination for cause pursuant to § 600.26; and

(7) The dated signature of a DOE Contracting Officer.

(c) *Suspension.* (1) Unless DOE and the grantee agree otherwise, no period of suspension shall exceed 90 days.

(2) DOE may cancel the suspension at any time, up to and including the date of expiration of the period of suspension, if the grantee takes satisfactory corrective action before the expiration date of the suspension or gives DOE satisfactory evidence that such corrective action will be taken.

(3) If the suspension has not been cancelled by the expiration date of the period of suspension, the grantee shall resume the suspended activities or project unless, prior to the expiration date, DOE notifies the grantee in writing that the period of suspension shall be extended consistent with paragraph (c)(1) of this section or that the grant shall be terminated.

(4) As of the effective date of the suspension, DOE shall withhold further payments and shall allow new obligations incurred by the grantee during the period of suspension only if such costs were authorized in the notice of suspension or in a subsequent letter.

(5) If the suspension is cancelled or expires and the grant is not terminated, DOE shall reimburse the grantee for any authorized allowable costs incurred during the suspension and, if necessary, may amend the award to extend the period of performance.

(d) *Termination by mutual agreement.* In addition to any situation where a termination for cause pursuant to § 600.121 is appropriate, either

DOE or the grantee may initiate a termination of a grant (or portion thereof) as described in this paragraph. If the grantee initiates a termination, the grantee must notify DOE in writing and specify the grantee's reasons for requesting the termination, the proposed effective date of the termination, and, in the case of a partial termination, a description of the activities to be terminated, and an appropriate budget revision. DOE shall terminate a grant or portion thereof under this paragraph only if both parties agree to the termination and the conditions under which it shall occur. If DOE determines that the remaining activities under a partially terminated grant would not accomplish the purpose for which the grant was originally awarded, DOE may terminate the entire grant.

(e) *Effect of termination.* The grantee shall incur no new obligations after the effective date of the termination of a grant (or portion thereof), and shall cancel as many outstanding obligations as possible. DOE shall allow full credit to the grantee for the DOE share of noncancellable obligations properly incurred by the grantee prior to the effective date of the termination.

(f) *Subgrants.* Grantees shall follow the policies and procedures in this section and in § 600.121 for suspending and terminating subgrants.

§ 600.123 Closeout.

DOE shall close out a grant within a reasonable period of time after the completion date of the grant. The completion date may be either the last day of the project period or the date of termination of a grant. "Closeout" means the process by which DOE determines that all required work has been performed by the grantee and that all applicable administrative actions, except as provided in paragraphs (b) and (c) of this section, have been completed by DOE and the grantee.

(a) *Final reports.* Within 90 days after the completion date of a grant, the grantee shall submit any final financial, performance, and other re-

ports required by the terms and conditions of the award.

(b) *Final payments and adjustments.* If required or authorized by the terms and conditions of the award, DOE may make any necessary upward or downward adjustment to the DOE share of the approved budget based on the information contained in the grantee's final reports or in any audit under § 600.120. At the request of a grantee who is being reimbursed by Treasury check, DOE shall promptly pay the grantee for any unreimbursed allowable costs under the grant being closed out. The grantee shall immediately refund to DOE any unobligated funds advanced to the grantee which are not authorized to be retained by the grantee for use on other DOE awards. In the case of grants terminated for cause, payments to grantees or refunds to DOE shall be made in accordance with § 600.122.

(c) *Property.* The grantee shall provide a listing of property furnished by DOE or acquired with DOE grant funds for which such a listing is required under § 600.117. The closeout of a grant does not affect the grantee's responsibilities for property for which a grantee is accountable and which has not been transferred by DOE or disposed of in accordance with § 600.117.

(d) *Program income.* The closeout of a grant does not affect a grantee's responsibilities with respect to program income for which the grantee is accountable in accordance with § 600.113(e).

(e) *Audit.* If DOE closes out a grant without an audit, the grantee shall refund to DOE the amount of any costs disallowed on the basis of an audit conducted subsequent to closeout.

(f) *Subgrants.* Grantees shall, to the extent appropriate, follow the procedures of this section in closing out subgrants.

§ 600.124 Record retention requirements.

Grantees and subgrantees shall retain records as specified in § 600.25 for a three-year period which shall be calculated as follows:

(a) If DOE grant support is continued or renewed at annual or other in-

tervals, the retention period for the records of each budget period shall commence on the date the annual Financial Status Report (OMB Nos. 0348-0001 and 1900-0127) (or equivalent) is submitted to DOE. In all other cases, the retention period starts on the date the grantee submits its final Financial Status Report (or equivalent) to DOE or, if the requirement for such an expenditure report has been waived, the retention period shall start 90 days after the completion date of the grant.

(b) *Equipment records.* The record retention period for the equipment records required by § 600.117 starts from the date of disposition or transfer of the property by or at the direction of the awarding party.

(c) *Program income records.* If, by the terms and conditions of the award, the grantee or subgrantee—

(1) Is accountable for program income earned or received after the end of the project period or after the termination of a grant or subgrant, or

(2) If program income earned during the project period is required to be applied to costs incurred after the end of the project period or after termination of a grant or subgrant, the record retention period shall start on the last day of the grantee's or subgrantee's fiscal year in which such income was earned or received or such costs were incurred. All other program income records shall be retained in accordance with paragraph (a) of this section.

(d) *Indirect cost computation records.* The retention period for supporting records for indirect cost rate computations or proposals submitted to the awarding party or other Federal agency for negotiation starts from the date of submission of the proposal or computation.

(1) If a local government is required to submit its indirect cost plan to the Federal government for negotiation in accordance with OMB Circular A-87, the retention period for the plan and supporting records starts from the end of the fiscal year (or other accounting period) covered by the plan.

(e) If any litigation, claim, negotiation, audit or other disputed action involving the records has been started before the expiration of the three-year

(1) If the contract is under a subgrant, the clause must require that the grantee, the subgrantee, and the Federal government shall have access to applicable records (see § 600.25).

(2) A clause requiring the contractor to comply with applicable DOE requirements concerning patents, inventions and copyrights (see § 600.118).

(3) A clause specifying the Federal cost principles applicable to a contractor under a cost-reimbursement contract.

(4) A clause requiring the contractor to include the clauses required by this paragraph (d) in any subcontract which would be required if the subcontract were a contract under a grant or subgrant except that a contractor administering a fixed-price contract shall not be required to specify Federal cost principles in a cost-reimbursement subcontract.

(e) *Payment of interest penalties.* By agreement of the grantee or subgrantee and the contractor, if consistent with the grantee's or subgrantee's usual business practices and applicable state and local law, any contract to which this section applies may provide for the payment of interest penalties on amounts overdue under such contract except that—

(1) In no case shall any obligation to pay such interest penalties be construed to be an obligation of the Federal government, and

(2) Any payment of such interest penalties may not be made from DOE funds nor be counted toward meeting a cost sharing requirement of a DOE award.

§ 600.120 Audit requirements.

(a) This paragraph establishes requirements for the conduct, oversight, scope, and frequency of financial and compliance audits. Any audit made by or on behalf of DOE shall rely, to the extent possible, on independent audits performed in accordance with this section.

(b) *State governments, local governments, or Indian tribal governments.* A grantee that is a State government, a local government, or an Indian tribal government and its governmental subgrantees shall arrange for independent

audits that comply with the following requirements:

(1) Audits shall be made in accordance with the General Accounting Office (GAO) *Standards for Audit of Governmental Organizations, Programs, Activities, and Functions*; the GAO *Guidelines for Financial and Compliance Audits of Federally Assisted Programs*; OMB-approved audit compliance supplements; and generally accepted auditing standards established by the American Institute of Certified Public Accountants.

(2) Audits shall be made on an organizationwide basis using a representative sample of Federal awards;

(3) Audits shall usually be made annually but not less frequently than every two years;

(4) An audit shall be conducted and the results reported in accordance with OMB Circular A-102, Attachment P, Paragraphs 6, 7, 9, and 10, and the audit work papers and reports shall be retained as provided in Paragraph 11 of that Attachment;

(5) If a contract is to be awarded for the conduct of any audit services required under this paragraph (b), the grantee or subgrantee shall comply with Paragraph 16 of OMB Circular A-102, Attachment P; and shall include a reference to OMB Circular A-102, Attachment P.

(6) The grantee shall ensure that the cognizant audit agency(ies) for that grantee and its subgrantees receives reports of audits conducted on its operations and on the operations of its subgrantees.

(c) *Nonprofit organizations.* Except as provided in paragraph (e) of this section, all grantees and subgrantees that are nonprofit organizations covered by OMB Circular A-110 shall conduct or provide for independent audits to be conducted in accordance with paragraphs (b)(1), (2), (3), and (6) of this section, and OMB Circular A-110, Attachment F, Paragraph 2.h.

(d) *Individuals and for-profit organizations.* The awarding party may audit, or cause to be audited, grants or subgrants to individuals or for-profit organizations whenever and in the degree of detail deemed necessary by the awarding party. The awarding party shall rely on available audit re-

ports in determining the need for an scope of such audits.

(e) *Small entities.* Any grantee or subgrantee that is a small entity and that receives DOE financial assistance only in the amount of \$10,000 or less for a period of 18 months or less shall not be required to comply with the requirements of paragraphs (b) or (c) of this section but may be audited in accordance with paragraph (d).

§ 600.121 Noncompliance.

(a) Except for noncompliance determinations under 10 CFR Part 1040, whenever DOE determines that a grantee has not complied with the applicable requirements of this Part, with the requirements of any applicable program statute or rule, or with any other term or condition of the award, a DOE Contracting Officer shall provide to the grantee (by certified mail, return receipt requested) a written notice setting forth—

(1) The factual and legal bases for the determination of noncompliance;

(2) The corrective actions and the date (not less than 30 days after the date of the notice) by which they must be taken.

(3) Which of the actions authorized under paragraph (b) of this section DOE may take if the grantee does not achieve compliance within the time specified in the notice, or does not provide satisfactory assurances that actions have been initiated which will achieve compliance in a timely manner.

(b) If the grantee does not achieve compliance or provide DOE with satisfactory assurances of the initiation of actions intended to achieve compliance within the time specified in the notice under paragraph (a) of this section, DOE may take any or all of the following actions:

(1) Convert the grantee from an advance payment method to a reimbursement payment method as provided in § 600.112(d);

(2) Withhold payment as provided in § 600.112(f);

(3) Suspend the grant;

(4) Terminate the grant for cause;

(5) Disapprove renewal applications or other requests for extension of time

or additional funding for the same project;

(6) Decline to make a continuation award;

(7) Invalidate an award that was obtained fraudulently;

(8) Recover funds and tangible property up to the amount of the award;

(9) Determine that the grantee is not responsible as provided in § 600.104; and

(10) Initiate such other legal actions as may be appropriate.

(c) DOE may take any of the actions set forth in paragraph (b) of this section concurrent with the written notice required under paragraph (a) of this section or with less than 30 days written notice to the grantee whenever:

(1) There is evidence the award was obtained by fraud;

(2) The grantee ceases to exist or becomes legally incapable of performing its responsibilities under the grant agreement;

(3) There is serious mismanagement or misuse of grant funds necessitating immediate action; or

(4) An immediate debarment in accordance with § 600.27(g) is warranted.

[47 FR 44091, Oct. 5, 1982, as amended at 48 FR 34405, July 28, 1983]

§ 600.122 Suspension and termination.

(a) *Suspension and termination for cause.* DOE may suspend or terminate a grant for cause on the basis of—

(1) a noncompliance determination under § 600.121; or

(2) an immediate debarment or debarment of the grantee under § 600.27.

(b) *Notification requirements.* Except as provided in § 600.121(c), before suspending or terminating a grant for cause, DOE shall mail to the grantee (by certified mail, return receipt requested) a separate written notice in addition to that required by § 600.121(a) at least ten days prior to the effective date of the suspension or termination. Such notice shall include, as appropriate—

(1) The factual and legal bases for the suspension or termination;

(2) The effective date or dates of the DOE action;

AUTHORIZATION AND CONSENT

The Government hereby gives its authorization and consent for all use and manufacture of any invention described in and covered by a patent of the United States in the performance of this grant or any part hereof or any amendment hereto or any contract hereunder (including all lower-tier subcontracts).

(6) *Notice and Assistance.* This clause shall be applied to any grant in excess of \$10,000 for construction, experimental, developmental, demonstration, or research work which is to be performed within the United States, its possessions, or Puerto Rico.

NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT

The provisions of this clause shall be applicable only if the amount of this grant exceeds \$10,000.

(a) The grantee shall report to the Contracting Officer, promptly and in reasonable written detail, each notice of claim of patent or copyright infringement based on the performance of this grant of which the grantee has knowledge.

(b) In the event of any claim or suit against the Government on account of any alleged patent or copyright infringement arising out of the performance of this grant or out of the use of any supplies furnished or work or services performed hereunder, the grantee shall furnish to the Government when requested by the Contracting Officer, all evidence and information in possession of the grantee pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of the Government except where the grantee has agreed to indemnify the Government.

(c) This clause shall be included in all contracts and subgrants under the grant.

(c) *Reporting of royalties.* In order that DOE may be informed regarding royalty payments to be made by a grantee in connection with any grant where the amount of the royalty payments is included in the approved budget or is to be reimbursed by the Government, the applicant shall provide:

(1) Information concerning the royalty payments expected to be made under the grant, if awarded, together with the names of the licensors, and either the patent numbers involved or such other information as will permit identification of the patents and patent applications as well as the basis

on which the royalties are to be paid; or

(2) A certification that the proposed budget includes no amount representing any royalty that would be paid by the grantee directly to others in connection with the performance of the award. If the information or certification specified in paragraphs (c)(1) and (c)(2) is not available at the time of award, DOE shall include the Reporting of Royalties clause in any applicable grant award.

REPORTING OF ROYALTIES

If this grant is in an amount which exceeds \$10,000 and if any royalty payments are directly involved in the grant or are reflected in the amount of the grant award, the grantee agrees to report in writing to the Patent Counsel (with notification by Patent Counsel to the Contracting Officer) during the performance of this grant and prior to its completion or closeout, the amount of any royalties or other payments paid or to be paid by it directly to others in connection with the performance of this grant together with the names and addresses of licensors to whom such payments are made and either the patent numbers involved or such other information as will permit the identification of the patents or other basis on which the royalties are to be paid. The approval of DOE of any individual payments or royalties shall not stop the Government at any time from contesting the enforceability, validity, or scope of, or title to, any patent under which a royalty or payments are made.

(d) *Subgrants and contracts under grants or subgrants.* The grantee shall include the applicable patent rights and rights in technical data clauses and the clauses of paragraphs (b)(5), (b)(6), and (c) of this section, as applicable, in any subgrant or contract.

(Secs. 644 and 646, Pub. L. 95-91, 91 Stat. 599, (42 U.S.C. 7254 and 7256); Pub. L. 95-224, 92 Stat. 3 (41 U.S.C. 501))

[47 FR 44091, Oct. 5, 1982, as amended at 49 FR 31392, Aug. 7, 1984]

§ 600.119 Procurement under grants and subgrants.

(a) *Applicability.* This section applies to the procurement, whether by purchase, rental, or otherwise, of supplies, equipment, construction, or services by grantees and subgrantees from third parties when some or all of the

cost of the procurement is a direct charge to DOE grant funds or is a direct cost being used to meet all or part of a cost sharing requirement of the DOE award.

(1) This section does not apply to such procurement by one government from another government, or by one agency or instrumentality of a government from another agency or instrumentality of the same or another government. For purposes of this section, a public institution of higher education or a public hospital shall be considered an "instrumentality of a government" whenever such an organization procures goods or services from a government, or whenever a government procures goods or services from such an organization.

(2) This section does not apply to procurement of land or any other existing real property.

(b) *Grantee and subgrantee responsibilities.* (1) State governments, local governments, and Indian tribal governments shall comply with the grantee and subgrantee responsibility requirements of OMB Circular A-102, Attachment 0, Paragraphs 2 and 7 through 15. DOE may review the procurement system of a grantee covered by OMB Circular A-102, in accordance with Attachment 0, Paragraph 4 of that Circular, if DOE anticipates a continuing relationship with the grantee, or if a substantial amount of the DOE support is to be used for procurement and DOE intends to review individual contracts. DOE may make any such review at DOE initiative or at the request of a grantee. If a grantee's procurement system is found acceptable, DOE shall issue a certification to that effect. If a grantee's procurement system has been certified by DOE or other Federal agency, a grantee need not comply with the prior approval requirements of paragraph (c) of this section. DOE may rely on the findings of a review or certification by DOE or other Federal agency for a period of 24 months.

(2) All other grantees and subgrantees shall comply with the grantee and subgrantee responsibility requirements of OMB Circular A-110, Attachment 0, Paragraphs 2, 3, and 4.

(c) *Prior approval requirements.* (1) A grantee or subgrantee must receive prior written approval from the awarding party before entering into any sole source contract or a contract where only one bid or proposal is received when:

(i) The value of the contract is expected to exceed \$5,000 in the aggregate and the grantee or subgrantee is not a State government, local government, or Indian tribal government.

(ii) The value of the contract is expected to exceed \$10,000 in the aggregate, and the grantee or subgrantee is a State government, local government, or Indian tribal government.

(2) In addition to the prior approval requirements of paragraph (c)(1), DOE may require review and approval of proposed procurements in the following instances:

(i) If DOE or the grantee determines, on the basis of a review under paragraph (b)(1) of this section or in accordance with § 600.104 or § 600.105 that the grantee's or subgrantee's procurement procedures or operations do not comply with one or more of the applicable procurement system standards; or

(ii) Whenever authorized under OMB Circulars A-102 or A-110.

(3) A request for prior approval under this paragraph shall include a copy of the proposed contract and any related procurement documents, such as requests for proposals and invitations for bids, and justification for noncompetitive procurement.

(d) *Contract provisions.* In addition to the contract clauses required under OMB Circulars A-102 and A-110, contracts under grants and subgrants shall include the following as appropriate:

(1) In negotiated contracts whose value is more than \$10,000, a clause requiring the contractor to retain records for three years after final payment is made under the contract. The provision must also require that if an audit, litigation, or other action involving the records is started before the end of the three-year period, the records must be retained until a issues arising out of the action are resolved, or until the end of the three year period, whichever is later.

(1) Assignment to the Government.

The grantee agrees to assign to the Government the entire right, title, and interest throughout the world in and to each subject invention, except to the extent that rights are retained by the grantee under paragraphs (c)(2) and (d) of this clause.

(2) Greater rights determination. The grantee, or the employee-inventor with authorization of the grantee, may request greater rights than the nonexclusive license and the foreign patent rights provided in paragraph (d) of this clause on identified inventions in accordance with the procedure and criteria of 41 CFR 9.109-6. A request for a determination of whether the grantee or the employee-inventor is entitled to retain such greater rights must be submitted to the Patent Counsel (with notification by Patent Counsel to the Contracting Officer) at the time of the first disclosure of the invention pursuant to paragraph (b)(1) of this clause or not later than 9 months after conception or first actual reduction to practice, whichever occurs first, or such longer period as may be authorized by the Patent Counsel (with notification by Patent Counsel to the Contracting Officer) for good cause shown in writing by the grantee. The information to be submitted for greater rights determination is specified in 41 CFR § 9.109-6(e).

(d) Minimum rights to the Grantee. The Grantee reserves a revocable, nonexclusive, paid-up license in each patent application filed in any country on a subject invention and any resulting patent in which the Government acquires title. Revocation shall be in accordance with the procedures of paragraphs (c)(2) and (3) of the clause in 41 CFR § 9.107-5(a). The grantee also has the right to request foreign rights in accordance with the procedures of paragraph (c)(4) of the clause in 41 CFR § 9.107-5(a).

(e) Employee and contractor or subgrantee agreements. Unless otherwise authorized in writing by the Contracting Officer, the grantee shall:

(1) Obtain patent agreements to effectuate the provisions of the Patent clause from all persons who perform any part of the work under this grant except nontechnical personnel, such as clerical employees and manual laborers.

(2) The grantee shall include this clause or the Patent Rights clause of 41 CFR § 9.107-5(a) or the clause of § 600.118(b)(1), as appropriate, modified to identify the parties in any contract or subgrant hereunder having as a purpose the conduct of experimental, research, development, or demonstration work; and

(3) Promptly notify the Contracting Officer in writing upon the award of any contract or subgrant containing a Patent Rights clause by identifying the contractor or subgrantee, the work to be performed under the contract or subgrant, and dates of

award and estimated completion. Upon the request of the Contracting Officer, the grantee shall furnish a copy of the contract or subgrant to such requestor.

(f) Atomic energy.

(1) No claim for pecuniary award or compensation under the provisions of the Atomic Energy Act of 1954, as amended, shall be asserted by the grantee or its employees with respect to any inventions or discovery made or conceived in the course of or under this grant.

(2) Except as otherwise authorized in writing by the Contracting Officer, the grantee will obtain patent agreements to effectuate the provisions of paragraph (f)(1) of the clause from all persons who perform any part of the work under this grant except nontechnical personnel, such as clerical employees and manual laborers.

(g) Publication. In order that information concerning scientific or technical developments conceived or first actually reduced to practice in the course of or under the grant is not prematurely published so as to adversely affect patent interest of DOE, the grantee agrees to submit to the Patent Counsel for patent review a copy of each paper 60 days prior to its intended publication date. The grantee may publish such information after expiration of a 60-day period following such submission or prior thereto if specifically approved by the Patent Counsel, unless the grantee is informed (in writing within the 60-day period) that in order to protect patentable subject matter, publication must further be delayed. In this event, publication shall be delayed up to 100 days beyond the 60-day period or such longer period as mutually agreed to.

(3) Rights in Technical Data (Short Form). This clause shall apply to all grants other than those having as a purpose the conduct of a conference, symposium, or training. However, this clause does not provide protection for proprietary data. If proprietary data may be utilized under a grant, other appropriate technical data clauses (as provided in 48 CFR 952.227) may be included in the award.

(a) Definitions. The definitions of terms set forth in DEAR 927.401 apply to the extent these terms are used herein.

(b) Allocation of rights. (1) The Government shall have:

(i) Unlimited rights in technical data first produced or specifically used in the performance of this grant.

(ii) The right of the Contracting Officer or his representatives to inspect

at all reasonable times up to three years after final payment under this grant all technical data first produced or specifically used in the grant (for which inspection the grantee or its contractor or subgrantee shall afford proper facilities to DOE), and

(iii) The right to have any technical data first produced or specifically used in the performance of this grant delivered to the Government as the Contracting Officer may from time-to-time direct during the progress of the work, or in any event as the Contracting Officer shall direct upon completion or termination of this grant.

(2) The grantee shall have: The right to use for its private purposes, subject to patent, security or other provisions of this grant, technical data it first produces in the performance of this grant provided the date requirements of this grant have been met as of the date of the private use of such data. The grantee agrees that the extent it receives or is given access to proprietary data or other technical, business or financial data in the form of recorded information from DOE or a DOE contractor or subcontractor, the grantee shall treat such data in accordance with any restrictive legend contained thereon, unless use is specifically authorized by prior written approval of the Contracting Officer.

(c) Copyrighted material. (1) The grantee agrees to and does hereby grant to the Government and to others acting on its behalf:

(i) A royalty-free, nonexclusive, irrevocable, world-wide license for Governmental purposes to reproduce, distribute, display, and perform all copyrightable material first produced or composed in the performance of this grant by the grantee, its employees or any individual or concern specifically employed or assigned to originate and prepare such material and to prepare derivative works based thereon.

(ii) A license as aforesaid under any and all copyrighted or copyrightable work not first produced or composed by the grantee in the performance of this grant but which is incorporated in the material furnished under the grant, provided that such license shall be only to the extent the grantee now has, or prior to completion or close-out

of the grant, may acquire the right to grant such license without becoming liable to pay compensation to others solely because of such grant.

(2) The grantee agrees that it will not knowingly include any material copyrighted by others in any written or copyrightable material furnished or delivered under this grant without a license as provided for in paragraph (c)(1)(ii) of this section, or without the consent of the copyright owner, unless it obtains specific written approval of the Contracting Officer for the inclusion of such copyright material.

(4) Rights in Technical Data (Modified Short Form). This clause shall apply to any grant having as a purpose the conduct of a conference, a symposium, or training.

**RIGHTS IN TECHNICAL DATA—MODIFIED
SHORT FORM**

(1) The grantee grants to the Government a worldwide, royalty-free, non-exclusive, irrevocable license to publish, duplicate, translate, perform, exhibit and dispose of and to have others to do so, technical information or data including copyrightable material first produced by the grantee, under the grant.

(2) DOE has the right to require delivery of all technical information or data first produced by the grantee under this grant and all conference papers of a scientific or technical nature. The grantee agrees not to include in the technical information or data, or scientific or technical conference papers delivered under the grant, any material copyrighted by the grantee or any material including scientific or technical conference papers copyrighted by others without first obtaining without cost a license therein for the benefit of the Government of the same scope as set forth in paragraph (1) above. If, nevertheless, there must be included in the technical information or data, or scientific or technical conference papers to be delivered, copyrighted material for which a license of the above scope cannot be obtained, the grantee shall obtain the written authorization of DOE to include such material prior to physical delivery to DOE.

(5) Authorization and Consent. This clause shall apply to any grant under which experimental, developmental, demonstration, or research work is to be performed within the United States, its possessions, or Puerto Rico.

(5) The grantee agrees to:

(i) Provide a report prior to the close-out of the grant listing all subject inventions;

(ii) Provide notification of all contracts and subgrants under the grant for experimental, developmental, demonstration, or research work, the identity of the patent rights clause therein, and copy of each such contract or subgrant upon request;

(iii) Provide promptly a copy of the patent application, filing date, and serial number, and patent number and issue date for any subject invention in any country in which the grantee has applied for a patent.

(g) **Contracts and Subgrants Under the Grant**

(1) The grantee will include this clause, suitably modified to identify the parties, in all contracts and subgrants under the grant, regardless of tier, for experimental, developmental or research work to be performed by a small business firm or a domestic nonprofit organization. The contractor or subgrantee will retain all rights provided for the grantee in this clause, and the grantee will not, as part of the consideration for awarding the contract or subgrant, obtain rights in the contractor's or subgrantee's subject inventions.

(2) The grantee will include in all other contracts or subgrants under the grant, regardless of tier, for experimental, developmental, demonstration, or research work the patent rights clause of 41 CFR § 9-9.107-5(a) or 41 CFR § 9-9.107-6, as appropriate, modified to identify the parties.

(3) In the case of a contract or subgrant under the grant at any tier, DOE, the contractor or subgrantee, and the grantee agree that the mutual obligations of the parties created by the clause constitute a contract between the contractor or subgrantee and DOE with respect to those matters covered by this clause.

(h) **Reporting on Utilization of Subject Inventions.** The grantee agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the grantee or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the grantee, and such other data and information as DOE may reasonably specify. The grantee also agrees to provide additional reports as may be requested by DOE in connection with any march-in proceeding undertaken by DOE in accordance with paragraph (j) of this clause. To the extent data or information supplied under this section is considered by the grantee, its licensee or assignee to be privileged and confidential and is so marked, DOE agrees that, to the extent permitted by 35 U.S.C 202(c)(5),

it will not disclose such information to persons outside the Government.

(i) **Preference for United States Industry.** Notwithstanding any other provision of this clause, the grantee agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by DOE upon a showing by the grantee or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

(j) **March-in Rights.** The grantee agrees that with respect to any subject invention in which it has acquired title, DOE has the right in accordance with the procedures in OMB Circular A-124 to require the grantee, an assignee or exclusive licensee of a subject invention to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the grantee, assignee, or exclusive licensee refuses such a request, DOE has the right to grant such a license itself if DOE determines that:

(1) Such action is necessary because the grantee or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

(2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the grantee, assignee, or their licensees;

(3) Such action is necessary to meet requirements for public use specified by federal regulations and such requirements are not reasonably satisfied by the grantee, assignee, or licensees; or

(4) Such action is necessary because the agreement required by paragraph (i) of this clause has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.

(k) **Special Provisions for Grants to Nonprofit Organizations.**

If the grantee is a nonprofit organization, it agrees that:

(1) **Rights to a subject invention in the United States** may not be assigned without the approval of DOE, except where such assignment is made to an organization which

has as one of its primary functions the management of inventions and which is not, itself, engaged in or does not hold a substantial interest in other organizations engaged in the manufacture or sale of products or the use of processes that might utilize the invention or be in competition with embodiments of the invention (provided that such assignee will be subject to the same provisions as the grantee);

(2) The grantee may grant exclusive licenses under United States patents or patent applications in subject inventions to persons other than small business firms for a period in excess of the earlier of:

(i) five years from first commercial sale or use of the invention; or

(ii) eight years from the date of the exclusive license excepting that time before regulatory agencies necessary to obtain premarket clearance, unless on a case-by-case basis, DOE approves a longer exclusive license. If exclusive field of use licenses are granted, commercial sale or use in one field of use will not be deemed commercial sale or use as to other fields of use, and a first commercial sale or use with respect to a product of the invention will not be deemed to end the exclusive period to different subsequent products covered by the invention;

(3) The grantee will share any royalties collected on a subject invention with the inventor; and

(4) The balance of any royalties or income earned by the grantee with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, will be utilized for the support of scientific research or education.

(l) **Communication.**

The DOE central point of contact for communications or matters relating to this clause is the Patent Counsel.

(2) **Patent Rights (Short Form).** This clause shall apply to grants awarded to grantees other than small business firms or domestic nonprofit organizations, where such grants have as a purpose the conduct of experimental, developmental, demonstration, or research work. Prior to award or within 30 days after an award is signed by the DOE Contracting Officer, or such longer period as may be authorized by the Patent Counsel for good cause shown in writing by the applicant or grantee, the applicant or grantee may petition DOE for an advance waiver of the Government's rights to inventions conceived or first actually reduced to practice under the grant in accordance with 41 CFR Part 9-9. DOE shall consider and dispose of any such request

in accordance with the waiver provisions of 41 CFR Part 9-9. If a waiver is granted, the appropriate waiver clause shall be substituted for the Patent Rights (Short Form) clause. DOE also may authorize an advance waiver for a class of awards when appropriate and shall specify the applicable patent rights clause in every award covered by such a waiver.

PATENT RIGHTS (SHORT FORM)

(a) **Definitions.**

(1) "Subject invention" means any invention or discovery of the grantee conceived or first actually reduced to practice in the course of or under this grant and includes any art, method, process, machine, manufacture, design, or composition of matter, or any new and useful improvement thereof, or any variety of plants, whether patented or unpatented, under the patent laws of the United States of America or any foreign country.

(2) "Patent Counsel" means DOE Patent Counsel assisting the procuring activity.

(b) **Invention disclosures and reports.**

(1) The grantee shall furnish the Patent Counsel (with notification by Patent Counsel to Contracting Officer):

(i) A written report containing full and complete technical information concerning each subject invention within 6 months after conception or first actual reduction to practice but in any event prior to any sale, public use, or public disclosure of such invention known to the grantee. The report shall identify the grant and inventor and shall be sufficiently complete in technical detail and appropriately illustrated by sketch or diagram to convey to one skilled in the art to which the invention pertains, a clear understanding of the nature, purpose, operation and, to the extent known, the physical, chemical, biological or electrical characteristics of the invention;

(ii) Upon request, but not more than annually, interim reports on a DOE-approved form listing subject inventions for that period and certifying that all subject inventions have been disclosed or that there were no such inventions; and

(iii) A final report on a DOE-approved form within 3 months after completion of the grant work listing all subject inventions and certifying that all subject inventions have been disclosed or that there were no such inventions.

(2) The grantee agrees that the Government may duplicate and disclose subject invention disclosures and all other reports and papers furnished or required to be furnished pursuant to the grant.

(c) **Allocation of principal rights.**

the Federal Non-Nuclear Energy Research and Development Act of 1974.

(1) **Patent Rights (Small Business Firm or Nonprofit Organization).** This clause shall apply to grants to small business firms and domestic nonprofit organizations where such grants have as a purpose the conduct of experimental, developmental, demonstration, or research work and where the small business firm or domestic nonprofit organization states in writing that it qualifies as a small business firm or domestic nonprofit organization. In exceptional circumstances, DOE may, as determined by Patent Counsel, use a patent rights clause other than the clause specified in this paragraph (b)(1).

PATENT RIGHTS (SMALL BUSINESS FIRM OR NONPROFIT ORGANIZATION)

(a) Definitions

(1) "Invention" means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code (USC).

(2) "Subject invention" means any invention of the grantee conceived or first actually reduced to practice in the performance of work under this grant.

(3) "Practical Application" means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

(4) "Made" when used in relation to any invention means the conception or first actual reduction to practice of such invention.

(5) "Small Business Firm" means a small business concern as defined at Section 2 of Pub. L. 85-536 (15 USC 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standard for small business concerns involved in Government procurement, contained in 13 CFR 121.3-6, and in subcontracting, contained in 13 CFR 121.3-12, will be used.

(6) "Nonprofit Organization" means a university or other institution of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 USC 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 USC 501(a)) or any nonprofit scientific or educa-

tional organization qualified under a state nonprofit organization statute.

(7) "Patent Counsel" means the Department of Energy (DOE) patent counsel assisting the DOE contracting activity.

(b) Allocation of Principal Rights

The grantee may retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 USC 203. With respect to any subject invention in which the grantee retains title, the Federal Government shall have a nonexclusive, non-transferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention throughout the world.

(c) Invention Disclosure, Election of Title and Filing of Patent Applications by Grantee

(1) The grantee will disclose each subject invention to the Patent Counsel (with notification by the Patent Counsel to the Contracting Officer) within two months after the inventor discloses it in writing to grantee personnel responsible for the administration of patent matters. The disclosure to the Patent Counsel shall be in the form of a written report and shall identify the grant under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding, to the extent known at the time of the disclosure, of the nature, purpose, operation, and the physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to the Patent Counsel, the grantee will promptly notify the Patent Counsel of the acceptance of any manuscript describing the invention or of any on sale or public use planned by the grantee.

(2) The grantee will elect in writing whether or not to retain title to any invention by notifying the Patent Counsel within twelve months of disclosure to the grantee; provided that in any case where publication, on sale or public use has initiated the one year statutory period wherein valid patent protection can still be obtained in the United States, the period for election of title terminates sixty days prior to the end of the statutory period.

(3) The grantee will file its initial patent application on an elected invention within two years after election or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The grantee will file

patent applications in additional countries within either ten months of the corresponding initial patent application or six months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

(4) Requests for extension of the time for disclosure to the Patent Counsel, election, and filing, may, at the discretion of the Patent Counsel be granted.

(d) Conditions When the Government May Obtain Title

(1) The grantee will convey to DOE, upon written request, title to any subject invention:

(i) If the grantee fails to disclose or elect the subject invention within the times specified in (c) above, or elects not to retain title.

(ii) In those countries in which the grantee fails to file patent applications within the times specified in (c) above; provided, however, that if the grantee has filed a patent application in a country after the times specified in (c) above but prior to its receipt of the written request of the Patent Counsel, the grantee shall continue to retain title in that country; or

(iii) In any country in which the grantee decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in a reexamination or opposition proceeding on, a patent on a subject invention.

(e) Minimum Rights to Grantee

(1) The grantee will retain a nonexclusive, royalty-free license throughout the world in each subject invention to which the Government obtains title except if the grantee fails to disclose the subject invention within the times specified in (c) above. The grantee's license extends to its domestic subsidiaries and affiliates, if any, within the corporate structure of which the grantee is a part and includes the right to grant sublicenses of the same scope to the extent the grantee was legally obligated to do so at the time the grant was awarded. The license is transferable only with the approval of DOE except when transferred to the successor of that part of the grantee's business to which the invention pertains.

(2) The grantee's domestic license may be revoked or modified by DOE to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with 10 CFR 781. This license will not be revoked in that field of use or the geographical areas in which the grantee has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of DOE to the extent the grantee, its li-

cencee, or its domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.

(3) Before revocation or modification of the license, DOE will furnish the grantee a written notice of its intention to revoke or modify the license, and the grantee will be allowed thirty days (or such other time as may be authorized by DOE for good cause shown by the grantee) after the notice to show cause why the license should not be revoked or modified. The grantee has the right to appeal, in accordance with 10 CFR 781, any decision concerning the revocation or modification of its license.

(f) Grantee Action to Protect Government's Interest

(1) The grantee agrees to execute or to have executed and promptly deliver to the Patent Counsel all instruments necessary to:

(i) Establish or confirm the rights the Government has throughout the world in those subject inventions for which the grantee retains title, and

(ii) Convey title to DOE when requested under (d) above and to enable the Government to obtain patent protection throughout the world in that subject invention.

(2) The grantee agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the grantee each subject invention made under this grant in order that the grantee can comply with disclosure provisions of (c) above and to execute all papers necessary to file patent applications on subject inventions. The disclosure format should require, as a minimum, the information requested by (c)(1) above. The grantee shall instruct such employees through the employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) The grantee will notify the Patent Counsel of any decision not to continue prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than thirty days before the expiration of the response period required by the relevant patent office.

(4) The grantee agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement, "This invention was made with Government support under (identify the grant) awarded by the Department of Energy. The Government has certain rights in this invention."

result in satisfaction of the grantee's accountability:

(A) The grantee or subgrantee may be permitted to retain the real property after compensating DOE in an amount computed by applying the percentage of DOE participation in the allowable costs of the project to the current fair market value of the property.

(B) The grantee or subgrantee may be directed to sell the real property and pay DOE an amount computed by applying the percentage of DOE participation in the allowable costs of the project to the proceeds from sale (after deducting actual, reasonable selling expenses from the sales proceeds).

(C) The grantee or subgrantee may be directed to transfer title to the Federal government or to a non-Federal third party specified by DOE (although the grantee or subgrantee may suggest a potential third party transferee). The grantee or subgrantee shall be compensated in an amount computed by applying the grantee's percentage of participation in the allowable costs of the project to the current fair market value of the real property.

(D) If the real property was not wholly acquired with DOE grant funds, the proportionate shares shall be adjusted by multiplying the percentage of the acquisition cost of the property (or if donated, the market value at the time of donation) which was attributable to DOE grant funds by the percentage of DOE, grantee, or subgrantee participation in the allowable costs of the project. This requirement also applies to reimbursement due under paragraph (d) or (e) of this section.

(iv) If real property is acquired under a grant or subgrant of \$10,000 or less, the grantee shall not be required to—

(A) Obtain DOE approval for any alternative use or disposition of the property after the end of the project period.

(B) Compensate DOE for its share of the acquisition cost of the real property.

(d) *Equipment*—(1) *Federally owned equipment*. Unless otherwise specified

in the award, the grantee or subgrantee shall manage federally owned equipment provided by DOE or acquired with DOE grant funds in accordance with the property management standards in OMB Circular A-102, Attachment N, Paragraph 6.d. or OMB Circular A-110, Attachment N, Paragraph 6.d., as applicable. The OMB Circular A-110 requirements shall also apply to individuals, for-profit organizations, and foreign organizations. However, if federally owned equipment has been provided under a grant, the grantee must submit annually an inventory to DOE which lists such equipment in the custody of the grantee, any subgrantee, or contractor under the grant. For federally owned equipment acquired with DOE grant funds, the grantee shall provide DOE written notification of the results of the inventory(ies) under OMB Circular A-102, Attachment N, Paragraph 6.d. or OMB Circular A-110, Attachment N, Paragraph 6.d., as applicable.

(i) During the period of DOE support, the grantee shall notify DOE as soon as practicable whenever federally owned equipment is no longer needed for the project. For expired or terminated grants, the grantee shall report any federally owned equipment upon request by DOE as part of closeout (see § 600.123). Thereafter, DOE shall issue disposition instructions to the grantee in accordance with applicable law and regulations.

(2) *Transfer of equipment*. DOE may transfer ownership of any item of exempt or nonexempt equipment having a unit acquisition cost of \$1,000 or more to the Federal government or to an eligible third party named by DOE, subject to the following:

(i) DOE must notify the grantee in writing of its intent to transfer ownership within 120 days following the end of the project period or the termination of the DOE grant under which the equipment was acquired, and must specifically identify the equipment to be transferred. DOE shall arrange for transfer as soon as possible after the notice.

(ii) DOE may transfer ownership only when the equipment is no longer needed for the project for which it was acquired, or if the grantee or subgran-

tee agrees to relinquish the equipment.

(iii) The grantee shall be paid any reasonable storage or shipping costs incurred plus an amount computed by multiplying the current fair market value of the equipment by the non-Federal share, if any, in the allowable costs of the project. A grantee may, in the terms of a subgrant, reserve the right to transfer equipment acquired under the subgrant as provided in this paragraph. Without DOE approval, this right may be exercised only if the project for which the equipment was acquired is transferred to another subgrantee and the equipment is to be transferred for continued use in the project. Any other exercise of this right by the grantee requires the prior written approval of DOE.

(3) State governments, local governments, and Indian tribal governments shall comply with the provisions of OMB Circular A-102, Attachment N, Paragraphs 6.b, c, and d for the use, disposition and management of nonexempt equipment. All other types of grantees and subgrantees shall comply with OMB Circular A-110, Attachment N, Paragraphs 6.b, c, and d for use, disposition and management of such equipment.

(4) At the end of the project period or at the termination of DOE support for the project, the grantee shall provide an inventory of nonexempt equipment with a unit acquisition cost of \$1,000 or more acquired by the grantee or subgrantee along with a statement of the grantee's or subgrantee's plans for continued use or recommendations for disposing of such equipment. If nonexempt equipment is acquired under a grant of \$10,000 or less, and DOE does not transfer ownership under paragraph (d)(2) of this section, the grantee shall have no further obligation to DOE with respect to the use, management, or disposition of such property.

(e) *Supplies*. (1) Federally owned supplies shall be used, managed, and disposed of in accordance with the terms and conditions of the award.

(2) If, at the end of the project period or upon termination of the grant or subgrant for which supplies (other than federally owned supplies)

were acquired, unused supplies exceeding \$1,000 in total aggregate current fair market value remain, they may be used for any other federally funded activity of the grantee or subgrantee without compensation to DOE. Unless otherwise exempted by Federal statute, if they are not needed for any federally funded activity, the grantee or subgrantee must compensate DOE. If the supplies are retained for use on non-Federal activities, the amount due DOE shall be computed by multiplying the DOE share in the allowable costs of the project for which the supplies were acquired by the current fair market value of the supplies. If sold, the DOE share shall be multiplied by the sales proceeds or the current fair market value, whichever is greater, to determine the amount due DOE. The grantee or subgrantee may retain \$100 or ten percent of the proceeds, whichever is greater, for selling and handling expenses.

§ 600.118 Patents, data, and copyrights.

(a) *General*. Grants shall be awarded and administered by DOE in compliance with the patent, data, and copyright provisions of this section, 41 CFR Part 9-9 and, for grants to small business firms and domestic nonprofit organizations, with OMB Circular A-124, which contains the definitions of "small business firm" and "nonprofit organization" applicable to this section. DOE shall specify, in each award, the applicable patent, data, and copyright provisions.

(b) *Required clauses*. DOE shall determine which of the clauses listed in this paragraph or in 41 CFR Part 9-9 applies, based on DOE review of the application, other information submitted by the applicant, and any negotiations. These clauses may be modified by DOE Patent Counsel, in accordance with the procedures of 41 CFR Part 9-9, for a particular grant or, in the case of a class waiver of patent rights under 41 CFR Part 9-9, for a class of grants such as those for the "Appropriate Technology" program and the program for development of inventions referred to DOE by the National Bureau of Standards under Sec. 14 of

(4) Grantees who receive a single payment of less than \$10,000 in accordance with § 600.112(b)(2)(ii) shall not be required to submit an SF-272.

(d) *Payment requests under a letter of credit.* A grantee shall use the forms specified by the administering payment office to request payment under a letter of credit (see § 600.112(b)(1)).

(e) *Request for Advance or Reimbursement (SF-270).* A grantee who does not have a letter of credit shall use the Request for Advance or Reimbursement (SF-270) for any nonconstruction project.

(1) Requests for advances by Treasury check may be submitted as necessary; however, such requests shall not be made in excess of reasonable estimates of cash outlays for a 30-day period.

(2) Requests for reimbursement shall be submitted monthly unless more frequent submission is authorized by the award.

(Approved by the Office of Management and Budget under control number 0348-0004)

(f) *Outlay Report and Request for Reimbursement for Construction Programs (SF-271).* Unless DOE specifies in the award that the grantee shall use the SF-270, the grantee shall use the Outlay Report and Request for Reimbursement for Construction Programs to request reimbursement for a construction project in the frequency specified in paragraph (e)(2) of this section.

(Approved by the Office of Management and Budget under control number 0348-0002)

(g) *Standard forms.* Standard financial report forms, instructions for their completion, and applicable definitions, are contained in OMB Circular A-102, Attachment H and OMB Circular A-110, Attachment G, and, with respect to the SF-269, in the Uniform Reporting System for Federal Assistance (DOE/MA-0001). All DOE grantees shall use these forms and instructions, except as provided in paragraph (a) of this section. Use of any nonstandard form or instructions shall be considered a deviation subject to the deviation procedures of § 600.4.

(Approved by the Office of Management and Budget under control numbers 0348-0001-0348-0004 and 1900-0127)

§ 600.117 Property management.

(a) *Definitions.* (1) "Acquired with DOE grant funds" means that all or a portion of the acquisition cost of an item of property is a direct charge to DOE grant funds (whether the cost is incurred under the grant, a subgrant, or a cost-reimbursement contract) or all or a portion of the acquisition cost is a direct cost being used to meet a cost sharing requirement.

(2) "Acquisition cost" of an item of purchased equipment means the net invoice unit price of the equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty, or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the grantee's regular accounting practices.

(3) "Acquisition of property" means the purchase, construction, or fabrication of property but does not include rental of property or minor alteration or renovation of real property.

(4) "Allowable cost of the project" means, when used for purposes of determining the amount of reimbursement due under this section, the DOE (or non-Federal) share of the allowable costs which were either chargeable to DOE grant funds or counted toward meeting a cost sharing requirement of the grant during the project period. For property acquired by a subgrantee, the DOE share of the grantee's costs shall be multiplied by the grantee's share of the subgrantee's costs to determine the DOE share of the subgrantee's costs.

(5) "Equipment" means an article of tangible personal property that has a useful life of more than two years and an acquisition cost of \$500 or more. A grantee or subgrantee may use its own definition of equipment provided the definition would include all articles of equipment as defined in this paragraph.

(6) "Exempt property" means equipment and supplies acquired with DOE grant funds for which the grantee or subgrantee is not required to account to DOE except as provided in paragraph (d)(2) of this section. The exempt status must be authorized by a Federal statute.

(7) "Federally owned property" means any real or tangible personal property (equipment or supplies) owned by DOE which is furnished by DOE to a grantee for use during the project period, and any such property acquired under a grant which DOE is required by statute or by a determination made in accordance with this part to own.

(8) "Nonexempt property" means equipment and supplies acquired with DOE grant funds which are subject to the conditions for use, management, and disposition under paragraphs (d) and (e) of this section. For purposes of this section, nonexempt property includes excess personal property which has been made available to a grantee under authority of the Federal Property and Administrative Services Act, as amended by 40 U.S.C. 483, and the implementing Federal Property Management Regulations (41 CFR 101-43.320).

(9) "Real property" means land, land improvements, structures and anything attached to these so as to become a part of them. This term does not include movable machinery and other types of equipment.

(10) "Supply" means any tangible personal property other than equipment.

(b) *Applicability.* (1) Except as provided in paragraphs (b)(2) and (b)(3), this section applies to real property equipment, and supplies acquired with DOE grant funds, and to real property, equipment, and supplies furnished by DOE under a grant.

(2) The requirements of this section apply to grantees and subgrantees. The requirements of this section apply to equipment and supplies acquired by a contractor under a grant or subgrant only when the contract requires ownership of the property to remain with the grantee, subgrantee, or DOE.

(3) The requirements of this section do not apply to:

(i) Property for which only use or depreciation allowances are charged;

(ii) Property donated by a third party (whether or not counted as a third-party in-kind contribution); and

(iii) Property acquired for sale or rental rather than for use in the grant project.

(4) Grantees and subgrantees may use their own property management standards and procedures if the requirements of this section are included.

(c) *Real property.* (1) Federally owned real property shall be managed and disposed of in accordance with the terms and conditions of the award.

(2) Real property may be acquired with DOE grant funds only when authorized by Federal statute or program rule and only if DOE specifically authorizes such costs in the award. Except as otherwise required by Federal statute or program rule, the following shall apply whenever real property is acquired with DOE grant funds.

(i) Subject to the conditions in paragraphs (c)(2)(ii) and (c)(2)(iii), the grantee shall have title to such real property during and after the period of DOE grant support. A subgrantee may have title to such real property only if authorized by Federal statute or program rule.

(ii) Except as provided in paragraph (c)(2)(iv), the grantee shall notify DOE at any time if the real property becomes unnecessary for the purpose authorized under the grant or subgrant under which it was acquired. The grantee must obtain written DOE approval to use the property for any other purpose. Such use shall be limited to federally assisted projects, or to programs, projects or activities that have purposes consistent with those authorized in the statute under which the grant was awarded.

(iii) Except as provided in paragraph (c)(2)(iv) of this section, whenever real property is no longer needed or used as provided in paragraph (c)(2)(ii) of this section, the grantee must request disposition instructions from DOE. DOE shall instruct that the real property be disposed of in one of the following ways, any one of which shall

DOE may specify in the award that the grantee provide this information on the Program/Project Status Report (Form EIA-459F), the technical reporting formats, or the Management Summary Report (see paragraph (f) of this section) contained in the DOE Uniform Reporting System for Federal Assistance (Grants and Cooperative Agreements) (DOE/MA-0001).

(Approved by the Office of Management and Budget under control number 1900-0127)

(c) *Frequency.* Performance reports shall be submitted at least annually (i.e. once for every 12-month period elapsed) and may be required to be submitted no more frequently than quarterly. A final report shall be required after the project period ends or the grant is terminated. The deadlines for performance reports shall be as follows:

(1) Quarterly and semiannual reports shall be submitted within 30 days after the end of the quarter or six-month period covered by the report.

(2) Annual performance reports shall be submitted within 90 days after the end of the 12-month period (generally the budget period) covered by the report.

(3) Final performance reports shall be submitted within 90 days after the project period ends or the grant is terminated.

(4) DOE may extend the deadline date for any report if the grantee submits a written request before the deadline which adequately justifies an extension.

(d) *Relationship to Financial Status Report (FSR) (OMB Nos. 0348-0001 and 1900-0127) and other financial reports.* (1) If the FSR is used (see § 600.116), the grantee shall submit its performance reports and FSRs simultaneously for coextensive periods unless:

(i) DOE requires the grantee to submit a performance report with its continuation or renewal application; or

(ii) DOE determines that on-site technical inspections by or on behalf of DOE and certified completion data submitted by the grantee would be

sufficient to evaluate construction projects; or

(iii) In order to prepare a required annual report for the Congress, DOE must receive performance reports on a date that is different from an otherwise applicable deadline.

(2) If the grantee will be using the Request for Advance or Reimbursement (SF-270) (OMB No. 0348-0004) instead of the FSR (see § 600.116(b)), DOE shall specify in the award deadlines for performance reports.

(e) *Interim reports.* The grantee shall report the following events to DOE as soon after they occur as possible:

(1) Problems, delays, or adverse conditions which will materially affect the ability to attain project objectives, or prevent the meeting of time schedules and goals. The report must describe the remedial action the grantee has taken or plans to take and any action DOE should take to alleviate the problem. (See § 600.114(e) for the procedures to be followed if additional DOE funding is required.)

(2) Favorable developments or events which enable meeting time schedules and goals sooner or at less cost than anticipated or producing more beneficial results than originally projected. (See § 600.108 (b) and (c) in the event that an excess authorization of funds occurs.)

(f) *Management Summary Report.* DOE may require that the Management Summary Report (EIA-459E) (OMB No. 1900-0127) be used as a performance report in accordance with the Uniform Reporting System for Federal Assistance (Grants and Cooperative Agreements) (DOE/MA-0001) only when such use is authorized by program rule or the need for this form is explained in the solicitation. The requirements of this section concerning reporting frequency and deadlines shall apply to the Management Summary Report. (See also § 600.102(a) with regard to use of this form as part of the grant application.)

(g) *Required copies.* The grantee shall submit an original and two copies of each required performance report unless the award specifies that the grantee may submit fewer copies.

(h) *DOE review of grantee performance.* DOE or its authorized representatives may make site visits, at any reasonable time, to review the project and to provide such technical assistance as may be necessary.

(i) *Subgrantee performance reporting.* Grantees may place performance reporting requirements on subgrant awards consistent with the provisions of this section and shall require interim reports in accordance with paragraph (e) of this section.

§ 600.116 Financial reports.

(a) *General.* A grantee shall report financial information to DOE and, if other than DOE, the administering payment office, on one or more of the forms indicated in paragraphs (b) through (f) of this section, as specified by DOE in the terms and conditions of the award. The grantee shall submit an original and two copies of each required form unless the award specifies that the grantee may submit fewer copies. The particular form(s) specified for use shall be appropriate for the payment method used (see § 600.112) and for DOE information requirements. The grantee may provide the required information in machine usable format or computer printout instead of on the prescribed report forms. A grantee is not required to use these forms to obtain financial information from a subgrantee.

(b) *Financial Status Report (SF-269).* (1) A grantee shall use the Financial Status Report (FSR) to report the status of funds for all nonconstruction projects unless DOE specifies in the award that the Request for Advance or Reimbursement (SF-270) or the Report of Federal Cash Transactions (SF-272) shall be used for this purpose. Whenever the Request for Advance or Reimbursement form is used only for advances, even if no interim FSRs are required as provided in this paragraph, the grantee shall submit a final FSR after the project period ends or the grant is terminated.

(Approved by the Office of Management and Budget under control numbers 0348-0001 and 1900-0127; 0348-0003; and 0348-0004)

(2) Unless specified by DOE, a grantee may complete the FSR on a cash or

accrual basis. DOE may require accrual reporting only if such reporting is required by program statute or rule. In any such case, the grantee shall base its financial reports to DOE on an analysis of available financial records but shall not be required to convert to an accrual accounting system.

(3) DOE may require FSRs only in the frequency specified in § 600.115(c). The grantee shall follow the deadline requirements described in § 600.115(c). Unless otherwise specified in the award, the grantee shall submit an FRS annually or, if the project period is one year or less, the grantee shall submit only a final FSR.

(4) If a grantee has unliquidated obligations when the final FRS is due, the grantee shall ask the DOE Contracting Officer whether a provisional final FSR should be submitted to be followed by a complete final FRS at a later date.

(c) *Report of Federal Cash Transactions (SF-272).* When funds are advanced to a grantee through a letter of credit or by Treasury check, the grantee shall submit to DOE a Report of Federal Cash Transactions and, when necessary, its continuation sheet (SF-272a) except that grantees under the Regional Disbursing Office system shall not be required to submit this report. For these grantees, DOE shall use information contained in the payment request to monitor grantee cash balances and to obtain disbursement information.

(Approved by the Office of Management and Budget under control number 0348-0003)

(1) The Federal Cash Transactions Report shall be submitted within 15 working days following the end of each quarter.

(2) DOE may require that grantees receiving advances totaling \$1 million or more per year submit monthly SF-272 reports.

(3) DOE may waive the SF-272 requirement whenever total monthly advances to a grantee do not exceed \$10,000 and DOE determines that the grantee's accounting controls are adequate to minimize excessive advances.

earned or received (depending on the accounting basis used) and for the period used (see § 600.116). The grantee shall account for general program income as prescribed in the terms and conditions of the award, which may specify the use of one or more of the options listed in (i), (ii), and (iii) of paragraph (e)(2) of this section, and which may distinguish between sources, kinds, and amounts of income in determining the option(s) to be applied. If the award does not authorize a grantee to use general program income as indicated in paragraphs (e)(2)(ii) and/or (e)(2)(iii), such program income shall be used as provided in paragraph (e)(2)(i). Unless required by statute or program rule, DOE shall have no right to any portion of general program income earned or accrued after the project period ends or the grant is terminated.

(i) General program income may be deducted from the total approved budget to determine the net costs upon which the DOE share of costs shall be calculated. If the project period consists of more than one budget period, DOE may specify that the deduction be made in a subsequent or later budget period rather than in the budget period during which the general program income was earned or received.

(ii) General program income may be used to pay all or part of the grantee's share of allowable project costs. When used in this way, the income shall be applied to the grantee's share during the current budget period unless DOE authorizes, in writing, deferral to a later budget period.

(iii) The income may be used for costs not included in the total approved budget, if DOE determines such costs are directly related to the objectives of the Federal statute under which the grant was awarded.

(3) *Subgrantee accountability.* A subgrantee shall account to the grantee for general program income in accordance with the terms and conditions of the subgrant award. Such terms and conditions shall be consistent with the provisions of this paragraph.

(f) *Records.* A grantee or subgrantee shall maintain records of the source,

amount, and disposition of any income for which it is accountable to the awarding party. The access and retention requirements of § 600.25 and § 600.124 apply to program income records.

§ 600.114 Budget and project revisions.

(a) *General.* Subsequent to award, grantees and subgrantees are permitted to rebudget within the approved direct cost budget to meet unanticipated requirements and may make limited program changes to the approved project. However, certain types of postaward changes in budgets and projects shall require the prior written approval of the awarding party.

(b) *Budget changes—(1) Nonconstruction projects.* The grantee or subgrantee shall obtain the prior written approval of the awarding party whenever any of the following changes is anticipated under a nonconstruction award:

(i) The rebudgeting of funds either within or between budget categories for a type of cost for which approval is required under the applicable cost principles (see § 600.103).

(ii) Any revision which would result in the need for additional DOE funding.

(iii) The transfer of funds allotted for training allowances (i.e. direct payments to trainees, to other expense categories).

(iv) Transfers among direct cost categories, or, if applicable, among separately budgeted programs, functions, or activities which cumulatively exceed or are expected to exceed five percent of the current total approved budget, whenever the awarding party's share exceeds \$100,000.

(2) *Construction projects.* The grantee shall obtain DOE prior written approval for any budget revision which would result in the need for additional DOE funds.

(3) *Combined construction and nonconstruction projects.* When a grant or subgrant provides DOE funding for both construction and nonconstruction activities, the grantee or subgrantee shall obtain prior written approval from the awarding party before making any fund or budget transfer

from one activity classification to another.

(c) *Project changes.* The grantee or subgrantee shall obtain the prior written approval of the awarding party whenever any of the following actions is anticipated:

(1) Any revision of the scope or objective of the project (regardless of whether there is an associated budget revision requiring prior approval under paragraphs (b)(1), (b)(2) or (b)(3) of this section).

(2) Designation of a new project director or principal investigator or a significant change in responsibilities of the designated project director or principal investigator under a grant award for a research project.

(3) Under nonconstruction projects, contracting or otherwise obtaining the services of a third party to perform activities which are central to the purposes of the award if such activities are treated as direct costs. This approval requirement is in addition to the approval requirements of § 600.119(c), but does not apply to the procurement of equipment, supplies, and general support services.

(d) *Additional prior approval requirements.* (1) Except as may be authorized under § 600.4 or § 600.105, the awarding party may not require prior approval for any budget revision which is not described in paragraph (b) of this section.

(2) The awarding party may require prior written approval for project revisions other than those described in paragraph (c) of this section.

(e) *Requesting prior approval.* (1) Except as provided in paragraph (e)(2) of this section, a request for prior DOE approval of any budget revision shall be on the same budget format the grantee used in its application to DOE and must be accompanied by a narrative justification for the proposed revision.

(2) A request for a budget revision which, under the applicable Federal cost principles (see § 600.103), requires DOE prior approval may be made by letter.

(3) DOE approval or disapproval of a request for a budget or project revision shall be in writing and signed by a DOE Contracting Officer.

(4) A request by a subgrantee for prior approval shall be addressed in writing to the grantee. The grantee shall promptly review such request and shall approve or disapprove the request in writing. A grantee shall not approve any budget or project revision which is inconsistent with the purpose or terms and conditions of the DOE grant award. If the revision requested by the subgrantee would result in a change to the grantee's approved budget or approved project which requires DOE prior approval, the grantee shall obtain DOE approval before approving such revision.

(5) Within 30 days after receiving a request for prior approval, the awarding party shall send the requesting party a written notice stating whether the proposed revision has been approved or disapproved, or the date when a decision is expected to be made.

§ 600.115 Performance reports.

(a) *General.* A grantee shall periodically assess and report to DOE progress in meeting the project objectives of the grant award. The requirements for such performance reports shall be described in any solicitation and shall be set forth in the terms and conditions of the award. The award shall specify the objectives the grantee is to achieve in performing the project, the report form or format to be used, and the frequency of required performance reports, and shall indicate whether performance shall be reported on a project, function, or activity basis.

(b) *Contents of performance reports.* Performance reports shall include:

(1) A comparison of the grantee's accomplishments with the objectives established for the reporting period, including quantification related to cost or other data if required by the terms and conditions of the award, as well as the findings of the investigator, if applicable;

(2) Reasons why established objectives were not met; and

(3) Other pertinent information, including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(1) *Letter of credit.* A letter of credit is an instrument certified by an authorized Federal official that authorizes a grantee to draw funds needed for immediate disbursement in accordance with the provisions of Treasury Circular 1075. The grantee must comply with Treasury Circular 1075 guidelines (31 CFR Part 205) and instructions from the administering payment office in making withdrawals under the letter of credit and in reporting on cash disbursements and balances. Except as provided in paragraph (c) of this section, a letter of credit shall be used by DOE when:

(i) There is or will be a continuing relationship between a grantee and DOE for at least a 12-month period and the total amount of funds to be advanced by DOE to the grantee within that period is \$120,000 or more; and

(ii) The grantee's financial management system meets the standards for fund control and accountability specified in § 600.109(b), including procedures or planned procedures that will minimize the time elapsing between the transfer of funds from the U.S. Treasury and their disbursement by the grantee.

(2) *Advance by Treasury check.* Advance by Treasury check is a payment made upon request before the grantee makes cash outlays. DOE shall use this method when the grantee meets the requirements of paragraph (b)(1)(ii) of this section but not those of paragraph (b)(1)(i).

(i) The timing and amount of cash advances to the grantee shall be as close as is administratively feasible to the actual disbursement of funds by the grantee.

(ii) If a grantee meets the requirements for advance payment, the duration of the project is 12 months or less, and the amount of the DOE award is less than \$10,000, DOE may advance the entire award amount in a single Treasury payment.

(c) *Reimbursement by Treasury check.* DOE may use a reimbursement by Treasury check method of payment if the grantee does not meet the requirements of paragraph (b)(1)(ii) of this section. DOE may also use the reimbursement method if the major por-

tion of the project or activity will be financed by private financing or Federal loans, with the DOE grant representing 25 percent or less of the total cost.

(1) For construction grants, DOE may use the reimbursement method unless DOE has an agreement with the grantee to use a letter of credit for all DOE grants, including construction grants.

(2) Grantees and subgrantees shall not be reimbursed for amounts that are to be withheld from contractors to assure satisfactory completion of contractual work under a grant or subgrant. Such amounts shall be paid only after the grantee or subgrantee makes the final payment to the contractor, including the amount withheld.

(3) DOE shall make payment within 30 days of a request for reimbursement, unless the request is improper or questionable.

(d) *Conversion from advance payment method.* DOE may convert a grantee from advance payment to reimbursement whenever the grantee no longer meets the criteria for advance payment specified in paragraph (b)(1)(ii) of this section. Any such conversion may be accomplished only after DOE has advised the grantee in writing of the reasons for the proposed action and has provided a period of at least 30 days within which the grantee may take corrective action or provide satisfactory assurances of its intention to take such action.

(e) *Requests for payment.* Grantees shall request payment on the forms specified in § 600.116.

(f) *Withholding of payment.* Unless otherwise required by statute, DOE shall not withhold payment for proper charges unless:

(1) DOE has made a determination of noncompliance in accordance with § 600.121. If DOE withholds payment without suspension or termination of the grant, DOE shall release withheld payments to the grantee after compliance is achieved. If the grant has been suspended or terminated, payment adjustments shall be governed by § 600.122; or

(2) The grantee owes money to the United States and collection of the

debt by withholding grant payments would not impair the accomplishment of program objectives. Payment of the debt may also be accomplished by accounting adjustments to cash balances in the possession of the grantee for which the grantee is accountable to the Federal government.

(3) Before withholding any payment, DOE shall notify the grantee that payments shall not be made for obligations incurred after a specified date, which shall ordinarily be no sooner than 30 days from the date of the notice, until the grantee corrects the noncompliance or pays the indebtedness to the Federal government. (See also § 600.121 for notification of non-compliance.)

(g) *Assignment of payments.* (1) With prior DOE approval and in accordance with written DOE instructions, a grantee may assign to a bank, trust company or other financing institution, including any Federal lending agency, reimbursement by Treasury check due from DOE under the following conditions:

(i) The grant provides for reimbursement totaling \$1,000 or more;

(ii) The assignment covers all amounts payable under the grant that have not already been paid;

(iii) Reassignment is prohibited; and

(iv) The assignee files a written notice of grant payment assignment and a true copy of the instrument of assignment with DOE.

(2) Any interest costs resulting from a loan obtained on the basis of an assignment are unallowable charges to DOE grant funds or any required cost sharing.

(h) *Payments to subgrantees.* Grantees shall observe the requirements of this section in making or withholding payments to subgrantees except that the forms used by grantees are not required to be used by subgrantees when requesting advances or reimbursement.

§ 600.113 Program income.

(a) *General.* Grantees and subgrantees shall be required to account for income earned from activities supported by a grant or subgrant and income resulting from DOE grant support as

indicated in paragraphs (b) through (f) of this section.

(b) *Income resulting from advances of DOE funds.* With the exception of States and instrumentalities of a State, as defined in the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213), and their subgrantees, a grantee shall remit to DOE any interest or other investment income earned on advances of DOE funds.

(c) *Proceeds from the sale of real or tangible personal property.* The grantee or subgrantee shall account for proceeds from the sale of real property, equipment, and supplies in accordance with § 600.117.

(d) *Royalties.* The awarding party shall have no right to any royalties received by a grantee or subgrantee as a result of a copyright or a patent obtained on copyrightable material or an invention produced under the grant or subgrant unless required by the terms and conditions of the grant or subgrant award.

(e) *General program income—(1) Scope.* The grantee or subgrantee shall retain all their program income (exclusive of the types of program income covered by paragraphs (b), (c) and (d) of this section), which shall be treated as general program income. Such income includes, but is not limited to, income in the form of fees for services, proceeds from the sale of energy, and usage or rental fees if the activity from which the income was earned was treated, in whole or in part, as a direct cost of the grant or subgrant and either funded by DOE or counted toward meeting a cost sharing requirement of the award. General program income does not include revenue such as taxes raised by a government under its governing power, tuition and related fees received by an institution of higher education for a regularly offered course taught by an employee performing under a grant or subgrant, or internal reimbursements or transfers of funds between components of the same legal entity (e.g. between agencies of a State government).

(2) *Grantee accountability.* The grantee shall report general program income on the Financial Status Report (SF-269) (OMB Nos. 0348-0001 and 1900-0127) or equivalent for the period

or Indian tribal government shall determine the value of services or property donated by non-Federal third parties in accordance with OMB Circular A-102, Attachment F, Paragraph 5. Any other grantee or subgrantee shall make such determinations in accordance with OMB Circular A-110, Attachment E, Paragraph 5.

§ 600.108 Calculation of award.

(a) *Total approved budget.* "Total approved budget" means the amount of costs authorized to be incurred during the budget period, as shown on the Notice of Financial Assistance Award, by a grantee and any subgrantee or contractor as well as the estimated value of in-kind contributions, to carry out an approved project. The total approved budget consists of DOE funds for both direct and indirect costs and any required cost sharing. The total approved budget shall indicate the maximum amount of funds DOE shall provide and the minimum amount or percentage of any cost sharing the grantee is required to provide.

(b) *Excess funds.* A grantee must notify DOE whenever it becomes apparent to the grantee that the amount of DOE funding authorized is expected to exceed its needs by more than \$5,000 or five percent of the DOE award, whichever is greater. DOE may reduce the DOE award by an amount which does not exceed the total amount of excess funds.

(c) *Unobligated balances.* DOE may authorize all or a portion of any unobligated balance remaining at the end of a budget period (see § 600.116) for expenditure by a grantee in the subsequent budget period. Unobligated balances may be used after the end of a budget period only if authorized by DOE in the total approved budget shown in an amended Notice of Financial Assistance Award.

(1) DOE's authorization to a grantee to expend an unobligated balance in the subsequent budget period may either offset or increase the new DOE funding provided for the subsequent budget period. In either case, any maximum DOE share established by statute or program rule shall not be exceeded. If an estimated unobligated

balance is used in determining the total approved budget for the succeeding budget period, DOE may make an appropriate downward adjustment if the funding available to the grantee exceeds the DOE share of the total approved budget for that budget period. An upward adjustment may be made only if the grantee needs additional DOE funds and sufficient appropriated funds are available.

(2) Funds paid to the grantee which are unobligated at the end of the project period or when the grant is terminated shall be returned to DOE or be accounted for in accordance with DOE instructions.

(d) *Adjustments.* Whenever DOE adjusts the amount of an award under this subpart, it shall also make an appropriate upward or downward adjustment to the amount of required cost sharing in order that the adjusted award maintain any required percentage of DOE and non-Federal participation in the costs of the project.

§ 600.109 Financial management systems.

(a) *General.* Except as provided in paragraph (c) of this section, grantees and subgrantees shall have financial management systems which meet the minimum standards set forth in paragraph (b) of this section.

(b) *Minimum standards.* At a minimum, grantee and subgrantee financial management systems must provide for:

(1) Accurate, current, and complete disclosure of the financial results of each project (see § 600.116 for financial reporting requirements for grantees).

(2) Records that identify adequately the source and application of funds for the financially assisted project, including information pertaining to Federal awards, subgrant awards, authorizations, obligations, unobligated balances, assets, outlays, income, and liabilities.

(3) Effective control over and accountability for all funds, property, and other assets. Grantees and subgrantees shall adequately safeguard all such funds, property, and assets and shall assure that they are used solely for authorized purposes. The requirements of this paragraph (b)(3)

with respect to control and safeguarding of property shall apply to all property, including exempt property, which is required to be managed in accordance with § 600.117.

(4) Comparison of actual expenditures with approved budget amounts for each grant or subgrant, and, if required by the terms and conditions of the award, the relation of financial information to performance and unit cost data.

(5) Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and their disbursement for grant or subgrant purposes (see § 600.112).

(6) Procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the provisions of the applicable Federal cost principles and other terms and conditions of the award or subaward.

(7) Accounting records that are supported by source documentation, such as cancelled checks, paid bills, payrolls, contract documents, etc.

(8) A systematic method to assure timely and appropriate resolution of audit findings and recommendations (see § 600.120 for postaward audit requirements).

(c) *Individuals.* Individuals whose financial management systems do not meet the minimum standards of paragraph (b) of this section shall maintain a separate bank account for deposit of grant or subgrant funds. Disbursements by the grantee or subgrantee from this account shall be supported by source documentation such as cancelled checks, paid bills, receipts, payrolls, etc.

(d) *System reviews.* The awarding party may review the adequacy of an applicant's financial management system as part of a preaward review or at any time subsequent to award (see §§ 600.104 and 600.120). The awarding party shall rely, to the extent possible, on readily available sources of information, such as previous audit reports, to make any preaward assessment of the adequacy of the applicant's financial management system. The awarding party shall seek additional information from the applicant or perform an on-site preaward review only if nec-

essary to assure prudent management of DOE funds.

§ 600.110 Cash depositories.

Grantees and subgrantees shall comply with the standards governing cash depositories for advance payments (see § 600.112(b)) contained in Attachments A of OMB Circulars A-102 and A-110.

§ 600.111 Bonding and insurance.

(a) The grantee or subgrantee shall use its regular bonding and insurance requirements unless the awarding party specifies either or both of the following requirements in the award:

(1) If the cost of a contract or subcontract for construction or facility improvement, including alteration and renovation of real property, exceeds \$100,000, a bid guarantee, performance bond, and payment bond, as defined in Attachments B of OMB Circulars A-102 and A-110, shall be required.

(2) A nongovernmental grantee or subgrantee may be required to obtain or acquire additional fidelity bond coverage if the risk without such coverage would be unacceptable.

(b) Any bonds required under paragraph (a)(1) or (a)(2) of this section shall be obtained from companies holding certificates of authority as acceptable sureties (31 CFR Part 223).

§ 600.112 Payment.

(a) *General.* The awarding party shall select the payment method under a grant or subgrant with the objective of minimizing the time elapsing between the transfer of funds from the U.S. Treasury and their disbursement by the grantee or subgrantee for grant or subgrant purposes. DOE shall use the appropriate advance payment method described in paragraph (b) of this section in making payments to a grantee except that payments to a foreign organization shall be made in accordance with Department of Treasury policy applicable to such transactions.

(b) *Advance payment methods.* Advance payments may be made either through a letter of credit or by Treasury check.

applicant is not in compliance or cannot or will not comply with the standards and requirements, DOE shall determine that the applicant is not responsible and may use special restrictive conditions (see § 600.105) or disapprove the application.

(c) The grantee shall assure that applicants for subgrants comply with applicable management standards and generally applicable requirements as provided in paragraphs (a) and (b) of this section.

§ 600.105 Special restrictive conditions of award.

(a) *General.* DOE may, in accordance with this section and without following the deviation procedures of § 600.4, use award conditions which are more restrictive than those specified in this subpart.

(b) *DOE procedures.* Before or at the time of award, DOE shall advise the applicant/grantee whenever DOE has determined that the applicant/grantee is not responsible on the basis of one or more of the following:

- (1) Financial instability;
- (2) A history of poor performance;

or

(3) A management system which does not meet the requirements of this subpart.

DOE shall provide the applicant/grantee with an explanation of why any special restrictive condition is necessary and shall indicate what corrective action must be taken. If the applicant/grantee is one covered by OMB Circular A-102 or A-110 and if the condition is more restrictive than is allowed by those Circulars, the Director or his or her designee shall notify OMB and other interested parties.

(c) *Subgrantees.* A grantee may place a special restrictive condition, as specified in paragraphs (a) and (b) of this section, in a subgrant award. In any such case, the grantee must notify DOE in writing within 15 days of the subgrant award. DOE shall decide whether to notify OMB and other interested parties.

§ 600.106 Funding.

(a) *General.* The project period during which DOE expects to provide grant support for an approved project

shall be specified on the Notice of Financial Assistance Award (DOE Form 4600.1). For formula grant programs, the project period is the period of time covered by an approved State plan. As indicated in paragraphs (b) and (c) of this section, a project period may consist of one or more budget periods.

(b) *Budget period and continuation awards.* If the project period is 12 months or less, the budget period and the project period shall be coextensive. Except as provided in paragraph (c) of this section, multiyear grants, including formula grants, shall be funded annually within the approved project period. Funding for each budget period within the project period shall be contingent on DOE approval of a continuation application submitted in accordance with a schedule specified by DOE (see § 600.102(c)). A continuation application shall include—

(1) A statement of technical progress or status of the project to date (see § 600.115(d)(1));

(2) A detailed description of the grantee's plans for the conduct of the project during the coming year; and

(3) A detailed budget for the upcoming budget period, including an estimate of unobligated balances (see § 600.108(c)). DOE shall review a continuation application for the adequacy of the grantee's progress and planned conduct of the project in the subsequent budget period. DOE shall not require a continuation application to compete against any other application. The amount and award of continuation funding is subject to the availability of appropriations.

(c) *Renewal awards.* DOE shall issue a solicitation before making any discretionary renewal award. If DOE proposes to restrict eligibility to apply to the incumbent grantee, the restriction of eligibility shall be justified as in § 600.7(b). Renewal applications must be submitted no later than five months prior to the scheduled expiration of the project period unless the solicitation establishes a different application deadline. Before DOE may make a renewal award for a formula grant, the grantee must submit a revised or amended State plan in accord-

ance with program rules and other instructions from DOE.

(d) *Extensions.* In order to allow a grantee to complete a project, DOE may extend the project period and final budget period by revising the scheduled expiration date without the need for competition or a detailed application if:

(1) The additional time necessary to complete the project is less than 18 months in total, and

(2) The grantee submits a written request for such an extension prior to the expiration date of the project period and includes a budget for the use of any remaining funds or any additional funds requested.

(e) *Exceptions.* A single budget period exceeding 12 months may be coextensive with the project period only if:

(1) Required by statute; or

(2) The project is primarily for construction, alteration and renovation, or acquisition of real property, or other type of activity that requires an extended funding commitment by DOE and for which an annual continuation review is inappropriate; or

(3) At the time of award, the total period of DOE support is expected to be less than 18 months.

§ 600.107 Cost sharing.

(a) *General.* DOE shall specify in the solicitation or in the program rule, if any, and in the award document, the minimum amount or percentage of any required cost sharing.

(b) *Nonstatutory cost sharing.* If DOE requires that a grantee provide cost sharing which is not required by statute or which exceeds a statutory minimum, DOE shall state in the program rule or solicitation the reasons for requiring such cost sharing, recommended or required levels of cost sharing, and the circumstances under which the requirement for cost sharing may be waived or adjusted during any negotiation.

(c) *Negotiation.* Whenever DOE negotiates the amount of cost sharing, DOE may take into account such factors as the use of program income (see § 600.113), patent rights, and rights in data. For the fee or profit shall not

be considered in establishing the extent of cost sharing.

(d) *Composition and source of cost sharing.* (1) Cost sharing may be derived from any of the following—

(i) Costs incurred by the grantee (or subgrantee) whether or not they require a cash outlay;

(ii) Cash contributed to the grantee or subgrantee(s) by non-Federal public or private organizations and individuals; or

(iii) The value of goods, including the use of property, or services donated to the grantee or subgrantee(s) by non-Federal public or private organizations and individuals (third-party in-kind contributions).

(2) To be allowable as cost sharing, a cash or in-kind contribution must:

(i) Be verifiable from the records of the grantee, subgrantees, or third parties, as applicable. Such records must show how the value placed on an in-kind contribution was determined (see paragraph (e) of this section);

(ii) Not be included as a cost or contribution for satisfying a cost sharing or matching requirement of another project or program receiving Federal funding, whether as financial assistance, under a procurement contract, or otherwise;

(iii) Be allowable under the terms and conditions of the award and meet the applicable cost principle tests of allowability (see § 600.103(b)); and

(iv) The source of the contribution may not be costs supported by another Federal assistance award unless such use is permitted by Federal statute. This restriction does not apply to:

(A) General program income, as defined in § 600.113, earned by a grantee or subgrantee under a contract under another Federal assistance award; and

(B) General revenue sharing funds under 31 U.S.C. 122 *et seq.* or counter-cyclical revenue sharing funds under 42 U.S.C. 8721 *et seq.*

(3) General program income may be used to meet a cost sharing requirement of the grant under which the income was earned only if such use is authorized by the award (see § 600.113(e)).

(e) *Valuation of in-kind contributions.* A grantee or subgrantee that is a State government, local government,

award (see § 600.106 (b) and (c)) be made in the format or on the forms authorized by paragraphs (a) and (b) of this section. However, when applying for a continuation award, grantees that are State governments, local governments, or Indian tribal governments are required to submit only those pages of the application form that contain information different from that provided in the original application.

(Approved by the Office of Management and Budget under control numbers 0348-0005-0348-0009)

§ 600.103 Cost determinations.

(a) *General.* Except as otherwise specified by the governing program statute, program rule, or other terms and conditions of an award, costs allowable under DOE grant awards shall be determined in accordance with the applicable cost principles cited in paragraph (b) of this section. As part of an acceptable financial management system under § 600.109(b), grantees and subgrantees must have procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the applicable Federal cost principles and the terms and conditions of the award.

(b) *Cost principles.* The following cost principles shall apply to grants as specified.

(1) OMB Circular A-21—Cost Principles Applicable to Grants, Contracts and Other Agreements with Institutions of Higher Education.

(2) OMB Circular A-87—Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments. These cost principles shall also apply to grants to Indian tribal governments and to foreign governments to the extent appropriate.

(3) OMB Circular A-122—Cost Principles Applicable to Grants, Contracts and Other Agreements with Nonprofit Organizations. Nonprofit organization in this context refers to a private, nonprofit organization other than a nonprofit institution of higher education or hospital. However, a few nonprofit organizations, as specifically listed in Attachment C to OMB Circular A-122, are subject to the commercial cost

principles as specified in paragraph (b)(5) of this section. OMB Circular A-122 shall also apply to grants to individuals.

(4) 45 CFR Part 74, Appendix E, Cost Principles for Hospitals.

(5) 48 CFR 31.2 (Federal Acquisition Regulation) as modified by 48 CFR 931.2 (DOE Acquisition Regulations) for grants to for-profit organizations (other than for-profit hospitals) including corporations, partnerships, and sole proprietorships.

(c) *Subgrantees and contractors.* For subgrants, the grantee shall use the cost principles cited in this section that apply to the subgrantee. The grantee or subgrantee shall specify in any cost-reimbursement contract the applicable cost principles, which shall be the cost principles cited in this section that apply to the contractor.

(d) *Deviations.* Unless required by program statute, the awarding party may deviate from the requirements of the cost principles only after obtaining approval in accordance with § 600.4.

(e) *Approval requirements.* Costs that, by the terms of the cost principles or other terms or conditions of the award, subaward, or contract, require the approval of the awarding party shall be considered to have met the requirement for approval if they are included in the approved direct cost budget or in an approved indirect cost amount, proposal, or cost allocation plan. If the costs are to be charged as direct costs and they are not in the approved budget, specific prior written approval must be obtained from the designated DOE Contracting Officer, the grantee, or the subgrantee, as appropriate, before such costs are incurred by the grantee, subgrantee, or cost-type contractor (see § 600.114). No approval may be given which is inconsistent with the purpose of the grant or which deviates without authorization from the terms and conditions of the DOE award (see § 600.4). See § 600.114 for procedures for requesting prior approval under this paragraph. See paragraph (f) of this section with respect to indirect costs.

(f) *Indirect costs.* Unless restricted by Federal statute or program rule,

DOE shall provide for the reimbursement of appropriate indirect costs.

(1) DOE shall include an amount for indirect costs in an award only if the application requests reimbursement of such costs and—

(i) Submits evidence that the applicant has been assigned to cognizant Federal agency responsible for establishment of indirect cost rates and indicates or provides evidence that—

(A) A current agreement containing an applicable approved indirect cost rate(s) covering all or part of the budget period for which DOE may provide funding has been established; or

(B) An indirect cost proposal has been submitted to the cognizant agency in order to establish an applicable approved indirect cost rate(s) covering all or part of the budget period for which DOE may provide funding; or

(C) An indirect cost proposal covering all or part of the budget period and applicable to the activities for which DOE may provide funding will be submitted to the cognizant agency for approval no later than three months after the beginning date of the initial budget period of the DOE award or, for subsequent budget periods, in accordance with any schedule established by the cognizant agency; or

(ii) If not assigned to a cognizant agency, the applicant includes, in the application, data that is current, complete, accurate, and sufficient to allow the DOE Contracting Officer to determine a rate(s) for indirect costs. If the total approved budget will not exceed \$100,000 or if the amount requested for indirect costs does not exceed \$5,000, DOE may waive the requirement for negotiation of a rate and, in lieu thereof, provide a reasonable allowance for such costs.

(2) Indirect cost proposals shall be prepared and submitted in accordance with the applicable Federal cost principles and instructions from the cognizant agency or from DOE, as appropriate.

(3) If a subgrant or contract under a grant or subgrant provides for the payment of indirect costs, the grantee or subgrantee shall be responsible for

negotiating appropriate indirect costs, using the cost principles applicable to the subgrantee or contractor, unless the subgrantee or contractor has negotiated an applicable rate directly with DOE or another Federal department or agency. DOE may review and audit the procedures a grantee or subgrantee uses in conducting indirect cost negotiations.

(g) *Preaward costs.* Costs incurred prior to the beginning date of a new or renewal award are allowable only if approved in writing, prior to incurrence, by a DOE Contracting Officer.

(h) *Fee or profit.* No increment above cost may be paid to a grantee or subgrantee under a DOE grant or subgrant. A fee or profit may be paid to a contractor providing goods or services under a contract with a grantee or subgrantee.

(i) Interest penalties for late payment under a contract shall not be an allowable cost of a grant or subgrant (see § 600.119(e)).

(Secs. 644 and 646, Pub. L. 95-91, 91 Stat. 599 (42 U.S.C. 7254 and 7256); Pub. L. 95-224, 92 Stat. 3 (41 U.S.C. 501))

(47 FR 44091, Oct. 5, 1982, as amended at 49 FR 31392, Aug. 7, 1984)

§ 600.104 Responsible applicant.

(a) The signature of the applicant or an authorized official of the applicant organization on the application shall represent the applicant's preaward assurance that it is in compliance with or shall comply with—

(1) The standards for management of funds, property, and other assets, and the procurement of goods and services, as specified in this subpart and in the solicitation, if any;

(2) Generally applicable requirements which require such an assurance except that a separate signed assurance is required by § 1040.4; and

(3) The terms and conditions of the award as described in the program rule, the solicitation, and the award part.

(b) DOE reserves the right to make a preaward review of the applicant's ability to manage and account for a DOE grant, if awarded, or to determine compliance with generally applicable requirements. (See § 600.120 for postaward audit requirements.) If the

ipient noncompliance, or such actions authorized by program rule;

(v) Any DOE decision about an action requiring prior DOE approval, under §§ 600.112(g), 600.119, or 600.271 of this part or under another term or condition of the award;

(vi) A DOE decision not to make a continuation award, which decision is based on the insufficiency of available appropriations;

(vii) Any matter which is under the jurisdiction of the Patent Compensation Board (10 CFR 780.3);

(viii) Any matter which may be heard by the Invention Licensing Appeals Board (10 CFR 781.65 and 781.66); or

(ix) Any other dispute not described in paragraph (d)(2) of this section.

(2) In addition to any right of appeal established by program rule, or by the terms and conditions (not inconsistent with paragraph (d)(1) of this section) of an award, the Board shall have jurisdiction to review:

(i) A DOE determination that the recipient has failed to comply with the applicable requirements of this part, the program statute or rules, or other terms and conditions of the award;

(ii) A DOE decision not to make a continuation award based on any of the determinations described in paragraph (d)(2)(i) of this section;

(iii) Termination of an award for cause, in whole or in part, by DOE;

(iv) A DOE determination that an award is void or invalid;

(v) The application by DOE of an indirect cost rate; and

(vi) DOE disallowance of costs.

(3) In reviewing disputes authorized under paragraph (d)(2) of this section, the Board shall be bound by the applicable law, statutes, and rules, including the requirements of this part, and by the terms and conditions of the award.

(4) The decision of the Board shall be the final decision of the Department.

(48 FR 34404, July 28, 1983)

§ 600.27 Debarment and suspension.

Applicants, recipients, subrecipients, and contractors under financial assistance awards may be debarred and suspended for the causes and in accord-

ance with the procedures set forth in 10 CFR Part 1035.

(49 FR 4325, Feb. 3, 1984)

Subpart B—Grants

SOURCE: 47 FR 44091, Oct. 5, 1982, unless otherwise noted.

§ 600.100 Scope and applicability.

(a) This subpart establishes requirements for the award and administration of grants and subgrants. For grants, subgrants, and contracts under grants and subgrants, this subpart implements OMB Circulars A-102, A-110, and the Federal cost principles.

(b) The requirements of this subpart shall apply as indicated in § 600.2. In addition, the noncompliance procedures of §§ 600.121 and 600.122 and the closeout procedures of § 600.123 shall apply to any active grant and, in the case of the closeout procedures, to any terminated or expired grant which has not been closed out prior to the effective date of this part, provided, however, that any noncompliance determination involving an active grant is initiated on or after the effective date of this part. With the concurrence of the affected party or parties, DOE may follow the procedures set forth in § 600.122 in any suspension or termination action initiated before the effective date of this part.

§ 600.101 Definitions.

For purposes of this subpart—

“Closeout” of a grant means the process by which DOE determines that all applicable administrative actions and all required work under the grant have been completed by the grantee and by DOE.

“Cognizant agency” means the Federal department or agency responsible for negotiating indirect cost rates, conducting audits, correcting systems deficiencies, and resolving questioned costs of a particular grantee organization.

“Cost-reimbursement contract” means a contract, or subcontract under a cost-reimbursement contract, under which payment is made on the basis of allowable costs incurred during performance up to a maximum

amount set forth in the contract or subcontract.

“Direct cost” means any cost that can be specifically identified with a particular project or activity, including salaries, travel, equipment and supplies directly benefiting the project or activity.

“Formula grant” means a grant DOE is required to make to any one or more eligible applicants who meet statutory prerequisites for award. The amount of a formula grant award is determined in accordance with a formula specified either in the authorizing statute or in implementing program rules.

“Grantee” means the government, nonprofit corporation, individual, or other entity to whom DOE awards a grant and who is financially accountable to DOE for the use of the funds awarded and legally responsible for the performance of the project or activity(ies). An organizational grantee shall be the entire organization even if the activity or project is performed by a component part of the organization.

“Indirect cost” means a cost incurred by an organization for common or joint objectives and which cannot be identified specifically with a particular project or activity.

“Indirect cost rate” means the ratio, expressed as a percentage, of an organization's total indirect costs to its direct cost base as specified in the applicable cost principles.

“In-kind contribution” means property, services, or other noncash contribution, made by the grantee, subgrantee, or non-Federal third party, which directly benefits and can be specifically identified with a project or activity, and to which a value is assigned for purposes of cost sharing.

“Small entity” means a “small business” (as defined in § 600.3), “small governmental jurisdiction,” or “small organization.”

“Small governmental jurisdiction” means a government of a city, county, town, township, village, school district, or special district with a population of less than fifty thousand.

“Small organization” means any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.

“Subgrant” means an award of funds or other type of financial assistance authorized by statute by a grantee to an eligible subrecipient.

§ 600.102 Grant applications.

(a) *General.* An application for a grant shall be on the form or in the format specified in a program rule, in the solicitation, or in this part (see § 600.10). DOE may also require applicants to complete—

(1) The Notice of Energy RD&D Project (DOE Form 538) if the application is for a research, development, or demonstration project; or

(2) The Management Summary Report (EIA-459E) or the Milestone Plan (EIA-459B) as a baseline plan in accordance with the Uniform Reporting System for Federal Assistance (Grants and Cooperative Agreements) (DOE/MA-0001) if required by program rule or the solicitation. If a solicitation other than a program rule requires the use of one or both of these forms, the solicitation shall contain an explanation of how the information to be provided relates to the objectives of the program.

(b) *Budgetary information.* DOE may request and the applicant shall submit the minimum budgetary information necessary to evaluate the costs of the proposed project.

(1) All applicants shall use the budget formats contained in OMB Circular A-102, as duplicated in the DOE Uniform Reporting System for Federal Assistance.

(2) DOE may, subsequent to receipt of an application, request additional information from an applicant when necessary for clarification or to make informed preaward determinations under § 600.103.

(c) *Continuation and renewal applications.* DOE may require that an application for a continuation or renewal

protect DOE interests or to achieve program objectives, and those which may be required to be included on an instrument-by-instrument basis, (e.g. reporting requirements and payment method).

(g) The approved budget for the budget period, including any modifications resulting from negotiation.

(h) A reference to or inclusion of the approved application and/or State plan, or other statement of the purpose and objectives of the approved project (e.g. statement of work).

(i) The names, addresses and telephone numbers of recipient and DOE staff with responsibilities for the project.

(j) Any other provisions necessary to establish the respective rights, duties, obligations, and responsibilities of DOE and the recipient, consistent with the requirements of this part.

§ 600.22 Recipient acknowledgement of award.

(a) After signature by the DOE Contracting Officer, the award shall be sent to the applicant. The applicant shall be required to return a signed copy of the award acknowledging acceptance.

(b) The award, when mailed to the applicant, shall be accompanied by a transmittal letter or other written notice indicating the date by which the award must be acknowledged and returned. The date established by DOE shall be not less than two weeks from the date of the notice. No DOE funds shall be disbursed until the award document signed by the recipient is received by DOE.

(1) In the event an applicant declines an award or fails to acknowledge acceptance of an award, DOE shall deobligate the funds obligated by the award after providing the applicant with at least two weeks written notice of DOE's intention to deobligate.

(2) In the event a recipient acknowledges acceptance of an award but does not commence performance under the award within a reasonable period of time, DOE may terminate the award in accordance with the applicable provisions of this part.

(c) After the recipient acknowledges the award, the terms and conditions of

the award may be amended only upon the written request or with the written concurrence of the recipient unless the amendment is one which DOE may make unilaterally in accordance with a program rule or this part.

§ 600.23 Notification to unsuccessful applicants.

(a) DOE shall promptly notify in writing each applicant whose application has not been selected for award or whose application cannot be funded because of the unavailability of appropriated funds. If the application was not selected, the written notice shall briefly explain why the application was not selected and, if for grounds other than unavailability of funds, shall offer the unsuccessful applicant the opportunity for a more detailed explanation upon request. If the notice of non-selection involves a solicited application, the unsuccessful applicant may specify, in its request for a more detailed explanation, any objections to or apparent defects in the selection procedures followed by DOE.

(b) In the case of a State plan disapproval, DOE shall follow the notification procedures contained in the applicable statute or program rule.

[47 FR 44083, Oct. 5, 1982, as amended at 48 FR 34404, July 28, 1983]

§ 600.24 Maximum DOE obligation.

The maximum DOE obligation to the recipient is—

(a) For monetary awards, the amount shown in the award as the amount of DOE funds obligated, and

(b) Any designated property.

DOE shall not be obligated to make any additional, supplemental, continuation, renewal, or other award for the same or any other purpose.

§ 600.25 Access to records.

(a) *Recipient records.* DOE and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access to any books, documents, papers, or other records of a recipient that are directly pertinent to the DOE financial assistance award, in order to make audit, examination, excerpts, and transcripts.

(b) *Subrecipient records.* DOE, the Comptroller General of the United States, and the recipient, or any of their authorized representatives, shall have the right of access to any books, documents, papers, or other records of a subrecipient which are directly pertinent to the financial assistance subaward, in order to make audit, examination, excerpts, and transcripts.

(c) *Contractor and subcontractor records.* With respect to any negotiated contract or subcontract in excess of \$10,000 under a grant or cooperative agreement, DOE, the Comptroller General of the United States, the recipient and (if the contract was awarded under a financial assistance subaward) the subrecipient, or any of their authorized representatives shall have the right of access to any books, documents, papers, or other records of the contractor or subcontractor which are directly pertinent to that contract or subcontract, in order to make audit, examination, excerpts, and transcripts.

(d) *Duration of access right.* The right of access may be exercised for as long as the applicable records are retained by the recipient, subrecipient, contractor, or subcontractor. (See § 600.124 and § 600.271 for record retention requirements for grants and cooperative agreements, respectively.)

§ 600.26 Disputes and appeals.

(a) *Final determination.* Whenever practicable, DOE shall attempt to resolve informally any dispute over the award or administration of financial assistance. At the initiative of DOE or upon the written request of an applicant for a continuation award or of a recipient, DOE shall mail (by certified mail) a brief written determination signed by a Contracting Officer, setting forth DOE's final disposition of any dispute which is not resolved informally. Such determination shall contain the following information:

(1) A summary of the dispute, including a statement of the issues and of the positions taken by the Department and the party or parties to the dispute; and

(2) The factual, legal and policy reasons for DOE's disposition of the dispute.

(b) *Right of appeal.* Except as provided in paragraph (d)(1) of this section, the final determination under paragraph (a) of this section may be appealed to the Financial Assistance Appeals Board (the Board) in accordance with the procedures set forth in 10 CFR Part 1024. If the final determination under paragraph (a) of this section involves a dispute over which the Board has jurisdiction as provided in paragraph (d)(2) of this section, the Contracting Officer's determination shall state that, with respect to such dispute, the determination shall be the final decision of the Department unless, within 60 days, a written notice of appeal is filed. If the final determination under paragraph (a) of this section involves a dispute over which the Board has no jurisdiction as provided in paragraph (d)(1) of this section, the Contracting Officer's determination shall state that, effective immediately or on a later date specified therein, the determination shall, with respect to such dispute, be the final decision of the Department.

(c) *Effect of appeal.* The filing of an appeal with the Board shall not stay any determination or action taken by DOE which is the subject of the appeal. Consistent with its obligation to protect the interests of the Federal Government, DOE may take such authorized actions as may be necessary to preserve the status quo pending decision by the Board, or to preserve its ability to provide relief in the event the Board decides in favor of the appellant.

(d) *Review on appeal.* (1) The Board shall have no jurisdiction to review:

(i) Any preaward dispute (except as provided in paragraph (d)(2)(ii) of this section), including use of any special restrictive condition pursuant to § 600.105;

(ii) DOE denial of a request for a deviation under § 600.4 of this part;

(iii) DOE denial of a request for a budget revision or other change in the approved project under §§ 600.103, 600.114 or 600.271 of this part or under another term or condition of the award;

(iv) Any DOE action authorized under §§ 600.121(b)(1), (2), (3) or (5) or 600.271 of this part with respect to re-

chemical composition of materials, or manufacturing methods, processes, or treatments, including minor modifications thereof, provided that such data:

(i) Are not generally known or available from other sources without obligation concerning their confidentiality;

(ii) Have not been made available by the owner to others without obligation concerning their confidentiality; and

(iii) Are not already available to the Government without obligation concerning their confidentiality.

(2) "Technical data" means recorded information, regardless of form or characteristic, of a scientific or technical nature. It may, for example, document research, experimental, developmental, demonstration, or engineering work or be usable or used to define a design or process or to procure, produce, support, maintain, or operate material. The data may be graphic or pictorial delineations in media such as drawings or photographs, text in specifications or related performance or design type documents, or computer software (including computer programs, computer software data bases, and computer software documentation). Examples of technical data include research and engineering data, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identification, and related information. Technical data, as used in this section, does not include financial reports, cost analyses, and other information incidental to financial assistance administration.

(c) *Treatment of application information.* (1) An application may include technical data and other data, including trade secrets and/or privileged or confidential commercial or financial information, which the applicant does not want disclosed to the public or used by the Government for any purpose other than application evaluation. To protect such data, the applicant should specifically identify each page including each line or paragraph thereof containing the data to be protected and mark the cover sheet of the application with the following Notice as well as referring to the

Notice on each page to which the Notice applies.

NOTICE

The data contained in pages — of this application have been submitted in confidence and contain trade secrets or proprietary information, and such data shall be used or disclosed only for evaluation purposes, provided that if this applicant receives an award as a result of or in connection with the submission of this application, DOE shall have the right to use or disclose the data herein to the extent provided in the award. This restriction does not limit the Government's right to use or disclose data obtained without restriction from any source, including the applicant.

(2) Unless a solicitation specifies otherwise, DOE shall not refuse to consider an application solely on the basis that the application is restrictively marked.

(3) Data (or abstracts of data) marked with the Notice under paragraph (c)(1) shall be retained in confidence and used by DOE or its designated representatives as specified in § 600.16 solely for the purpose of evaluating the proposal. The data so marked shall not be disclosed or used for any other purpose except to the extent provided in any resulting award, or to the extent required by law, including the Freedom of Information Act (5 U.S.C. 552) (10 CFR Part 1004). The Government shall not be liable for disclosure or use of unmarked data and may use or disclose such data for any purpose.

(4) The Government shall obtain unlimited rights in the technical data contained in any application which results in an award except those portions of the technical data which the applicant asserts and properly marks as proprietary data, or which are not directly related to or will not be utilized in the project and are deleted from the application with the concurrence of DOE.

(5) The following clause, which applies only to technical data and not to other data such as privileged or confidential commercial or financial information shall apply to every award.

RIGHTS TO DATA IN APPLICATION

Except for technical data contained in pages — of the recipient's application,

dated —, which are asserted by the recipient as being proprietary data, it is agreed that as a condition of this award, and notwithstanding the provisions of any notice appearing on the application, the Government shall have the right to use, duplicate, disclose and have others do so for any purpose whatsoever the technical data not identified in the above blanks contained in the application upon which this award is based.

§ 600.19 Application selection.

(a) In deciding which new applications (other than unsolicited applications) or renewal applications for discretionary financial assistance to select for award, DOE shall consider the results of the application evaluation conducted in accordance with established DOE directives, any clearinghouse comments under OMB Circular A-95 (see § 600.11), and other available advice or information as well as published program policy factors, if any. The selection of applications under any given solicitation shall be made by a DOE official at an organizational level which shall be determined based on the aggregate amount available for award under the solicitation.

(b) Program policy factors are factors which the selection official may use to select a range of projects that would best serve program objectives. DOE shall describe in the solicitation any program policy factor that may be used in making selections, the justification for its use, and, if appropriate, the relative priority of each such factor. Examples of program policy factors are:

- (1) Geographic distribution;
- (2) Diverse types and sizes of applicant entities;
- (3) A diversity of methods, approaches, or kinds of work; and
- (4) Projects which are complementary to other DOE programs or projects.

(c) After the selection of an application, DOE may, if necessary, enter into negotiations with an applicant. Such negotiations are not a commitment that DOE will make an award.

(d) See § 600.106 for the selection process for continuation applications for grants and § 600.14 for the selection process for unsolicited applications.

§ 600.20 Legal authority and effect of an award.

(a) A DOE financial assistance award is valid only if it is in writing and is signed by a DOE Contracting Officer.

(b) An award may be made only if DOE approves an application and/or State plan, and if there are sufficient appropriated funds.

(c) DOE funds awarded under a grant or cooperative agreement shall be obligated as of the date the DOE Contracting Officer signs the award; however, the recipient is not authorized to incur costs under an award prior to the beginning date of the budget period shown in the award. The duration of the DOE financial obligation shall not extend beyond the expiration date of the budget period shown in the award unless authorized by a DOE Contracting Officer by means of a continuation or renewal award or other extension of the budget period.

§ 600.21 Contents of award.

Each financial assistance award shall be made on a Notice of Financial Assistance Award which includes the following, as applicable:

(a) Identification information for the project being supported, including a unique instrument number.

(b) The dates of the budget period covered by the award, and if additional funding is contemplated after such period, the expected duration of the project period.

(c) The class of recipient (e.g. state government, educational institution, individual).

(d) The source and amount of DOE funds authorized for obligation by the recipient during the budget period specified; the amount and/or the percentage of any required cost sharing; and estimates of total project costs for the duration of DOE support.

(e) General terms and conditions of the award, including or incorporating by reference the applicable program statute and rules, the applicable subparts of this part, and, as appropriate, generally applicable requirements.

(f) Special terms or conditions of award, including those necessary to

that involves an innovative idea, method or approach. DOE shall determine whether the application would result in a procurement contract or in a grant or cooperative agreement. An unsolicited application may be considered for DOE financial assistance only if the application is relevant to a public purpose of support or stimulation authorized by Federal statute.

(b) *Preapplication contact.* Anyone who is contemplating submitting an unsolicited application is encouraged, before expending extensive effort in preparing a detailed application or submitting any proprietary information to DOE, to make preliminary inquiries of DOE program staff as to DOE interest in the type of project contemplated. The potential applicant should not construe any such discussion as either encouragement to submit an unsolicited application or a promise of an award.

(c) *Preparation and submission of application.* A guide for preparing unsolicited applications/proposals is available from the Unsolicited Proposals Management Section, Reports and Analysis Branch (MA-942), Procurement and Assistance Management Directorate, Department of Energy, 1000 Independence Avenue, S.W., Washington, D.C. 20585.

(1) Unsolicited applications shall be in the format set forth in "The Guide for Submission of Unsolicited Proposals," except that a State government, local government, or Indian tribal government shall use one of the application forms prescribed by OMB Circular A-102, Attachment M, as appropriate. (Approved by OMB under OMB control numbers 0348-0005-0348-0009.)

(2) An unsolicited application must be submitted to the Unsolicited Proposals Management Section at the address specified in paragraph (c) of this section. If there have been prior discussions with a particular DOE program office, and the applicant wants the application to be considered by that office, the applicant should indicate "For consideration by (Name of appropriate program)" on the face of the application.

(d) *General evaluation.* DOE shall make a general evaluation of an unso-

licited application based on the following types of factors:

(1) The overall merit of the proposed project or activity.

(2) The anticipated objectives to be achieved and the probability of achieving the stated objectives.

(3) The facilities or techniques which the applicant proposes to make available to achieve the proposed project's objectives.

(4) The qualifications of the proposed project director or key personnel who are considered to be critical to the achievement of the proposed project's objectives.

(e) *Criteria for selection of an unsolicited application.* (1) DOE may select an unsolicited application only if:

(i) The application is meritorious based on the general evaluation as in paragraph (d) of this section; and

(ii) The proposed project represents a unique or innovative idea, method, or approach which would not be eligible for financial assistance under a recent, current, or planned solicitation, or if, as determined by DOE, a competitive solicitation would be appropriate.

(2) Any request for continuation, renewal, or supplemental funding of a project which was originally funded as the result of an unsolicited application shall be evaluated in the same manner as any other request for such funding and shall not be subject to the selection criterion of paragraph (e)(1)(ii) of this section. (See § 600.106 for requirements concerning funding of grants.)

(f) *Funding.* An award based on an unsolicited application may be made only if sufficient appropriated funds are available.

(g) *Unsuccessful applications.* DOE shall promptly notify in writing each applicant whose application which does not satisfy the requirements of this section. DOE will return unsuccessful unsolicited applications only if requested by the applicant. This request may be made at the time of application or up to 30 days after the date of the written notification required by this paragraph.

§ 600.15 Notice of program interest.

(a) *General.* (1) DOE may publish a periodic Notice of Program Interest in the *FEDERAL REGISTER* and other media, as appropriate, which describes broad, general, technical problems and areas of investigation for which DOE may award grants or cooperative agreements.

(2) DOE shall evaluate any application submitted under a Notice of Program Interest as an unsolicited application (see § 600.14).

(b) *Contents.* In addition to the information required under § 600.9(c), the notice shall include the following:

(1) A brief description of the areas of interest for which DOE may provide financial assistance.

(2) A statement about how resulting applications will be evaluated and the criteria for selection and funding as specified in § 600.14.

(3) An expiration date with an explanation that such a date does not represent a common deadline for applications but rather that applications may be submitted at any time before the notice expires.

(4) The location for application submission, which shall be the Unsolicited Proposals Management Section, Reports and Analysis Branch (MA-942), Procurement and Assistance Management Directorate, Department of Energy, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, unless the notice specifies otherwise.

§ 600.16 Reviewer affiliations.

(a) *General.* New and renewal applications for discretionary financial assistance, whether solicited or unsolicited, shall be evaluated by reviewers appointed by the responsible DOE program official. The DOE program official may supplement DOE review resources with personnel from other Federal agencies or employees of Government-owned contractor-operated facilities, and, when necessary, may use external review, such as peer review, instead of or in addition to internal evaluation, with the objective of having the technical/scientific evaluation conducted by the most qualified individuals available.

(b) *Solicitation information.* For solicited applications, if the types of reviewers are known at the time of solicitation, or if there is a potential for the use of non-DOE evaluators, this information shall be included in the solicitation.

(c) *Outside evaluators.* An outside evaluator shall be required to sign a written statement agreeing to use the application information only for evaluation and to treat it in confidence except to the extent that the information is available to the general public without restriction as to its use from any source, including the applicant. Further, the evaluator shall be required to agree to comply with any notice or restriction placed on the application; upon completion of the evaluation, the evaluator shall return all copies of the application (or abstracts, if any) to DOE; and unless authorized by DOE, the evaluator shall not contact the applicant concerning any aspect of the application.

§ 600.17 Conflict of interest.

Any person who participates in the review of applications for DOE financial assistance or in the administration of DOE financial assistance shall comply with §§ 1010.101(a) and 1010.302(a)(1) of the DOE rules on the conduct of employees at 10 CFR Part 1010. Current and former DOE employees who participate in any aspect of the financial assistance process shall comply with all applicable requirements of 10 CFR Part 1010.

§ 600.18 Authorized uses of information.

(a) *General.* Information contained in applications shall be used only for evaluation purposes unless such information is generally available to the public, is already the property of the Government or the Government already has unrestricted use rights, or is or has been made available to the Government from any source, including the applicant, without restriction.

(b) *Definitions.* For purposes of this section—

(1) "Proprietary data" means technical data which embody trade secrets developed at private expense, such as design procedures or techniques,

ence to Catalog of Federal Domestic Assistance Number 81.063, and the name and address of the DOE office from which additional information and loan application forms can be obtained;

(10) A deadline for submission of applications and a statement describing the consequences of late submission;

(11) The types of projects or activities eligible for support;

(12) Evaluation criteria (and the weight or relative importance of each), which may include one or more of the following or other criteria, as appropriate:

(i) Qualifications of the applicant's personnel who will be working on the project;

(ii) Adequacy of the applicant's facilities and resources;

(iii) Cost-effectiveness of the project;

(iv) Adequacy of the project plan or methodology;

(v) Management capability of the applicant;

(vi) Sources of financing (other than DOE financial assistance) available to the project;

(vii) Relationship of the proposed project to the objectives of the solicitation;

(13) A listing of program policy factors, if any, indicating the relative importance of each, if appropriate (see § 600.19(a));

(14) References to or copies of:

(i) Statutory authority for the program;

(ii) Applicable rules, including the appropriate subparts of this part;

(iii) Other terms and conditions applicable to awards to be made under the solicitation, including allowable and unallowable costs and reporting requirements;

(iv) Policies and procedures for patents, technical data, copyrights, audiovisual productions and exhibits;

(v) Any required assurances not included in the application form;

(15) The deadline for submission of required or optional preapplications;

(16) Date, time, and location of any briefing for applicants;

(17) Required presubmission reviews and clearances, including a statement as to whether review under OMB Circular A-95 ("Review, Evaluation, and

Coordination of Federal and Federally Assisted Projects and Programs"), Attachment A, part I, is required and, if required, the consequences of noncompliance (see § 600.11);

(18) Dates by which selections and awards are expected to be made and whether unsuccessful applications will be returned to the applicant or be retained by DOE and for what period of time;

(19) A statement that DOE is under no obligation to pay for any costs associated with the preparation or submission of applications if an award is not made. If an award is made, such costs may be allowable as provided in the applicable cost principles (see §§ 600.103 and 600.283);

(20) A statement that DOE reserves the right to fund, in whole or in part, any, all, or none of the applications submitted in response to the solicitation; and

(21) Any other relevant information, including explanatory information or justifications required by this part.

§ 600.10 Form and content of applications.

(a) *Forms.* Applications or preapplications shall be on the form or in the format and in the number of copies specified by DOE either in this part, in a program rule, or in the applicable solicitation, and must include all required information. For State governments, local governments, or Indian tribal governments, applications shall be made on the forms prescribed by OMB Circular A-102, Attachment M. Such applicant shall not be required to submit more than the original and two copies of the application or preapplication. (Approved by OMB under OMB control numbers 0348-0005-0348-0009.)

(b) *Signature.* The application and any preapplication must be signed by the individual who is applying or by an individual who is authorized to act for the applicant organization and to commit the applicant to comply with the terms and conditions of the financial assistance instrument, if awarded.

(c) *Contents.* In general, a financial assistance application shall include:

(1) A facesheet containing basic identifying information. The facesheet

shall be the Standard Form (SF) 424 (approved by OMB under OMB control number 0348-0009);

(2) A narrative description of the proposed project, including the objectives of the project and the applicant's plan for carrying it out;

(3) A budget with supporting justification (approved by OMB under OMB control number 1900.0127);

(4) Any required preaward assurances.

(d) *Incomplete applications.* DOE may return an application which does not include all information and documentation required by statute, program rule, and the solicitation, if, in the judgment of the DOE Contracting Officer, the nature of the omission precludes review of the application.

(e) *Supplemental information.* During the review of a complete application, DOE may request the submission of additional information only if the information is essential to evaluate the application.

§ 600.11 Intergovernmental review.

Intergovernmental review of DOE financial assistance shall be conducted in accordance with 10 CFR Part 1005.

[48 FR 29184, June 24, 1983]

§ 600.12 Generally applicable requirements.

(a) "Generally applicable requirement" means Federal policies of administrative requirements that apply to (1) more than one DOE financial assistance award, or (2) a DOE financial assistance program and one or more other Federal assistance programs. Generally applicable requirements include, but are not limited to, the requirements of this part, Federal statutes, the OMB Circulars and other governmentwide guidance implemented by this part, Executive Orders, and the requirements identified in Appendix A of this part.

(b) Except as expressly exempted by Federal statute or program rule, recipients and subrecipients of DOE financial assistance shall comply with all generally applicable requirements to which, by the terms of such requirements, they are subject. DOE may require the submission of preaward assurances of compliance with one or

more generally applicable requirements and may conduct preaward and postaward compliance reviews only to the extent such actions are authorized by this part, Federal statute or rule, Executive Order, or OMB directive.

§ 600.13 Application deadlines.

(a) Each solicitation shall include a deadline date for submission of applications. The established deadline shall also apply to any amendment to an application initiated by an applicant. An application or amendment shall be timely if it is:

(1) Received at the location specified in the solicitation on or before the established deadline date and time; or

(2) Received after the deadline date, and the application or amendment was sent by first class mail, was postmarked on or before the deadline date, and is received by DOE before technical evaluation of all acceptable applications submitted in response to the solicitation begins. Applicants should obtain a legibly dated mailing receipt from the U.S. Postal Service or use certified or registered mail to enable them to substantiate the date of mailing. Private metered postmarks shall not be acceptable proof of the date of mailing; and

(3) Complete (see § 600.10(d) and § 600.11(c)).

(b) DOE shall not consider and shall return any application that does not meet the requirements of paragraphs (a)(1) or (a)(2) and (a)(3) of this section.

(c) If necessary, DOE may extend an established application deadline by publishing a timely notice of the extension in the same manner as the solicitation was publicized. The extension of time shall apply to all applicants.

§ 600.14 Unsolicited applications.

(a) *General.* An unsolicited application is an application from DOE financial assistance which is not submitted in response to a solicitation or which is submitted in response to a Notice of Program Interest (see § 600.15). DOE may award financial assistance to an applicant who submits an unsolicited application for support of a project

differ from this determination for consistency with Pub. L. 95-224. A grant or cooperative agreement shall be the appropriate instrument, in accordance with this part, when the principal purpose of the relationship is the transfer of money or property to accomplish a public purpose of support or stimulation authorized by Federal statute. DOE shall determine whether a grant or a cooperative agreement is the appropriate instrument in accordance with Pub. L. 95-224 and this part. DOE shall limit involvement between itself and the recipient in the performance of a project to the minimum necessary to achieve DOE program objectives.

§ 600.6 Discretionary awards.

(a) DOE may make discretionary financial assistance awards on the basis of:

(1) Applications submitted in response to a financial assistance solicitation (see § 600.9);

(2) Unsolicited applications (see § 600.14); or

(3) Applications submitted in response to a Program Opportunity Notice or a Program Research and Development Announcement (see 48 CFR 917.72 and 917.73) if, after an application is selected for award, DOE determines that a grant or cooperative agreement is the appropriate award instrument.

(b) DOE shall solicit applications for discretionary financial assistance in a manner which provides for the maximum amount of competition feasible.

(Secs. 644 and 646, Pub. L. 95-91, 91 Stat. 599, (42 U.S.C. 7254 and 7256); Pub. L. 95-224, 92 Stat. 3 (41 U.S.C. 501))
(47 FR 44083, Oct. 5, 1982, as amended at 49 FR 31392, Aug. 7, 1984)

§ 600.7 Eligibility.

(a) *General.* The eligibility of recipients and subrecipients and of projects for DOE financial assistance shall be determined in accordance with the applicable Federal statute or program rule, and paragraphs (b) and (c) of this section.

(b) *Restricted eligibility.* If DOE restricts eligibility in a solicitation to less than all otherwise eligible applicants under paragraph (a) of this sec-

tion, an explanation of why the restriction of eligibility is considered necessary shall be included in the solicitation. Any restriction of eligibility shall be supported by a written determination approved by the responsible program Assistant Secretary or his or her designee and the Contracting Officer and concurred in by the Office of General Counsel.

(c) *DOE employees.* (1) An applicant individual who is a former DOE employee or an applicant organization that is substantially owned or controlled by one or more former DOE employees may be declared ineligible for DOE financial assistance if such applicant does not comply with the requirements of 10 CFR Part 1010, Subpart C.

(2) Except as provided in paragraph (c)(3) of this section, a current DOE employee and a business concern or organization substantially owned or controlled by one or more current DOE employees are not eligible for DOE financial assistance.

(3) The Director, with the concurrence of the Assistant General Counsel for Standards of Conduct, may exempt an applicant from the restriction of paragraph (c)(2) of this section if the applicant is determined to have unique expertise or technical resources and if it is determined that providing financial assistance to the applicant would be in the public interest. DOE shall publish in the FEDERAL REGISTER a notice of any exemption under this paragraph at least 30 days prior to making an award to the exempted applicant. No exemption may be granted to a DOE employee who is or was involved in initiating, developing, reviewing or administering the financial assistance program under which assistance is being sought, or to a DOE employee who is considered "supervisory" under the Department of Energy Organization Act (42 U.S.C. 7211(a)).

(4) In reviewing any proposed financial assistance award, the Assistant General Counsel for Standards of Conduct shall consider the prohibition of 18 U.S.C. 203 (Section 203 prohibits a Government employee from receiving compensation from persons other than the United States for services

rendered by the employee or another before a Government agency in relation to a particular matter in which the United States is a party or has a direct and substantial interest).

§ 600.8 Small and disadvantaged business participation.

(a) DOE shall provide adequate opportunities for small businesses, including socially and economically disadvantaged small business concerns, to compete for DOE financial assistance awards consistent with the program statute or other Federal law, implementing rules, and program needs.

(b) DOE may use small business preferences or set-asides in DOE financial assistance programs only when authorized or required by Federal statute. DOE shall include a citation to such statutory authority in any solicitation that provides for small business preference or a set-aside.

(c) DOE shall require recipients and subrecipients to take affirmative action with regard to small and disadvantaged businesses in contracts under financial assistance awards and subawards only as authorized by Federal statute, program rules, and this part.

§ 600.9 Solicitation.

(a) *General.* A solicitation for financial assistance applications shall be in the form of a program rule or other publicly available document which invites the submission of applications by a common due date or within a prescribed period of time.

(1) A solicitation (other than a program rule which serves to solicit applications) may be issued only by a DOE Contracting Officer.

(2) DOE shall publish either a copy or a notice of the availability of a financial assistance solicitation in the FEDERAL REGISTER. If the potential applicants are limited to State governments, DOE may, in advance of FEDERAL REGISTER publication, mail a copy of the solicitation simultaneously to each potential applicant. DOE shall publish solicitations or notices in the *Commerce Business Daily* when potential applicants include for-profit organizations or when there is the potential for significant contracting oppor-

tunities under the resulting financial assistance awards. In order to reach the widest possible audience of potentially interested applicants, DOE may also publish notices or copies of solicitations in trade and professional journals, news media, and use other means of communication, as appropriate.

(b) *Subawards.* In accordance with the provisions of the applicable statute and program rules, if a DOE financial assistance program involves the award of financial assistance by a recipient to a subrecipient, the recipient shall provide sufficient advance notice so that potential subrecipients may prepare timely applications and secure prerequisite reviews and approvals.

(c) *Contents of solicitation.* Each solicitation shall include the following types of information and such other information as may be necessary to allow potential applicants to decide whether to submit an application, to understand how applications will be evaluated, and to know what the obligations of a recipient would be:

(1) A control number assigned by the issuing DOE office;

(2) The amount of money available for award and, if appropriate, the expected size of individual awards broken down by areas of priority or emphasis, and the expected number of awards;

(3) The type of award instrument or instruments to be used;

(4) Catalog of Federal Domestic Assistance number for the program;

(5) Who is eligible to apply (see § 600.7);

(6) The expected duration of DOE support or the period of performance;

(7) Application form or format to be used, location for application submission, and number of copies required;

(8) The name of the responsible DOE Contracting Officer to contact for additional information, and, as appropriate, an address where application forms may be obtained;

(9) Whether loans are available under the DOE Minority Economic Impact (MEI) loan program, 10 CFR Part 800, to finance the cost of preparing a financial assistance application, and, if MEI loans are available, a general description of the eligibility requirements for such a loan, a refer-

Revenue Code, or which is not organized for profit and no part of the net earnings of which inure to the benefit of any private shareholder or individual (except that the definition of "nonprofit organization" in the patent clause of § 600.118(b)(1) shall apply for purposes of the applicability of that clause).

"OMB" means the Office of Management and Budget.

"Project" means the set of activities described in an application, State plan, or other document that is approved by DOE for financial assistance (whether such financial assistance represents all or only a portion of the support necessary to carry out these activities).

"Project period" means the total period of time indicated in an award during which DOE expects to provide financial assistance. A project period may consist of one or more budget periods and may be extended by DOE.

"Recipient" means the organization, individual, or other entity that receives an award from DOE and is financially accountable for the use of any DOE funds or property provided for the performance of the project, and is legally responsible for carrying out the terms and conditions of the award.

"Renewal award" means an award which extends a project period by adding one or more additional budget periods and which makes an award of DOE financial assistance for the first budget period of the extended project period.

"Secretary" means the Secretary of the United States Department of Energy or designee.

"Small business" means a business concern, including its affiliates, which is independently owned and operated, is not dominant in its field of operation, and can qualify under the criteria concerning number of employees, average annual receipts, and other criteria as prescribed by the Small Business Administration (except that the definition of "small business" in the patent clause of § 600.118(b)(1) shall apply for purposes of the applicability of that clause).

"Socially and economically disadvantaged individuals" means individuals who have been subjected to racial or

ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities and/or those whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged. Such individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, and other specified minorities, or any other individual found to be disadvantaged by the Small Business Administration under section 8(a) of the Small Business Act.

"Socially and economically disadvantaged small business concern" means any small business concern which is at least 51 percent owned by one or more socially and economically disadvantaged individuals, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more socially and economically disadvantaged individuals, and whose management and daily business operations are controlled by one or more such individuals.

"Solicitation" means a document which requests the submission of applications and which describes program objectives, recipient and project eligibility requirements, evaluation criteria, award terms and conditions, and other information about the financial assistance opportunity.

"State" or "State government" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory, possession or trust territory of the United States, or any agency or instrumentality of a State. The term does not include local governments, State hospitals, or State institutions of higher education.

"State plan" means a document required by statute to be submitted by a State in order to demonstrate compliance with the legal prerequisites for an award of nondiscretionary financial assistance.

"Subaward" means an award of financial assistance by a recipient to an eligible subrecipient when specifically authorized by statute or program rule.

The term does not include a contract under a financial assistance award.

"Subrecipient" means the organization, individual, or other entity that receives a subaward.

"Terms and conditions" means the rights and obligations of the awarding party and the recipient or subrecipient set forth in a statute, this part, other rules, or otherwise set forth or incorporated by reference in the award or subaward document.

§ 600.4 Deviations.

(a) *Definitions.* (1) "Deviation" means the use of any policy, procedure, form, standard, term, or condition which varies from a requirement of this part, or the waiver of any such requirement, unless such use or waiver is authorized by Federal statute. The use of optional or discretionary provisions of this part, including special restrictive conditions used in accordance with § 600.105, are not deviations. The waiver provisions of the patent requirements of § 600.118 are not subject to the requirements of this section and shall be administered in accordance with 41 CFR Part 9-9.

(2) "Single-case deviation" means a deviation which applies to one financial assistance transaction and one applicant, recipient, or subrecipient only.

(3) "Class deviation" means a deviation which applies to more than one financial assistance transaction, applicant, recipient, or subrecipient.

(b) *General.* The DOE officials specified in paragraph (c) of this section may authorize a deviation only upon a written determination that the deviation is—

(1) Necessary to achieve program objectives;

(2) Necessary to conserve public funds;

(3) Otherwise essential to the public interest; or

(4) Necessary to achieve equity.

(c) *Approval procedures.* (1) A deviation may be requested by DOE staff, an applicant for an award or subaward, a recipient, or a subrecipient. Such a request must be in writing and must be submitted to the responsible DOE Contracting Officer. An applicant for a subaward or a sub-

recipient shall submit any such request through the recipient.

(2) Except as provided in paragraph (c)(3) of this section—

(i) A single-case deviation may be authorized by the responsible Head of a Procuring Activity (HPA). Any proposed single-case deviation from the requirements of § 600.118 or § 600.290 concerning patents or technical data shall be referred to the Assistant General Counsel for Patents for review and concurrence prior to submission to the HPA.

(ii) A class deviation may be authorized by the Director or his or her designee.

(3) Whenever the concurrence of OMB, other Federal agency, or other DOE office is required to authorize a deviation, only the Director or his or her designee may authorize a single-case deviation. Any proposed class deviation from the requirements of § 600.118 or § 600.290 concerning patents or technical data shall be forwarded through the Assistant General Counsel for Patents.

(d) *Notice.* Whenever a request for a class deviation is approved, DOE shall publish a notice in the FEDERAL REGISTER at least 15 days before the class deviation becomes effective. Whenever a class deviation is contained in a proposed program rule, the preamble to the proposed rule shall describe the purpose and scope of the deviation.

(e) *Subawards.* A recipient may use a deviation in a subaward only with the prior written approval of a DOE Contracting Officer. If prior approval is not obtained, the use of a deviation in a subaward shall be a violation of the terms and conditions of the DOE award.

§ 600.5 Selection of award instrument.

If DOE has administrative discretion in the selection of the award instrument, the DOE determination as to whether a program is principally one of procurement or assistance pursuant to Pub. L. 95-224 shall be based on the purpose of the program and the authorizing statute. This determination shall be either made or reviewed at a policy level within DOE. DOE shall review individual transactions that

ation, or renewal award (and any subsequent subaward) with a beginning date on or after the effective date of this part.

(b) Any new, continuation, or renewal award (and any subsequent subaward) shall comply with any applicable requirement of a Federal statute or a Federal rule if the award is made on or after the effective date of the applicable statutory or regulatory requirement. Unless otherwise specified by DOE, any new, continuation, or renewal award (and any subsequent subaward) shall comply with any applicable Office of Management and Budget (OMB) Circular or governmentwide guidance in effect as of the date of such award.

(c) The disputes and appeals procedures set forth in § 600.26 shall apply to any new, continuation or renewal award made after the effective date of this paragraph, and to any active, expired, terminated, or closed-out grant or cooperative agreement provided, however, a final determination (see, § 600.26(a)) in any dispute is issued on or after the effective date of this paragraph. If requested in writing by the appellant or appellants, the Financial Assistance Appeals Board shall have jurisdiction, as provided in § 600.26(d), to decide an appeal from a final determination issued not more than 90 days before the effective date of this paragraph.

(d) [Reserved]

(e) *OMB Circulars.* (1) The following OMB Circulars apply as provided in paragraphs (a) and (b) of this section and the sections of this part where specific reference to any of the material is made:

(i) OMB Circular A-102, Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments (42 FR 45828, Sept. 12, 1977, as amended by 44 FR 47874, Aug. 15, 1979; 44 FR 60958, Oct. 22, 1979; 45 FR 59668, Sept. 10, 1980).

(ii) OMB Circular A-110, Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations (41 FR 32016, July 30, 1976).

(iii) OMB Circular A-124, Patents—Small Business Firms and Nonprofit

Organizations (47 FR 7556, Feb. 18, 1982).

(iv) OMB Circular A-21, Cost Principles Applicable to Grants, Contracts and Other Agreements with Institution of Higher Education (44 FR 12368, Mar. 6, 1979 as amended by 47 FR 333658, Aug. 3, 1982).

(v) OMB Circular A-87, Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments (46 FR 9548, Jan. 28, 1981).

(vi) OMB Circular A-122, Cost Principles Applicable to Grants, Contracts and Other agreements with Nonprofit Organizations (45 FR 46022, July 8, 1980).

(2) Copies of the OMB publications listed in paragraph (e)(1) may be obtained from the Office of Management and Budget, Office of Administration, Publications Unit, Washington, D.C. 20503 or from the Department of Energy, Financial Assistance Policy Branch (MA-931.2), 1000 Independence Avenue, S.W., Washington, D.C. 20585.

[47 FR 44083, Oct. 5, 1982, as amended at 48 FR 29184, June 24, 1983; 48 FR 34404, July 28, 1983]

§ 600.3 Definitions.

The following definitions are provided for purposes of this part—

"Applicant" means any individual, organization, agency, or entity which files a written application or preapplication for financial assistance with DOE or with a recipient (*i.e.* for a subaward).

"Application" means a written request for financial assistance.

"Approved budget" means a budget and any revision thereto which has been approved in writing by DOE for carrying out the purposes of a project.

"Assistance" means the transfer of money, property, services or anything of value to a recipient to accomplish a public purpose of support or stimulation authorized by Federal statute.

"Award" means the written document executed by a DOE Contracting Officer, after an application is approved, which contains the terms and conditions for providing financial assistance to the recipient.

"Awarding party" means DOE or a recipient who makes a subaward.

"Budget" means the applicant's financial expenditure plan for carrying out the proposed project. The budget shall include any cost sharing which is required by statute, rule, or the award.

"Budget period" means the interval of time, specified in the award, into which a project is divided for budgeting and funding purposes.

"Continuation award" means an award for a succeeding or subsequent budget period after the initial budget period of either an approved project period or renewal thereof.

"Contract" means a written procurement contract with a third party for the acquisition of property or services under a financial assistance award.

"Contracting Officer" means the DOE official authorized to execute awards on behalf of DOE and who is responsible for the business management and non-program aspects of the financial assistance process.

"Cooperative agreement" means a financial assistance instrument used by DOE to transfer money or property when the principal purpose of the transaction is accomplishment of a public purpose of support or stimulation authorized by Federal statute and substantial involvement is anticipated between DOE and the recipient during performance of the contemplated activity. For purposes of this part, the term "cooperative agreement" does not include nonfinancial assistance.

"Cost sharing" refers to the share of project costs required to be contributed by the recipient. Depending on the source and nature of the requirement, terms such as "matching" and "cost participation" may also be used to denote cost sharing.

"Department" or "DOE" means the United States Department of Energy.

"Director" means the Director, Procurement and Assistance Management Directorate, DOE.

"Discretionary financial assistance" means financial assistance provided under a Federal statute which authorizes DOE to select the recipient and the project to be supported and to determine the amount to be awarded.

"Extension" means an amendment of an award, which would otherwise

expire, to provide additional time, and if appropriate, additional funds for completion of project activities.

"Federally recognized Indian tribal government" means the governing body or a governmental agency of any Indian tribe, band, nation or other organized group or community (including any Native village as defined in section 3 of the Alaska Native Claims Settlement Act, 85 Stat. 688).

"Financial assistance" means the transfer of money or property to a recipient or subrecipient to accomplish a public purpose of support or stimulation authorized by Federal statute. For purposes of this part, financial assistance instruments are grants and cooperative agreements, and subawards.

"Grant" means a financial assistance instrument used by DOE to transfer money or property when the principal purpose of the transaction is accomplishment of a public purpose of support or stimulation authorized by Federal statute and no substantial involvement between DOE and the grantee during the performance of the contemplated activity is anticipated. For purposes of this part, the term "grant" does not include nonfinancial assistance.

"Head of a Procuring Activity (HPA)" means a DOE official with senior management authority for the award and administration of financial assistance instruments within one or more DOE organizational elements.

"Local government" means a local unit of government including specifically a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (whether or not incorporated as a nonprofit corporation under State law), sponsor group representative organization (as defined in 7 CFR 620.2, 40 FR 12472, Mar. 19, 1975), any other regional or interstate government entity, or any agency or instrumentality of a local government exclusive of local institutions of higher education and hospitals.

"Nonprofit organization" means any corporation, trust, foundation, or institution which is entitled to exemption under section 501(c)(3) of the Internal

ment gas is authorized by another FERC rule or order;

(6) The FERC docket number and the date of filing of any application for a transportation certificate which has been filed with the FERC regarding this oil displacement gas;

(b) The Administrator may request any additional information he deems necessary.

(c) The applicant must notify ERA in writing if any of the above information is later determined to be incorrect or changed.

(d) An original and fifteen copies of the application should be submitted to:

Office of Petroleum Operations, Economic Regulatory Administration, Room 4126, 2000 M Street, NW., Washington, D.C. 20461.

(e) Notice of receipt of valid applications for certification or recertification will be published in the FEDERAL REGISTER within a reasonable time. An opportunity for public comment will be permitted for ten (10) calendar days from the date of publication, including an opportunity to request an oral presentation. After close of the comment period, the Administrator will review the application and any comments and make a decision whether or not to issue a certification or recertification. Such decision will be published in the FEDERAL REGISTER, and sent to the FERC, the applicant, and any person filing comments. The Administrator may certify an eligible use prior to the close of the comment period, if the need for certification is demonstrated to be of sufficient public interest to warrant expedited treatment.

§ 595.7 Reporting requirements.

Each end-user receiving an ERA certification or recertification shall submit a statement to ERA by the fifteenth day of each month after the first month during the term of the certification or recertification, which provides the following information for the preceding month:

(a) The total volume of natural gas obtained and used at each facility pur-

suant to the ERA certification to displace fuel oil;

(b) The total volume(s) and type(s) (including sulfur content) of fuel oil displaced at each facility by natural gas obtained pursuant to the ERA certification.

Monthly statements should contain the ERA certification docket number. Statements should be mailed to: Office of Petroleum Operations, Economic Regulatory Administration, Room 4126, 2000 M Street, NW., Washington, D.C. 20461.

§ 595.8 Termination of eligibility.

The Administrator may terminate a certification or recertification of an eligible use whenever the Administrator determines, after notice and opportunity to be heard, that: (a) The natural gas is no longer being used for an eligible use as defined in § 595.02, or (b) termination is in the public interest. Upon making the determination to terminate a certification or recertification, the Administrator will notify FERC immediately and request that FERC take appropriate action to terminate any related transportation authorization.

§ 595.9 Request for reconsideration.

(a) Any applicant whose application for certification or recertification has been denied, or whose certification or recertification has been terminated, may request reconsideration within 30 days of the date of the denial or termination. The request should contain a statement of facts and reasons supporting reconsideration and should be submitted in writing to: Office of Petroleum Operations, Economic Regulatory Administration, Room 4126, 2000 M Street, NW., Washington, D.C. 20461.

(b) If the Administrator fails to take action on the request for reconsideration within 30 days, the request is deemed denied.

(c) An applicant has not exhausted his administrative remedies until a request for reconsideration has been filed and acted upon or deemed denied.

SUBCHAPTER H—ASSISTANCE REGULATIONS

PART 600—FINANCIAL ASSISTANCE RULES

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- 600.234 Program Research and Development Announcement (PRDA).
- 600.270 Cooperative Agreement structure.
- 600.271 Administrative requirements for Cooperative Agreements.
- 600.281 Contents of a Cooperative Agreement.
- 600.283 Schedule.
- 600.290 General and special provisions.

APPENDIX A TO PART 600—GENERALLY APPLICABLE REQUIREMENTS

AUTHORITY: Secs. 644 and 646, Pub. L. 95-91, 91 Stat. 599, (42 U.S.C. 7254 and 7256); Pub. L. 97-258, 96 Stat. 1003-1005 (31 U.S.C. 6301-6308), unless otherwise noted.

Subpart A—General

SOURCE: 47 FR 44083, Oct. 5, 1982, unless otherwise noted.

§ 600.1 Purpose and scope.

The purposes of this part are to implement the Federal Grant and Cooperative Agreement Act of 1977, Pub. L. 95-224 (41 U.S.C. 501 *et seq.*), and to establish uniform policies and procedures for the award and administration of DOE grants and cooperative agreements. This subpart (Subpart A) sets forth the policies and procedures applicable to both grants and cooperative agreements.

§ 600.2 Applicability.

(a) Except as otherwise provided by Federal statute or program rule, this part applies to any unsolicited application received and any solicitation issued on or after the effective date of this part, and to any new, continu-

U.S. Department of Energy
Washington, D.C.

ORDER

DOE 1332.2

10-31-83

**SUBJECT: UNIFORM REPORTING SYSTEM FOR FEDERAL ASSISTANCE
(GRANTS AND COOPERATIVE AGREEMENTS)**

1. **PURPOSE.** To establish the Department of Energy (DOE) uniform reporting system for Federal assistance and provide implementing instructions, procedures, and formats to be used for all grants and cooperative agreements awarded by the Department.
2. **EXCLUSION.** Excluded from this reporting system are cooperative agreements associated with major system acquisitions as specified in DOE 5700.4, PROJECT MANAGEMENT SYSTEM, of 1-8-81, and the distribution of money managed under HQ 2100.1A, FINANCIAL MANAGEMENT OF MONEY RECEIVED FROM PERSONS WHO HAVE ALLEGEDLY VIOLATED DEPARTMENT OF ENERGY REGULATIONS, of 5-31-81, or any successor.
3. **APPLICABILITY.** This Order provides a compendium of standard forms, procedures, and terminology from which a program or project manager selects those applicable to a specific contractual effort. Reporting requested from contractors shall in all cases be limited to only that information essential for effective management control. Solicitations and awards comply with this Order by inclusion of a completed EIA 459-A, "Federal Assistance Reporting Checklist," with attachments. DOE organizations comply by execution with the requirements set forth in this Order.
 - a. Federal assistance solicitations (as defined on page 2, paragraph 11, of Attachment 1) issued after the publication of this Order shall comply with the requirements set forth in this Order. New grants and cooperative agreements awarded as a result of such Federal assistance solicitations shall also comply with the requirements set forth in this Order.
 - b. Awards of continuation grants and cooperative agreements awarded 90 or more days after the publication of this Order shall also comply with the requirements set forth in this Order.
 - c. For existing grants and cooperative agreements, the requirement will be determined by the cognizant Federal assistance program/project manager and the contracting officer. However, existing grants and cooperative agreements will not be affected by this Order unless the recipient so agrees.
4. **BACKGROUND.** This Order contains direction for DOE personnel on standardized application/proposal baseline plans and performance reports. Federal assistance preapplication and payment are not addressed. Information concerning preapplication and payment processes can be found in Federal circulars, DOE assistance regulations, or the program announcement.

DISTRIBUTION:
All Departmental Elements
Federal Energy Regulatory Commission (info)

INITIATED BY:
Office of Project and
Facilities Management

5. REFERENCES.

- a. OMB Circular A-40, "Clearances of Public Reporting and Recordkeeping Requirements under the Federal Reports Act," of 5-3-73, as amended, which establishes policy and promulgates regulations to assure continuing effective management of Federal reporting requirements.
- b. OMB Circular A-102, "Uniform Administrative Requirements for Grants-In-Aid to State and Local Governments," of 9-12-77, as amended, which promulgates standards for establishing consistency and uniformity in the administration of grants to State, local, and Indian tribal governments.
- c. OMB Circular A-110, "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations," of 7-30-76, as amended, which promulgates standards for obtaining consistency and uniformity in the administration of grants to, and other agreements with, public and private institutions of higher learning and hospitals, and other quasi-public and private nonprofit organizations.
- d. DOE 1340.1A, MANAGEMENT OF PUBLIC COMMUNICATIONS PUBLICATIONS AND SCIENTIFIC, TECHNICAL, AND ENGINEERING PUBLICATIONS, of 8-25-82, which prescribes policies, standards, and procedures for effective management of DOE publications.
- e. DOE 1430.1, MANAGING THE DEPARTMENT OF ENERGY'S SCIENTIFIC AND TECHNICAL INFORMATION, of 2-23-83, which defines DOE's responsibility for managing scientific and technical information developed in the Department's research and development programs.
- f. DOE 4600.1, FINANCIAL ASSISTANCE PROCEDURES MANUAL, of 6-10-82, which describes processes and procedures for administering financial assistance award and administration.
- g. DOE 5700.4, PROJECT MANAGEMENT SYSTEM, of 1-8-81, which provides detailed guidance and procedures on implementation of the project management system. It sets forth the principles and requirements which govern the development, approval, and execution of DOE's major system acquisitions and major projects.
- h. Title 5 U.S.C. 552(b)(4), "Freedom of Information Act," of 7-4-66, as amended, which exempts trade secrets and commercial or financial information which is privileged and confidential from public disclosure.
- i. Title 5 CFR 1320, "Controlling Paperwork Burdens on the Public," which serves as the implementing regulation for Public Law 96-511, "Paperwork Reduction Act of 1980," and directs the identification and clearance of information collections levied on the public, including contractors, State and local government units, and persons who perform services for the Department on an individual basis.
- j. Title 44 U.S.C., "Public Printing and Documents," of 10-22-68, which establishes laws related to public printing and documents, including Government Printing Office and other agency efforts, for both in-house and contract efforts.

1. Title 10 CFR 600, "DOE Financial Assistance Rules," of 10-5-82, which codify, implement, and publish uniform assistance policies and selected procedures applicable to the award and administration of DOE grants and cooperative agreements.
- m. Title 41 CFR 101-11.11, "Federal Property Management Regulations," of 7-1-82, revised, which establishes an interagency reports management program, describes policies, and promulgates standards, procedures, and techniques for the economical and efficient management of records of Federal agencies.

6. POLICY AND OBJECTIVES.

- a. It is the Department's policy to acquire uniform, timely, and valid information on costs, schedules, and performance in order to effectively manage programs and projects, and to do so with the least possible burden on DOE and its recipients of Federal assistance awards.
- b. The objectives of the uniform reporting system for Federal assistance are to:
 - (1) Provide the tools for obtaining essential Federal assistance management information,
 - (2) Meet the information needs of several DOE organizations with a minimum number of reporting requirements;
 - (3) Establish uniform procedures, forms, and terminology for collecting and integrating the minimum data required by DOE to manage and monitor its Federal assistance awards;
 - (4) Consolidate and eliminate duplicate forms and requirements that now exist in the Department and overlap the information collection requirements of this Order; and
 - (5) Ensure that DOE managers choose only those uniform reporting system for Federal assistance plans and reports that are essential to the effective management and control of their activities.

7. RESPONSIBILITIES AND AUTHORITIES.

- a. Program Secretarial Officers and Managers of Operations Offices shall:
 - (1) Fully implement the provisions of this Order in their individual areas of responsibility;
 - (2) Appoint an action officer to coordinate the requirements of this Order and furnish the appointee's name to the Director of Project and Facilities Management (MA-22); and

- (3) Assure that all research and development grants and cooperative agreements promulgated or administered under their jurisdiction contain reporting requirement checklists indicating that all scientific and technical information deliverables must be promptly furnished to the Technical Information Center.

b. Program/Project Managers shall:

- (1) Become familiar with the intent and processes of this Order, and choose only those plans and reports that are essential to effective Federal assistance management;
- (2) Prepare a Form EIA-459A, "Federal Assistance Reporting Checklist," to accompany each PR-799A, "Procurement/Financial Assistance Request-Authorization," for each grant or cooperative agreement to be awarded and ensure recipient compliance with this Order; and
- (3) Review, evaluate, and utilize information obtained through plans and reports consistent with this Order for management of their activities.

c. The Assistant Secretary, Management and Administration shall, through the:

(1) Director of Procurement and Assistance Management.

- (a) Ensure that all Federal assistance solicitations contain reference to this Order's requirements.
- (b) Ensure that a clause for implementing this Order is in all Federal assistance award instruments and that the Form EIA-459A, "Federal Assistance Reporting Checklist," is included in the award document.
- (c) Ensure that requests for non-standard management reporting requirements are coordinated with the Director of Project and Facilities Management.
- (d) Aid in ensuring recipient compliance post award.

(2) Controller. Monitor financial status of grant and cooperative agreement awards and advise DOE participants as appropriate.

(3) Director of Administration, shall, through the:

(a) Director of Project and Facilities Management.

- 1 Coordinate the development and monitor implementation of this Order.
- 2 Provide, in coordination with the Director of Personnel, periodic training seminars to Departmental organizations in the implementation of this Order.

- 3 Review and approve for implementation all non-standard management reporting requirements forwarded by the Director of Procurement and Assistance Management.
 - 4 Implement the information collection and clearance requirements contained in Title 5 CFR 1320 as they apply to contractors, their employees, and other members of the public from whom information is collected under the provisions of this directive.
- (b) Director of Personnel. Provide for the inclusion of training on the requirements of this Order in Departmentwide training programs, as appropriate.
- (c) Manager of the Technical Information Center. Develop policies and procedures for managing the Department's scientific and technical information program including the development of procedures and systems needed for assuring the acquisition and receipt of adequate and acceptable scientific and technical information from the uniform reporting system for federal assistance.

d. Contracting Officers (Awarding Officers) shall:

- (1) Ensure that all Federal assistance solicitations contain reference to this Order's requirements.
- (2) Ensure that a clause for implementing this Order is in all Federal assistance awards.
- (3) Review, evaluate, and utilize information obtained through plans and reports consistent with this Order for management of their activities.

BY ORDER OF THE SECRETARY OF ENERGY:



WILLIAM S. HEFFELFINGER
Director of Administration

DEFINITIONS

1. ACCRUAL BASIS OF ACCOUNTING. Recognizes revenues in the period earned and recognizes cost in the period incurred, regardless of when payment is received or made. (DOE 2100.1A, GLOSSARY OF FINANCIAL TERMS, of 10-23-81.)
2. ACCRUED COST. Accrued cost is the value (purchase price) of goods and services used or consumed within a given period of time, regardless of when ordered, received, or paid for.
3. ACCRUED EXPENDITURES. Accrued expenditures are the charges incurred by the recipient during a given period requiring the provision of funds for: goods and other tangible property received; services performed by employees, contractors, subgrantees, and other payees; and other amounts becoming owed under programs for which no current services or performance is required such as annuities, insurance claims, and other benefit payments. (OMB Circulars A-102 and A-110.)
4. ACTIVITY. An effort or operation which is conducted over a period of time and results in the accomplishment of a unit of work.
5. APPLIED COST. The value (purchase price) of goods and services used, consumed, given away, lost, or destroyed within a given period of time, regardless of when ordered, received, or paid for. For operating programs, applied cost represents the value of resources consumed or used. For procurement and manufacturing programs, applied cost represents the value of material received or produced. For capital outlay programs, applied cost represents the value of work put in place. For loan activities, applied cost represents assets acquired (even though no resource has been consumed). In the case of appropriations for programs that are essentially operating in nature, equipment is included in applied cost when it is placed in use. For all programs, accrued annual leave is included in applied cost when the leave is earned rather than when taken, even though it may be unfunded at the time; and, depreciation cost and other unfunded costs are included where appropriate. (DOE 2100.1A.)
6. BASELINE. A quantitative expression of projected costs, schedule, or technical progress to serve as a base or standard for measurement during the performance of an effort; the established plan against which the status of resources and the progress of a project can be measured.
7. BUDGET PERIOD. The interval of time, specified in the award, into which a project is divided for budgeting and funding purposes. (10 CFR 600.)
8. CEILING. The negotiated or stated limit applicable to obligations and costs which are set by legislation or arrangement and cannot be exceeded. (DOE 2100.1A.)

9. COST VARIANCE. The difference between the planned cost and the actual cost for work performed. It indicates whether costs are being accrued as planned. On the "Federal Assistance Program/Project Status Report," the cost variance is the difference between planned and actual costs for a specified period of time.
10. DIRECT COST. For the purpose of this Order, direct cost means any cost that can be specifically identified with a particular project or activity, including salaries, travel, equipment, and supplies directly benefitting the project or activity. (10 CFR 600.)
11. FEDERAL ASSISTANCE SOLICITATION. A solicitation is a formal written invitation by DOE for interested organizations or individuals to submit applications for a specified project, effort or objective, by a stated common due date. As used in this Order it includes the following:
 - a. Program regulation;
 - b. Program solicitation;
 - c. Solicitation for cooperative agreement proposals;
 - d. Program opportunity notice;
 - e. Program research and development announcement; and
 - f. Notice of program interest.
12. INDIRECT COST. Indirect costs are those incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. (OMB Circular A-87.)
13. INTERMEDIATE EVENTS. Detailed events which are necessary for and lead to the completion of a milestone. An intermediate event signals completion of a subtask crucial to the milestone effort.
14. MILESTONE. An important or critical event that must occur in order to achieve the project objective(s).
15. OBJECTIVE. A general, comprehensive statement of a desired end. From this statement specific goals can be generated.
16. PROGRAM. An organized set of activities directed toward a common purpose, objective, or goal undertaken or proposed by DOE in order to carry out responsibilities assigned to it. It is characterized by a plan of action designed to accomplish a definite objective.

17. PROGRAM/PROJECT MANAGER. An official in the program division or field organization who has been assigned responsibility for accomplishing a specific set of program objectives. This involves planning, directing, and controlling one or more assistance activities, initiation of any award processes necessary to get assistance activities started, and monitoring of assistance activities.
18. PROJECT. For the purpose of this Order a project means the set of activities described in an application, State plan, or other document that is approved by DOE for financial assistance (whether such financial assistance represents all or only a portion of the support necessary to carry out those activities). (10 CFR 600.)
19. RECIPIENT. An inclusive term for all agencies, governments, other organizations, and individuals receiving Federal assistance in the form of grants or cooperative agreements from DOE.
20. TASK. Any definable unit of work. It must have an identifiable start and ending and usually produces some recognizable result.
21. WORK BREAKDOWN STRUCTURE (WBS). A product oriented task hierarchy of all work to be performed in accomplishing project objectives. The product(s) may be hardware, software, support services, tests, documentation, or other quantified elements of the project objectives. The task hierarchy has, as its first level, the major end item of the project. The successive levels provide increasingly detailed definition of the individual work tasks that contribute to the production of end items. The scope and number of levels in the task hierarchy depend on the scope and complexity of the individual project.
22. WORK BREAKDOWN STRUCTURE ELEMENT. Any of the individual items or entries in the WBS hierarchy, regardless of level.

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CHAPTER I

INTRODUCTION

1. SYSTEM FEATURES. Primary features are:
 - a. Standard Forms and Procedures. Replaces differing reporting forms and procedures previously used by DOE component organizations.
 - b. Standard Definitions. Provides uniform terminology and data elements to minimize ambiguity of meaning and intent.
 - c. Specification of Reporting Requirements. Provides a checklist to be used to identify all reporting requirements at the time of award. The recipient is encouraged to discuss the requirements before the time of award in order to ensure that they are appropriate.
 - d. Planning Baselines. Provides planning forms which can be included in the Federal assistance application or proposal to present the planned approach and desired results.
 - e. Flexible Reporting Methods and Application. Provides flexibility in application to ensure that the information requested is relevant to the activity performed. The reporting system can accommodate a variety of programs and assistance awards by tailoring the reporting requirements to fit the activity.
 - f. Single Reporting for Multiple Uses. A recipient of Federal assistance submits standard forms only once in each reporting period. One submission serves all Departmental needs.
 - g. Formal Problem Identification. Provides recipients with a formal method for identifying problems.
2. HOW THE UNIFORM REPORTING SYSTEM WORKS.
 - a. This Order contains the plans and reports of the system. Figure I-1 shows the general relationship of the various system components. To illustrate the utility of the plans and reports, a hypothetical project (partially funded by DOE under a cooperative agreement) using all the program management forms is presented in Chapter II. Chapter III covers technical information reporting requirements. DOE 1430.1 describes the scientific and technical reporting requirements and procedures for a research grant. The DOE Technical Information Center (TIC) will provide further guidance.
 - b. Before a Federal assistance solicitation is issued, the DOE program manager determines the information that will be required from the assistance recipient. The information needs of other DOE offices, such as Controller and the awarding office, also should be considered.

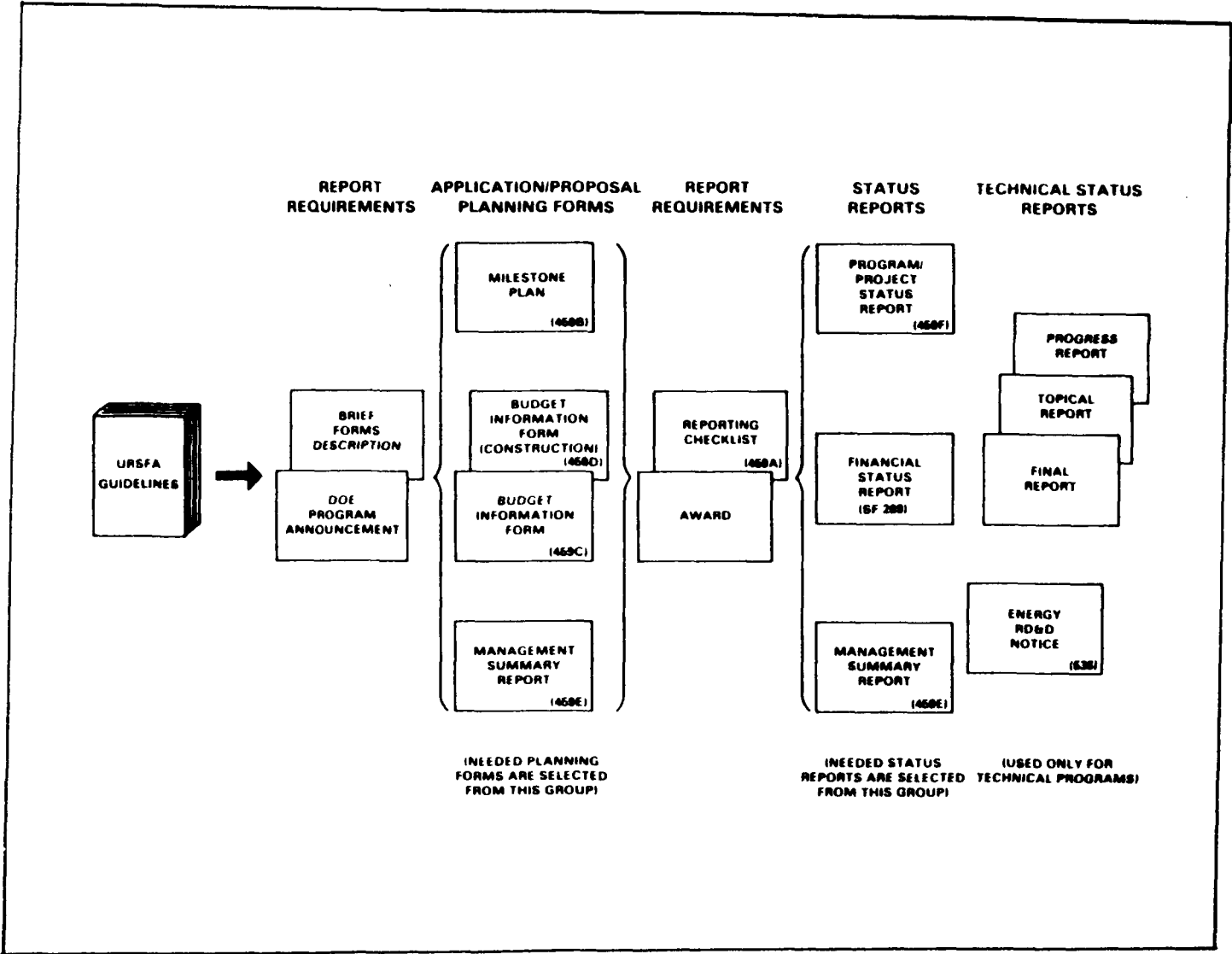


Figure I-1
Relationship of System Components

- (1) Tables which appear in Chapter II have been developed to indicate those plans and reports which are usually appropriate for different types of activities.
 - (2) Baseline plans shown in this Order can be selected and included as part of the application/proposal for programs which require measurable program performance.
 - (3) The planning technique provided for in this Order is based on the concept of prescribing specific, quantifiable, and measurable baseline information. The information presented in the baseline plans is used to augment the narrative, which is usually included in applications and proposals, and to provide a means of evaluating performance. All DOE assistance activities may not require detailed baseline information. A basic research project, for example, may rely on the content of technical information reports for performance evaluation.
 - (4) The status reports and technical reports, which will be required subsequent to award, will be identified in the solicitation. This will allow the applicant/proposer to include reporting costs in the application/proposal.
- c. The application/proposal, containing the required plans selected from this Order, is submitted in accordance with the solicitation. These plans will serve as the base against which progress can be measured.
 - d. The "Federal Assistance Reporting Checklist" is prepared by the DOE program manager and is included as an attachment to the DOE Form 4600.1, "Notice of Financial Assistance Award". The completed checklist indicates the reporting requirements, identifying which, if any, baseline plans should be resubmitted, which other reports are needed, how often they should be submitted, and to whom they should be sent. Any special reporting requirements specified in program legislation, Federal regulations, or the DOE assistance regulations will be identified on the checklist. Alternative forms or formats or alternative data elements that are natural products of the recipient's internal management system may be considered. The recipient's application should include a discussion of any proposed substitutions or changes in the reporting requirements and how the proposed substitution or change meets this Order's report requirements. These proposals shall be coordinated with the Office of Project and Facilities Management prior to award.
 - e. Financial status reports and program status reports relate directly to the baseline plans and show the financial or schedule status of the activity as well as identifying cost or schedule problems. Standard Form 269, "Financial Status Reports," must generally be submitted (see Footnote 1, Figure II-2, for exceptions); program status reports may be required depending on the nature of the activity.

- f. Technical reports are the basis for the technical performance evaluation by the Department's program managers and the primary method by which the Department makes its scientific and technical results available to contractors and others participating in the program, including the public.
 - g. In accordance with Departmental policy, no reporting requirements (information collections) will be levied by the Department on contractors or other elements of the "public" as defined in Title 5 CFR 1320 unless they have prior clearance under the provisions of Title 5 CFR 1320, and the OMB clearance number (or exemption statement) is shown on the reporting requirement document and related forms.
3. KEY DEFINITIONS. See Attachment 1 for additional definitions.
- a. Federal Assistance. Federal assistance is the transfer of money, property, services, or anything of value to a recipient in order to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than acquisition, by purchase, lease, or barter, of property or services for the direct benefit of the Federal Government. Grants and cooperative agreements are Federal assistance mechanisms. Federal assistance is separate and distinct from Federal procurement, which is governed by different rules and regulations.
 - b. Grant. The transfer of money, property, services, or anything of value to the State or local government or other recipient in order to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government, and where no substantial involvement is anticipated between the executive Agency, acting for the Federal Government, and the State or local government or other recipient during the performance of the contemplated activity.
 - c. Cooperative Agreement. The instrument used to transfer money, property, services, or anything of value to the State and local government or other recipient to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than acquisition, by purchase, lease or barter, of property or services for the direct benefit or use of the Federal Government, where substantial involvement is anticipated between the executive Agency, acting for the Federal Government, and the State or local government or other recipient during performance of the contemplated activity.
4. DIRECTING APPLICATION. The following is a sample clause which the DOE awarding officer can use in the grant or cooperative agreement to invoke the requirements of this Order.

"The Federal assistance recipient shall prepare and submit (post-age prepaid) the plans and reports indicated on the 'Federal Assistance Reporting Checklist' to the addressees and in the number of copies designated on the checklist. Preparation of the specified plans and reports shall be in accordance with the DOE uniform reporting system for Federal assistance. The level of detail the recipient provides in the plans and reports shall be commensurate with the scope and complexity of the task and shall be as delineated in Block 4 (Reporting Requirements) and Block 5 (Special Instructions). The prime recipient shall be responsible for acquiring data from any contractors, or subrecipients, to ensure that data submitted are compatible with the data elements which prime recipients submit to DOE. Plans and reports submitted in compliance with this provision are in addition to any other reporting requirements of the Federal assistance instrument."

5. APPLICATION. These instructions apply to DOE grants and cooperative agreements with State and local governments, nonprofit organizations, institutions of higher education, hospitals, individuals, profit-making organizations, and any other eligible assistance recipients.
6. FORMS. There are three categories of forms: baseline plans; status reports; and technical information reports. The "Federal Assistance Reporting Checklist," contained in each award, is used to identify which will be required for that particular effort. A brief description of the forms follows. More discussion of the baseline plans and reports is included in Chapters II and III.
 - a. Baseline Plans. This Order offers simple planning procedures and forms to augment the narrative project description contained in the application/proposal. Discrete, measurable units of the proposed work are presented in the baseline plans. The baseline plans provide a specific outline of what the assistance recipient intends to do, how it is intended to be accomplished, and the time and cost involved. These baseline plans are developed and submitted with the application/proposal to serve as the standard against which status and progress can be measured during the performance period. The following are baseline planning forms.
 - (1) Form EIA-459B, "The Federal Assistance Milestone Plan," and an accompanying milestone log present a schedule of the planned activity, with major milestones and intermediate events identified.
 - (2) Forms EIA-459C and D (construction or nonconstruction), "The Federal Assistance Budget Information Form," presents the planned costs.
 - (3) Form EIA-459E, "The Federal Assistance Management Summary Report," presents the planned costs and the planned schedule together in a capsulized format.

- b. Status Reports. Provide the performance information required to determine program effectiveness and the information which DOE requires to maintain accountability for public funds. The reports are submitted according to the frequency indicated by the DOE program manager on the "Federal Assistance Reporting Checklist." The reports show actual costs, schedule progress, and total project status to date. When the status reports are compared with the baseline plans, accomplishments can be noted, problems become apparent, and corrective action can be taken. The following are status reports:
- (1) OMB Standard Form 269, "The Financial Status Report," presents funds status information.
 - (2) Form EIA-459E, "The Federal Assistance Management Summary Report," relates planned progress and costs to actual progress and costs in a capsulized format.
 - (3) Form EIA-459F, "The Federal Assistance Program/Project Status Report," presents a brief narrative description of accomplishments, problems, progress, and forecasts.
- c. Technical Information Reports. Scientific and technical information is communicable knowledge or information (unlimited, limited, and classified) resulting from, or pertaining to, the conduct of research and development efforts. This information reports on progress or results of DOE-funded research and development or demonstration and usually is published as Technical reports, journal articles, reprints, theses or dissertations, conference and symposium proceedings, or translations. This may include experimental data, theoretical data, analytical studies, and economic and energy use projections. This information is used by managers, scientists, researchers, and engineers engaged in scientific and technological efforts, and is the basic intellectual resource for and result of such effort. TIC documentation including DOE 1430.1 describes the reporting requirements and procedures for such information and reports. The reports themselves are briefly described in the attachment to Chapter III of this Order.

7. OTHER INFORMATION.

- a. Confidentiality Statement. The information required under the various provisions of this Order may be information which is exempt from disclosure to the public under the exemption for trade secrets and confidential commercial information specified in 5 U.S.C. 552(b)(4), of 7-4-66, as amended, or prohibited from public release by 18 U.S.C. 1905, of 9-12-80. DOE will determine whether any information submitted should be withheld from public disclosure in accordance with the provisions of 10 CFR 1004.11, of 1-8-79. By statutory authority, DOE must provide this information when requested to the Congress or any committee of the Congress and the General Accounting Office.

- b. Government Printing Regulations. All reports described herein are subject to 44 U.S.C. and the "Government Printing and Binding Regulations" of the Joint Committee of the Congress of the United States. Additionally, all reports are subject to DOE 1340.1A.
- c. Applicability to Other Government Agencies. The reports herein have been cleared in accordance with 41 CFR 101-11.11.
- d. Paperwork Reduction Act. The information collection requirements contained herein have been cleared through 12-31-83 by the Office of Management and Budget (OMB No. 1901-0261.) Action is underway within the Department to obtain the necessary subsequent clearance for this information collection, in accordance with section 3504 (h) of the Paperwork Reduction Act, 44 U.S.C. 3501, et. seq., and procedures implementing that Act, Title 5 CFR 1320.1, et. seq.
- e. Forms Supplies. Forms herein are available on request from:

U.S. Department of Energy
Technical Information Center
Secondary Distribution
P.O. Box 62
Oak Ridge, TN 37830

CHAPTER II

PROGRAM MANAGEMENT REPORTING

1. HOW TO SELECT PLANS AND REPORTS.

- a. General. When establishing a reporting requirement, each of the following factors should be jointly considered:
- (1) The Activity to be Performed. A major determinant in the selection of plans and reports should be the nature of the work. Program/project managers should consider the scope and characteristics of the activity in making an appropriate selection of baseline plans and reports. As previously indicated, a basic research project, characterized as scientific inquiry with uncertain results, may not show progress on a scheduled basis. On the other hand, certain conservation programs have specific goals, for example, the weatherization of a number of homes for the elderly during a specified period.
 - (2) The Duration and Complexity of the Effort. The extent and complexity of the activity should suggest the kinds of information necessary for DOE either to monitor the activity or to be involved in a responsible manner.
 - (3) The Program Legislation, Federal Regulations, and Guidance. Some DOE program legislation requires specific reporting, controls, and procedures. Program managers and assistance recipients must abide by the statutory and regulatory terms of the program to ensure the collection of essential information.
 - (4) The Significance of the Effort. High interest by the public, Congress, or the Administration will require current and timely information on performance.
 - (5) The Information Requirements of Other DOE Organizations. The data requirements of the Controller and the Director of Procurement and Assistance Management should be identified and satisfied. Any other DOE organizations involved in a stewardship role should identify their data requirement for the program/project manager preparing the reporting requirements.
- b. When Reports are Due. The date for submitting reports is identified for the recipient on the "Federal Assistance Reporting Checklist" in the award. How often a report is submitted can vary with each grant or cooperative agreement, and generally is negotiated prior to award, and is indicated by a letter code in the "frequency" column. The frequency codes for submittal are shown in Figure II-1 unless otherwise specified in the award documentation:

A (As necessary).....	Within 5 calendar days after event.
F (Final).....	Within 90 days of the end of performance on the Federal assistance effort.
X (With proposal or application).....	Accompanying proposal application, or with significant planning changes.
O (One time).....	Within 30 days after award.
M (Monthly).....	Within 20 days after the end of a calendar month (not generally selectable for grants).
Q (Quarterly).....	Within 30 days after the end of a budget period quarter.
S (Semiannually).....	Within 30 days after end of a budget period half year.
Y (Yearly).....	Within 90 days after end of a budget period.

Figure II-1
Frequency Codes for Submittal of Reports

c. Distribution of Reports. The finance officer must receive copies of all "Financial Status Reports." The contracting officer must receive copies of all required reports. The DOE program/project manager should be aware of the information needs of other DOE organizations and should make provisions to distribute reports to them. Organizations designated to receive specific reports should be so advised. Insofar as possible, award recipients should not be asked to submit multiple reports to several addressees. However, the "addressees" column of the "Federal Assistance Reporting Checklist" will usually indicate that reports should be submitted as follows (if further distribution is required, the DOE program/project manager should make such distribution):

- (1) To avoid any possible delay, the "Financial Status Report" will often be submitted by the recipient directly to the awarding officer and to the designated DOE finance organization so that costs can be entered into DOE's financial information system. A copy of the report will usually be submitted to the program manager. The DOE program/project manager should provide the assistance recipient with a budget and reporting number for the current DOE fiscal year so that the recipient can include the current budget and reporting number in the remarks section of the "Financial Status Report."

- (2) Other status reports should be submitted to the DOE program manager or to an appropriate addressee in the program organization.
 - (3) The technical report requirements of the DOE Patent Counsel (GC-42) and the Technical Information Center are discussed in Technical Information Center documentation including DOE 1430.1. These requirements should be identified on the checklist.
- d. Selection Guides for Baseline Plans and Reports. The tables presented in Figure II-2 suggest appropriate baseline plans and reports for the types of activity performed under grants and cooperative agreements. These tables are provided only as initial references for DOE program managers. DOE program managers are expected to apply their specific knowledge of all factors involved to make appropriate report selections. For example:
- (1) Selection may be imposed or limited by legislation.
 - (2) The DOE program manager also must consider alternatives (such as alternative payment reporting) to and restrictions on financial reporting contained in OMB circulars and 10 CFR 600.
 - (3) There are special cases in which more frequent or more detailed reporting may be required. Generally, these are cases in which the recipient has a history of poor performance, is not financially stable, or has a management system which does not meet prescribed standards. In such instances report selection should be accomplished according to procedures established in the DOE 4600.1.
- e. Preparing the Federal Assistance Solicitation to Include Reporting Requirements. After determining which plans and reports are necessary for the activity, the DOE program manager will ensure that the awarding officer incorporates these requirements into the solicitation. The solicitation should contain the program identification number from the catalog of "Federal Domestic Assistance" and identify any relevant program legislation for the applicant/proposer. Blank forms for the required baseline plans should be included in the solicitation as part of the application/proposal package. Additionally, the solicitation should contain a brief description of the required status reports to assist the applicant/proposer in determining the total administrative costs. A brief description of this Order, each baseline plan, and each status report is provided in Attachment II-2. These are offered as suggested descriptions of the system, the plans, and the reports for inclusion in the solicitation where appropriate. The DOE program manager and the awarding officer should work together to develop the solicitation to ensure that baseline plans and status report descriptions, as well as technical information reporting requirements, are included.

Table 1. Selection Guide for Grants

	RESEARCH PROGRAMS	HUMAN RESOURCE DEVELOPMENT PROGRAMS	CONSERVATION & PUBLIC SERVICE PROGRAMS	TECHNOLOGY RESOURCE DEVELOPMENT & PRODUCTION PROGRAMS
Milestone Plan				X
Budget Information Form	X	X	X	X
Management Summary Report			X, Q, F	Q, F
Program/Project Status Report		F	Q, F	Q, F
Financial Status Report	Y, F	Y, F	Q, F	Q, F
Notice of RD&D ^{1/}	Q, Y			Q, Y
Technical Progress Report	Y			Y
Technical Topical Report	A			A
Final Technical Report	F			F

Table 2. Selection Guide for Cooperative Agreements

	RESEARCH PROGRAMS	HUMAN RESOURCE DEVELOPMENT PROGRAMS	CONSERVATION & PUBLIC SERVICE PROGRAMS	TECHNOLOGY RESOURCE DEVELOPMENT & PRODUCTION PROGRAMS
Milestone Plan				X, Y
Budget Information Form	X	X	X, Y	X
Management Summary Report			X	M or Q, F
Program/Project Status Report	Y	Y, F	X, Q, F	M or Q, F
Financial Status Report	Y, F	Y, F	Q, F	Q, F
Notice of RD&D ^{1/}	Q, Y		Q, F	Q, Y
Technical Progress Report	Y			Y
Technical Topical Report	A			A
Final Technical Report	F			F

^{1/} A Notice of Energy RD&D must be submitted at the beginning of each project year. (DOE 1340.1)

Figure II-2
Selection Guides for Plans and Reports

f. Preparation of the Federal Assistance Reporting Checklist.

- (1) The DOE program manager states the anticipated reporting requirements in the solicitation by using a "Federal Assistance Reporting Checklist." The checklist, revised as appropriate, will become a part of the assistance award. The DOE program manager completes a checklist by providing specifics in each of the following areas:
 - (a) Selection of reports;
 - (b) Frequency of reports;
 - (c) Distribution of reports (name/title and address);
 - (d) Number of copies to be submitted; and
 - (e) Special instructions:
 - 1 Budget and reporting number for cost reporting; and
 - 2 Program specific reports, reporting categories, or topical requirements.
- (2) Specific information for preparing a checklist is on the reverse of the form. Addressees to whom reports will be forwarded directly must be provided on an additional page. If more space is needed in item 5, additional pages can be attached. A completed checklist and attachment are shown as Figures II-3 and II-4.
- (3) Two signature blocks are provided on the checklist. The DOE program manager preparing the checklist should sign at item 6. When the preparer of the checklist exceeds the recommended selection, shown in Figure II-2, a review and approval of at least the next level of supervision is required. It is the reviewer's responsibility to ensure that only data necessary for effective program/project management appears as a checklist requirement.

2. HOW TO PREPARE PLANS AND REPORTS.

- a. General. DOE and Office of Management and Budget forms are used for all plans and reports in this Order. Instructions for the preparation of plan and report forms appear on the reverse side of each form. The examples in this Order illustrate those instructions. Although each plan or report addresses different aspects of performance, the following data elements are common to all the forms.
 - (1) Program/Project Identification Number. The award number as it appears on the award, if available.

**U.S. DEPARTMENT OF ENERGY
FEDERAL ASSISTANCE REPORTING CHECKLIST**

FORM EIA-488A (10-80) FORM APPROVED
OMB NO 1900-0127

1. Identification Number: Cooperative Agreement DE-FC-01-00RA1234		2. Program/Project Title: Pilot Energy Awareness Training Program	
3. Recipient: Ace Utility Company, Utopia, Illinois			
4. Reporting Requirements:			
PROGRAM/PROJECT MANAGEMENT REPORTING	Frequency	No. of Copies	Addressees
<input checked="" type="checkbox"/> Federal Assistance Milestone Plan	X, Y	1	A
<input type="checkbox"/> Federal Assistance Budget Information Form	X, Y	1	A
<input checked="" type="checkbox"/> Federal Assistance Management Summary Report	Q	1	A
<input type="checkbox"/> Federal Assistance Program/Project Status Report	Q	1	A
<input checked="" type="checkbox"/> Financial Status Report, OMB Form 269	Q	1, 1, 1	A, B, C
TECHNICAL INFORMATION REPORTING			
<input type="checkbox"/> Notice of Energy RD&D			
<input type="checkbox"/> Technical Progress Report			
<input type="checkbox"/> Topical Report			
<input type="checkbox"/> Final Technical Report			
FREQUENCY CODES AND DUE DATES:			
A - As Necessary; within 5 calendar days after events. F - Final; 90 calendar days after the performance of the effort ends. Q - Quarterly; within 30 days after end of calendar quarter or portion thereof. O - One time after project starts; within 30 days after award. X - Required with proposals or with the application or with significant planning changes. Y - Yearly; 30 days after the end of program year. (Financial Status Reports 90 days). S - Semiannually; within 30 days after end of program fiscal half year.			
5. Special Instructions:			
1. No technical reports are required due to the nature of this program. 2. A final narrative report summarizing accomplishments and evaluating the program is due 90 days after the program ends. Note: For Q substitute "budget period quarter" for "calendar quarter or portion thereof." For Y substitute "budget period" for "program year." For S substitute "budget period" for "program fiscal."			
6. Prepared by: (Signature and Date) <i>T. J. Noteworthy 1/15/81</i>		7. Reviewed by: (Signature and Date) <i>M. B. Smith 1/15/81</i>	
T. J. Noteworthy		M. B. Smith	

Figure II-3
Example Federal Assistance Reporting Checklist

FEDERAL ASSISTANCE REPORTING CHECKLIST

PURPOSE

This form serves to identify plans and reports selected by DOE as reporting requirements for the Federal Assistance Program/Project.

INSTRUCTIONS

- Item 1 – Enter the program /project identification number as it appears in the official award.
- Item 2 – Enter the program/project description as it appears in the official award.
- Item 3 – Enter the name of the recipient.
- Item 4 – Check spaces to indicate plans and reports selected. For each report checked, indicate frequency of delivery in column provided using one of the frequency of delivery codes as shown, as well as the number of copies requested and to whom they should be sent.
 - Federal Assistance Milestone Plan* – presents, with the accompanying Milestone Log, a schedule of the planned activity.
 - Federal Assistance Budget Information Form* – presents the planned costs.
 - Federal Assistance Management Summary Report* – registers planned progress and costs to actual progress and costs in a capsulized format.
 - Federal Assistance Program/Project Status Report* – periodically reports project status, explains variances and problems, and discusses any other areas of concern or achievements.
 - Financial Status Report, OMB Form 269* – presents the status of funds committed to the project.
 - Notice of energy R&D Project* – provides information on unclassified DOE R&D Project for dissemination to the scientific, technical, and industrial communities and to the public. Also provides information to the Smithsonian Information Exchange and to the DOE Technical Information Center.
 - Technical Progress Report* – periodically reports progress and/o results of DOE supported R&D and scientific projects covering a specific reporting period.
 - Topical Report* – presents the technical results of work performed on a specific phase of a project.
 - Final Technical Report* – presents a technical accounting of the total work performed on a project.
- Frequency Codes - Each code represents a specific reporting frequency (such as Quarterly). These time periods are suggested in the program announcement and negotiated at the time of the award.
- Item 5 – Identify any special reporting requirements or instructions not identified in Item 4. (Use additional sheets as necessary.).
- Item 6 – Signature of person preparing the checklist and the date prepared. Preparation is by person responsible for program solicitation.
- Item 7 – Signature of the person reviewing the checklist and date reviewed.

Figure II-3 (Continued)
Federal Assistance Reporting Checklist (Reverse Side)

Report Distribution List	
A.	T. J. Noteworthy, Program Manager San Francisco Operations Office U.S. Department of Energy 1333 Broadway Oakland, California 94612
B.	S. F. Gelman, Awarding Officer San Francisco Operations Office U.S. Department of Energy 1333 Broadway Oakland, California 94612
C.	A. D. Bowman, Financial Officer San Francisco Operations Office U.S. Department of Energy 1333 Broadway Oakland, California 94612

Figure II-4
Example Attachment to Federal Assistance Reporting Checklist

- (2) Program/Project Title. The official title as it appears in the award, if available. Otherwise the title should be short and descriptive.
 - (3) The Name of the Proposer/Recipient. This information should appear as it does or would in the award.
 - (4) The Planning or Reporting Period. The period of time covered by the plan or the report, identified by inclusive dates.
 - (5) The Program/Project Start Date. The date identified in the award as the official start date, if available.
- b. Structuring of Reporting Elements. A major facet of management is identifying and organizing the objectives of the work and planning the resources to accomplish them. Before any program begins, the prime objectives as well as the supporting objectives must be carefully determined and defined. All of the objectives must be organized and interrelated to attain the program goals, and the objectives must be communicated to all parties managing the program work.

- (1) The range of DOE Federal assistance programs is broad and diverse. At one extreme are those programs characterized by planning and reporting of discrete, measureable milestones or accomplishments. Examples of these efforts are the number of homes insulated or the number of schools and hospitals which have had energy audits. Other assistance work may not be measurable in terms of quantity. For example, some research activity may only be capable of being monitored on the basis of the quality of technical aspects of the work. Periodic review of technical reports by experts in the specific field or conversations with the researcher are considered acceptable methods for reviewing and evaluating many types of basic research tasks or activities. Some DOE Federal assistance programs are characterized by the absence of predetermined structure. Programs which promote innovation and invention are examples of this type of program.
- (2) The solicitation will describe broad areas of scientific or engineering endeavors which it is in the public interest to fund. In these programs the applicant/proposer will describe the structure of the proposed work. Clearly, it is in the best interest of the applicant/proposer to establish a logical and understandable approach for the work effort, and this Order provides sufficient flexibility to accommodate a wide range of work structures.
- (3) In those cases where a work planning and reporting structure is desired, the DOE program manager will determine the reporting elements which are required to objectively monitor the work for which the recipient is responsible. An explicit description of these reporting elements should be included in the solicitation in order for all applicants/proposers to respond uniformly. This facilitates the review and evaluation of applications/proposals and, later, facilitates the monitoring process by having a reporting standard for measuring progress on similar work.
- (4) A management tool that can assist a manager in organizing the project is the work breakdown structure. For illustration, a work breakdown structure is shown in Figure II-5.
 - (a) Level I refers to the program or project objective. For some programs, DOE will define level I and level II elements on the "Federal Assistance Reporting Checklist." In the example, level I corresponds to "Pilot Energy Awareness Training Program," and is numbered 1.0.
 - (b) Level II consists of the component tasks essential to fulfill the objective. In the example, there are five tasks which must be accomplished in order to establish, conduct and evaluate the "Pilot Energy Awareness Training Program." These level II components are commonly referred to as elements of work and numbered progressively 1.1, 1.2, 1.3, 1.4, and 1.5.

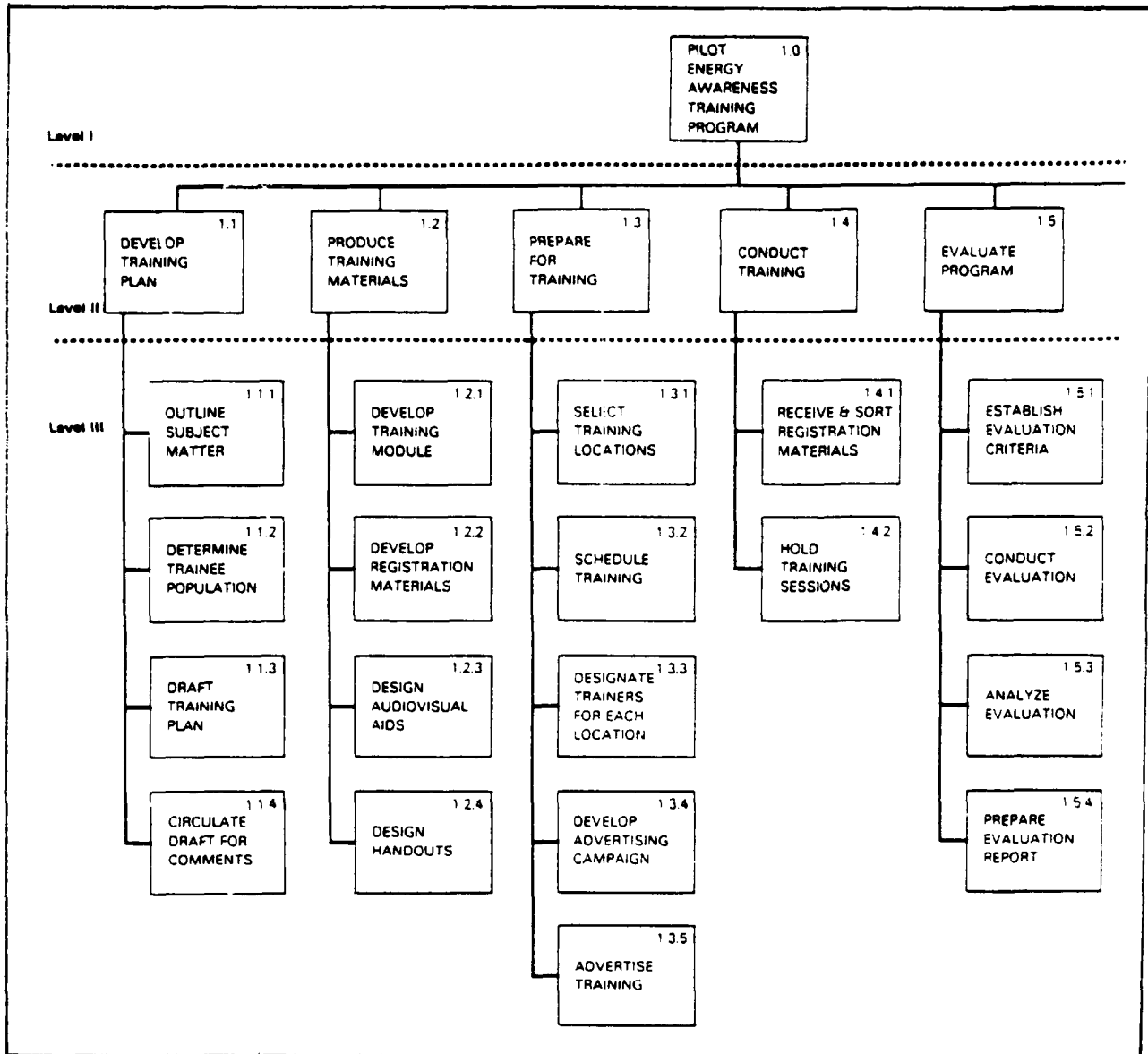


Figure II-5
Example Work Breakdown Structure

- (c) Level III outlines the subtasks necessary for the completion of the level II tasks. For example, in order to "Produce Training Materials" (1.2), there are four subtasks which need to be performed. These are numbered 1.2.1, 1.2.2, 1.2.3, and 1.2.4. These subtasks are not necessarily a sequential ordering of work to be performed, but represent a breakdown of the level II task.

c. Federal Assistance Milestone Plan (Form EIA-459B).

(1) Purpose.

- (a) The "Federal Assistance Milestone Plan" presents the schedule for the planned work. The plan establishes the recipient's time schedule for accomplishing the planned events and milestones for each reporting element identified in the solicitation. The form is normally accompanied by a "Milestone Log" with the planned completion date of each item.
- (b) Standard DOE charting symbols and charting conventions described on the reverse side of the form are used to chart the intermediate events and milestones. Detailed preparation instructions appear on the reverse side of the form. Intermediate events and critical milestones are further identified in an attached "Milestone Log," and include the identification number, descriptive name of the event or milestone, and the scheduled date of completion. A sample "Federal Assistance Milestone Plan" and a companion "Milestone Log" are shown at Figures II-6 and II-7.

- (2) General Instructions. The plan will be prepared to the level of detail specified in the solicitation. A schedule should be developed for the total effort from start to finish. The plan should provide more detail in the current year and less detail for later years.

(3) Discussion of the Example, Figure II-6.

- (a) Item 6 - Identification Number. The identification number is a milestone reference number given to the task by the recipient or taken from the work breakdown structure. In this example, the milestone identification numbers correspond to the numbers given to the work breakdown structure elements.
- (b) Item 7 - Planning Category (Work Breakdown Structure Tasks). A short descriptive title is entered for each activity. In the example, the titles correspond to the work breakdown structure elements.
- (c) Item 8 - Program/Project Duration. The block extending left to right represent convenient units of time which cover the duration of the work effort. In this example, the first month of planned activity is April, identified by an "A" in the first block.

(d) Item 9 - Comments. This column is provided for the convenience of the planner and allows the addition of any comments, notes, names of performers or subgrantees, or other appropriate items. For task 1.4, there is a comment that 30 seminars will be conducted.

(4) Discussion of the Example, Figure II-7.

(a) The purpose of the "Milestone Log" is to list the events and milestones which are depicted on the Federal Assistance Milestone Plan. Also there are columns for the planned and actual occurrence dates for each of the events listed.

(b) For example, activity 1.1 on the "Federal Assistance Milestone Plan" has three events occurring during its duration. "Draft Training Plan Prepared" (1.1A), "Draft Circulated for Comments" (1.1B), and "Approved Training Plan Completed" (1.1). The planned occurrence dates for these events are 4-30-81, 5-14-81, and 5-29-81, respectively. Since the "Milestone Log" is not used as a required status report, the "Actual Completion Date" column is for the convenience of the user only.

d. Federal Assistance Budget Information Forms (Forms EIA-459C and EIA-459D).

(1) Purpose. Either the construction or nonconstruction "Federal Assistance Budget Information Form" is used to establish the planned budget for the complete effort. It is usually submitted in the application or proposal to provide basic cost information for the assistance award. The cost information provided should represent a well prepared cost plan for the total effort.

(2) General Instructions.

(a) Before the "Federal Assistance Budget Information Form" can be completed, the planned schedule or activity should be examined to determine what resources (manpower, materials, and/or facilities) will be required to accomplish the work. The cost of these can be projected against the schedule of activities. The cost can be planned on a monthly, quarterly, or annual basis and totaled on the "Federal Assistance Budget Information Form." An example of a complete "Federal Assistance Budget Information Form" for projects which do not involve construction or land is shown at Figure II-8.

(b) If the major purpose of the effort is construction, land acquisition, or land development, and the application is for \$10,000 or greater, the "Federal Assistance Budget Information Form" for construction should be used. This form is shown in Figure II-9. (Note that the example data is unrelated to the hypothetical training program which does not involve construction.) Otherwise, if the application is for less than \$10,000 and does not require

U.S. DEPARTMENT OF ENERGY
FEDERAL ASSISTANCE MILESTONE PLAN

FORM APPROVED
OMB No. 1980-0127

1 Program/Project Identification No DE-FC-01-00RA1234		2 Program/Project Title Pilot Energy Awareness Training Program												
3 Performer (Name, Address) ACE Utility Company Utopia, Illinois			4 Program/Project Start Date 4/1/81											
			5 Program/Project Completion Date 3/31/82											
6 Identification Number	7 Planning Category (Work Breakdown Structure Task)	8 Program/Project Duration												9 Comments (Notes, Name of Performer)
		A	M	J	J	A	S	O	N	D	J	F	M	
1.1	Develop Training Plan													
1.2	Produce Training Materials													
1.3	Prepare for Training													
1.4	Conduct Training													30 Seminars
1.5	Evaluate Training													
10 Remarks														
11 Signature of Recipient and Date Susan Print <i>Susan Print</i> 1/14/81						12 Signature of DOE Reviewing Representative and Date T. J. Noteworthy <i>T. J. Noteworthy</i> 2/27/81								

Example Federal Assistance Milestone Plan
Figure II-6

If this form is used as a plan:

No grant or cooperative agreement may be awarded unless a completed application has been received (DOE Organizational Act, PL 95-91, 42 USC 7204 and Federal Grant and Cooperative Agreement Act of 1977, PL 95-224, 41 USC 508).

If this form is used as a report:

No further monies or other benefits may be paid out under this program unless this report is completed and filed as required by existing law and regulations (DOE Organizational Act, PL 95-91, 42 USC 7204 and Federal Grant and Cooperative Agreement Act of 1977, PL 95-224, 41 USC 508).

FEDERAL ASSISTANCE MILESTONE PLAN

PURPOSE
The Milestone Plan is used as a planning tool, establishing the time schedule for accomplishing the planned work. Usually, it is accompanied by the Milestones Log.

INSTRUCTIONS

- Item 1 - Enter the Federal grant or agreement identification number for the current year as it appears in the official award, if known.
- Item 2 - Enter the identifying name or description of the program/project, and, if applicable, the project identification number.
- Item 3 - Enter the name and address of the performer responsible for managing the task.
- Item 4 - Enter the original start date of the program/project.
- Item 5 - Enter the official completion date as of the latest modification.
- Item 6 - Enter the milestones' identification numbers, from the work breakdown structure or as assigned by the DOE program office or managing office.
- Item 7 - Enter a brief, identifying description of the milestones.
- Item 8 - Enter the first letter of each month of the program/project duration in the appropriate boxes if the duration is 24 months or less. Divide the program/project time period up into intervals of two or more months for durations longer than 24 months and enter the first letter of the last month of each interval in the appropriate box.
- Item 9 - Enter the name of the organization responsible for performing the work, if different than in Item 6 or any note for clarification of line entries.
- Item 10 - Enter any explanatory notes. If more space is required, attach additional sheets and so indicate in this block.
- Item 11 - Enter the signature of the Federal Assistance Recipient and the date signed to verify that the information is reasonable, based on knowledge of the project.
- Item 12 - Signature of the DOE reviewer and the date signed, which indicates that the information on the plan has been reviewed and appears reasonable.

CHARTING INFORMATION

SYMBOLS

- △ Major Milestone
- ▽ Intermediate Event (Discretionary, Supporting Milestone, or Decision Point)
- ▲ Intermediate Event completed early or late
- ◇ Proposed Scheduled Duration (late or early) for a major milestone
- Activity Bar
- Dollar Ceiling
- ⋮ Time Now
- ⌋ Continuous beyond Time frame shown

EXAMPLES

Figure II-6 (continued)
Federal Assistance Milestone Plan (Reverse Side)

MILESTONE LOG		Pilot Energy Awareness Training Program Program/Project Title		
Ident. No.	Description	Planned Completion Date	Actual Completion Date	Comments
1.1A	Draft Training Plan Prepared	4-30-81		
1.1B	Draft Circulated for Comments	5-14-81		
1.1	Approved Training Plan Completed	5-29-81		
1.2A	Training Modules Developed	7-10-81		
1.2B	Registration Materials Designed	7-17-81		
1.2C	Audio-Visual Aids Designed	7-31-81		
1.2D	Handouts Designed	7-31-81		
1.2	All Training Materials Printed	8-31-81		
1.3A	Training Locations Selected	6-12-81		
1.3B	Training Scheduled	6-26-81		
1.3C	Advertising Campaign Developed	7-17-81		
1.3D	Ads Run in Local Papers	1-08-82		
1.3	Training Preparation Completed	1-08-82		
1.4A	Registration Materials Received and Sorted	1-15-82		
1.4B	Training Sessions Held	1-29-82		
1.4	Training Completed	1-29-82		
1.5A	Evaluation Criteria Established	8-07-82		
1.5B	Evaluation Survey Conducted	2-05-82		
1.5C	Evaluation Data Analyzed	3-05-82		
1.5	Evaluation Report Prepared	3-31-82		

Figure II-7
Example Milestone Log

clearinghouse approval, an environmental impact statement, or the relocation of persons, businesses or farms, the "Federal Assistance Budget Information Form" for nonconstruction is used (unless the applicant is a State, local or Indian tribal government in which case OMB Circular A-102 specifies the use a "short form application").

(3) Discussion of the Example, Figure II-8.

- (a) Items 1-5. These items display the identifying characteristics of the program/project.
- (b) Section A - Budget Summary. In this section the total budget is presented for the particular project. Since this project pertains to a single Federal assistance program with no functional or activity breakdown, only line 1 is used.
- (c) Section B - Budget Categories. In this section the total budget is presented for each of the cost categories of direct costs with indirect costs computed at a rate agreed upon at the time of award or, in the case of many recipients, predetermined by a single Federal agency assigned the responsibility of negotiating a rate accepted by all Federal Agencies.

e. Federal Assistance Management Summary Report (Form EIA-459E) as a Baseline Plan.

- (1) Purpose. Although the "Federal Assistance Management Summary Report" is used as a status report it can be used as a baseline plan as well. As a planning document, it is a concise, top-level summary of planned costs and schedule. The plan is presented on a single page in a graphic format with supporting data. The graphic format permits rapid visual comparison of cost and schedule. When the period of performance is 12 months or less, and this form is used as a plan, the "Federal Assistance Milestone Plan" need not be used.
- (2) General Instructions.
 - (a) The cost graphs are cumulative presentations, which can present 12 months of work. The cost chart permits the planned costs to be shown in quarterly increments.
 - (b) The milestone portion of this report establishes the recipient's time schedule for accomplishing the planned events and milestones for each reporting element identified in the solicitation. An example of a completed form when it is being used as a plan is shown as Figure II-10.

FEDERAL ASSISTANCE BUDGET INFORMATION FORM						
FORM EIA-459C (10/80)			FORM APPROVED OMB No. 1900-0127			
1 Program/Project Identification No. DE-FC-01-00RA1234		2 Program/Project Title Pilot Energy Awareness Training Program (P.E.A.T.P.)				
3 Name and Address ACE Utility Company Utopia, Illinois				4 Program/Project Start Date 4/01/81		5 Completion Date 3/31/82
SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1 P.E.A.T.P.	81.007	\$	\$	\$ 197,300	\$ 97,700	\$ 295,000
2						
3						
4						
5 TOTALS				\$ 197,300	\$ 97,700	\$ 295,000
SECTION B - BUDGET CATEGORIES						
6 Object Class Categories	Grant Program Function or Activity				Total (5)	
	(1) P.E.A.T.P	(2)	(3)	(4)		
a Personnel	\$ 160,200	\$	\$	\$	\$ 160,200	
b Fringe Benefits	17,500				17,500	
c Travel	30,800				30,800	
d Equipment	4,400				4,400	
e Supplies	8,700				8,700	
f Contractual	20,400				20,400	
g Construction	- 0 -				- 0 -	
h Other	- 0 -				- 0 -	
i Total Direct Charges	242,000				242,000	
j Indirect Charges	53,000				53,000	
k TOTALS		\$ 295,000	\$	\$	\$ 295,000	
7 Program Income		\$ - 0 -	\$	\$	\$ - 0 -	

Figure II-8
Example Federal Assistance Budget Information Form
(Non-Construction)

FEDERAL ASSISTANCE BUDGET INFORMATION FORM

INSTRUCTIONS

- Item 1 Enter the Federal Grant or agreement identification number for the current year as it appears in the official award, if known.
- Item 2 Enter the Program/Project official title as it appears in the award.
- Item 3 Enter name and address of the agency or office responsible for coordination and administration of the Program/Project.
- Item 4 Enter the official start date.
- Item 5 Enter the official completion date as of the latest official modification.

Section A. Budget Summary

Lines 1-4 Columns (a) and (b).

For applications pertaining to a single Federal grant program (Federal Domestic Assistance Catalog number) and not requiring a functional or activity breakdown, enter on Line 1 under Column (a) the catalog program title and the catalog number in Column (b).

For applications pertaining to a single program requiring budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a) and enter the catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the catalog program title on each line in Column (a) and the respective catalog number on each line in Column (b).

For applications pertaining to multiple programs where one or more programs require a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4 Columns (c) through (g).

For new applications, leave Columns (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f) and (g) the appropriate amounts of funds needed to support the project.

For continuing grant program applications, submit these forms before the end of each funding year if required by Program Manager. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the award instructions provide for this. Otherwise leave these columns blank. Enter in Columns (e) and (f) the amount of funds needed for the upcoming period. The amount(s) in

Column (g) should be the sum of the amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of the amounts in Columns (e) and (f).

Line 5 - Show the totals for all columns used.

Section B. Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets were prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Lines 6a-h - Show the estimated amount for each direct cost budget (object class) category for each column with program, function or activity heading.

Line 6i - Show the totals of Lines 6a to 6h in each column.

Line 6j - Show the amount of indirect cost. Refer to FMC 74-4.

Line 6k - Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in Column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k, should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5. When additional sheets were prepared, the last two sentences apply only to the first page with summary totals.

Line 7 - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show under the program narrative statement the nature and source of income. The estimated amount of program income may be considered by the Program Manager in determining the total amount of the grant.

THIS REPORT IS REQUIRED IN ACCORDANCE WITH 42 U.S.C. 7254 AND 40 U.S.C. 471 ET SEQ. FAILURE TO REPORT MAY RESULT IN CONTRACT TERMINATION OR PENALTIES AS PROVIDED BY LAW.

SEE DOE CR 00013 FOR PROVISIONS CONCERNING CONFIDENTIALITY OF INFORMATION.

Figure II-8 (Continued)
Federal Assistance Budget Information Form (Reverse Side)
(Non-Construction)

**FEDERAL ASSISTANCE BUDGET INFORMATION FORM
(CONSTRUCTION)**

FORM EIA-680 (1983) FORM APPROVED
OMB No. 1200-0127

1. PROGRAM/PROJECT IDENTIFICATION NO.	2. PROGRAM/PROJECT TITLE Steam Turbine Facility Construction		
3. NAME AND ADDRESS Creative Construction 1000 Development Way Coalville, WV	4. PROGRAM/PROJECT START DATE 01/02/83		5. COMPLETION DATE 01/31/84

SECTION A - GENERAL

1. Federal Domestic Assistance Catalog No. _____

2. Functional or Other Breakout N/A

SECTION B - CALCULATION OF FEDERAL GRANT

Cost Classification	Use Only for Revisions		Total Amount Required
	Latest Approved Amount	Adjustment + or (-)	
1. Administration Expense	\$	\$	\$ 228,500
2. Preliminary Expense			68,900
3. Land, Structures, Right-of-way			477,500
4. Architectural Engineering Basic Fees			105,000
5. Other Architectural Engineering Fees			11,000
6. Project Inspection Fees			5,000
7. Land Development			85,000
8. Relocation Expenses			115,000
9. Relocation Payments to Individuals and Businesses			435,000
10. Demolition and Removal			26,000
11. Construction and Project Improvement			965,000
12. Equipment			198,000
13. Miscellaneous			--
14. Total (Lines 1 through 13)			2,719,900
15. Estimated Income (if applicable)			910,000
16. Net Project Amount (Line 14 minus Line 15)			1,809,900
17. Less: Ineligible Exclusions			427,500
18. Add: Contingencies			179,685
19. Total Project Amount (Excluding Rehabilitation Grants)			2,417,085
20. Federal Share Requested of Line 19			850,000
21. Add Rehabilitation Grants Requested (100%)			--
22. Total Federal Grant Requested (Lines 20 & 21)			850,000
23. Grantee Share			1,249,500
24. Other Shares			350,000
25. Total Project (Lines 22, 23 & 24)	\$	\$	\$2,449,500

Figure II-9
Federal Assistance Budget Information Form
(Construction)

**FEDERAL ASSISTANCE BUDGET INFORMATION FORM
(CONSTRUCTION)**

INSTRUCTIONS

Item 1 - Enter the Federal Grant or agreement identification number for the current year if an award has been made.

Item 2 - Enter the Program/Project title.

Item 3 - Enter name and address of the agency or office responsible for coordination and administration of the Program/Project.

Item 4 - Enter the official start date.

Item 5 - Enter the official completion date as of the latest official modification.

Section A - General

1. Show the Federal Domestic Assistance Catalog Number from which the assistance is requested. When more than one program or Catalog Number is involved and the amount cannot be distributed to the Federal grant program or catalog number on an overall percentage basis, prepare a separate set of forms for each program or Catalog Number. However, show the total amounts for all programs in Section B of the basic application form.

2. Show the functional or other categorical breakdowns, if required by the Federal grantor agency. Prepare a separate set of forms for each category.

Section B - Calculation of Federal Grant

When applying for a new grant, use the Total Amount Column only. When requesting revisions of previously awarded amounts, use all columns.

Line 1 - Enter amounts needed for administration expenses including such items as travel, legal fees, rental of vehicles and any other expense items expected to be incurred to administer the grant. Include the amount of interest expense when authorized by program legislation and also show this amount under Section E - Remarks.

Line 2 - Enter amounts pertaining to the work of locating and designing, making surveys and maps, sinking test holes, and all other work required prior to actual construction.

Line 3 - Enter amounts directly associated with the acquisition of land, existing structures, and related right-of-way.

Line 4 - Enter basic fees for architectural engineering services.

Line 5 - Enter amounts for other architectural engineering services, such as surveys, tests, and borings.

Line 6 - Enter fees for inspection and audit of construction and related programs.

Line 7 - Enter amounts associated with the development of land where the primary purpose of the grant is land improvement. Site work normally associated with major construction should be excluded from this category and shown on Line 11.

Line 8 - Enter the dollar amounts needed to provide relocation advisory assistance, and the net amounts for replacement (last resort) housing. Do not include relocation administration expenses on this Line; include them on Line 1.

Line 9 - Enter the estimated amount of relocation payments to be made to displaced persons, business concerns and non-profit organizations for moving expenses and replacement housing.

Line 10 - Enter the gross salaries and wages of employees of the grantee who will be directly engaged in performing demolition or removal of structures from developed land. This Line should show also the cost of demolition or removal of improvements on developed land under a third party contract. Reduce the cost of this Line by the amount of expected proceeds from the sale of salvage, if so instructed by the Federal grantor agency. Otherwise, show the proceeds on Line 15.

Line 11 - Enter amounts for the actual construction of, addition to, or restoration of a facility. Also include in this category the amounts of project improvements such as sewers, streets, landscaping and lighting.

Line 12 - Enter amounts for equipment both fixed and movable exclusive of equipment used for construction. For example include amounts for permanently attached laboratory tables, built-in audio visual systems, movable desks, chairs, and laboratory equipment.

Line 13 - Enter amounts for items not specifically mentioned above.

Line 14 - Enter the sum of Lines 1-13.

Line 15 - Enter the estimated amount of program income that will be earned during the grant period and applied to the program.

Line 16 - Enter the difference between the amount on Line 14 and the estimated income shown on Line 15.

Line 17 - Enter amounts for those items which are part of the project but not subject to Federal participation (See Section C, Line 26g, Column (1)).

Line 18 - Enter the estimated amount for contingencies. Compute this amount as follows: Subtract from the net project amount shown on Line 16 the net eligible project exclusions shown on Line 17 and the amount which is excluded from the contingency provisions shown in Section C, Line 26g, Column (2). Multiply the computed amount by the percentage factor allowed by the grantor agency in accordance with the Federal program guidance. For those grants which provide for a fixed dollar allowance in lieu of a percentage allowance, enter the dollar amount of this allowance.

Line 19 - Show the total amount of Lines 16, 17 and 18. (This is the amount to which the matching share ratio prescribed in program legislation is applied.)

Line 20 - Show the amount of Federal funds requested exclusive of funds for rehabilitation purposes.

Line 21 - Enter the estimated amounts needed for rehabilitation expense if rehabilitation grants to individuals are made for which grantees are reimbursed 100% by the Federal grantor agency in accordance with program legislation. If the grantee shares in part of this expense show the total amount on Line 13 instead of on Line 21 and explain in Section E - Remarks.

Line 22 - Show the total amount of the Federal grant requested.

Line 23 - Show the amount from Section D, Line 27h.

Line 24 - Show the amount from Section D, Line 28c.

Line 25 - Self-explanatory.

Figure II-9 (Continued)
Federal Assistance Budget Information Form (Reverse Side)
(Construction)

**FEDERAL ASSISTANCE BUDGET INFORMATION FORM
(CONSTRUCTION)**

SECTION C - EXCLUSIONS		
26 Classification	Ineligible for Participation (1)	Excluded from Contingency Provisions (2)
a. Land Development	\$ 85,000	\$ -
b. Relocation Expenses	95,000	20,000
c. Relocation Payments	150,000	77,500
d.	-	-
e.	-	-
f.	-	-
g. Totals	\$ 330,000	\$ 97,500

SECTION D - PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE	
27. Grantee Share	\$1,249,500
a. Securities	-
b. Mortgages	-
c. Appropriations (By Applicant)	975,000
d. Bonds	274,500
e. Tax Levies	-
f. Non-Cash	-
g. Other (Explain)	-
h. TOTAL - Grantee Share	1,249,500
28. Other Shares	350,000
a. State	350,000
b. Other	-
c. Total Other Shares	350,000
29 TOTAL	\$1,599,500

SECTION E - REMARKS

INSTRUCTIONS

Section C - Exclusions

Line 26 a-g - Identify and list those costs in Column (1) which are part of the project cost but are not subject to Federal participation because of program legislation or Federal grantor agency instructions. The total amount on Line g should agree with the amount shown on Line 17 of Section B. Show in Column (2) those project costs that are subject to Federal participation but are not eligible for inclusion in the amount used to compute contingency amounts as provided in the Federal grantor agency instructions.

Section D - Proposed Method of Financing Non-Federal Share

Line 27 a-g - Show the source of the grantee's share. If cash is not immediately available, specify the actions completed to date and those actions remaining to make cash available under Section E - Remarks. Indicate also the period of time that will be required after execution of the grant agreement to obtain the funds. If there is a non-cash contribution, explain what this contribution will consist of.

Line 27 h - Show the total of Lines 27 a-g. This amount must equal the amount shown in Section B, Line 23.

Line 28 a - Show the amount that will be contributed by a State or state agency, only if the applicant is not a State or a state agency. If there is a non-cash contribution, explain what the contribution will consist of under Section E - Remarks.

Line 28 b - Show the amount that will be contributed from other sources. If there is a non-cash contribution, explain what this contribution will consist of under Section E - Remarks.

Line 28 c - Show the total of Lines 28a and 28b. This amount must be the same as the amount shown in Section B, Line 24.

Line 29 - Enter the totals of Line 27h and Line 28c.

Section E - Other Remarks

Make any remarks pertinent to the project and provide any other information required by these instructions or the grantor agency. Attach additional sheets, if necessary.

Figure II-9 (Continued)
Federal Assistance Budget Information Form
(Construction)

(3) Discussion of the Example, Figure II-10.

- (a) Item 3 - Reporting Period. When this form is used as a report, this block is used to indicate the reporting period. For programs/projects that are longer than 1 year, the entry in this block corresponds to the planning period in the baseline plan. When the "Federal Assistance Management Summary Report" form is used as a plan and the project is 1 year or less long, the block need not be filled in. If the project is more than 1 year long, and this form is used as a plan, the block should show total project duration. Since this example is only for 1 year, the block has not been filled in.
- (b) Item 7 - Fiscal Year. Recipient uses this block for the current Government Fiscal Year identification when reporting status. This block is not used when the form is used as a plan.
- (c) Item 8 - Months or Quarters. The time schedule can be identified by months or quarters. In the example, the first quarter of the budget period is identified in the first 3 blocks with "1st". Note that the quarters are true calendar quarters. The months also are indicated with the first character of the month's name.
- (d) Item 9 - Cost Status. The dollar scale is expressed in units of a thousand, as noted. A total dollar value for the budget period is represented by a solid line at the planned ceiling of \$295,000. Planned cost figures, entered at the base of the graph in the blocks provided, are cumulative and are entered in the last block for each quarter. On the graph, the quarterly points are plotted at the end of each quarter. For the first quarter, "58" is entered in the "J" column to indicate total planned costs up to the end of the first quarter. A broken line joining the points depicts planned costs over time.
- (e) Item 10 - Cost Chart. This section allows the recipient to show the breakout of funds among two to four possible fund sources or by activity as presented on the "Federal Assistance Milestone Plan." Blocks are provided for total planned and actual costs for each quarter, cumulative to date, and the fiscal year. A block is provided to identify the variance between the total planned and total actual costs per quarter. A block is also provided for total planned costs for all project years.
- (f) Item 11 - Major Milestone Status. The milestones are entered with an identification number and short descriptive title. If appropriate, line entries should show an estimated number of units planned for completion in the column titled "Units Planned/Units Completed." The example indicates that 30 seminars are planned to be completed during the project. When quantification of results is not possible, such as for the last milestone "1.5 Prepare Evaluation Report," no unit measure should be entered. The activity bar indicates the interval of time planned for performing the task, using the same schedule shown in item 8, above.

**U.S. DEPARTMENT OF ENERGY
FEDERAL ASSISTANCE MANAGEMENT SUMMARY REPORT**

FORM APPROVED
OASD No. 1588-0177
Page 1 of 1

1 Program Project Identification No DE-FG-01-00RA1234		2 Program Project Title Pilot Energy Awareness Training Program		3 Reporting Period _____ through _____	
4 Name and Address ACE Utility Company Utopia, Illinois				5 Program Project Start Date 4/1/81	
				6 Completion Date 3/31/82	

7 FY 81		8 Months or Quarters		1st A M J			2nd J A S			3rd O N D			4th J F M				
9 Cost Status Thousands		a Orders Enclosed in		b Order Scale													
10 Cost Chart																	
Fund Source		Quarter				Cum to Date		Tot Plan									
		1st	2nd	3rd	4th												
DOE		P	39	59	70	29	197										
ACE		P	19	30	34	15	98										
Total P		58	89	104	44	295											
Total A																	
Variance																	
		P = Planned	A = Actual														
11a Planned Costs for Program Project 295 Thousands		Planned	58	147	251	295											
		Actual															
		Variance															

11 Major Milestone Status		Units Planned											
		Units Complete											
1.1 Develop Training Plan		P											
		C											
1.2 Produce Training Materials		P											
		C											
1.3 Prepare for Training		P											
		C											
1.4 Conduct Training		P 20 seminars											
		C											
1.5 Prepare Evaluation Report		P											
		C											
		P											
		C											
		P											
		C											
		P											
		C											

12 Remarks

13 Signature of Recipient and Date Susan Prout <i>Susan Prout</i> 1/14/81		14 Signature of DOE Reviewing Representative and Date T. J. Noteworthy <i>TJ Noteworthy</i> 2/27/81	
--	--	--	--

Figure II-10
Example Federal Assistance Management Summary Report
as a Baseline Plan

If this form is used as a report
No fee, minutes or other benefits may be paid out under the program unless this report is completed and filed as required by existing law and regulations DOE Organizational Act, P. 95-91 42 USC 7204 and Federal Grant and Cooperative Agreement Act of 1977 P. 95-224 41 USC 508

If this form is used as a plan
No grant or cooperative agreement may be awarded unless a completed application has been received DOE Organizational Act, P. 95-91 42 USC 7204 and Federal Grant and Cooperative Agreement Act of 1977 P. 95-224 41 USC 508

FEDERAL ASSISTANCE MANAGEMENT SUMMARY REPORT

- Item 12 - Enter any brief explanatory remarks regarding schedule deviations. (Include detailed explanations in a Project Status Report, if required)
- Item 13 - Enter the signature and date of the recipient's activity manager for reference
- Item 14 - Enter the signature of the DOE program manager responsible for monitoring the program/ project to verify the plan has been reviewed and appears reasonable. The date of the review should also be entered.

CERTAIN PROGRAMS MAY REQUIRE ADDITIONAL INSTRUCTIONS WHICH WILL BE ATTACHED TO THIS FORM.

PURPOSE
A graphic presentation of costs and milestone status that provides rapid visual analysis and trend forecasting. The funding levels should represent all available resources.

INSTRUCTIONS

- Item 1 - Enter the Federal grant or agreement identification number for the current year as it appears in the official award
- Item 2 - Enter the program/project official title as it appears in the award and, if applicable, the project identification number
- Item 3 - For Baseline Planning - If the program/project duration is 12 months or less, omit this item. For durations greater than 12 months, one copy of this form must be submitted for each 4-month period (starting 1 year before the program start date). Enter the beginning and ending dates for the year or part year for which the costs and activities are to be displayed.
For Status Reporting - enter the start and completion dates for the current reporting period.
- Item 4 - Enter the name and address of the agency or office responsible for managing the project.
- Item 5 - Enter the official start date of the original agreement.
- Item 6 - Enter the official completion date as of the latest modification.
- Item 7 - Enter the current Federal government fiscal year (FY 79).
- Item 8 - Enter the first letter of each month of the period in the 12 blocks. If reporting by quarters, use three column spaces separated by heavy vertical lines and identify the quarter, such as first quarter and so on.
- Item 9a - Show the unit of dollars used, such as "hundreds" or "thousands".
b - Enter the appropriate dollar scale for the large grid.
c - Enter the planned cumulative accrued costs for each month or quarter. Then,
 - On the grid, use a solid line extending horizontally to show the dollar ceiling. Then,
 - Enter the actual cumulative accrued costs for each month or quarter for the current reporting period. Then,
 - Subtract the planned cost from the actual costs for each month or quarter and show the difference (variance). Show the minus amounts in parentheses. Then,
 - On the grid, use a dashed line to plot the planned cumulative costs by the dollar scale and the month or quarter. Then,
 - Use a solid line to plot the actual cumulative costs for each month or quarter up to and including the month or quarter being reported. If a cost projection will vary from the planned cost for the remainder of the period, indicate this by a dotted line extending from the solid line.
- Item 10 - Show planned and actual costs by the source of funding, such as DOE, other Federal agencies (HUD, HEW, etc.), state, or other source for each quarter, as well as the total of the program or project. Also show the total planned costs for the life of the program or project.
- Item 11 - Enter the current period milestone descriptions. Milestones are activities or tasks needed to be completed to accomplish the project's objectives. Milestones are measurable units of work and can be elements from the work breakdown structure. Then,
 - In the column labeled Units Planned, Completed, show the appropriate figures for the current reporting period. Enter, when quantification is possible, the number of items to be produced, serviced, or acted upon.
 - Show the milestones graphically, using the charting information below.

CHARTING INFORMATION

EXAMPLES

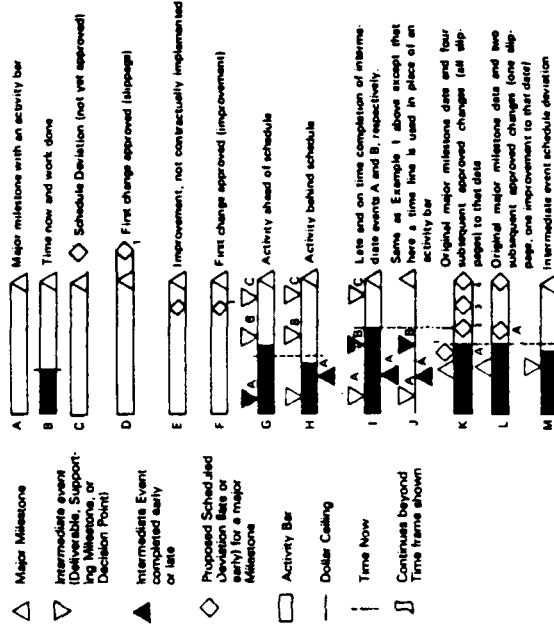


Figure II-10 (Continued)
Federal Assistance Management Summary Report (Reverse Side)

f. Federal Assistance Program/Project Status Report (Form EIA-459F).

- (1) Purpose. The "Federal Assistance Program/Project Status Report" is the recipient's concise narrative assessment of the status of the work. This report is used by DOE management to monitor project status and to provide early recognition of potential problem areas.
- (2) General Instructions. This report is used to discuss technical accomplishments, variations from baseline plans or the technical approach, and actual or anticipated problems and actions taken or proposed to resolve them. The recipient also will provide an assessment of the current situation including a forecast of the near future and any impact on project accomplishment. An example of a completed report is shown as Figure II-11.
- (3) Discussion of the Example, Figure II-11.
 - (a) Item 7 - Approach Changes. A brief description of any changes in the work effort should be provided in this section. This would include a description of any technical changes as well as program changes. If more information is necessary, attach additional pages. In the example the box is checked to indicate no changes.
 - (b) Item 8 - Performance Variances, Accomplishments, or Problems. This section should include a discussion of the problems and variances, their causes, and the effects on the project. Any accomplishments during the reporting period should be noted. The example refers to the destruction of the training facility at one of the selected sites, which has an impact on the training seminars conducted, as well as the costs incurred for those seminars.
 - (c) Item 9 - Open Items. This section is used to discuss any items which have not yet been resolved between the recipient and DOE. In the example, discussion of alternative approaches to resolve the schedule deviation and cost underrun situation are stated.
 - (d) Item 10 - Status Assessment and Forecast. This section of the report allows the recipient to present an analysis of the situation. Proposed solutions and expectations of future progress can also be discussed. The example discusses the recipient's recommendation regarding the open item discussed above.
 - (e) Item 11 - Description of Attachments. In the example, one copy of each training module and accompanying training aids have been attached.

U.S. DEPARTMENT OF ENERGY FEDERAL ASSISTANCE PROGRAM/PROJECT STATUS REPORT		
(FORM EIA #56) (8-81)	FORM APPROVED DATE 10/1982	
1. Program/Project Identification No. DE-FC-01-00RA1234	2. Program/Project Title Pilot Energy Awareness Training Program	3. Reporting Period 7/1/81 through 9/30/81
4. Name and Address ACE UTILITY COMPANY Utopia, Illinois		5. Program/Project Start Date 4/1/81
		6. Completion Date 3/31/82
7. Approach Changes <input checked="" type="checkbox"/> None		
8. Performance Variances, Accomplishments, or Problems The training modules and related training materials were developed on time and within costs. The advertising campaign is well underway and registration response has been excellent. Six training seminars have been conducted, 3 in Livonia and 3 in Mapleton with an average attendance of 62 persons per seminar. The facility reserved for 4 training seminars in Eliot was destroyed by fire. This has caused a cost overrun because the planned costs for these 4 seminars were not incurred. See "Open Item" for a further discussion of this problem. <input type="checkbox"/> None		
9. Open Items The training seminars in Eliot have been temporarily postponed due to the destruction of the facility that had been reserved. An alternate facility could not be found immediately, but one has been reserved for use in November. This presents the problem of either temporarily assigning additional personnel to the training staff or rearranging the schedule of the present training staff to conduct the seminars in Eliot. The first alternative would entail a cost overrun on the project for the salaries of the additional staff. For the second alternative, all the trainers' schedules would have to be revised to allow for doubling up of the number of seminars that each trainer would conduct during the third quarter. Discussions are being held between DOE and ACE to determine the course of action to be followed. <input type="checkbox"/> None		
10. Status Assessment and Forecast ACE recommends that the second alternative of rearranging the trainers' schedules be chosen. This could be accomplished by adding to the workload of the training staff for the seminars planned for the third quarter. The trainers released by this action would then be able to conduct the sessions in Eliot. This would not cause any cost overrun and would not necessitate hiring and training new staff members. The variance in costs caused by not conducting the seminars in Eliot in September will be made up by incurring these costs in the next reporting period. <input type="checkbox"/> No Deviation from Plan is Expected		
11. Description of Attachments One copy of each training module and accompanying training aids. <input type="checkbox"/> None		
12. Signature of Recipient and Date Susan Print 10/14/81		13. Signature of DOE Reviewing Representative and Date T. J. Noteworthy 10/29/81

Figure II-11
Example Federal Assistance Program/Project Status Report

No further monies or other benefits may be paid out under this program unless this report is completed and filed as required by existing law and regulations (DOE Organizational Act, PL. 95-91, 42 USC 7254 and Federal Grant and Cooperative Agreement Act of 1977, PL. 95-224, 41 USC 508)

See DOE/CR-00013 for provisions concerning confidentiality of information

FEDERAL ASSISTANCE PROGRAM/PROJECT STATUS REPORT

PURPOSE

A concise narrative describing the current status of the effort. The report allows Federal assistance recipients to communicate developments, achievements, changes and problems to DOE.

INSTRUCTIONS

- Item 1 - Enter the Federal grant or agreement identification number for the current year as it appears in the official award.
- Item 2 - Enter the program/project official title as it appears in the award and, if applicable, the project identification number.
- Item 3 - Enter the start and completion dates for the current reporting period.
- Item 4 - Enter the name and address of the recipient office responsible for managing the project.
- Item 5 - Enter the official start date of the original agreement.
- Item 6 - Enter the official completion date as of the latest modification.
- Item 7 - Provide a description of any changes from the work plan, including technical changes, the explanation as to why these changes occurred, and what the impact on performance will be. If there were no changes during the reporting period, check the box for "none."
- Item 8 - Include a discussion of accomplishments, problems and/or variances, their causes and the effects on the effort. If no performance variances, accomplishments, nor problems occurred during the reporting period, check "none."
- Item 9 - Discuss any unresolved issues or items that require action by DOE or recipient. If there are no unresolved issues which require action or coordination, check "none."
- Item 10 - Present analysis of program/project status, proposed solutions to problems, and future expectations regarding the project. If no deviations from the plan are forecast, enter a check in the box provided.
- Item 11 - Provide a short list of program/project related attachments. If no attachments accompany the report, check "none."
- Item 12 - The recipient should sign and date the report so that, if questions arise, they can be directed to the appropriate individual.
- Item 13 - The DOE reviewing representative, usually the DOE program manager responsible for monitoring the program, signs and dates the form to indicate it has been reviewed and appears reasonable.

Figure II-11 (Continued)
Federal Assistance Program/Project Status Report (Reverse Side)

g. Financial Status Report (Standard Form 269).

- (1) Purpose. The "Financial Status Report" provides information on the status of both Federal and non-Federal funds for all nonconstruction programs and projects. This report provides for separation of the non-Federal share of outlays and unliquidated obligations from the Federal share of funding requirements. (For programs/projects involving construction, refer to OMB Circular No. A-102, Exhibit 4, "Outlay Report and Request for Reimbursement for Construction Programs.")
- (2) General Instructions.
 - (a) Reported costs may be requested on an accrual basis. If the recipient's accounting system does not provide costs on an accrual basis, then a best estimate of accrued cost should be accepted.
 - (b) Specific instructions for completion of the report are provided on the forms. An example of a completed report is shown at Figure II-12.
- (3) Discussion of the Example, Figure II-12.
 - (a) Item 7 - Basis. The "cash" or "accrual" block should be marked in accordance with program division policy on reporting accrued costs.
 - (b) Item 8 - Project/Grant Period. The dates entered in this space are the same as those entered on the "Notice of Financial Assistance Award" as completed by DOE.
 - (c) Item 9 - Period Covered by this Report. The dates entered in this space correspond to the time period covered by this report, 7-1-81 to 9-30-81.
 - (d) Item 10 - Status of Funds. The funds expended for the entire work effort are reported in this column. The period covered by this report is for the second quarter of the project. The net outlays for the first quarter are entered on line 10a (\$58,000). The total outlays for this reporting period are entered on line 10b (\$83,000). Line 10e "Net outlays to date," is the summation of the net outlays previously reported and this report period (\$141,000). Line 10f is the non-Federal share of those outlays. Line 10k is the total Federal share of outlays, and line 10l is the Federal share of outlays cumulated to date. Line 10m is the balance of Federal funds and is the difference between lines 10k and 10l.

- (e) Item 11 - Indirect Expense. The method of calculating indirect cost, as specified in the Federal assistance instrument, is indicated in this space. This example indicates that there is a predetermined indirect cost rate of 22 percent and that it is applied to the total amount of direct costs.
 - (f) Item 12 - Remarks. This line allows the recipient to refer to other performance reports for more information and to specify the applicable budget and reporting number.
- h. Federal Assistance Management Summary Report (Form EIA-459E) as a Status Report.
- (1) Purpose. Use of the "Federal Assistance Management Summary Report" as a baseline plan was described earlier. It is also used as a status report. As such, it provides a concise, top-level summary of performance for cost and schedule against the baseline plan. The data is presented on a single page in graphic format with supporting data. The graphic format permits rapid visual comparison of cost and schedule. The "Federal Assistance Management Summary Report" form is used to report summary status regardless of the forms used in planning.
 - (2) General Instructions. The cost graphs are cumulative presentations. The milestone status chart compares planned and actual progress for the same time interval as shown above. Instructions for completing them are provided on the reverse side of each form. An example of a completed form when it is being used as a report is shown as Figure II-13.
 - (3) Discussion of the Example, Figure II-13.
 - (a) Item 3 - Reporting Period. The reporting period shown in this example is the second quarter, 7-1-81 through 9-30-81.
 - (b) Item 7 - Fiscal Year. The Government fiscal year (FY) is 1981 at the close of the report, 9-30-81, and is therefore identified here by the recipient as FY 81.
 - (c) Item 8 - Months or Quarters. The time schedule is identified by month, starting with the first month of the budget period, April. The schedule has also been identified by quarter.
 - (d) Item 9 - Cost Status. The dollar scale is expressed in units of a thousand, as noted. A total dollar line is drawn solidly across the chart to show the budget year's planned ceiling of \$295,000. The planned cost line is represented by a dashed line. Actual costs are plotted on the graph as a solid line. In the example, actual costs total \$141,000 to date and the

Figure 11-12
Example Financial Status Report

FINANCIAL STATUS REPORT <i>(Follow instructions on the back)</i>				1 Federal Agency and Organizational Element to which Report is Submitted Department of Energy		2 Federal Grant or Other Identifying Number DE-FC-01-00RA1234		OMB Ap- proved No 00 R0180		Page of 1 1 Pages		
3 Recipient Organization <i>(Name and complete address, including ZIP code)</i> ACE Utility Company Utopia, Illinois				4 Employer Identification Number 1082		5 Recipient Account Number or Identifying Number SF370		6 Final Report <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		7 Basis <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual		
8 Project/Grant Period <i>(See Instructions)</i>				9 From <i>(Month, day, year)</i> 4/01/81		10 To <i>(Month, day, year)</i> 3/31/82		11 Period Covered by this Report From <i>(Month, day, year)</i> 7/01/81 To <i>(Month, day, year)</i> 9/30/81				
10 STATUS OF FUNDS												
Programs/Functions/Activities		(a)	(b)	(c)	(d)	(e)	(f)	TOTAL (g)				
a Net Outlays previously reported		\$ 58,000	\$	\$	\$	\$	\$	\$ 58,000				
b Total outlays this report period		83,000						83,000				
c Less: Program income credits		-0-						-0-				
d Net outlays this report period <i>(Line b minus line c)</i>		83,000						83,000				
e Net outlays to date <i>(Line a plus line d)</i>		141,000						141,000				
f Less: Non Federal share of outlays		47,000						47,000				
g Total Federal share of outlays <i>(Line e minus line f)</i>		94,000						94,000				
h Total unliquidated obligations		-0-						-0-				
i Less: Non Federal share of unliquidated obligations shown on line h		-0-						-0-				
j Federal share of unliquidated obligations		-0-						-0-				
k Total Federal share of outlays and unliquidated obligations		197,000						197,000				
l Total cumulative amount of Federal funds authorized		103,000						103,000				
m Unobligated balance of Federal funds		94,000						94,000				
11 Indirect Expense		a Type of Rate <i>(Place "X" in appropriate box)</i> <input type="checkbox"/> Provisional <input checked="" type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed		b Rate 22%		c Base 68248		d Total Amount 14752		e Federal Share 9884		
12 Remarks		Attach any necessary explanation or information required by sponsoring Federal agency in compliance with governing legislation.					13 Certification I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purpose set forth in the award documents.		Signature of Authorized Certifying Official <i>Susan Print</i> Typed or Printed Name and Title Susan Print, Director		Date Report Submitted Telephone <i>(Area code number and principal)</i> 763-4727	

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STANDARD FORM 268 (7-78)
Prescribed by Office of Management and Budget

"141" point is plotted on the graph. Please note the planned accrued costs from the same period come to the "147" point on the graph. The graph illustrates a cost underrun. It also shows a projected cost line for future quarters based on the recipient's experience to date. The projected cost line is shown as a dotted line joining the planned cost line at 12-31-81. The recipient has projected that actual costs will return to planned cost in the next quarter.

- (e) Item 10 - Cost Chart. This block allows the recipient to display a breakout of funds for the program indicating the contributing sources. If there is only one source of funds, the breakout of funds in item 10 should be by activity, as presented in the milestone plan. In the example, funds are provided by DOE and the ACE Utility Company. The planned amount from each source is entered for each quarter. Also the actual funds required from each fund source are shown to date. Total (planned and actual) for each quarter and cumulative to date are entered at the bottom. Note that the total cumulative to date figures ("141" and "147") correspond to the points plotted on the graph. The variance for both quarters and cumulative to date is also identified.
- (f) Item 11 - Major Milestone Status. This block tracks progress against significant milestones. Progress is indicated by filling the milestone bars with a solid tone to correspond with the progress achieved during the reporting period. The vertical dashed line is a "time now" line and is an indication of the end of the reporting period. The example shows two activities completed, two activities on schedule, and one activity behind schedule. By comparing actual progress to the "time now" line, a quick assessment of schedule status can be made. When the "Federal Assistance Milestone Plan" and "Milestone Log" are also used plans and status shown on this report should correspond.

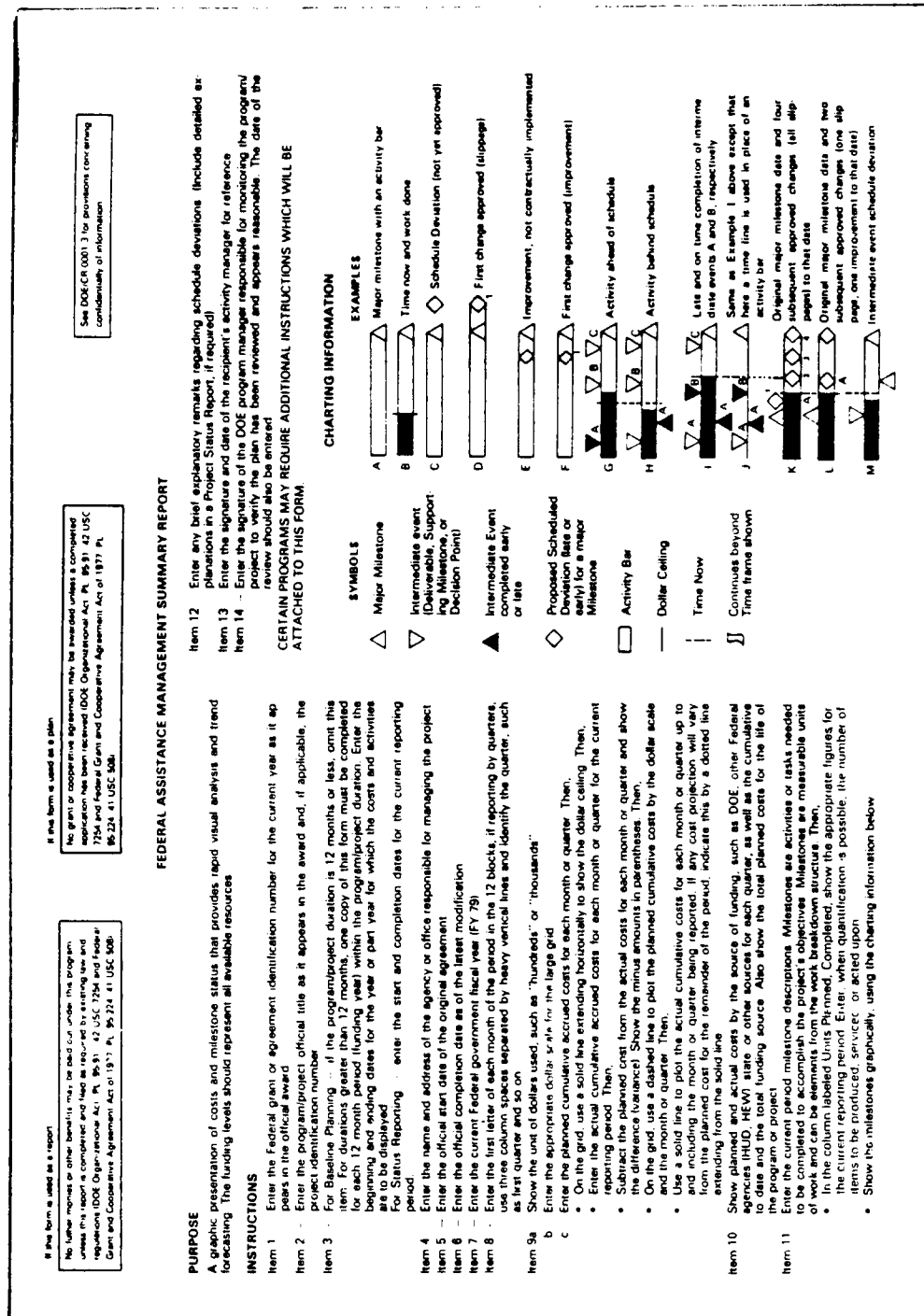


Figure II-13 (Continued)
Federal Assistance Management Summary Report (Reverse Side)

RESEARCH PROJECT EXAMPLE

1. INTRODUCTION.

- a. This example portrays a research grant from DOE to a university. The project is intended to establish the impact, if any, of the use of four recently developed airfoil designs upon the suppression of blade tip induced noise in large wind driven generators.
- b. The example illustrates the plans and reports which might be submitted on a project of this type. Also included is a discussion of how each plan and report is used in this example.
- c. Figures 1-1 and 1-2 are the "Federal Assistance Reporting Checklist" and "Reports Distribution List," respectively. They illustrate the plans and reports which would be submitted by a recipient of such a research grant and who will be the recipient of those plans and reports.

2. DISCUSSION OF EXAMPLES.

- a. Federal Assistance Budget Information Form (Form EIA 459-C) (Figure 1-3).
 - (1) Items 1-5. These items display the identifying characteristics of the program/project.
 - (2) Section A - Budget Summary. In this section the total budget is presented for the particular grant program. Since this project pertains to a single Federal grant program with no functional or activity breakdown, only line 1 is used.
 - (3) Section B - Budget Categories. In this section the total budget is presented for each of the cost categories of direct costs with indirect costs computed at a rate determined by an agreement between the grantee and the grantor or as a result of an audit of the grantee's operation by the grantor Agency.
- b. Financial Status Report (Form 269) (Figure 1-4).
 - (1) Item 7. The "cash" or "accrual" block should be marked in accordance with program policy on reporting.
 - (2) Item 8. The dates entered in this space are the same as those entered on the Notice of Financial Assistance Award prepared by DOE.
 - (3) Item 9. The dates entered in the space correspond to the time period covered by this report, 7-1-80 to 6-30-81.

- (4) Item 10. The total funds expended on the research effort are reported in this section. The period covered by this report is the entire life of the project. Therefore, the total costs for this project are entered in line item 10b at \$113,000. The net outlays this report period (line item 10d) and the net outlays to date (line item 10e) are equal to the total outlays this report period (line item 10b). The total Federal share of outlays to date is entered as line item 10g also at \$113,000. Line items 10h through 10j are zero because no other financial commitments have been made to date. Line item 10l is the total amount of Federal funds authorized and is equal to the total Federal share of outlays (line item 10g). Since this report sums all costs on a total project basis, column 10g is the same as column 10a.
 - (5) Item 11. The method of calculating indirect costs, as specified in the Federal assistance instrument, is indicated in this space. This example shows that there is a predetermined indirect cost rate of 40 percent and that it is applied to the total amount of direct costs.
 - (6) Item 12. This line allows the recipient to refer to other performance reports for more information.
- c. Notice of Energy RD&D Project (Form DOE 538) (Figure 1-5). The "Notice of Energy RD&D Project" report is required for all research, development and demonstration efforts except weapon systems. It is submitted shortly after the award is given and updated annually for the duration of the effort. The purpose of this report is to inform the scientific community of research efforts being undertaken.
 - d. University Contractor, Grantee and Cooperative Agreement Recommendations for Announcement and Distribution of Documents (Form DOE RA-427) (Figure 1-6). This form is used by the originator of a technical report to indicate the distribution appropriate for it.

U.S. DEPARTMENT OF ENERGY FEDERAL ASSISTANCE REPORTING CHECKLIST			
FORM EIA-468A (10/80)			FORM APPROVED OMB NO. 1900-0127
1. Identification Number: Grant DE-FG-01-00CS4567		2. Program/Project Title: Noise Suppression In Wind Driven Generators	
3. Recipient: Pierce State University			
4. Reporting Requirements:		Frequency	No. of Copies
PROGRAM/PROJECT MANAGEMENT REPORTING			
<input type="checkbox"/>	Federal Assistance Milestone Plan		
<input checked="" type="checkbox"/>	Federal Assistance Budget Information Form	X	1, 1, 1
<input type="checkbox"/>	Federal Assistance Management Summary Report		
<input type="checkbox"/>	Federal Assistance Program/Project Status Report		
<input checked="" type="checkbox"/>	Financial Status Report, OMB Form 269	F	1, 1, 1
TECHNICAL INFORMATION REPORTING			
<input checked="" type="checkbox"/>	Notice of Energy RD&D	O, Y	1, 3, 1, 1
<input checked="" type="checkbox"/>	Technical Progress Report	A	1, 4, 1, 1
<input checked="" type="checkbox"/>	Topical Report	A	1, 4, 1, 1
<input checked="" type="checkbox"/>	Final Technical Report	F	1, 4, 1, 1
FREQUENCY CODES AND DUE DATES.			
<p>A - As Necessary; within 5 calendar days after events. F - Final; 90 calendar days after the performance of the effort ends. Q - Quarterly; within 30 days after end of calendar quarter or portion thereof. O - One time after project starts; within 30 days after award. X - Required with proposals or with the application or with significant planning changes. Y - Yearly; 30 days after the end of program year (Financial Status Reports 90 days). S - Semiannually; within 30 days after end of program fiscal half year.</p>			
5. Special Instructions:			
<p>Technical Reports sent to TIC should be in the form of a reproduction master and one copy.</p>			
6. Prepared by: (Signature and Date)		7. Reviewed by: (Signature and Date)	
J. S. Anderson <i>J. S. Anderson</i> 1/30/81		C. L. Dixon <i>C. L. Dixon</i> 2/10/81	

Figure 1-1
Example Federal Assistance Reporting Checklist

Report Distribution List

- A. Cassandra L. Dixon
Administrative Monitor
Office of Conversion
Department of Energy, M.S. 153
Washington, D.C. 20585
- B. Jason S. Anderson
Program Manager
Department of Energy, M.S. 728
Washington, D.C. 20585
- C. Ad D. Beans
Financial Officer
Department of Energy, M.S. 62
Washington, D.C. 20585
- D. Department of Energy
Technical Information Center
P.O. Box 62
Oak Ridge, TN 37830
- E. Sally Lassar
Awarding Officer
Department of Energy, M.S. 1508
Washington, D.C. 20585
- F. Patent Office
Department of Energy
Washington, D.C. 20585

Figure 1-2
Example Reports Distribution List

FEDERAL ASSISTANCE BUDGET INFORMATION FORM

FORM EIA-482C
(10/81)

FORM APPROVED
OMB No. 1905-0127

1. Department/Program Identification No. Grant DE-EG-01-00CS4567		2. Program/Project Title Noise Suppression in Wind Driven Generators	
3. Name and Address Department of Physics Pierce State University, Piedmont, MO 69021			4. Budgetary Project Start Date 7/1/80
			5. Completion Date 6/30/81

SECTION A - BUDGET SUMMARY

Grant Program, Function or Activity (a)	Federal Catalog No. (b)	Estimated Unallocated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Research & Dev. Solar	81,037	0	0	113,000	-0-	113,000
2.						
3.						
4.						
5. TOTALS		0	0	113,000	-0-	113,000

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	7. Grant Program, Function or Activity				Total (h)
	m) Research & Dev. Solar	n)	o)	p)	
a. Personnel	60,535	0	0	0	60,535
b. Fringe Benefits	6,265				6,265
c. Travel					
d. Equipment	5,200				5,200
e. Supplies	3,714				3,714
f. Contractual					
g. Construction	5,000				5,000
h. Other					
i. Total Direct Charges	80,286				80,286
j. Indirect Charges	32,286				32,286
k. TOTALS	113,000	0	0	0	113,000
7. Program Income	0	0	0	0	0

Figure 1-3
Example Federal Assistance Budget Information Form

Figure 1-4
Example Financial Status Report

FINANCIAL STATUS REPORT <i>(Follow Instructions on the back)</i>				1 Federal Agency and Organizational Element to which Report is Submitted Department of Energy		2 Federal Grant or Other Identifying Number DE-FG-01-00CS4567		OMB Approved No 5010-106	Page of 1 1 Pages	
3 Recipient Organization <i>(Name and complete address, including ZIP code)</i> Pierce State University Piedmont, Missouri 69201				4 Employer Identification Number 1001		5 Recipient Account Number or Identifying Number 1234		6 Final Report <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		7 Basis <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
				8 Project/Grant Period <i>(See Instructions)</i> From <i>(Month, day, year)</i> 7/01/80 To <i>(Month, day, year)</i> 6/30/81		9 Period Covered by this Report From <i>(Month, day, year)</i> 7/01/80 To <i>(Month, day, year)</i> 6/30/81				
10 STATUS OF FUNDS										
Programs/Functions/Activities		(a) Noise Sup- pression Project	(b)	(c)	(d)	(e)	(f)	TOTAL (g)		
a Net Outlays previously reported		\$ -0-	\$	\$	\$	\$	\$	\$ -0-		
b Total outlays this report period		113,000						113,000		
c Less: Program income credits		-0-						-0-		
d Net outlays this report period <i>(Line b minus line c)</i>		113,000						113,000		
e Net outlays to date <i>(Line a plus line d)</i>		113,000						113,000		
f Less: Non Federal share of outlays		-0-						-0-		
g Total Federal share of outlays <i>(Line e minus line f)</i>		113,000						113,000		
h Total unliquidated obligations		-0-						-0-		
i Less: Non Federal share of unliquidated obligations shown on line h		-0-						-0-		
j Federal share of unliquidated obligations		-0-						-0-		
k Total Federal share of outlays and unliquidated obligations		113,000						113,000		
l Total cumulative amount of Federal funds authorized		113,000						113,000		
m Unobligated balance of Federal funds		-0-						-0-		
11. Indirect Expense		a Type of Rate <i>(Place "X" in appropriate box)</i> <input type="checkbox"/> Provisional <input checked="" type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed		13. Certification		Signature of Authorized Certifying Official <i>Charles Adams</i>		Date Report Submitted 7/15/81		
		b. Rate 80,714	c. Base	d. Total Amount 32,286	e. Federal Share 32,286	I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purpose set forth in the award documents.		Typed or Printed Name and Title Charles Adams, Director		Telephone <i>(Area code, number and extension)</i> (402) 370-879
12. Remarks: Attach any necessary explanation or information required. B&R IA-01-4										

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STANDARD FORM 288 (7-78)
Prescribed by Office of Management and Budget

FORM DOE 538 (Rev. 10-80)		U.S. DEPARTMENT OF ENERGY NOTICE OF ENERGY RD&D PROJECT	
APPROVED FOR USE BY SMITHSONIAN SCIENCE INFORMATION EXCHANGE		FORM APPROVED GMS NO. 28 R4198	
1. Descriptive title of work CONCEPTUAL DESIGN FOR A COMPLETE PILOT SCALE MHD/STEAM SYSTEM			
2. Performing organization control number <u>88-38080</u>		3. Contract or grant number: FG-AC03-80FE01834	
Work status <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuing <input type="checkbox"/> Terminated			
4. Contractor's principal investigator/project manager and address where work is performed			
A. Name (Last, First, MI) <u>DUNDAS, DERRICK</u>		B. Phone: FTS- _____	
C. Research organization business address: Street <u>361 NORTH PEABODY STREET</u> Com. <u>123-4567</u>			
City <u>ALGODONES</u>		State <u>COLORADO</u>	Zip <u>94999</u>
5. A. Name of performing organization <u>ROCKY MOUNTAIN UNIVERSITY</u> <u>PHYSICS DEPARTMENT</u>			
(Organization)		(Department)	
B. Mailing address (if different from 4C)		C. Circle only one code for TYPE OF ORGANIZATION PERFORMING R&D (See instructions): CU FF IN NP ST TA US XX EG	
D. Location where the work is being performed			
E. Country sponsoring research			
6. Supporting organization			
A. Program division or office (Full name) <u>ASSISTANT SECRETARY FOR FOSSIL ENERGY</u>			
B. Technical monitor (Last, First, MI) <u>WATERS, JAMES T.</u>		C. Phone: FTS- <u>252-5000</u>	
D. Address (if different from DOE Hqs.) _____ Com. <u>202-252-5000</u>			
E. Administrative monitor (Last, First, MI) <u>PERIWINKLE, GAYLORD G.</u>			
7. Project schedule			
A. Start date <u>MAY</u> <u>1980</u>		B. Expected completion date <u>APRIL</u> <u>1982</u>	
(Month) (Year)		(Month) (Year)	
8. Funding in thousands of dollars (Funds represent budget obligations for operating and capital equipment)			
Funding organization(s)			
A.	DOE-RA	Current FY '80	Next FY
B.		175	
C.			
D. For DOE projects, enter budgeting and reporting classification code _____			
E. Interagency agreement (Specify funding agency) _____			
F. Agency in-house effort (Check if applicable) <input type="checkbox"/>			
G. EPA "pass-thru" funding (Check if applicable) <input type="checkbox"/>			
Note: Funding Section utilization is optional on Federal Financial Assistance Programs: grants, direct payments, cooperative agreements, loan guarantees, and other related programs.			
9. Descriptive summary of work (Limit to 200 words. Include objective, approach, results to date and their significance, and expected product. Quantify where possible).			
THIS PROJECT IS EXPECTED TO PROVIDE CONCEPTUAL DESIGNS BASED ON EXISTING DATA FOR AN ETF (PILOT-SCALE) PLANT THAT IS A COMPLETE MHD/STEAM SYSTEM. A MAJOR GOAL OF THE ETF IS TO PROVIDE COMPONENT, SUBSYSTEM AND SYSTEM DATA NECESSARY FOR SCALE-UP TO COMMERCIAL, DEMONSTRATION-PLANT SIZES. THE ETF IS TO BE CAPABLE OF TESTING FOR 2000 CONTINUOUS HOURS AT DESIGN CONDITIONS.			

Figure 1-5
Example Notice of Energy RD&D Project

DOE Form RA-427 (10/80)		U.S. DEPARTMENT OF ENERGY		OMB NO. 035-R0190	
UNIVERSITY CONTRACTOR, GRANTEE AND COOPERATIVE AGREEMENT RECOMMENDATIONS FOR ANNOUNCEMENT AND DISTRIBUTION OF DOCUMENTS					
See Instructions on Reverse Side					
1. DOE Report No. DOE/CS/4567			3. Title Noise Suppression Using Advanced Airfoil Design in High Tip Speed Wind Driven Generators		
2. Contract No. Grant DE-FG-01-00CS4567					
4. Type of Document ("X" one)					
<input checked="" type="checkbox"/> a. Scientific and technical report					
<input type="checkbox"/> b. Conference paper: Title of conference _____ Date of conference _____ Exact location of conference _____ Sponsoring organization _____					
<input type="checkbox"/> c. Other (Specify planning, educational, impact, market, social, economic, thesis, translations, journal article manuscript, etc.)					
5. Recommended Announcement and Distribution ("X" one)					
<input checked="" type="checkbox"/> a. DOE's normal announcement and distribution procedures may be followed.					
<input type="checkbox"/> b. Make available only within DOE and to DOE contractors and other U.S. Government agencies and their contractors.					
6. Reason for Recommended Restrictions					
7. Patent and Copyright Information					
Does this information product disclose any new equipment, process or material? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If so, identify, page nos. 27					
Has an invention disclosure been submitted to DOE covering any aspect of this information product? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If so, identify the DOE (or other) disclosure number and to whom the disclosure was submitted.					
Are there any patent-related objections to the release of this information product? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If so, state these objections.					
Does this information product contain copyrighted material? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If so, identify the page numbers _____ and attach the license or other authority for the government to reproduce.					
8. Submitted by					
Name and Position (Please print or type) ADAMS, CHARLES W., DR.					
Organization PIERCE STATE UNIVERSITY, DEPARTMENT OF PHYSICS					
Signature <i>Charles W. Adams</i>				Date 7-15-81	
FOR DOE OR OTHER AUTHORIZED USE ONLY					
9. Patent Clearance ("X" one)					
<input type="checkbox"/> a. DOE patent clearance has been granted by responsible DOE patent group.					
<input type="checkbox"/> b. Report has been sent to responsible DOE patent group for clearance.					

Figure 1-6
Example Recommendations for Announcement and
Distribution of Documents

SUGGESTED FEDERAL ASSISTANCE SOLICITATION
DESCRIPTION OF THE UNIFORM REPORTING SYSTEM
FOR FEDERAL ASSISTANCE

1. INTRODUCTION.

- a. Purpose. The uniform reporting system for Federal assistance is a set of standard forms and procedures for communicating plans and reporting the conduct and results of DOE assisted activities. Recipients of DOE grants and parties to DOE cooperative agreements are required to provide DOE with the necessary minimum level of information, through the use of selected forms, to enable DOE to carry out its fiscal accountability and program responsibilities.
- b. Reporting Objectives. Both planning and performance information is provided to the DOE program manager through submission of the selected plans and reports. Planning data depicted in the baseline planning forms provide a summary level cost and schedule baseline against which performance data can be compared to ensure the responsible administration of Federal assistance programs. Performance data collected provide measures of program status and results achieved.
- c. Reporting Requirements. The scope and level of detail of baseline information and the frequency and nature of performance reporting have been determined by the program manager. Proposed reporting requirements are identified in the solicitation. Copies of the baseline plan forms required for this program also are included as part of the application package. The final selection of required reports will be specified in the "Federal Assistance Reporting Checklist" incorporated in the award instrument. The determination of the reports required was made in consideration of the type of activity being assisted, the duration and complexity of the anticipated effort, probable amount of award funding, and relevant Office of Management and Budget guidelines.
 - (1) Baseline, status, and technical reports proposed as requirements for this program are described on the following pages.
 - (2) A complete description of reports is available in the "DOE Uniform Reporting System for Federal Assistance (Grants and Cooperative Agreements) Guidelines," (DOE/MA-001) available from the DOE Technical Information Center, Secondary Distribution, P.O. Box 62, Oak Ridge, TN 37830.

2. BASELINE PLANS.

- a. Federal Assistance Management Summary Report (Form EIA-459E). This report is a single page form on which the applicant enters projected cost and activity data. The cost data to be entered must depict projected total

costs for the life of the project on at least a quarterly basis. The activity data required is a delineation of the project's major milestones and bar charts displaying the projected schedule for attainment of these milestones. This form is used for both the baseline plan when required and for project status reporting.

- b. Federal Assistance Milestone Plan (Form EIA 459B). The milestone plan is used to portray the major milestones of the proposed project in bar chart format. It covers the life of the project and is to be organized by major project activities, such as those performed at work breakdown structure level 2. It is accompanied by the Milestone Log which lists the events and milestones depicted on the Federal Assistance Milestone Plan.
- c. Federal Assistance Budget Information Form (Form EIA 459C). The "Federal Assistance Budget Information Form" is to be used by the applicant to provide summary level data on the proposed project total budget. The total project budget is broken down into Federal and non-Federal funds for each major activity. A second breakdown of the total budget for each major activity by object class of expenditure (i.e., personnel or travel) also is requested.
- d. Federal Assistance Budget Information Form (Construction) (Form 459D). The "Budget Information Form" for construction is to be used by the applicant to provide summary level data on the proposed project total budget. The total product is broken down by cost classification. Space is provided for listing those parts of the project not subject to Federal participation and for showing the proposed method of financing the non-Federal share.

3. STATUS REPORTS.

- a. Federal Assistance Management Summary Report (Form EIA 459E). This report is a single page form on which the applicant provides summary cumulative cost and activity data for each reporting period. More detailed instructions are on the back of the form.
- b. Federal Assistance Program/Project Status Report (Form EIA 459F). This report is a single page form on which the award recipient enters brief narrative discussion of the following topics: approach changes; performance variances, accomplishments, or problems; open items; and status assessment and forecast. Each of these topics is addressed, as appropriate, for a given reporting period and the report is submitted periodically, as required, during the life of the project.
- c. Financial Status Report (Standard Form 269). This form is used to provide DOE with regular periodic accounting of project funds expended. The accounting may be on either a cash or accrual basis. Actual total expenditures and obligations incurred, but not paid, are reported for each reporting period for each major activity. They should correlate with those identified on the "Federal Assistance Milestone Plan" when the "Federal Assistance Milestone Plan" is used. Provision is made to identify the Federal and non-Federal share of project outlays for each identified activity.

4. TYPES OF TECHNICAL REPORTS.

- a. Technical Progress Report. This report summarizes the work performed during a specific reporting period. It will include the technical and scientific results achieved. This report is required at least once during the fiscal year on RD&D projects. More frequent submissions, when required, will be identified on the "Reporting Requirements Checklist."
- b. Topical Report. This report provides a comprehensive statement of the technical results of the work performed for a specific task or phase of the contract, or reports detailing significant new scientific or technological advances.
- c. Final Technical Report. This report is required on all RD&D contracts/agreements upon completion of the contract/agreement. It provides a technical accounting of the total work performed on the contract. It is a comprehensive description of the results achieved and will include, to support the investigations undertaken, tabulations of data, figures, photographs, and other bibliographic citations. It summarizes all topical reports and technical progress reports where applicable. The report will include the original hypotheses of the project and present the investigative approaches used, complete with problems encountered or departures from the planned methodology, and an assessment of their impact on the project results. The report format should contain an executive summary of the contents followed by a project summary. The main body should include, where applicable, facts, figures, analyses, and assumptions used during the life of the project to support the conclusions and recommendations. Appendices containing detailed computations and other reference materials may be included.
- d. Journal Articles. Publication in open literature is desirable. When DOE requires a prepublication review and patent clearance, copies of the proposed article must be provided to DOE as identified in the "Reporting Requirements Checklist" special instructions section.
- e. Conference Papers. Participation at conferences related to the contractor's mission is encouraged; however, papers to be presented must be submitted to DOE for review and patent clearance prior to presentation. Requirements for submission of papers will be specified in the special instructions section of the "Reporting Requirements Checklist."
- f. Other Technical Reports/Publications. Requirements for other types of technical reports/publications, such as books, theses, translations, and computer software with scientific applications, will be specified in the solicitation or contract. Copies of these will be provided to DOE for prepublication review and necessary clearances in accordance with the special instruction section of the "Reporting Requirements Checklist."

- g. Notice of RD&D Project (Form DOE 538). This report is required for all DOE operated sites that conduct research and development activities and all contractors performing research who are subject to the uniform reporting system.

CHAPTER III
TECHNICAL INFORMATION REPORTING

1. GENERAL.

- a. Scientific and technical information called for or developed under this Order is used by program managers in their technical performance evaluations. Scientific and technical information developed during work supported by DOE shall be reported promptly and fully to the Department's Technical Information Center (TIC) located in Oak Ridge, Tennessee, for inclusion in DOE's information data base; and, as security, patent, and other DOE policy considerations permit, to be made available to the scientific, technical, and industrial communities, and to the public through approved channels. The Technical Information Center is the Department's centralized facility for the management of scientific and technical information developed by DOE and is responsible for developing, designing, implementing, and evaluating Departmentwide systems and programs to effectively manage and disseminate the technical results of the Department's research and development programs.
- b. When a grant is expected to result in the production of scientific and technical information, grantees shall be required to submit at least a "Notice of Energy RD&D Project" (DOE Form 538) and a final technical report.
- c. The publications listed below provide detailed information concerning the reporting and dissemination of scientific and technical information. Implementation procedures for managing the Department's scientific and technical information formerly contained in this Order will be expanded and issued separately by the Technical Information Center in the near future.
 - (1) DOE 1340.1A, MANAGEMENT OF PUBLIC COMMUNICATION PUBLICATIONS, AND SCIENTIFIC, TECHNICAL, AND ENGINEERING PUBLICATIONS.
 - (2) DOE 1430.1, MANAGING THE DEPARTMENT OF ENERGY'S SCIENTIFIC AND TECHNICAL INFORMATION.
 - (3) DOE/TIC-4500, STANDARD DISTRIBUTION FOR UNCLASSIFIED SCIENTIFIC AND TECHNICAL REPORTS.
 - (4) M-3679, STANDARD DISTRIBUTION FOR CLASSIFIED SCIENTIFIC AND TECHNICAL REPORTS.
 - (5) DOE/TIC-4600, DOE TECHNICAL INFORMATION CENTER, ITS FUNCTION AND SERVICES.

2. SELECTION OF TECHNICAL REPORTS.

- a. The solicitation will describe the general technical reporting requirements that are expected for grants or cooperative agreements. The DOE program manager will determine which reports will be required, their frequency of submission, and their distribution within DOE based on the scope of the grant or cooperative agreement. Descriptions of the reports are included in Attachment 1. Figure III-1 presents suggested DOE distribution and submission frequency for technical reports. These requirements are recorded on the "Federal Assistance Reporting Checklist," and the appropriate addressees for distribution are noted on the distribution list.
- b. When determining the reporting requirements, the program manager should consider:
 - (1) Federal Government policy to the extent that the type and frequency of reports should be the minimum necessary to permit DOE to meet its responsibilities effectively.
 - (2) Other pertinent policies and directives of DOE such as the publications listed in paragraph 1c.
 - (3) Applicable policies, directives, and criteria established by the responsible DOE organization, such as the program division.
 - (4) Personal knowledge of the nature and scope of the technical work to be performed, and an assessment of the rate at which technical information will be developed, become available, and be disseminated.
 - (5) The Department's requirements that a technical progress report and a "Notice of Energy RD&D Project" must be submitted at least once each year, and that a final technical report be submitted at the completion/termination of all research, development, and demonstration grants/cooperative agreements. For projects one year or less in duration only a final technical report is submitted.
- c. At least two full-size copies of the scientific and technical reports are required for TIC. Both copies must be suitable for reproduction and microfiching. The program manager shall ensure that if organizations print scientific or technical reports for their own use, a sufficient number of copies are also printed for standard distribution.
- d. Distribution other than the standard distribution shall be coordinated with TIC. Standard distribution and other distribution coordinated with TIC is referred to as official distribution.

Frequency Guide for Technical Reports

	Frequency*
TECHNICAL PROGRESS REPORT	Y
TOPICAL REPORT	A
FINAL TECHNICAL REPORT	F
JOURNAL ARTICLES	A
NOTICE OF ENERGY RD&D PROJECT	O, Y

* An annual Technical Progress Report and Notice of Energy RD&D is the suggested minimal requirement.

Legend

O Contract Award
Y Yearly or upon contract award
A As required
F Final report

Guide for Technical Reports

Report Type \ Distribution	TECHNICAL PROGRESS REPORT	TOPICAL REPORT	FINAL TECHNICAL REPORT	JOURNAL ARTICLE MANUSCRIPT	JOURNAL ARTICLE REPRINT	CONFERENCE PAPER OR PROCEEDINGS	TRANSLATIONS	THESES	BOOKS	NOTICE OF ENERGY RD&D PROJECT	No. of Copies
	Project Manager	4	4	4	4	4	4	4	4	4	
Contract Administrator	1	1	1	1	1	1	1	1	1	1	
Patent Counsel	1	1	1	1	1	1	1	1	1	1	
TIC	*/	*/	*/	*/	*/	*/	*/	*/	*/	*/	

*/ Printed copies as called for in DOE 1430.1 and other TIC guidance.

Figure III-1
Frequency and Distribution of Technical Reports



federal register

BOOK 2 OF 2 BOOKS
FRIDAY, JULY 30, 1976



PART II:

OFFICE OF MANAGEMENT AND BUDGET

■

GRANTS AND AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION, HOSPITALS, AND OTHER NONPROFIT ORGANIZATIONS

Uniform Administrative Requirements

OFFICE OF MANAGEMENT AND BUDGET

[Circular No. A-110]

GRANTS AND AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION, HOSPITALS, AND OTHER NONPROFIT ORGANIZATIONS

Uniform Administrative Requirements

JULY 1, 1976.

To the heads of executive departments and establishments.

Subject: Uniform administrative requirements for grants and other agreements with institutions of higher education, hospitals, and other nonprofit organizations

1. *Purpose.*—This Circular promulgates standards for obtaining consistency and uniformity among Federal agencies in the administration of grants to, and other agreements with, public and private institutions of higher education, public and private hospitals, and other quasi-public and private nonprofit organizations. This Circular does not apply to grants, contracts, or other agreements between the Federal Government and units of State or local governments covered by Federal Management Circular 74-7.

2. *Effective date.*—The standards in the attachments to this Circular will be applied as soon as practicable but not later than January 1, 1977.

3. *Supersession.*—This Circular rescinds and replaces parts III and IV of the Appendix to Federal Management Circular 73-7, Administration of college and university research grants.

4. *Policy intent.*—The uniform standards and requirements included in the attachments to this Circular replace the varying and often conflicting requirements that have been imposed by Federal agencies as conditions of grants and other agreements with recipients.

5. *Applicability and scope.*—Except as provided below, the standards promulgated by this Circular are applicable to all Federal agencies. If any statute expressly prescribes policies or specific requirements that differ from the standards provided herein, the provisions of the statute shall govern.

The provisions of the attachments of this Circular shall be applied to subrecipients performing substantive work under grants that are passed through or awarded by the primary recipient if such subrecipients are organizations described in paragraph 1.

6. Definitions.

a. The term "grant" means money or property provided in lieu of money paid or furnished by the Federal Government to recipients under programs that provide financial assistance or that provide support or stimulation to accomplish a public purpose. The term "other agreements" does not include contracts which are required to be entered into and administered under procurement laws and regulations. Grants and other agreements exclude (a) technical assistance programs, which provide services instead of money, (b) assistance in the form of

general revenue sharing, loans, loan guarantees, or insurance, and (c) direct payments of any kind to individuals.

b. The term "recipient" includes the following types of nonprofit organizations that are receiving Federal funds from a Federal agency or through a State or local government:

Public and private institutions of higher education; public and private hospitals; and other quasi-public and private nonprofit organizations such as (but not limited to) community action agencies, research institutes, educational associations, and health centers.

The term does not include foreign or international organizations (such as agencies of the United Nations) and Government-owned contractor operated facilities or research centers providing continued support for mission-oriented, large scale programs that are Government-owned or controlled, or are designed as federally-funded research and development centers.

7. *Requests for exceptions.*—The Office of Management and Budget may grant exceptions from the requirements of this Circular when exceptions are not prohibited under existing laws.

However, in the interest of maximum uniformity, exceptions from the requirements of the Circular will be permitted only in unusual cases. Agencies may apply more restrictive requirements to a class of recipients when approved by the Office of Management and Budget.

8. *Attachments.*—The standards promulgated by this Circular are set forth in the Attachments, which are:

- Attachment A Cash depositories.
- Attachment B Bonding and insurance.
- Attachment C Retention and custodial requirements for records.
- Attachment D Program income.
- Attachment E Cost sharing and matching.
- Attachment F Standards for financial management systems.
- Attachment G Financial reporting requirements.
- Attachment H Monitoring and reporting program performance.
- Attachment I Payment requirements.
- Attachment J Revision of financial plans.
- Attachment K Closeout procedures.
- Attachment L Suspension and termination procedures.
- Attachment M Standard form for applying for federal assistance.
- Attachment N Property management standards.
- Attachment O Procurement standards.

9. *Exceptions for certain recipients.*—Notwithstanding the provisions of paragraph 7 if an applicant/recipient has a history of poor performance, is not financially stable, or its management system does not meet the standards prescribed in the Circular, Federal agencies may impose additional requirements as needed provided that such applicant/recipient is notified in writing as to:

- a. Why the additional standards are being imposed;
- b. What corrective action is needed.

Copies of such notifications shall be sent to the Office of Management and Budget and other agencies funding that recipient at the same time the recipient is notified.

10. *Responsibilities.*—Agencies responsible for administering programs that involve grants and other agreements with recipients shall issue the appropriate regulations necessary to implement the provisions of this Circular. All portions of such regulations that involve record-keeping and/or reporting requirements subject to the provisions of the Federal Reports Act and OMB Circular A-40 must be submitted to OMB for clearance before being introduced into use. Upon request all regulations and instructions implementing this Circular shall be furnished to the Office of Management and Budget. Agencies shall also designate an official to serve as the agency representative on matters relating to the implementation of this Circular. The name and title of such representative shall be furnished to the Office of Management and Budget not later than August 30, 1976.

11. *Inquiries.*—Further information concerning this Circular may be obtained by contracting the Financial Management Branch, Budget Review Division, Office of Management and Budget, Washington, D.C. 20503, telephone 395-3993.

JAMES T. LYNN,
Director.

ATTACHMENT A.—CIRCULAR NO. A-110

CASH DEPOSITORIES

1. This attachment sets forth standards governing the use of banks and other institutions as depositories of funds advanced under grants and other agreements.

2. Except for situations described in paragraphs 3, 4, and 5, no Federal sponsoring agency shall:

a. Require physical segregation of cash depositories for funds which are provided to a recipient.

b. Establish any eligibility requirements for cash depositories for funds which are provided to a recipient.

3. A separate bank account shall be required when applicable letter-of-credit agreements provide that drawdowns will be made when the recipient's checks are presented to the bank for payment.

4. Any moneys advanced to a recipient which are subject to the control or regulation of the United States or any of its officers, agents or employees' (public moneys as defined in Treasury Circular No. 176, as amended) must be deposited in a bank with Federal Deposit Insurance Corporation (FDIC) insurance coverage and the balance exceeding the FDIC coverage must be collateralized.

5. Consistent with the national goal of expanding the opportunities for minority business enterprises, recipients and subrecipients shall be encouraged to use minority banks (a bank which is owned at least 50 percent by minority group members).

ATTACHMENT B.—CIRCULAR NO. A-110

BONDING AND INSURANCE

1. This attachment sets forth bonding and insurance requirements for grants and other agreements with recipients. No other bonding and insurance requirements shall be imposed other than those normally required by the recipient.

2. Except as otherwise required by law, a grant or other agreement that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the recipient to follow its own re-

requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$100,000. For those contracts or subcontracts exceeding \$100,000, the Federal agency may accept the bonding policy and requirements of the grantee provided the Federal agency has made a determination that the Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

a. *A bid guarantee from each bidder equivalent to five percent of the bid price.*—The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

b. *A performance bond on the part of the contractor for 100 percent of the contract price.*—A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

c. *A payment bond on the part of the contractor for 100 percent of the contract price.*—A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

3. Where the Federal Government guarantees or insures the repayment of money borrowed by the recipient, the Federal agency, at its discretion, may require adequate bonding and insurance if the bonding and insurance requirements of the recipient are not deemed adequate to protect the interest of the Federal Government.

4. The Federal sponsoring agency may require adequate fidelity bond coverage where the recipient has no coverage and the bond is needed to protect the Government's interest.

5. Where bonds are required in the situations described above, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties (31 CFR 223).

ATTACHMENT C.—CIRCULAR No. A-110

RETENTION AND CUSTODIAL REQUIREMENTS FOR RECORDS

1. This attachment sets forth record retention requirements for grants and other agreements with recipients. Federal sponsoring agencies shall not impose any record retention requirements upon recipients other than those described below.

2. Except for paragraph 1, this attachment also applies to subrecipients as referred to in paragraph 8 of the basic circular.

3. Financial records, supporting documents, statistical records, and all other records pertinent to an agreement shall be retained for a period of three years, with the following qualifications:

a. If any litigation, claim or audit is started before the expiration of the 3-year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.

b. Records for nonexpendable property acquired with Federal funds shall be retained for 3 years after its final disposition.

c. When records are transferred to or maintained by the Federal sponsoring agency, the 3-year retention requirement is not applicable to the recipient.

4. The retention period starts from the date of the submission of the final expenditure report or, for grants and other agreements that are renewed annually, from the date of the submission of the annual financial status report.

5. Recipient organizations should be authorized by the Federal sponsoring agency, if they so desire, to substitute microfilm copies in lieu of original records.

6. The Federal sponsoring agency shall request transfer of certain records to its custody from recipient organizations when it determines that the records possess long-term retention value. However, in order to avoid duplicate record-keeping, a Federal sponsoring agency may make arrangements with recipient organizations to retain any records that are continuously needed for joint use.

7. The head of the Federal sponsoring agency and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any pertinent books, documents, papers, and records of the recipient organization and their subrecipients to make audits, examinations, excerpts and transcripts.

8. Unless otherwise required by law, no Federal sponsoring agency shall place restrictions on recipient organizations that will limit public access to the records of recipient organizations that are pertinent to a grant or agreement except when the agency can demonstrate that such records must be kept confidential and would have been exempted from disclosure pursuant to the Freedom of Information Act (5 U.S.C. 552) if the records had belonged to the Federal sponsoring agency.

ATTACHMENT D.—CIRCULAR No. A-110

PROGRAM INCOME

1. Federal sponsoring agencies shall apply the standards set forth in this attachment in requiring recipient organizations to account for program income related to projects financed in whole or in part with Federal funds. Program income represents gross income earned by the recipient from the federally supported activities. Such earnings exclude interest earned on advances and may include, but will not be limited to, income from service fees, sale of commodities, usage or rental fees, and royalties on patents and copyrights.

2. Interest earned on advances of Federal funds shall be remitted to the Federal agency except for interest earned on advances to States or instrumentalities of a State as provided by the Intergovernmental Cooperation Act of 1968 (Public Law 90-377).

3. Proceeds from the sale of real and personal property either provided by the Federal Government or purchased in whole or in part with Federal funds, shall be handled in accordance with Attachment N to this circular pertaining to property management.

4. Unless the agreement provides otherwise, recipients shall have no obligation to the Federal Government with respect to royalties received as a result of copyrights or patents produced under the grant or other agreement (see paragraph 8, Attachment N).

5. All other program income earned during the project period shall be retained by the recipient and, in accordance with the grant or other agreement, shall be:

a. Added to funds committed to the project by the Federal sponsoring agency and recipient organization and be used to further eligible program objectives;

b. Used to finance the non-Federal share of the project when approved by the Federal sponsoring agency; or

c. Deducted from the total project costs in determining the net costs on which the Federal share of costs will be based.

ATTACHMENT E.—CIRCULAR No. A-110

COST SHARING AND MATCHING

1. This attachment sets forth criteria and procedures for the allowability of cash and

in-kind contributions made by recipients or subrecipients (as referred to in paragraph 5 of the basic circular), or third parties in satisfying cost sharing and matching requirements of Federal sponsoring agencies. This attachment also establishes criteria for the evaluation of in-kind contributions made by third parties, and supplements the guidance set forth in Federal Management Circular 73-3 with respect to cost sharing on federally-sponsored research.

2. The following definitions apply for the purpose of this attachment:

a. *Project costs.*—Project costs are all allowable costs (as set forth in the applicable Federal cost principles) incurred by a recipient and the value of the in-kind contributions made by the recipient or third parties in accomplishing the objectives of the grant or other agreement during the project or program period.

b. *Cost sharing and matching.*—In general, cost sharing and matching represent that portion of project or program costs not borne by the Federal Government.

c. *Cash contributions.*—Cash contributions represent the recipient's cash outlay, including the outlay of money contributed to the recipient by non-Federal third parties.

d. *In-kind contributions.*—In-kind contributions represent the value of non-cash contributions provided by the recipient and non-Federal third parties. Only when authorized by Federal legislation, may property purchased with Federal funds be considered as the recipient's in-kind contributions. In-kind contributions may be in the form of charges for real property and non-expandable personal property, and the value of goods and services directly benefiting and specifically identifiable to the project or program.

3. General guidelines for computing cost sharing or matching are as follows:

a. Cost sharing or matching may consist of:

(1) Charges incurred by the recipient as project costs. (Not all charges require cash outlays by the recipient during the project period; examples are depreciation and use charges for buildings and equipment.)

(2) Project costs financed with cash contributed or donated to the recipient by other non-Federal public agencies and institutions, and private organizations and individuals, and

(3) Project costs represented by services and real and personal property, or use thereof, donated by other non-Federal public agencies and institutions, and private organizations and individuals.

b. All contributions, both cash and in-kind, shall be accepted as part of the recipient's cost sharing and matching when such contributions meet all of the following criteria:

(1) Are verifiable from the recipient's records;

(2) Are not included as contributions for any other federally-assisted program;

(3) Are necessary and reasonable for proper and efficient accomplishment of project objectives;

(4) Are types of charges that would be allowable under the applicable cost principles;

(5) Are not paid by the Federal Government under another assistance agreement (unless the agreement is authorized by Federal law to be used for cost sharing or matching);

(6) Are provided for in the approved budget when required by the Federal agency; and

(7) Conform to other provisions of this attachment.

4. Values for recipient in-kind contributions will be established in accordance with the applicable cost principles.

5. Specific procedures for the recipients in establishing the value of in-kind contribu-

tions from non-Federal third parties are set forth below:

a. *Valuation of volunteer services.*—Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and unskilled labor. Volunteer services may be counted as cost sharing or matching if the service is an integral and necessary part of an approved program.

(1) *Rates for volunteer services.*—Rates for volunteers should be consistent with those paid for similar work in the recipient's organization. In those instances in which the required skills are not found in the recipient organization, rates should be consistent with those paid for similar work in the labor market in which the recipient competes for the kind of services involved.

(2) *Volunteers employed by other organizations.*—When an employer other than the recipient furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (exclusive of fringe benefits and overhead costs) provided these services are in the same skill for which the employee is normally paid.

b. *Valuation of donated, expendable personal property.*—Donated, expendable personal property includes such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to expendable personal property included in the cost or matching share should be reasonable and should not exceed the market value of the property at the time of the donation.

c. *Valuation of donated, nonexpendable personal property, buildings, and land or use thereof.*

(1) The method used for charging cost sharing or matching for donated nonexpendable personal property, buildings and land may differ according to the purpose of the grant or other agreement as follows:

(a) If the purpose of the grant or other agreement is to assist the recipient in the acquisition of equipment, buildings or land, the total value of the donated property may be claimed as cost sharing or matching.

(b) If the purpose of the agreement is to support activities that require the use of equipment, buildings or land, depreciation or use charges for equipment and buildings may be made. The full value of equipment or other capital assets and fair rental charges for land may be allowed provided that the Federal agency has approved the charges.

(2) The value of donated property will be determined in accordance with the usual accounting policies of the recipient with the following qualifications:

(a) *Land and buildings.*—The value of donated land and buildings may not exceed its fair market value, at the time of donation to the recipient as established by an independent appraiser (e.g., certified real property appraiser or GSA representatives) and certified by a responsible official of the recipient.

(b) *Nonexpendable personal property.*—The value of donated nonexpendable personal property shall not exceed the fair market value of equipment and property of the same age and condition at the time of donation.

(c) *Use of space.*—The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.

(d) *Loaned equipment.*—The value of loaned equipment shall not exceed its fair rental value.

6. The following requirements pertain to the recipient's supporting records for in-kind contributions from non-Federal third parties.

a. Volunteer services must be documented and, to the extent feasible, supported by the same methods used by the recipient for its employees.

b. The basis for determining the valuation for personal services, material, equipment, buildings and land must be documented.

ATTACHMENT F.—CIRCULAR NO. A-110
STANDARDS FOR FINANCIAL MANAGEMENT SYSTEMS

1. This attachment prescribes standards for financial management systems of recipients. Federal sponsoring agencies shall not impose additional standards on recipients unless specifically provided for in the applicable statutes (e.g., the Joint Funding Simplification Act, P.L. 93-510) or other attachments to this circular. However, Federal sponsoring agencies are encouraged to make suggestions and assist recipients in establishing or improving financial management systems when such assistance is needed or requested.

2. Recipients' financial management systems shall provide for:

a. Accurate, current and complete disclosure of the financial results of each federally sponsored project or program in accordance with the reporting requirements set forth in Attachment G to this circular. When a Federal sponsoring agency requires reporting on an accrual basis, the recipient shall not be required to establish an accrual accounting system but shall develop such accrual data for its reports on the basis of an analysis of the documentation on hand.

b. Records that identify adequately the source and application of funds for federally sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, and income.

c. Effective control over and accountability for all funds, property and other assets. Recipients shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.

d. Comparison of actual outlays with budget amounts for each grant or other agreement. Whenever appropriate or required by the Federal sponsoring agency, financial information should be related to performance and unit cost data.

e. Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and the disbursement by the recipient, whenever funds are advanced by the Federal Government. When advances are made by a letter-of-credit method, the recipient shall make drawdowns as close as possible to the time of making disbursements.

f. Procedures for determining the reasonableness, allowability and allocability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the grant or other agreement.

g. Accounting records that are supported by source documentation.

h. Examinations in the form of audits or internal audits. Such audits shall be made by qualified individuals who are sufficiently independent of those who authorize the expenditure of Federal funds, to produce unbiased opinions, conclusions or judgments. They shall meet the independence criteria along the lines of Chapter 3, Part 3 of the U.S. General Accounting Office publication, *Standards for Audit of Governmental Organizations, Programs, Activities and Functions*. These examinations are intended to ascertain the effectiveness of the financial management systems and internal procedures that have been established to meet the terms and conditions of the agreements. It is not intended that each agreement awarded to the recipient be examined. Generally, examinations should be conducted on an organization-wide basis to test the fiscal integrity of

financial transactions, as well as compliance with the terms and conditions of the Federal grants and other agreements. Such tests would include an appropriate sampling of Federal agreements. Examinations will be conducted with reasonable frequency, on a continuing basis or at scheduled intervals, usually annually, but not less frequently than every two years. The frequency of these examinations shall depend upon the nature, size and the complexity of the activity. These examinations do not relieve Federal agencies of their audit responsibilities, but may affect the frequency and scope of such audits.

1. A systematic method to assure timely and appropriate resolution of audit findings and recommendations.

3. Primary recipients shall require subrecipients (as defined in paragraph 5 of the basic circular) to adopt the standards in paragraph 2, above except for the requirement in subparagraph 2e, regarding the use of the letter-of-credit method and that part of subparagraph 2a, regarding reporting forms and frequencies prescribed in Attachment G to this circular.

ATTACHMENT G.—CIRCULAR NO. A-110
FINANCIAL REPORTING REQUIREMENTS

1. This attachment prescribes uniform reporting procedures for recipients to: summarize expenditures made and Federal funds unexpended for each award, report the status of Federal cash advanced, request advances and reimbursement when the letter-of-credit method is not used; and promulgate standard forms incident thereto.

2. The following definitions apply for purposes of this attachment:

a. *Accrued expenditures.*—Accrued expenditures are the charges incurred by the recipient during a given period requiring the provision of funds for: (1) goods and other tangible property received; (2) services performed by employees, contractors, subrecipients, and other payees, and (3) other amounts becoming owed under programs for which no current services or performance is required.

b. *Accrued income.*—Accrued income is the sum of (1) earnings during a given period from (i) services performed by the recipient; and (ii) goods and other tangible property delivered to purchasers; and (2) amounts becoming owed to the recipient for which no current services or performance is required by the recipient.

c. *Federal funds authorized.*—Federal funds authorized are the total amount of Federal funds obligated by the Federal Government for use by the recipient. This amount may include any authorized carry-over of unobligated funds from prior fiscal years when permitted by law or agency regulation.

d. *In-kind contributions.*—In-kind contributions are defined in Attachment E to this circular.

e. *Obligations.*—Obligations are the amounts of orders placed, contracts and grants awarded, services received, and similar transactions during a given period that will require payment by the recipient during the same or a future period.

f. *Outlays.*—Outlays or expenditures represent charges made to the project or program. They may be reported on a cash or accrual basis. For reports prepared on a cash basis, outlays are the sum of actual cash disbursements for direct charges for goods and services, the amount of indirect expense charged, the value of in-kind contributions applied, and the amount of cash advances and payments made to subrecipients. For reports prepared on an accrual basis, outlays are the sum of actual cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value of in-

kind contributions applied, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subrecipients and other payees and other amounts becoming owed under programs for which no current services or performance are required.

g. *Program income.*—Program income is defined in Attachment D of this circular. It may be reported on a cash or accrual basis, whichever is used for reporting outlays.

h. *Unobligated balance.*—The unobligated balance is the portion of the funds authorized by the Federal sponsoring agency that has not been obligated by the recipient and is determined by deducting the cumulative obligations from the cumulative funds authorized.

i. *Unliquidated obligations.*—For reports prepared on a cash basis, unliquidated obligations represent the amount of obligations incurred by the recipient that has not been paid. For reports prepared on an accrued expenditure basis, they represent the amount of obligations incurred by the recipient for which an outlay has not been recorded.

3. Only the following forms will be authorized for obtaining financial information from recipients.

a. *Financial Status Report (Exhibit 1).*

(1) Each Federal sponsoring agency shall require recipients to use the standardized Financial Status Report to report the status of funds for all nonconstruction projects or programs. The Federal sponsoring agencies may, however, have the option of not requiring the Financial Status Report when the Request for Advance or Reimbursement (paragraph 4a) or Report of Federal Cash Transactions (paragraph 3b) is determined to provide adequate information to meet their needs, except that a final Financial Status Report shall be required at the completion of the project when the Request for Advance or Reimbursement form is used only for advances.

(2) The Federal sponsoring agency shall prescribe whether the report shall be on a cash or accrual basis. If the Federal sponsoring agency requires accrual information and the recipient's accounting records are not normally kept on the accrual basis, the recipient shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand.

(3) The Federal sponsoring agency shall determine the frequency of the Financial Status Report for each project or program considering the size and complexity of the particular project or program. However, the report shall not be required more frequently than quarterly or less frequently than annually except as provided in subparagraph 3a(1) above. A final report shall be required at the completion of the agreement.

(4) Federal sponsoring agencies shall require recipients to submit the Financial

Status Report (original and no more than two copies) no later than 30 days after the end of each specified reporting period for quarterly and semi-annual reports, and 90 days for annual and final reports. Extensions to reporting due dates may be granted upon request of the recipient.

b. *Report of Federal Cash Transactions (Exhibit 2).*

(1) When funds are advanced to recipients through letters of credit or with Treasury checks, the Federal sponsoring agencies shall require each recipient to submit a Report of Federal Cash Transactions. The Federal sponsoring agency shall use this report to monitor cash advanced to recipients and to obtain disbursement information for each agreement from the recipients.

(2) Federal sponsoring agencies may require forecasts of Federal cash requirements in the "Remarks" section of the report.

(3) When practical and deemed necessary, the Federal sponsoring agencies may require receipts to report in the "Remarks" section the amount of cash advances in excess of three days' requirements in the hands of subrecipients and to provide short narrative explanations of actions taken by the recipients to reduce the excess balances.

(4) Recipients shall be required to submit not more than the original and two copies of the Report of Federal Cash Transactions 15 working days following the end of each quarter. The Federal sponsoring agencies may require a monthly report from those recipients receiving advances totaling \$1 million or more per year.

(5) Federal sponsoring agencies may waive the requirement for submission of the Report of Federal Cash Transactions when monthly advances do not exceed \$10,000 per recipient, provided that such advances are monitored through other forms contained in this attachment, or if, in the Federal sponsoring agency's opinion, the recipient's accounting controls are adequate to minimize excessive Federal advances.

4. Except as noted below, only the following forms will be authorized for the recipients in requesting advances and reimbursements.

a. *Request for Advance or Reimbursement (Exhibit 3).*

(1) Each Federal sponsoring agency shall adopt the Request for Advance or Reimbursement as a standardized form for all nonconstruction programs when letters-of-credit or predetermined advance methods are not used. Federal sponsoring agencies, however, have the option of using this form for construction programs in lieu of the Outlay Report and Request for Reimbursement for Construction Programs (subparagraph 4b).

(2) Recipients shall be authorized to submit requests for advances and reimbursements at least monthly when letters-of-credit are not used. Federal sponsoring agencies shall not require the submission of more than the original and two copies of the Request for Advance or Reimbursement.

b. *Outlay report and request for reimbursement for construction programs (Exhibit 4).*

(1) Each Federal sponsoring agency shall adopt the Outlay Report and Request for Reimbursement for Construction Programs as the standardized format to be used for requesting reimbursement for construction programs. The Federal sponsoring agencies may, however, have the option of substituting the Request for Advance or Reimbursement Form (subparagraph 4a) when the Federal agencies determine that it provides adequate information to meet their needs.

(2) Recipients shall be authorized to submit requests for reimbursement at least monthly when letters-of-credit are not used. Federal sponsoring agencies shall not require more than the original and two copies of the Outlay Report and Request for Reimbursement for Construction Programs.

5. When the Federal sponsoring agencies need additional information in using these forms or more frequent reports, the following shall be observed:

a. When additional information is needed to comply with legislative requirements, Federal sponsoring agencies shall issue instructions to require recipients to submit such information under the "Remarks" section of the reports.

b. When necessary to meet specific program needs Federal sponsoring agencies shall submit the proposed reporting requirements to the Financial Management Branch, Budget Review Division, Office of Management and Budget for approval prior to submission of the reports for clearance under the provisions of OMB Circular No. A-40.

c. When a Federal sponsoring agency has determined that a recipient's accounting system does not meet the Standards for Financial Management contained in Attachment F to this circular, additional pertinent information to further monitor grants and other agreements may be obtained upon written notice to the recipient until such time as the system is brought up to standard.

d. The Federal sponsoring agency, in obtaining information as in paragraphs a, b and c above, must comply with report clearance requirements of the Office of Management and Budget Circular No. A-40, as revised.

6. Federal sponsoring agencies have the option of shading out any line item on any report that is unnecessary for decision-making purposes.

7. Federal sponsoring agencies should accept the identical information from the recipients in machine usable format or computer printouts in lieu of prescribed formats.

8. Federal sponsoring agencies may provide computer outputs to recipients when it will expedite or contribute to the accuracy of reporting.

9. Federal sponsoring agencies are authorized to reproduce these forms. The forms for reproduction purposes can be obtained from the Office of Management and Budget.

FINANCIAL STATUS REPORT <i>(Follow instructions on the back)</i>		1. FEDERAL AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH REPORT IS SUBMITTED		2. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER		OMB Approved No. 00-RO180	PAGE OF	
3. RECIPIENT ORGANIZATION <i>(Name and complete address, including ZIP code)</i>		4. EMPLOYER IDENTIFICATION NUMBER		5. RECIPIENT ACCOUNT NUMBER OR IDENTIFYING NUMBER		6. FINAL REPORT <input type="checkbox"/> YES <input type="checkbox"/> NO		
		7. BASIS <input type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL		8. PERIOD COVERED BY THIS REPORT				
		9. PROJECT/GRANT PERIOD <i>(See instructions)</i>		10. PERIOD COVERED BY THIS REPORT				
		FROM <i>(Month, day, year)</i>		TO <i>(Month, day, year)</i>		FROM <i>(Month, day, year)</i>		
		TO <i>(Month, day, year)</i>		TO <i>(Month, day, year)</i>				
10. STATUS OF FUNDS								
PROGRAMS/FUNCTIONS/ACTIVITIES ▶	(a)	(b)	(c)	(d)	(e)	(f)	TOTAL (g)	
a. Net outlays previously reported	\$	\$	\$	\$	\$	\$	\$	
b. Total outlays this report period								
c. <i>Less: Program income credits</i>								
d. Net outlays this report period <i>(Line b minus line c)</i>								
e. Net outlays to date <i>(Line a plus line d)</i>								
f. <i>Less: Non-Federal share of outlays</i>								
g. Total Federal share of outlays <i>(Line e minus line f)</i>								
h. Total unliquidated obligations								
i. <i>Less: Non-Federal share of unliquidated obligations shown on line h</i>								
j. Federal share of unliquidated obligations								
k. Total Federal share of outlays and unliquidated obligations								
l. Total cumulative amount of Federal funds authorized								
m. Unobligated balance of Federal funds								
11. INDIRECT EXPENSE		12. REMARKS: <i>Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.</i>		13. CERTIFICATION I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.		SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL		
a. TYPE OF RATE <i>(Place "X" in appropriate box)</i>	b. RATE		c. BASE		d. TOTAL AMOUNT		e. FEDERAL SHARE	
<input type="checkbox"/> PROVISIONAL	<input type="checkbox"/> PREDETERMINED	<input type="checkbox"/> FINAL	<input type="checkbox"/> FIXED					
						DATE REPORT SUBMITTED		
						TELEPHONE <i>(Area code, number and extension)</i>		

FEDERAL REGISTER, VOL. 41, NO. 148—FRIDAY, JULY 30, 1976

INSTRUCTIONS

Please type or print legibly. Items 1, 2, 3, 6, 7, 9, 10d, 10e, 10g, 10i, 10l, 11a, and 12 are self-explanatory, specific instructions for other items are as follows:

<i>Item</i>	<i>Entry</i>	<i>Item</i>	<i>Entry</i>
4	Enter the employer identification number assigned by the U.S. Internal Revenue Service or FICE (institution) code, if required by the Federal sponsoring agency.	10c	Enter the amount of all program income realized in this period that is required by the terms and conditions of the Federal award to be deducted from total project costs. For reports prepared on a cash basis, enter the amount of cash income received during the reporting period. For reports prepared on an accrual basis, enter the amount of income earned since the beginning of the reporting period. When the terms or conditions allow program income to be added to the total award, explain in remarks, the source, amount and disposition of the income.
5	This space is reserved for an account number or other identifying numbers that may be assigned by the recipient.	10f	Enter amount pertaining to the non-Federal share of program outlays included in the amount on line e.
8	Enter the month, day, and year of the beginning and ending of this project period. For formula grants that are not awarded on a project basis, show the grant period.	10h	Enter total amount of unliquidated obligations for this project or program, including unliquidated obligations to subgrantees and contractors. Unliquidated obligations are: Cash basis—obligations incurred but not paid; Accrued expenditure basis—obligations incurred but for which an outlay has not been recorded. Do not include any amounts that have been included on lines a through g. On the final report, line h should have a zero balance.
10	The purpose of vertical columns (a) through (f) is to provide financial data for each program, function, and activity in the budget as approved by the Federal sponsoring agency. If additional columns are needed, use as many additional forms as needed and indicate page number in space provided in upper right; however, the totals of all programs, functions or activities should be shown in column (g) of the first page. For agreements pertaining to several Catalog of Federal Domestic Assistance programs that do not require a further functional or activity classification breakdown, enter under columns (a) through (f) the title of the program. For grants or other assistance agreements containing multiple programs where one or more programs require a further breakdown by function or activity, use a separate form for each program showing the applicable functions or activities in the separate columns. For grants or other assistance agreements containing several functions or activities which are funded from several programs, prepare a separate form for each activity or function when requested by the Federal sponsoring agency.	10j	Enter the Federal share of unliquidated obligations shown on line h. The amount shown on this line should be the difference between the amounts on lines h and i.
10a	Enter the net outlay. This amount should be the same as the amount reported in Line 10e of the last report. If there has been an adjustment to the amount shown previously, please attach explanation. Show zero if this is the initial report.	10k	Enter the sum of the amounts shown on lines g and j. If the report is final the report should not contain any unliquidated obligations.
10b	Enter the total gross program outlays (less rebates, refunds, and other discounts) for this report period, including disbursements of cash realized as program income. For reports that are prepared on a cash basis, outlays are the sum of actual cash disbursements for goods and services, the amount of indirect expense charged, the value of in-kind contributions applied, and the amount of cash advances and payments made to contractors and subgrantees. For reports prepared on an accrued expenditure basis, outlays are the sum of actual cash disbursements, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received and for services performed by employees, contractors, subgrantees, and other payees.	10m	Enter the unobligated balance of Federal funds. This amount should be the difference between lines k and l.
		11b	Enter rate in effect during the reporting period.
		11c	Enter amount of the base to which the rate was applied.
		11d	Enter total amount of indirect cost charged during the report period.
		11e	Enter amount of the Federal share charged during the report period. If more than one rate was applied during the project period, include a separate schedule showing bases against which the indirect cost rates were applied, the respective indirect rates the month, day, and year the indirect rates were in effect, amounts of indirect expense charged to the project, and the Federal share of indirect expense charged to the project to date.

FEDERAL CASH TRANSACTIONS REPORT		Approved by Office of Management and Budget, No. 80-RO182	
(See instructions on the back. If report is for more than one grant or assistance agreement, attach completed Standard Form 272-A.)		1. Federal sponsoring agency and organizational element to which this report is submitted	
2. RECIPIENT ORGANIZATION Name : _____ Number and Street : _____ City, State and ZIP Code: _____		4. Federal grant or other identification number	5. Recipient's account number or identifying number
		6. Letter of credit number	7. Last payment voucher number
		Give total number for this period	
		8. Payment Vouchers credited to your account	9. Treasury checks received (whether or not deposited)
3. FEDERAL EMPLOYER IDENTIFICATION NO.		10. PERIOD COVERED BY THIS REPORT	
		FROM (month, day, year)	TO (month, day year)
11. STATUS OF FEDERAL CASH (See specific instructions on the back)	a. Cash on hand beginning of reporting period	\$	
	b. Letter of credit withdrawals		
	c. Treasury check payments		
	d. Total receipts (Sum of lines b and c)		
	e. Total cash available (Sum of lines a and d)		
	f. Gross disbursements		
	g. Federal share of program income		
	h. Net disbursements (Line f minus line g)		
	i. Adjustments of prior periods		
	j. Cash on hand end of period	\$	
12. THE AMOUNT SHOWN ON LINE 11J, ABOVE, REPRESENTS CASH REQUIREMENTS FOR THE ENSUING Days	13. OTHER INFORMATION		
	a. Interest income	\$	
	b. Advances to subgrantees or subcontractors	\$	
14. REMARKS (Attach additional sheets of plain paper, if more space is required)			

15. CERTIFICATION				
I certify to the best of my knowledge and belief that this report is true in all respects and that all disbursements have been made for the purpose and conditions of the grant or agreement	AUTHORIZED	SIGNATURE		DATE REPORT SUBMITTED
	CERTIFYING	TYPED OR PRINTED NAME AND TITLE		
	OFFICIAL	TELEPHONE	(Area Code)	(Number)

THIS SPACE FOR AGENCY USE

INSTRUCTIONS

Please type or print legibly. Items 1, 2, 8, 9, 10, 11d, 11e, 11h, and 15 are self explanatory, specific instructions for other items are as follows:

<i>Item</i>	<i>Entry</i>	<i>Entry</i>	<i>Item</i>
3	Enter employer identification number assigned by the U.S. Internal Revenue Service or the FICE (institution) code. If this report covers more than one grant or other agreement, leave items 4 and 5 blank and provide the information on Standard Form 272-A, Report of Federal Cash Transactions—Continued; otherwise;		employee's share of benefits if treated as a direct cost, interdepartmental charges for supplies and services, and the amount to which the recipient is entitled for indirect costs.
4	Enter Federal grant number, agreement number, or other identifying numbers if requested by sponsoring agency.	11g	Enter the Federal share of program income that was required to be used on the project or program by the terms of the grant or agreement.
5	This space reserved for an account number or other identifying number that may be assigned by the recipient.	11i	Enter the amount of all adjustments pertaining to prior periods affecting the ending balance that have not been included in any lines above. Identify each grant or agreement for which adjustment was made, and enter an explanation for each adjustment under "Remarks." Use plain sheets of paper if additional space is required.
6	Enter the letter of credit number that applies to this report. If all advances were made by Treasury check, enter "NA" for not applicable and leave items 7 and 8 blank.	11j	Enter the total amount of Federal cash on hand at the end of the reporting period. This amount should include all funds on deposit, imprest funds, and undeposited funds (line e, less line h, plus or minus line i).
7	Enter the voucher number of the last letter-of-credit payment voucher (Form TUS 5401) that was credited to your account.	12	Enter the estimated number of days until the cash on hand, shown on line 11j, will be expended. If more than three days cash requirements are on hand, provide an explanation under "Remarks" as to why the drawdown was made prematurely, or other reasons for the excess cash. The requirement for the explanation does not apply to prescheduled or automatic advances.
11a	Enter the total amount of Federal cash on hand at the beginning of the reporting period including all of the Federal funds on deposit, imprest funds, and undeposited Treasury checks.	13a	Enter the amount of interest earned on advances of Federal funds but not remitted to the Federal agency. If this includes any amount earned and not remitted to the Federal sponsoring agency for over 60 days, explain under "Remarks." Do not report interest earned on advances to States.
11b	Enter total amount of Federal funds received through payment vouchers (Form TUS 5401) that were credited to your account during the reporting period.	13b	Enter amount of advance to secondary recipients included in item 11h.
11c	Enter the total amount of all Federal funds received during the reporting period through Treasury checks, whether or not deposited.	14	In addition to providing explanations as required above, give additional explanation deemed necessary by the recipient and for information required by the Federal sponsoring agency in compliance with governing legislation. Use plain sheets of paper if additional space is required.
11f	Enter the total Federal cash disbursements, made during the reporting period, including cash received as program income. Disbursements as used here also include the amount of advances and payments less refunds to subgrantees or contractors, the gross amount of direct salaries and wages, including the		

<h2 style="margin: 0;">REQUEST FOR ADVANCE OR REIMBURSEMENT</h2> <p style="font-size: small; margin: 5px 0;">(See instructions on back)</p>		Approved by Office of Management and Budget, No. 80-RO183	PAGE OF PAGES	
1. FEDERAL SPONSORING AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH THIS REPORT IS SUBMITTED		2. BASIS OF REQUEST <input type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL		
3. EMPLOYER IDENTIFICATION NUMBER		4. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY		
7. RECIPIENT'S ACCOUNT NUMBER OR IDENTIFYING NUMBER		5. PARTIAL PAYMENT REQUEST NUMBER FOR THIS REQUEST		
6. EMPLOYER ORGANIZATION Name: Number and Street: City, State and ZIP Code:		8. PERIOD COVERED BY THIS REQUEST FROM (month, day, year) TO (month, day, year)		
9. PAYEE (Where check is to be sent is different than item 6)		10. PAYEE (Where check is to be sent is different than item 9)		
11. COMPUTATION OF AMOUNT OF REIMBURSEMENTS/ADVANCES REQUESTED				
PROGRAMS/FUNCTIONS/ACTIVITIES =>	(a)	(b)	(c)	TOTAL
a. Total program outlays to date (As of date)	\$	\$	\$	\$
b. Less: Cumulative program income				
c. Net program outlays (Line a minus line b)				
d. Estimated net cash outlays for advance period				
e. Total (Sum of lines c & d)				
f. Non-Federal share of amount on line e				
g. Federal share of amount on line e				
h. Federal payments previously requested				
i. Federal share now requested (Line g minus line h)				
j. Advances required by month, when requested by Federal grantor agency for use in making pre-scheduled advances	1st month	2nd month	3rd month	
12. ALTERNATE COMPUTATION FOR ADVANCES ONLY				
a. Estimated Federal cash outlays that will be made during period covered by the advance				\$
b. Less: Estimated balance of Federal cash on hand as of beginning of advance period				
c. Amount requested (Line a minus line b)				\$
13. CERTIFICATION				
I certify that to the best of my knowledge and belief the data above are correct and that all outlays were made in accordance with the grant conditions or other agreement and that payment is due and has not been previously requested.		SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL		DATE REQUEST SUBMITTED
		TYPED OR PRINTED NAME AND TITLE		
		TELEPHONE	Area Code	Number
		Extension		
This space for agency use				

NOTICES

INSTRUCTIONS

Please type or print legibly. Items 1, 3, 5, 9, 10, 11c, 11e, 11f, 11g, 11i, 12 and 13 are self-explanatory; specific instructions for other items are as follows:

<i>Item</i>	<i>Entry</i>	<i>Item</i>	<i>Entry</i>
2	Indicate whether request is prepared on cash or accrued expenditure basis. All requests for advances shall be prepared on a cash basis.		use as many additional forms as needed and indicate page number in space provided in upper right; however, the summary totals of all programs, functions, or activities should be shown in the "total" column on the first page.
4	Enter the Federal grant number, or other identifying number assigned by the Federal sponsoring agency. If the advance or reimbursement is for more than one grant or other agreement, insert N/A; then, show the aggregate amounts. On a separate sheet, list each grant or agreement number and the Federal share of outlays made against the grant or agreement.	11a	Enter in "as of date", the month, day, and year of the ending of the accounting period to which this amount applies. Enter program outlays to date (net of refunds, rebates, and discounts), in the appropriate columns. For requests prepared on a cash basis, outlays are the sum of actual cash disbursements for goods and services, the amount of indirect expenses charged, the value of in-kind contributions applied, and the amount of cash advances and payments made to subcontractors and subrecipients. For requests prepared on an accrued expenditure basis, outlays are the sum of the actual cash disbursements, the amount of indirect expenses incurred, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received and for services performed by employees, contracts, subgrantees and other payees.
6	Enter the employer identification number assigned by the U.S. Internal Revenue Service, or the FICE (institution) code if requested by the Federal agency.		
7	This space is reserved for an account number or other identifying number that may be assigned by the recipient.		
8	Enter the month, day, and year for the beginning and ending of the period covered in this request. If the request is for an advance or for both an advance and reimbursement, show the period that the advance will cover. If the request is for reimbursement, show the period for which the reimbursement is requested.	11b	Enter the cumulative cash income received to date, if requests are prepared on a cash basis. For requests prepared on an accrued expenditure basis, enter the cumulative income earned to date. Under either basis, enter only the amount applicable to program income that was required to be used for the project or program by the terms of the grant or other agreement.
<p>Note: The Federal sponsoring agencies have the option of requiring recipients to complete items 11 or 12, but not both. Item 12 should be used when only a minimum amount of information is needed to make an advance and outlay information contained in item 11 can be obtained in a timely manner from other reports.</p>		11d	Only when making requests for advance payments, enter the total estimated amount of cash outlays that will be made during the period covered by the advance.
11	The purpose of the vertical columns (a), (b), and (c), is to provide space for separate cost breakdowns when a project has been planned and budgeted by program, function, or activity. If additional columns are needed,	13	Complete the certification before submitting this request.

NOTICES

32027

OUTLAY REPORT AND REQUEST FOR REIMBURSEMENT FOR CONSTRUCTION PROGRAMS (See instructions on back)		Approved by Office of Management and Budget, No. 80-RO181		PAGE <input type="text"/> OF <input type="text"/> PAGES	
		1. TYPE OF REQUEST <input type="checkbox"/> FINAL <input type="checkbox"/> PARTIAL	2. BASIS OF REQUEST <input type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL		
3. FEDERAL SPONSORING AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH THIS REPORT IS SUBMITTED		4. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY	5. PARTIAL PAYMENT REQUEST NO.		
6. EMPLOYER IDENTIFICATION NUMBER	7. RECIPIENT ACCOUNT OR OTHER IDENTIFYING NUMBER	PERIOD COVERED BY THIS REPORT			
		FROM (Month, day, year)	TO (Month, day, year)		
9. RECIPIENT ORGANIZATION Name : No. and Street : City, State and ZIP Code :		10. PAYEE (Where check should be sent if different than item 9) Name : No. and Street : City, State and ZIP Code :			
11. STATUS OF FUNDS					
CLASSIFICATION	PROGRAMS—FUNCTIONS—ACTIVITIES			TOTAL	
	(a)	(b)	(c)		
a. Administrative expense	\$	\$	\$	\$	
b. Preliminary expense					
c. Land, structures, right-of-way					
d. Architectural engineering basic fees					
e. Other architectural engineering fees					
f. Project inspection fees					
g. Land development					
h. Relocation expense					
i. Relocation payments to individuals and businesses					
j. Demolition and removal					
k. Construction and project improvement cost					
l. Equipment					
m. Miscellaneous cost					
n. Total cumulative to date (sum of lines a thru m)					
o. Deductions for program income					
p. Net cumulative to date (Line n minus line o)					
q. Federal share to date					
r. Rehabilitation grants (100% reimbursement)					
s. Total Federal share (sum of lines q and r)					
t. Federal payments previously requested					
u. Amount requested for reimbursement	\$	\$	\$	\$	
v. Percentage of physical completion of project	%	%	%	%	
12. CERTIFICATION I certify that to the best of my knowledge and belief the billed costs or disbursements are in accordance with the terms of the project and that the reimbursement represents the Federal share due which has not been previously requested and that an inspection has been performed and all work is in accordance with the terms of the award.		a. RECIPIENT	SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	DATE REPORT SUBMITTED	
			TYPED OR PRINTED NAME AND TITLE	TELEPHONE (Area code, number and extension)	
		b. Representative certifying to line 11v.	SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	DATE SIGNED	
			TYPED OR PRINTED NAME AND TITLE	TELEPHONE (Area code, number and extension)	

271-101 EXHIBIT 4

STANDARD FORM 271 (7-76)
 Prescribed by Office of Management and Budget
 CIRCULAR NO. A110

INSTRUCTIONS

Please type or print legibly. Items 3, 4, 5, 8, 9, 10, 11a, and 11v are self-explanatory; specific instructions for other items are as follows:

Item	Entry	Item	Entry
1	Mark the appropriate box. If the request is final, the amounts billed should represent the final cost of the project.	11j	Enter gross salaries and wages of employees of the recipient and payments to third party contractors directly engaged in performing demolition or removal of structures from developed land. All proceeds from the sale of salvage or the removal of structures should be credited to this account; thereby reflecting net amounts if required by the Federal agency.
2	Show whether amounts are computed on an accrued expenditure or cash disbursement basis.	11k	Enter those amounts associated with the actual construction of, addition to, or restoration of a facility. Also, include in this category, the amounts for project improvements such as sewers, streets, landscaping, and lighting.
6	Enter the employer identification number assigned by the U.S. Internal Revenue Service (or FICE (institution) code if requested by the Federal agency).	11l	Enter amounts for all equipment, both fixed and movable, exclusive of equipment used for construction. For example, permanently attached laboratory tables, built-in audio visual systems, movable desks, chairs, and laboratory equipment.
7	This space is reserved for an account number or other identifying number that may be assigned by the recipient.	11m	Enter the amounts for all items not specifically named above.
11	The purpose of vertical columns (a) through (g) is to provide space for expense cost breakdowns when a large project has been planned and budgeted by program, function or activity. If additional columns are needed, use as many additional forms as needed and indicate page number in space provided in upper right. However, the summary totals of all programs, functions, or activities should be shown in the "total" column on the first page. All amounts are reported on a cumulative basis.	11n	Enter the total cumulative amount to date which should be the sum of lines a through m.
11a	Enter amounts expended for such items as travel, legal fees, rental, or vehicles and any other administrative expenses. Include the amount of interest charges when authorized by program legislation. Also show the amount of interest expense on a separate sheet.	11o	Enter the total amount of program income applied to the grant or contract agreement except income included on line j. Identify on a separate sheet of paper the sources and types of the income.
11b	Enter amounts pertaining to the work of locating and designing, making surveys and maps, staking lot, holes, and all other work required prior to actual construction.	11p	Enter the net cumulative amount to date which should be the amount shown on line a minus the amount on line o.
11c	Enter all amounts directly associated with the acquisition of land, existing structures and related right-of-way.	11q	Enter the Federal share of the amount shown on line p.
11d	Enter basic fees for services of architectural engineers.	11r	Enter the amount of rehabilitation grant payments made to individuals when program legislation provides 100 percent payment by the Federal agency.
11e	Enter other architectural engineering services. Do not include any amounts shown on line d.	11t	Enter the total amount of Federal payments previously requested, if this form is used for requesting reimbursement.
11f	Enter inspection and audit fees of construction and related programs.	11u	Enter the amount now being requested for reimbursement. This amount should be the difference between the amounts shown on lines s and t, if different, explain on a separate sheet.
11g	Enter all amounts associated with the development of land where the primary purpose of the grant is land improvement. The amount pertaining to land development normally associated with major construction should be included from this category and entered on line l.	12a	To be completed by the recipient official who is responsible for the operation of the program. The date should be the actual date the form is submitted to the Federal agency.
11h	Enter the dollar amounts used to provide relocation advisory assistance and net costs of replacement housing (less resort). Do not include amounts needed for relocation administrative expense; these amounts should be included in amounts shown on line e.	12b	To be completed by the official representative who is certifying to the amount of project completion as provided for in the terms of the grant or agreement.
11i	Enter the amount of relocation payments made by the recipient to displaced persons, farms, business concerns, and nonprofit organizations.		

ATTACHMENT H.—CIRCULAR No. A-110
MONITORING AND REPORTING PROGRAM
PERFORMANCE

1. This attachment sets forth the procedures for monitoring and reporting program performance of recipients.

2. Recipients shall monitor the performance under grants and other agreements and, where appropriate, ensure that time schedules are being met, projected work units by time periods are being accomplished, and other performance goals are being achieved. This review shall be made for each program, function, or activity of each agreement as set forth in the approved application or award document.

3. Recipients shall submit a performance report (technical report) for each agreement that briefly presents the following information for each program, function, or activity involved as prescribed by the Federal sponsoring agency:

a. A comparison of actual accomplishments with the goals established for the period, the findings of the investigator, or both. If the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

b. Reasons why established goals were not met.

c. Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

4. Except as provided in a and b below, and in subparagraph 3a(1), Attachment G, recipients shall submit the performance or technical reports to Federal sponsoring agencies and the Financial Status Reports covering the same period in the frequency established by Attachment G of this Circular and, where appropriate, a final technical or performance report after completion of the project on a date specified by the Federal sponsoring agency. The Federal sponsoring agency shall prescribe the frequency with which the performance reports will be submitted with the request for advance or reimbursement when that form is used in lieu of the Financial Status Report. Except as provided for in paragraph 5 below, performance reports shall not be required more frequently than quarterly or less frequently than annually. Federal sponsoring agencies may waive the requirement for recipients to submit performance reports with the financial reports under the following circumstances:

a. When the recipient is required to submit a performance report with a continuation or renewal application.

b. When the Federal sponsoring agency determines that on-site technical inspections and certified completion data will be sufficient to evaluate construction projects.

c. When the Federal sponsoring agency requests annual financial reports on a fiscal year basis but it is necessary to get annual progress reports on a calendar year basis.

5. Between the required performance reporting dates, events may occur that have significant impact upon the project or program. In such instances, the recipient shall inform the Federal sponsoring agency as soon as the following types of conditions become known:

a. Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any Federal assistance needed to resolve the situation.

b. Favorable developments or events that enable time schedules to be met sooner than

anticipated or more work units to be produced than originally projected.

6. If any performance review conducted by the recipient discloses the need for change in the budget estimates in accordance with the criteria established in Attachment J to this Circular, the recipient shall submit a request for budget revision.

7. The Federal sponsoring agency shall make site visits as frequently as practicable to:

a. Review program accomplishments and management control systems, and

b. Provide such technical assistance as may be required.

8. Federal sponsoring agencies shall submit proposed technical and performance reports to the Office of Management and Budget for approval in accordance with the report clearance requirements of OMB Circular No. A-40 as revised.

ATTACHMENT I.—CIRCULAR No. A-110

PAYMENT REQUIREMENTS

1. This attachment establishes the required methods of making payments to recipients. These methods will minimize the time elapsing between the disbursement by these recipients and the transfer of funds from the United States Treasury to these recipients whether such disbursement occurs prior to or subsequent to the transfer of funds.

2. Payments can be made to recipients through a letter-of-credit, an advance by Treasury check, or a reimbursement by Treasury check. The following definitions apply for the purpose of this attachment:

a. *Letter-of-Credit*.—A letter-of-credit is an instrument certified by an authorized official of a Federal sponsoring agency that authorizes a recipient to draw funds when needed from the Treasury, through a Federal Reserve bank and the recipient's commercial bank, in accordance with the provisions of Treasury Circular No. 1075, as revised.

b. *Advance by Treasury check*.—An advance by Treasury check is a payment made by a Treasury check to a recipient upon its request before outlays are made by the recipient, or through the use of predetermined payment schedules.

c. *Reimbursement by Treasury check*.—A reimbursement by Treasury check is a Treasury check paid to a recipient upon request for reimbursement from the recipient.

3. Except for construction grants and other construction agreements for which optional payment methods are authorized, as described in paragraph 5, the letter-of-credit method shall be used by Federal sponsoring agencies if all of the following conditions exist:

a. If there is or will be a continuing relationship between a recipient and a Federal sponsoring agency for at least a 12-month period and the total amount of advance payments expected to be received within that period from the Federal sponsoring agency is \$250,000 or more, as prescribed by Treasury Circular No. 1075. For joint funded projects the Treasury has authorized a dollar criteria of \$120,000.

b. If the recipient has established or demonstrated to the Federal sponsoring agency the willingness and ability to maintain procedures that will minimize the time elapsing between the transfer of funds and their disbursement by the recipient.

c. If the recipient's financial management system meets the standards for fund control and accountability prescribed in Attachment F to this Circular. "Standards for Financial Management Systems."

4. The method of advancing funds by Treasury check shall be used, in accordance with the provisions of Treasury Circular No.

1075, when the recipient meets all of the requirements specified in paragraph 3, above, except those in subparagraph 3a.

5. The reimbursement by Treasury check method shall be the preferred method if the recipient does not meet the requirements specified in subparagraphs 3b and 3c, above. At the option of the Federal sponsoring agency, this method may also be used on any construction agreement, or if the major portion of the program is accomplished through private market financing or Federal loans, and the Federal assistance constitutes a minor portion of the program. When the reimbursement method is used, the Federal sponsoring agency shall make payment within thirty days after receipt of the billing, unless the billing is improper.

6. When the letter-of-credit procedure is used, the recipient shall be issued one consolidated letter-of-credit whenever possible to cover anticipated cash needs for all grants and other agreements awarded by the sponsoring agency. Likewise, to the extent possible, when the advance by Treasury check method is used, advances should be consolidated (pooled) for all grants and other agreements made by the sponsoring agency to that recipient.

7. Unless otherwise required by law, Federal sponsoring agencies shall not withhold payments for proper charges made by recipients at any time during the project or program period unless (a) a recipient has failed to comply with the program objectives, award conditions, or Federal reporting requirements; or (b) the recipient is indebted to the United States, and collection of the indebtedness will not impair accomplishment of the objectives of a project or program sponsored by the United States.

Under such conditions, the sponsoring agency may, upon reasonable notice, inform the recipient that payments will not be made for obligations incurred after a specified date until the conditions are corrected or the indebtedness to the Federal Government is liquidated.

ATTACHMENT J.—CIRCULAR No. A-110

REVISION OF FINANCIAL PLANS

1. This attachment sets forth criteria and procedures to be followed by Federal sponsoring agencies in requiring recipients to report deviations from financial plans and to request approvals for financial plan revisions.

2. The financial plan is the financial expression of the project or program as approved during the application and/or award process. It may include either the Federal and non-Federal share, or only the Federal share, depending upon sponsoring agency requirements. It should be related to performance for program evaluation purposes whenever appropriate and required by the Federal sponsoring agency.

3. For nonconstruction awards, recipients shall immediately request approvals from Federal sponsoring agencies when there is reason to believe that within the next seven days a revision will be necessary for the following reasons:

a. Changes in the scope or the objective of the project or program.

b. The need for additional Federal funding.

c. The transfer of amounts budgeted for indirect costs to absorb increases indirect costs or vice versa, if approval is required by the Federal sponsoring agency.

d. The expenditures as require approval in accordance with FMC 73-8, "Cost Principles for Educational Institutions." For all other awards, approval requirements for other items of expenditures may be imposed if they are consistent with those in FMC 73-8. No other requirements for specific items may be

imposed unless a deviation has been approved by the Office of Management and Budget.

e. Recipients plan to transfer funds allotted for training allowances (direct payments to trainees) to other categories of expense.

4. None of the substantive programmatic work under a grant or other agreement may be subcontracted or transferred without prior approval of the Federal sponsoring agency. This provision does not apply to the purchase of supplies, material, equipment, or general support services.

5. The Federal sponsoring agency may also, at its option, restrict transfers of funds among direct cost categories for awards in which the Federal share exceeds \$100,000 when the cumulative amount of such transfers exceeds or is expected to exceed five percent of the total budget as last approved by the sponsoring agency. The same criteria shall apply to the cumulative amount of transfers among programs, functions, and activities when budgeted separately for an award, except that the Federal sponsoring agency shall permit no transfer that would cause any Federal appropriation, or part thereof, to be used for purposes other than those intended.

6. All other changes to nonconstruction budgets, except for the changes described in paragraph 8, below, do not require approval. This includes the use of recipient funds in furtherance of program objectives over and above the recipient minimum share included in the approved budget.

7. For construction awards, recipients shall request prior approvals promptly from Federal sponsoring agencies for budget revisions whenever:

a. The revision results from changes in the scope or the objective of the project or program, and

b. The revision increases the budget amounts of Federal funds needed to complete the project.

8. When a Federal sponsoring agency makes an award that provides support for both construction and nonconstruction work, the Federal sponsoring agency may require the recipient to request prior approval from the Federal sponsoring agency before making any fund or budget transfers between the two types of work supported.

9. For both construction and nonconstruction awards, Federal sponsoring agencies shall require recipients to notify the Federal sponsoring agency promptly whenever the amount of Federal authorized funds is expected to exceed the needs of the recipient by more than 45,000 or five percent of the Federal award, whichever is greater. This notification will not be required if applications for additional funding are submitted for continuing grants or contracts.

10. When requesting approval for budget revisions, recipients shall use the budget forms that were used in the application unless a letter request will suffice.

11. Within 30 calendar days from the date of receipt of the request for budget revisions, Federal sponsoring agencies shall review the request and notify the recipient whether the budget revisions have been approved. If the revision is still under consideration at the end of 30 calendar days, the Federal sponsoring agency shall inform the recipient in writing of the date when the recipient may expect the decision.

ATTACHMENT K.—CIRCULAR NO. A-110

CLOSEOUT PROCEDURES

1. This attachment prescribes uniform closeout procedures for Federal grants and other agreements with recipients.

2. The following definitions shall apply for the purpose of this attachment:

a. *Closeout*.—The closeout of a grant agreement is the process by which a Federal sponsoring agency determines that all applicable administrative actions and all required work of the agreement have been completed by the recipient and the Federal sponsoring agency.

b. *Date of completion*.—The date of completion is the date on which all work under grants and other agreements is completed or the date on the award document, or any supplement or amendment thereto, on which Federal sponsorship ends.

c. *Disallowed costs*.—Disallowed costs are those charges to a grant or other agreement that the Federal sponsoring agency or its representative determines to be unavailable, in accordance with the applicable Federal cost principles or other conditions contained in the agreement.

3. All Federal sponsoring agencies shall establish closeout procedures that include the following requirements:

a. Upon request, the Federal sponsoring agency shall make prompt payments to a recipient for allowable reimbursable costs under the grant or other agreement being closed out.

b. The recipient shall immediately refund any balance of unobligated (unencumbered) cash that the Federal sponsoring agency has advanced or paid and that is not authorized to be retained by the recipient for use in other grants or other agreements.

c. The Federal sponsoring agency shall obtain from the recipient within 90 calendar days after the date of completion of the agreement all financial performance, and other reports required as the condition of the agreement. The agency may grant extensions when requested by the recipient.

d. When authorized by the grant or other agreement, the Federal sponsoring agency shall make a settlement for any upward or downward adjustments to the Federal share of costs after these reports are received.

e. The recipient shall account for any property acquired with Federal funds, or received from the Government in accordance with the provisions of Attachment N to this Circular, Property Management Standards.

f. In the event a final audit has not been performed prior to the closeout of the grant or other agreement, the Federal sponsoring agency shall retain the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit.

4. Suspension and termination procedures are contained in Attachment L to this Circular.

ATTACHMENT L.—CIRCULAR NO. A-110

SUPERVISION AND TERMINATION PROCEDURES

1. This attachment prescribes uniform suspension and termination procedures for Federal grants and other agreements with recipients.

2. The following definitions shall apply for the purpose of this attachment:

a. *Termination*.—The termination of a grant or other agreement means the cancellation of Federal sponsorship, in whole or in part, under an agreement at any time prior to the date of completion.

b. *Suspension*.—The suspension of a grant or other agreement is an action by a Federal sponsoring agency that temporarily suspends Federal sponsorship under the grant or other agreement, pending corrective action by the recipient or pending a decision to terminate the grant or other agreement by the Federal sponsoring agency.

3. All Federal sponsoring agencies shall provide procedures to be followed when a recipient has failed to comply with the terms

of the grant or other agreement and conditions or standards. When that occurs, the Federal sponsoring agency may, on reasonable notice to the recipient, suspend the grant or other agreement, and withhold further payments, prohibit the recipient from incurring additional obligations of funds, pending corrective action by the recipient, or a decision to termination in accordance with paragraph 4. The Federal sponsoring agency shall allow all necessary and proper costs that the recipient could not reasonably avoid during the period of suspension provided that they meet the provisions of the applicable Federal cost principles.

4. Federal sponsoring agencies shall provide for the systematic settlement of terminated grants or other agreements including the following:

a. *Termination for cause*.—The Federal sponsoring agency may reserve the right to terminate any grant or other agreement in whole or in part at any time before the date of completion, whenever it is determined that the recipient has failed to comply with the conditions of the agreement. The Federal sponsoring agency shall promptly notify the recipient in writing of the determination and the reasons for the termination, together with the effective date. Payments made to recipients or recoveries by the Federal sponsoring agencies under grants or other agreements terminated for cause shall be in accordance with the legal rights and liabilities of the parties.

b. *Termination for convenience*.—The Federal sponsoring agency or recipient may terminate grants and other agreements in whole or in part when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two parties shall agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The recipient shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The Federal sponsoring agency shall allow full credit to the recipient for the Federal share of the noncancelable obligations, properly incurred by the recipient prior to termination.

ATTACHMENT M.—CIRCULAR NO. A-110

STANDARD FORM FOR APPLYING FOR FEDERAL ASSISTANCE

1. This attachment promulgates a standard form (SF 424) to be used by public and private institutions of higher education, public and private hospitals and other quasi-public and private nonprofit organizations as a face sheet for applications when applying for Federal grants under programs covered by Part I, Attachment A, OMB Circular No. A-95. In addition, agencies are particularly encouraged to extend the use of SF 424 to common programs with State and local governments where this form is now required by FMC 74-7.

2. The SF 424 may also be used, on an optional basis, to fulfill the requirements of OMB Circular A-95 for a notification of intent, from applicant to clearinghouses, that Federal assistance will be applied for. Local or State clearinghouse procedures will govern the use of the form for this purpose.

3. The standard form will also be used by Federal agencies to report to the clearinghouses on major actions taken on applications reviewed by clearinghouses in accordance with OMB Circular A-95, and to notify States of grants-in-aid awarded in accordance with Treasury Circular 1082.

OMB Approval No. 29-80218

FEDERAL ASSISTANCE		2. APPLICANT'S APPLIC- CATION	a. NUMBER	3. STATE APPLICA- TION IDENTI- FIER	a. NUMBER
1. TYPE OF ACTION <input type="checkbox"/> PREAPPLICATION <input type="checkbox"/> APPLICATION <input type="checkbox"/> NOTIFICATION OF INTENT (Opt.) <input type="checkbox"/> REPORT OF FEDERAL ACTION <small>(Mark appropriate box)</small>		b. DATE Year month day 19		b. DATE Year month day ASSIGNED 19	
4. LEGAL APPLICANT/RECIPIENT		5. FEDERAL EMPLOYER IDENTIFICATION NO.		6. PRO- GRAM <small>(From Federal Catalog)</small>	
a. Applicant Name : b. Organization Unit : c. Street/P.O. Box : d. City : e. County : f. State : g. ZIP Code : h. Contact Person (Name & telephone No.) :		a. NUMBER		b. TITLE	
7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT		8. TYPE OF APPLICANT/RECIPIENT A-State B-Interstate C-Substate District D-County E-City F-School District G-Special Purpose District H-Community Action Agency I-Higher Educational Institution J-Indian Tribe K-Other (Specify):		9. TYPE OF ASSISTANCE A-Basic Grant B-Supplemental Grant C-Loan D-Insurance E-Other <small>Enter appropriate letter(s)</small>	
10. AREA OF PROJECT IMPACT <small>(Names of cities, counties, States, etc.)</small>		11. ESTIMATED NUMBER OF PERSONS BENEFITING		12. TYPE OF APPLICATION A-New B-Renewal C-Revision D-Continuation E-Augmentation <small>Enter appropriate letter</small>	
13. PROPOSED FUNDING		14. CONGRESSIONAL DISTRICTS OF:		15. TYPE OF CHANGE <small>(For 1st or 1st)</small> A-Increase Dollars B-Decrease Dollars C-Increase Duration D-Decrease Duration E-Cancellation <small>Enter appropriate letter(s)</small>	
a. FEDERAL \$.00	b. APPLICANT .00	c. APPLICANT	d. PROJECT	16. PROJECT START DATE Year month day	
c. STATE .00	d. LOCAL .00	e. OTHER .00	f. TOTAL \$.00	17. PROJECT DURATION Months	
18. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY		19. EXISTING FEDERAL IDENTIFICATION NUMBER		20. FEDERAL AGENCY TO RECEIVE REQUEST <small>(Name, City, State, ZIP code)</small>	
21. REMARKS ADDED <input type="checkbox"/> Yes <input type="checkbox"/> No		22. THE APPLICANT CERTIFIES THAT		23. CERTIFYING REPRESENTATIVE	
a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved.		b. If required by OMB Circular A-95 this application was submitted, pursuant to instructions therein, to appropriate clearinghouses and all responses are attached:		c. DATE SIGNED Year month day 19	
24. AGENCY NAME		25. APPLICATIONAL UNIT RECEIVED 19		26. ORGANIZATIONAL UNIT	
27. ADDRESS		28. FEDERAL APPLICATION IDENTIFICATION		29. FEDERAL GRANT IDENTIFICATION	
30. ACTION TAKEN		31. FUNDING		32. ACTION DATE Year month day 19	
<input type="checkbox"/> a. AWARDED	<input type="checkbox"/> b. REJECTED	<input type="checkbox"/> c. RETURNED FOR AMENDMENT	<input type="checkbox"/> d. DEFERRED	<input type="checkbox"/> e. WITHDRAWN	33. CONTACT FOR ADDITIONAL INFORMATION <small>(Name and telephone number)</small>
a. FEDERAL \$.00	b. APPLICANT .00	c. STATE .00	d. LOCAL .00	e. OTHER .00	f. TOTAL \$.00
34. STARTING DATE Year month day 19		35. ENDING DATE Year month day 19		36. REMARKS ADDED <input type="checkbox"/> Yes <input type="checkbox"/> No	
37. FEDERAL AGENCY A-95 ACTION		38. FEDERAL AGENCY A-95 OFFICIAL <small>(Name and telephone no.)</small>		39. FEDERAL AGENCY A-95 ACTION	

SECTION IV—REMARKS *(Please reference the proper item number from Sections I, II or III, if applicable)*

GENERAL INSTRUCTIONS

This is a multi-purpose standard form. First, it will be used by applicants as a required facesheet for pre-applications and applications submitted in accordance with Federal Management Circular 74-7. Second, it will be used by Federal agencies to report to Clearinghouses on major actions taken on applications reviewed by clearinghouses in accordance with OMB Circular A-95. Third, it will be used by Federal agencies to notify States of grants-in-aid awarded in accordance with Treasury Circular 1082. Fourth, it may be used, on an optional basis, as a notification of intent from applicants to clearinghouses, as an early initial notice that Federal assistance is to be applied for (clearinghouse procedures will govern).

APPLICANT PROCEDURES FOR SECTION I

Applicant will complete all items in Section I. If an item is not applicable, write "NA". If additional space is needed, insert an asterisk "*", and use the remarks section on the back of the form. An explanation follows for each item:

- | Item | Item |
|--|---|
| 1. Mark appropriate box. Pre-application and application guidance is in FMC 74-7 and Federal agency program instructions. Notification of intent guidance is in Circular A-95 procedures from clearinghouse. Applicant will not use "Report of Federal Action" box. | D. Insurance. Self explanatory.
E. Other. Explain on remarks page. |
| 2a. Applicant's own control number, if desired. | 10. Governmental unit where significant and meaningful impact could be observed. List only largest unit or units affected, such as State, county, or city. If entire unit affected, list it rather than subunits. |
| 2b. Date Section I is prepared. | 11. Estimated number of persons directly benefiting from project. |
| 3a. Number assigned by State clearinghouse, or if delegated by State, by areawide clearinghouse. All requests to Federal agencies must contain this identifier if the program is covered by Circular A-95 and required by applicable State/areawide clearinghouse procedures. If in doubt, consult your clearinghouse. | 12. Use appropriate code letter. Definitions are:
A. New. A submittal for the first time for a new project.
B. Renewal. An extension for an additional funding/budget period for a project having no projected completion date, but for which Federal support must be renewed each year.
C. Revision. A modification to project nature or scope which may result in funding change (increase or decrease).
D. Continuation. An extension for an additional funding/budget period for a project the agency initially agreed to fund for a definite number of years.
E. Augmentation. A requirement for additional funds for a project previously awarded funds in the same funding/budget period. Project nature and scope unchanged. |
| 3b. Date applicant notified of clearinghouse identifier. | 13. Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions will be included. If the action is a change in dollar amount of an existing grant (a revision or augmentation), indicate only the amount of the change. For decreases enclose the amount in parentheses. If both basic and supplemental amounts are included, breakout in remarks. For multiple program funding, use totals and show program breakouts in remarks. Item definitions: 13a, amount requested from Federal Government; 13b, amount applicant will contribute; 13c, amount from State, if applicant is not a State; 13d, amount from local government, if applicant is not a local government; 13e, amount from any other sources, explain in remarks. |
| 4a-4h. Legal name of applicant/recipient, name of primary organizational unit which will undertake the assistance activity, complete address of applicant, and name and telephone number of person who can provide further information about this request. | 14a. Self explanatory. |
| 5. Employer identification number of applicant as assigned by Internal Revenue Service. | 14b. The district(s) where most of actual work will be accomplished. If city-wide or State-wide, covering several districts, write "city-wide" or "State-wide." |
| 6a. Use Catalog of Federal Domestic Assistance number assigned to program under which assistance is requested. If more than one program (e.g., joint-funding) write "multiple" and explain in remarks. If unknown, cite Public Law or U.S. Code. | 15. Complete only for revisions (item 12c), or augmentations (item 12e). |
| 6b. Program title from Federal Catalog. Abbreviate if necessary. | |
| 7. Brief title and appropriate description of project. For notification of intent, continue in remarks section if necessary to convey proper description. | |
| 8. Mostly self-explanatory. "City" includes town, township or other municipality. | |
| 9. Check the type(s) of assistance requested. The definitions of the terms are:
A. Basic Grant. An original request for Federal funds. This would not include any contribution provided under a supplemental grant.
B. Supplemental Grant. A request to increase a basic grant in certain cases where the eligible applicant cannot supply the required matching share of the basic Federal program (e.g., grants awarded by the Appalachian Regional Commission to provide the applicant a matching share).
C. Loan. Self explanatory. | |

STANDARD FORM 424 PAGE 3 (10-75)

NOTICES

- | Item | Item |
|--|--|
| 16. Approximate date project expected to begin (usually associated with estimated date of availability of funding). | 19. Existing Federal identification number if this is not a new request and directly relates to a previous Federal action. Otherwise write "NA". |
| 17. Estimated number of months to complete project after Federal funds are available. | 20. Indicate Federal agency to which this request is addressed. Street address not required, but do use ZIP. |
| 18. Estimated date preapplication/application will be submitted to Federal agency if this project requires clearinghouse review. If review not required, this date would usually be same as date in item 2b. | 21. Check appropriate box as to whether Section IV of form contains remarks and/or additional remarks are attached. |

APPLICANT PROCEDURES FOR SECTION II

Applicants will always complete items 23a, 23b, and 23c. If clearinghouse review is required, item 22b must be fully completed. An explanation follows for each item:

- | Item | Item |
|--|---|
| 22b. List clearinghouses to which submitted and show in appropriate blocks the status of their responses. For more than three clearinghouses, continue in remarks section. All written comments submitted by or through clearinghouses must be attached. | 23b. Self explanatory. |
| 23a. Name and title of authorized representative of legal applicant. | 23c. Self explanatory. |
| | Note: Applicant completes only Sections I and II. Section III is completed by Federal agencies. |

FEDERAL AGENCY PROCEDURES FOR SECTION III

If applicant-supplied information in Sections I and II needs no updating or adjustment to fit the final Federal action, the Federal agency will complete Section III only. An explanation for each item follows:

- | Item | Item |
|--|---|
| 24. Executive department or independent agency having program administration responsibility. | 35. Name and telephone no. of agency person who can provide more information regarding this assistance. |
| 25. Self explanatory. | 36. Date after which funds will no longer be available. |
| 26. Primary-organizational unit below department level having direct program management responsibility. | 37. Check appropriate box as to whether Section IV of form contains Federal remarks and/or attachment of additional remarks. |
| 27. Office directly monitoring the program. | 38. For use with A-95 action notices only. Name and telephone of person who can assure that appropriate A-95 action has been taken—if same as person shown in item 35, write "same". If not applicable, write "NA". |
| 28. Use to identify non-award actions where Federal grant identifier in item 30 is not applicable or will not suffice. | |
| 29. Complete address of administering office shown in item 26. | |
| 30. Use to identify award actions where different from Federal application identifier in item 28. | |
| 31. Self explanatory. Use remarks section to amplify where appropriate. | |
| 32. Amount to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions will be included. If the action is a change in dollar amount of an existing grant (a revision or augmentation), indicate only the amount of change. For decreases, enclose the amount in parentheses. If both basic and supplemental amounts are included, breakout in remarks. For multiple program funding, use totals and show program breakouts in remarks. Item definitions: 32a, amount awarded by Federal Government; 32b, amount applicant will contribute; 32c, amount from State, if applicant is not a State; 32d, amount from local government if applicant is not a local government; 32e, amount from any other sources, explain in remarks. | |
| 33. Date action was taken on this request. | |
| 34. Date funds will become available. | |
- Federal Agency Procedures—special considerations**
- A. **Treasury Circular 1082 compliance.** Federal agency will assure proper completion of Sections I and III. If Section I is being completed by Federal agency, all applicable items must be filled in. Addresses of State Information Reception Agencies (SCIRA's) are provided by Treasury Department to each agency. This form replaces SF 240, which will no longer be used.
- B. **OMB Circular A-95 compliance.** Federal agency will assure proper completion of Sections I, II, and III. This form is required for notifying all reviewing clearinghouses of major actions on all programs reviewed under A-95. Addresses of State and areawide clearinghouses are provided by OMB to each agency. Substantive differences between applicant's request and/or clearinghouse recommendations, and the project as finally awarded will be explained in A-95 notifications to clearinghouses.
- C. **Special note.** In most, but not all States, the A-95 State clearinghouse and the (TC 1082) SCIRA are the same office. In such cases, the A-95 award notice to the State clearinghouse will fulfill the TC 1082 award notice requirement to the State SCIRA. Duplicate notification should be avoided.

ATTACHMENT N.—CIRCULAR NO. A-110

PROPERTY MANAGEMENT STANDARDS

1. This attachment prescribes uniform standards governing management of property furnished by the Federal Government or whose cost was charged to a project supported by a Federal grant or other agreement. Federal sponsoring agencies shall require recipients to observe these standards under grants and other agreements and shall not impose additional requirements unless specifically required by Federal law. The recipient may use its own property management standards and procedures provided it observes the provisions of this attachment. This attachment also applies to subrecipients as referred to in paragraph 5 of the basic circular.

2. The following definitions apply for the purpose of this attachment:

a. *Real property*.—Real property means land, including land improvements, structures and appurtenances thereto, but excluding movable machinery and equipment.

b. *Personal property*.—Personal property of any kind except real property. It may be tangible—having physical existence, or intangible—having no physical existence, such as patents, inventions and copyrights.

c. *Nonexpendable personal property*.—Nonexpendable personal property means tangible personal property having a useful life of more than one year and an acquisition cost of \$300 or more per unit exempt that recipients subject to Cost Accounting Standards Board regulations may use the CASB standard of \$500 per unit and useful life of two years. A recipient may use its own definition of nonexpendable personal property provided that the definition would at least include all tangible personal property as defined above.

d. *Expendable personal property*.—Expendable personal property refers to all tangible personal property other than nonexpendable property.

e. *Excess property*.—Excess property means property under the control of any Federal agency that, as determined by the head thereof, is no longer required for its needs or the discharge of its responsibilities.

f. *Acquisition cost of purchased nonexpendable personal property*.—Acquisition cost of an item of purchased nonexpendable personal property means the net invoice unit price of the property including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the recipient's regular accounting practices.

g. *Exempt property*.—Exempt property means tangible personal property acquired in whole or in part with Federal funds, and title to which is vested in the recipient without further obligation to the Federal Government except as provided in subparagraph 6a below. Such unconditional vesting of title will be pursuant to any Federal legislation that provides the Federal sponsoring agency with adequate authority.

3. *Real property*.—Each Federal sponsoring agency shall prescribe requirements for recipients concerning the use and disposition of real property acquired partly or wholly under grants or other agreements. Unless otherwise provided by statute, such requirements, as a minimum, shall contain the following:

a. Title to real property shall vest in the recipient subject to the condition that the recipient shall use the real property for the authorized purpose of the project, as long as it is needed.

b. The recipient shall obtain approval by the Federal sponsoring agency for the use of real property in other projects when the recipient determines that the property is no longer needed for the purpose of the original project. Use in other projects shall be limited to those under other federally sponsored projects (i.e., grants or other agreements) or programs that have purposes consistent with those authorized for support by the Federal sponsoring agency.

c. When the real property is no longer needed as provided in a and b above, the recipient shall request disposition instructions from the Federal sponsoring agency or its successor Federal sponsoring agency. The Federal sponsoring agency shall observe the following rules in the disposition instructions:

(1) The recipient may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original project to the fair market value of the property.

(2) The recipient may be directed to sell the property under guidelines provided by the Federal sponsoring agency and pay the Federal Government an amount computed by applying the Federal percentage of participation in the cost of the original project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds). When the recipient is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

(3) The recipient may be directed to transfer title to the property to the Federal Government provided that in such cases the recipient shall be entitled to compensation computed by applying the recipient's percentage of participation in the cost of the program or project to the current fair market value of the property.

4. *Federally-owned nonexpendable personal property*.—Title to federally-owned property remains vested in the Federal Government. Recipients shall submit annually an inventory listing of federally-owned property in their custody to the Federal sponsoring agency. Upon completion of the agreement or when the property is no longer needed, the recipient shall report the property to the Federal sponsoring agency for further agency utilization.

If the Federal sponsoring agency has no further need for the property, it shall be declared excess and reported to the General Services Administration. Appropriate disposition instructions will be issued to the recipient after completion of the Federal agency review.

5. *Exempt property*.—When statutory authority exists, (e.g., P.L. 85-934, 42 U.S.C. 1892) title to nonexpendable personal property acquired with project funds, shall be vested in the recipient upon acquisition unless it is determined that to do so is not in furtherance of the objectives of the Federal sponsoring agency. When title is vested in the recipient, the recipient shall have no other obligation or accountability to the Federal Government for its use or disposition except as provided in 6a below.

6. *Other nonexpendable property*.—When other nonexpendable tangible personal property is acquired by a recipient with project funds, title shall not be taken by the Federal Government but shall vest in the recipient subject to the following conditions:

a. *Right to transfer title*.—For items of nonexpendable personal property having a unit acquisition cost of \$1,000 or more, the Federal sponsoring agency may reserve the right to transfer the title to the Federal

Government or to a third party named by the Federal Government when such third party is otherwise eligible under existing statutes. Such reservation shall be subject to the following standards:

(1) The property shall be appropriately identified in the grant or other agreement or otherwise made known to the recipient in writing.

(2) The Federal sponsoring agency shall issue disposition instructions within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal sponsoring agency fails to issue disposition instructions within the 120 calendar day period, the recipient shall apply the standards of subparagraphs 6b and 6c as appropriate.

(3) When the Federal sponsoring agency exercises its right to take title, the personal property shall be subject to the provisions for federally-owned nonexpendable property discussed in paragraph 4, above.

(4) When title is transferred either to the Federal Government or to a third party the provisions of subparagraph 6c(2)(b) should be followed.

b. *Use of other tangible nonexpendable property for which the recipient has title*.

(1) The recipient shall use the property in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original project or program, the recipient shall use the property in connection with its other federally sponsored activities, in the following order of priority:

(a) Activities, in the following order of priority:

(b) Activities sponsored by other Federal agencies.

(2) *Shared use*.—During the time that nonexempt nonexpendable personal property is held for use on the project or program for which it was acquired, the recipient shall make it available for use on other projects or programs if such other use will not interfere with the work on the project or program for which the property was originally acquired. First preference for such other use shall be given to other projects or programs sponsored by the Federal agency that financed the property; second preference shall be given to projects or programs sponsored by other Federal agencies. If the property is owned by the Federal Government, use on other activities not sponsored by the Federal Government shall be permissible if authorized by the Federal agency. User charges should be considered if appropriate.

c. *Disposition of other nonexpendable property*.—When the recipient no longer needs the property as provided in 6b above, the property may be used for other activities in accordance with the following standards:

(1) *Nonexpendable property with a unit acquisition cost of less than \$1,000*.—The recipient may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.

(2) *Nonexpendable personal property with a unit acquisition cost of \$1,000 or more*.—The recipient may retain the property for other uses provided that compensation is made to the original Federal sponsoring agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value of the property. If the recipient has no need for the property and the property has further use value, the recipient shall request disposition instructions from the original sponsoring agency.

The Federal sponsoring agency shall determine whether the property can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the property shall be reported to the General Services Administration by the Federal agency to determine whether a requirement for the property exists in other Federal agencies. The Federal sponsoring agency shall issue instructions to the recipient no later than 120 days after the recipient's request and the following procedures shall govern:

(a) If so instructed or if disposition instructions are not issued within 120 calendar days after the recipient's request, the recipient shall sell the property and reimburse the Federal sponsoring agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the recipient shall be permitted to deduct and retain from the Federal share 100 or ten percent of the proceeds, whichever is greater, for the recipient's selling and handling expenses.

(b) If the recipient is instructed to ship the property elsewhere, the recipient shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the recipient's participation in the cost of the original grant project or program to the current fair market value of the property, plus any reasonable shipping or interim storage costs incurred.

(c) If the recipient is instructed to otherwise dispose of the property, the recipient shall be reimbursed by the Federal sponsoring agency for such costs incurred in its disposition.

d. Property management standards for nonexpendable property.—The recipient's property management standards for nonexpendable personal property shall include the following procedural requirements:

(1) Property records shall be maintained accurately and shall include:

(a) A description of the property.
(b) Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.

(c) Source of the property, including grant or other agreement number.

(d) Whether title vests in the recipient or the Federal Government.

(e) Acquisition date (or date received, if the property was furnished by the Federal Government) and cost.

(f) Percentage (at the end of the budget year) of Federal participation in the cost of the project or program for which the property was acquired. (Not applicable to property furnished by the Federal Government.)

(g) Location, use and condition of the property and the date the information was reported.

(h) Unit acquisition cost.

(1) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the Federal sponsoring agency for its share.

(2) Property owned by the Federal Government must be marked to indicate Federal ownership.

(3) A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The recipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the property.

(4) A control system shall be in effect to insure adequate safeguards to prevent loss,

damage, or theft of the property. Any loss, damage, or theft of nonexpendable property shall be investigated and fully documented; if the property was owned by the Federal Government, the recipient shall promptly notify the Federal sponsoring agency.

(5) Adequately maintenance procedures shall be implemented to keep the property in good condition.

(6) Where the recipient is authorized or required to sell the property, proper sales procedures shall be established which would provide for competition to the extent practicable and result in the highest possible return.

7. Expendable personal property.—Title to expendable personal property shall vest in the recipient upon acquisition. If there is a residual inventory of such property exceeding \$1,000 in total aggregate fair market value, upon termination or completion of the grant or other agreement, and the property is not needed for any other federally sponsored project or program, the recipient shall retain the property for use on nonfederally sponsored activities, or sell it, but must in either case, compensate the Federal Government for its share. The amount of compensation shall be computed in the same manner as nonexpendable personal property.

8. Intangible property.
a. Inventions and patents.—If any program produces patentable items, patent rights, processes, or inventions, in the course of work sponsored by the Federal Government, such fact shall be promptly and fully reported to the Federal sponsoring agency. Unless there is a prior agreement between the recipient and the Federal sponsoring agency on disposition of such items, the Federal sponsoring agency shall determine whether protection on the invention or discovery shall be sought. The Federal sponsoring agency will also determine how the rights in the invention or discovery—including rights under any patent issued thereon—shall be allocated and administered in order to protect the public interest consistent with "Government Patent Policy" (President's Memorandum for Heads of Executive Departments and Agencies, August 23, 1971, and statement of Government Patent Policy as printed in 36 F.R. 16889).

b. Copyrights.—Except as otherwise provided in the terms and conditions of the agreement, the author or the recipient organization is free to copyright any books, publications, or other copyrightable materials developed in the course of or under a Federal agreement, but the Federal sponsoring agency shall reserve a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for Government purposes.

ATTACHMENT O.—CIRCULAR NO. A-110

PROCUREMENT STANDARDS

1. This attachment provides standards for use by recipients in establishing procedures for the procurement of supplies, equipment, construction and other services with Federal funds. These standards are furnished to ensure that such materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal law and executive orders. No additional procurement standards or requirements shall be imposed by the Federal sponsoring agencies upon recipients unless specifically required by Federal statute or executive orders.

2. The standards contained in this attachment do not relieve the recipient of the contractual responsibilities arising under its contracts. The recipient is the responsible authority, without recourse to the Federal sponsoring agency regarding the settlement and satisfaction of all contractual and adminis-

trative issues arising out of procurements entered into, in support of a grant or other agreement. This includes disputes, claims, protests of award, source evaluation or other matters of a contractual nature. Matters concerning violation of law are to be referred to such local, State or Federal authority as may have proper jurisdiction.

3. Recipients may use their own procurement policies and procedures. However, all recipients shall adhere to the standards set forth in paragraphs 3 and 4.

a. The recipient shall maintain a code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the awarding and administration of contracts using Federal funds. No employee, officer or agent shall participate in the selection, award or administration of a contract in which Federal funds are used, where, to his knowledge, he or his immediate family, partners, or organization in which he or his immediate family or partner has a financial interest or with whom he is negotiating or has any arrangement concerning prospective employment. The recipients' officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or potential contractors. Such standards shall provide for disciplinary actions to be applied for violations of such standards by the recipients' officers, employees or agents.

b. All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The recipient should be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals should be excluded from competing for such procurements. Awards shall be made to the bidder/officer whose bid/offer is responsive to the solicitation and is most advantageous to the recipient, price and other factors considered. Solicitations shall clearly set forth all requirements that the bidder/officer must fulfill in order for his bid/offer to be evaluated by the recipient. Any and all bids/offers may be rejected when it is in the recipient's interest to do so.

c. All recipients shall establish procurement procedures that provide for, at a minimum, the following procedural requirements.

(1) Proposed procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease and purchase, alternatives to determine which would be the most economical, practical procurement.

(2) Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product or service to be procured. Such a description shall not, in competitive procurements, contain features which unduly restrict competition. "Brand name or equal" descriptions may be used as a means to define the performance or other salient requirements of a procurement, and when so used the specific features of the named brand which must be met by bidders/officers shall be clearly specified.

(3) Positive efforts shall be made by the recipients to utilize small business and minority-owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts utilizing Federal funds.

(4) The type of procuring instruments used, e.g., fixed price contracts, cost reim-

bursable contracts, purchase orders, incentive contracts, shall be determined by the recipient but must be appropriate for the particular procurement and for promoting the best interest of the program involved. The "cost-plus-a-percentage-of-cost" method of contracting shall not be used.

(5) Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

(6) All proposed sole source contracts or where only one bid or proposal is received in which the aggregate expenditure is expected to exceed \$6,000 shall be subject to prior approval at the discretion of the Federal sponsoring agency.

(7) Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

(8) Procurement records and files for purchases in excess of \$10,000 shall include the following:

- (a) Basis for contractor selection;
- (b) Justification for lack of competition when competitive bids or offers are not obtained;
- (c) Basis for award cost or price.
- (9) A system for contract administration shall be maintained to ensure contractor conformance with terms, conditions and specifications of the contract, and to ensure adequate and timely followup of all purchases.

4. The recipient shall include, in addition to provisions to define a sound and complete agreement, the following provisions in all contracts. These provisions shall also be applied to subcontracts.

a. Contracts in excess of \$10,000 shall contain contractual provisions or conditions that will allow for administrative, contractual or legal remedies in instances in which contractors violate or breach contract terms, and provide for such remedial actions as may be appropriate.

b. All contracts in excess of \$10,000 shall contain suitable provisions for termination by the recipient including the manner by which termination will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which

the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

c. In all contracts for construction or facility improvement awarded for more than \$100,000, recipients shall observe the bonding requirements provided in Attachment B to this circular.

d. All contracts awarded by recipients and their contractors or subgrantees having a value of more than \$10,000, shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR, Part 60).

e. All contracts and subgrants in excess of \$2,000 for construction or repair awarded by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). This Act provides that each contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to the Federal sponsoring agency.

f. When required by the Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR, Part 5). Under this Act contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to the Federal sponsoring agency.

g. Where applicable, all contracts awarded by recipients in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers, shall include a provision for compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regula-

tions (29 CFR, Part 5). Under section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of 8 hours and a standard work week of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1½ times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

h. Contracts or agreements, the principal purpose of which is to create, develop or improve products, processes or methods; or for exploration into fields that directly concern public health, safety or welfare; or contracts in the field of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under the contract or agreement are subject to the regulations issued by the Federal sponsoring agency and the recipient. The contractor shall be advised as to the source of additional information regarding these matters.

i. All negotiated contracts (except those of \$10,000 or less) awarded by recipients shall include a provision to the effect that the recipient, the Federal sponsoring agency, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions.

j. Contracts and subgrants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) as amended. Violations shall be reported to the Federal sponsoring agency and the Regional Office of the Environmental Protection Agency.

[FR Doc. 76-21904 Filed 7-29-76; 8:45 am]

Copies to each Branch
Red Shoen : Ken F. Fraser

4.8.80 342

U.S. DEPARTMENT OF ENERGY

memorandum

CAB

DATE: MAR 21 1980

REPLY TO
ATTN OF PR-222

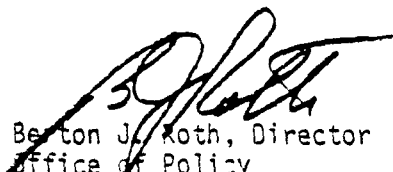
SUBJECT Amendment to Federal Procurement Regulations

TO Those on Attached List

Attached for your information and action, as appropriate, is a copy of FPR Amendment 201 and 203, published as a final rule on January 17, 1980, and February 19, 1980, respectively.

Amendment 201 makes changes to the cost principles applicable to educational institutions; it is based upon Office of Management and Budget Circular A-21, February 26, 1979.

Amendment 203 revises the FPR cost principles on compensation for personal services. The changes align FPR policies with those of the Defense Acquisition Regulations and provisions of the cost accounting standards.


Bert J. Roth, Director
Office of Policy
Procurement and Contracts
Management Directorate

Attachment

Contract Administration Branch

J. P. Anderson 

J. O. Lee _____

E. M. Hyster _____

M. B. Clark _____

L. Combs _____

R. T. Nelson _____

M. B. Hanson _____

N. W. Fraser _____

filing company, the balance sheet figures on the related company's books for such assets shall be added to the company-wide total in computing the ratio. In those instances where interest expenses are capitalized in accordance with § 512.5(b)(9), a deduction shall be made for the amount so capitalized.

(8) *Inactive Vessel Expense (Schedules B-V and B-V(A)).*

Inactive vessel expense shall, in general, be allocated by vessel on the same basis as the investment in such vessel is included in the rate base. Inactive vessel expense applicable to vessels not used in the Service shall be excluded.

(7) *Depreciation and Amortization (Schedules B-VI and B-VI(A)).*

Depreciation and amortization of assets included in the rate base shall be allocated on the same bases as are the specific assets.

(8) *Construction-Differential Subsidy Refund (Schedule B-VII).*

Construction-differential subsidy refunds paid or payable to the Maritime Administration in connection with vessels employed on a part-time basis in the Service and applicable to the period for which a report is being made shall be allocated to the Trade in the ratio that the cargo-cube miles of cargo carried in the Trade bear to the total cargo-cube miles of cargo in the Service.

Calculation of expenses incurred due to construction-differential subsidy refunds must be reported on Schedule B-VII.

(9) *Other Income or Expense (Schedules B-VIII and B-VIII(A)).*

(i) Any other elements of income or expense, wholly or partially applicable to the Trade, shall be fully explained by a schedule showing details of allocation and reconciliation with figures shown on Forms FMC-63 or FMC-64.

(ii) Operating-differential subsidy refunds under section 805(a) of the Merchant Marine Act, 1936, shall not be allocated to the Trade.

(10) *Provisions for Income Tax.*

Federal, State, and other income taxes shall be listed separately. If the company is organized outside the United States, it shall indicate the entity to which it pays income taxes and the rate of tax applicable to its taxable income for the subject year. Federal, State and other income taxes shall be calculated at the statutory rate.

(11) *Related Company Transactions (Schedules B-IX and B-IX(A)).*

The net income (loss) after Federal income taxes from transactions in the Service with related companies shall be allocated to the Trade. Such allocations shall be made on the same basis as the specific expense was allocated to the Trade. Income taxes should be assigned

to related company transactions based on the statutory tax rate. The methods employed shall be fully explained in Schedule B-IX or B-IX(A), "Related Company Transactions."

(4) *Rate of Return (Exhibits C and C(A))—(1) General.*

All carriers are required to calculate rate of return on rate base. However, the Commission or individual carriers, at the Commission's discretion, may also employ fixed coverage and/or operating ratios.

(2) *Return on Rate Base.*

(i) The return on rate base will be computed by dividing Trade net income plus interest expense by Trade rate base.

(ii) The reasonableness of a carrier's return on rate base will be based on a comparative analysis of the carrier's projected return on rate base with the rate of return on total capital earned by comparable U.S. corporations. This technique, the comparable earnings test, is based on an analysis of the earnings of U.S. corporations over an extended period of time. From these time-series data, the average rate of return earned by U.S. corporations is computed, and, where appropriate, adjusted for current trends in rates of return, the cost of money and relative risk.

(3) *Fixed Charges Coverage Ratio.*

(i) The fixed charges coverage ratio shall be computed by dividing the total of net income, interest expense, depreciation and amortization expense, and the provision for income taxes as allocated to the Trade by the Trade fixed charges. Fixed charges applicable to the Trade are the total of interest expense, principal payments, and capitalized lease obligations.

(ii) In order to evaluate the reasonableness of a carrier's fixed charges coverage ratio, the staff will analyze the debt-coverage ratios for a variety of entities including, but not limited to: (A) Public utilities; (B) Government-owned corporations; (C) Rural electric cooperatives; (D) Various municipal enterprises such as airports and hospitals; and (E) Various sectors of the transportation industry, including subsidized and unsubsidized ocean carriers. The staff will analyze the subject carrier's debt-coverage ratio in light of the nature of its debt structure (i.e., long term or short term), the overall risk conditions facing the carrier and the market environment within which the carrier is operating.

(4) *Operating Ratio.*

(i) The operating ratio will be computed by dividing total Trade expenses (adjusted for related company transactions) by total Trade revenue.

(ii) The reasonableness of a carrier's operating ratio will be determined by comparing it to the operating ratios of other regulated and non-regulated companies, adjusted for relative risk. In conjunction with the operating ratio, the staff may also consider other financial ratios such as (1) current; (2) leverage; and (3) turnover. The carrier's stability in earnings as compared to that of other firms will also be considered.

(e) *Application for Waiver (Exhibits D and D(A)).*

(1) Carriers requesting a waiver of the filing requirements of this part must submit an application (Exhibit D) and the information required in § 512.2(e) of this part.

(2) The data submitted with the application must be certified by the corporate officer responsible for the maintenance and accuracy of the books, accounts and financial records of the carrier. The certificate shall be notarized and state that the data submitted with the application have been prepared from the regularly maintained books and records of the carrier and that, to the best of the certificant's knowledge, the facts submitted are true and correct.

(f) *Initial Tariff Filing Supporting Data (Exhibits E and E(A)).*

(1) Carriers filing initial tariffs as defined in § 512.5(r) shall complete and file Exhibit E and the information required in § 512.2(n) of this part.

(2) The data submitted with the filing must be certified by the corporate officer responsible for the maintenance and accuracy of the books, accounts and financial records of the carrier. The certificate shall be notarized and state that the data have been prepared from the regularly maintained books and records of the carrier and that, to the best of the certificant's knowledge, the facts submitted are true and correct.

By the Commission.

Francis C. Hursey,
Secretary.

(FR Doc. 80-1577 Filed 1-16-80 2:45 AM)
BILLING CODE 6730-01-01

GENERAL SERVICES
ADMINISTRATION

41 CFR Part 1-15

(FPR Amdt. 201)

Contract Cost Principles and
Procedures; Cost Principles for
Educational Institutions

AGENCY: General Services
Administration.

ACTION: Final rule.

SUMMARY: This amendment makes changes to the cost principles applicable to educational institutions. It is based on revised cost principles published by the Office of Management and Budget in Circular A-21, February 28, 1979. The revision is intended to provide for more consistent treatment of costs and to clarify provisions that were considered too vague and subject to varying interpretations.

EFFECTIVE DATE: October 1, 1979.

FOR FURTHER INFORMATION CONTACT: Philip G. Read, Director, Federal Procurement Regulations Directorate, Office of Acquisition Policy (703-357-3947).

SUPPLEMENTARY INFORMATION: The revision to Subpart 1-15.3 pertaining to contract with educational institutions supersedes all existing coverage in Subparts 1-15.3 and 1-15.8.

The table of contents for Part 1-15 is amended by revising all entries for Subpart 1-15.3 and by deleting entries for Subpart 1-15.8 as follows:

Subpart 1-15.3—Contracts With Educational Institutions

- Sec.
1-15.300 Scope of subpart.
1-15.301 Applicability.
1-15.302 Policy guides.
1-15.303 Cost principles—OMB Circular A-21.

Subpart 1-15.8 (Deleted)

1-15.800 through 1-15.809-6 (Deleted)

Subpart 1-15.3 is recaptioned and revised to read as follows:

Subpart 1-15.3 Contracts With Educational Institutions

§ 1-15.300 Scope of subpart.

This subpart sets forth principles for determining allowable costs applicable to contracts and subcontracts performed by educational institutions. Identification of the circumstances or the extent of agency and institutional participation in the financing of a particular project is outside the scope of this subpart. Provision for profit or other increment above cost is also outside the scope of this subpart.

§ 1-15.301 Applicability.

The principles in this subpart shall be used in determining the allowable costs applicable to research and development, training, and other sponsored work performed by colleges and universities under cost reimbursement contracts and subcontracts. The subpart also shall be used as a guide in the pricing of fixed-price contracts and subcontracts.

§ 1-15.302 Policy guides.

The cost principles prescribed by this subpart are designed to provide that the Federal Government bear its fair share of total costs, determined in accordance with generally accepted accounting principles, except when restricted or prohibited by law. Additional agency restrictions on individual items of cost are not authorized.

1-15.303 Cost principles—OMB Circular A-21

The "Principles For Determining Cost Applicable To Grants, Contracts And Other Agreements With Educational Institutions" promulgated by the Office of Management and Budget in OMB Circular A-21, February 28, 1979, (44 FR 12368, Mar. 6, 1979) are prescribed by this section for use in contracts and subcontracts. Although the circular applies to grants and other agreements as well as contracts and subcontracts, the Federal Procurement Regulations only apply the provisions of the circular to contracts and subcontracts. The text of OMB Circular A-21 is as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

Office of Management and Budget
(Circular No. A-21 Rev.)
February 28, 1979.

Cost Principles for Educational Institutions

1. *Purpose.* This Circular establishes principles for determining cost applicable to grants, contracts, and other agreements with educational institutions. The principles deal with the subject of cost determination, and make no attempt to identify the circumstances or dictate the extent of agency and institutional participation in the financing of a particular project. The principles are designed to provide that the Federal Government bear its fair share of total costs, determined in accordance with generally accepted accounting principles, except where restricted or prohibited by law. Agencies are not expected to place additional restrictions on individual items of cost. Provision for profit or other increment above cost is outside the scope of this Circular.

2. *Supersession.* The Circular supersedes Federal Management Circular 73-8, dated December 19, 1971. FMC 73-8 is revised and reissued under its original designation of OMB Circular No. A-21.

3. *Applicability.* a. All Federal agencies that sponsor research and development, training, and other work at educational institutions shall apply

the provision of this Circular in determining the costs incurred for such work. The principles shall also be used as a guide in the pricing of fixed price or lump sum agreements.

b. In addition, Federally Funded Research and Development Centers associated with educational institutions shall be required to comply with the Cost Accounting Standards, rules and regulations issued by the Cost Accounting Standards Board, and set forth in 4 CFR Ch. III; provided that they are subject thereto under defense-related contracts.

4. *Responsibilities.* The successful application of cost accounting principles requires development of mutual understanding between representatives of educational institutions and of the Federal Government as to their scope, implementation, and interpretation.

5. *Attachment.* The principles and related policy guides are set forth in the Attachment, "Principles for determining costs applicable to grants, contracts, and other agreements with educational institutions."

6. *Effective date.* The provisions of this Circular shall be effective October 1, 1979. The provisions shall be implemented by institutions as of the start of their first fiscal year beginning after that date. Earlier implementation, or a delay in implementation of individual provisions, is permitted by mutual agreement between an institution and the cognizant Federal agency.

7. *Inquiries.* Further information concerning this Circular may be obtained by contacting the Financial Management Branch, Budget Review Division, Office of Management and Budget, Washington, D.C. 20503, telephone (202) 395-8823.

James T. McIntyre, Jr.,
Director.

Attachment Circular No. A-21—Principles for Determining Costs Applicable to Grants, Contracts, and Other Agreements With Educational Institutions

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Principles for Determining Costs Applicable to Grants, Contracts, and Other Agreements With Educational Institutions

A. Purpose and scope

1. *Objectives.* This Attachment provides principles for determining the costs applicable to research and development, training, and other sponsored work performed by colleges and universities under grants, contracts, and other agreements with the Federal Government. These agreements are referred to as sponsored agreements.

2. *Policy guides.* The successful application of these cost accounting principles requires development of mutual understanding between representatives of universities and of the Federal Government as to their scope, implementation, and interpretation. It is recognized that—

a. The arrangements for Federal agency and institutional participation in the financing of a research, training, or other project are properly subject to negotiation between the agency and the institution concerned, in accordance with such Government-wide criteria or legal requirements as may be applicable.

b. Each institution, possessing its own unique combination of staff, facilities, and experience, should be encouraged to conduct research and educational activities in a manner consonant with its own academic philosophies and institutional objectives.

c. The dual role of students engaged in research and the resulting benefits to sponsored agreements are fundamental to the research effort and shall be recognized in the application of these principles.

d. Each institution, in the fulfillment of its obligations, should employ sound management practices.

e. The application of these cost accounting principles should require no significant changes in the generally accepted accounting practices of colleges and universities. However, the accounting practices of individual

colleges and universities must support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to sponsored agreements.

f. Cognizant Federal agencies involved in negotiating indirect cost rates and auditing should assure that institutions are generally applying these cost accounting principles on a consistent basis. Where wide variations exist in the treatment of a given cost item among institutions, the reasonableness and equitableness of such treatments should be fully considered during the rate negotiations and audit.

3. *Application.* These principles shall be used in determining the allowable costs of work performed by colleges and universities under sponsored agreements. The principles shall also be used in determining the costs of work performed by such institutions under subgrants, cost-reimbursement subcontracts, and other awards made to them under sponsored agreements. They also shall be used as a guide in the pricing of fixed-price contracts and subcontracts where costs are used in determining the appropriate price. The principles do not apply to:

a. Arrangements under which Federal financing is in the form of loans, scholarships, fellowship, traineeships, or other fixed amounts based on such items as education allowance or published tuition rates and fees of an institution.

b. Capitation awards.

d. Other awards under which the institution is not required to account to the Government for actual costs incurred.

B. Definition of terms

1. *Major functions of an institution* refers to instruction (includes departmental research), organized research, other sponsored activities, and other institutional activities as defined below:

a. *Instruction* means the teaching and training activities of an institution. Except for research training as provided in c below, this term includes all teaching and training activities, whether they are offered for credits toward a degree or certificate or on a noncredit basis, and whether they are offered through regular academic departments or separate divisions, such as a summer school division or an extension division.

b. *Departmental research* means all research and development activities that are not organized research and, consequently, are not separately budgeted and accounted for. Departmental research, for purposes of

this document, is not considered as a major function of an institution but as a part of the instruction function of the institution.

c. Organized research means all research and development activities of an institution that are separately budgeted and accounted for. This term includes research and development activities that are sponsored by Federal and non-Federal agencies and organizations, as well as those that are separately budgeted by the institution under an internal allocation of institutional funds. It also includes activities involving the training of individuals in research techniques (commonly called research training) where such activities utilize the same facilities as other research and development activities, and where such activities are not included in the instruction function. The costs of organized research and development activities include all costs incurred by the institution in performing the activities.

d. Other sponsored activities means programs and projects financed by Federal and non-Federal agencies and organizations which involve the performance of work other than instruction and organized research. Examples of such programs and projects are health service projects, and community service programs. However, when any of these activities are undertaken by the institution without outside support, they may be classified as other institutional activities.

e. Other institutional activities means all activities of an institution except: (1) instruction, departmental research, organized research, and other sponsored activities, as defined above; (2) indirect cost activities identified in Section F; and (3) specialized service facilities described in Section J38. Other institutional activities include operation of residence halls, dining halls, hospitals and clinics, student unions, intercollegiate athletics, bookstores, faculty housing, student apartments, guest houses, chapels, theaters, public museums, and other similar auxiliary enterprises. This definition also includes any other categories of activities, costs of which are "unallowable" to sponsored agreements, unless otherwise indicated in the agreements.

2. Sponsored agreement. for purposes of this Circular, means any grant, contract, or other agreement between the institution and the Federal Government.

3. Allocation means the process of assigning a cost, or a group of costs, to one or more cost objective, in reasonable and realistic proportion to

the benefit provided or other equitable relationship. A cost objective may be a major function of the institution, a particular service or project, a sponsored agreement, or an indirect cost activity, as described in Section F. The process may entail assigning a cost(s) directly to a final cost objective or through one or more intermediate cost objectives.

C. Basic considerations

1. Composition of total costs. The cost of a sponsored agreement is comprised of the allowable direct costs incident to its performance, plus the allocable portion of the allowable indirect costs of the institution, less applicable credits as described in 5 below.

2. Factors affecting allowability of costs. The tests of allowability of costs under these principles are: (a) They must be reasonable; (b) they must be allocable to sponsored agreements under the principles and methods provided herein; (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the sponsored agreement as to types or amounts of cost items.

3. Reasonable costs. A cost may be considered reasonable if the nature of the goods or services acquired or applied, and the amount involved therefore, reflect the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made. Major considerations involved in the determination of the reasonableness of a cost are: (a) Whether or not the cost is of a type generally recognized as necessary for the operation of the institution or the performance of the sponsored agreement; (b) the restraints or requirements imposed by such factors as arm's-length bargaining, Federal and State laws and regulations, and sponsored agreement terms and conditions; (c) whether or not the individuals concerned acted with due prudence in the circumstances, considering their responsibilities to the institution, its employees, its students, the Government, and the public at large; and (d) the extent to which the actions taken with respect to the incurrence of the cost are consistent with established institutional policies and practices applicable to the work of the institution generally, including sponsored agreements.

*4. Allocable costs—**a.* A cost is allocable to a particular cost objective (i.e., a specific function, project,

sponsored agreement, department, or the like) if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received or other equitable relationship. Subject to the foregoing, a cost is allocable to a sponsored agreement if (1) it is incurred solely to advance the work under the sponsored agreement; (2) it benefits both the sponsored agreement and other work of the institution, in proportions that can be approximated through use of reasonable methods, or (3) it is necessary to the overall operation of the institution and, in light of the principles provided in this Circular, is deemed to be assignable in part to sponsored projects. Where the purchase of equipment or other capital items is specifically authorized under a sponsored agreement, the amounts thus authorized for such purchases are assignable to the sponsored agreement regardless of the use that may subsequently be made of the equipment or other capital items involved.

b. Any costs allocable to a particular sponsored agreement under the standards provided in this Circular may not be shifted to other sponsored agreements in order to meet deficiencies caused by overruns or other fund considerations, to avoid restrictions imposed by law or by terms of the sponsored agreement, or for other reasons of convenience.

*5. Applicable credits—**a.* The term applicable credits refers to those receipts or negative expenditures that operate to offset or reduce direct or indirect cost items. Typical examples of such transactions are: Purchase discounts, rebates, or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. This term also includes "educational discounts" on products or services provided specifically to educational institutions, such as discounts on computer equipment, except where the arrangement is clearly and explicitly identified as a gift by the vendor.

b. In some instances, the amounts received from the Federal Government to finance institutional activities or service operations should be treated as applicable credits. Specifically, the concept of netting such credit items against related expenditures should be applied by the institution in determining the rates or amounts to be charged to sponsored agreements for services rendered whenever the facilities or other resources used in providing such services have been financed directly, in whole or in part, by Federal funds. (See

Sections F8, J9a, and J38 for areas of potential application in the matter of direct Federal financing.)

6. *Costs incurred by State and local governments.* Costs incurred or paid by State or local governments on behalf of their colleges and universities for fringe benefit programs such as pension costs and FICA and any other costs specifically incurred on behalf of, and in direct benefit to, the institutions are allowable costs of such institutions whether or not these costs are recorded in the accounting records of the institutions, subject to the following:

a. The costs meet the requirements of C1 through 5 above.

b. The costs are properly supported by cost allocation plans in accordance with applicable Federal cost accounting principles.

c. The costs are not otherwise borne directly or indirectly by the Federal Government.

7. *Limitations on allowance of costs.* Sponsored agreements may be subject to statutory requirements that limit the allowance of costs. When the maximum amount allowable under a limitation is less than the total amount determined in accordance with the principles in this Circular, the amount not recoverable under a sponsored agreement may not be charged to other sponsored agreements.

D. Direct costs

1. *General.* Direct costs are those costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity; or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

2. *Application to sponsored agreements.* Identification with the sponsored work rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of sponsored agreements. Typical costs charged directly to a sponsored agreement are the compensation of employees for performance of work under the sponsored agreement, including related fringe benefit costs to the extent they are consistently treated, in like circumstances, by the institution as direct rather than indirect costs; the costs of materials consumed or expended in the performance of the work; and other items of expense incurred for the sponsored agreement, including extraordinary utility consumption. The cost of materials supplied from stock or services rendered by specialized facilities or other institutional service operations may be

included as direct costs of sponsored agreements, provided such items are consistently treated, in like circumstances, by the institution as direct rather than indirect costs, and are charged under a recognized method of computing actual costs, and conform to generally accepted cost accounting practices consistently followed by the institution.

E. Indirect costs

1. *General.* Indirect costs are those that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity. At educational institutions such costs normally are classified under the following indirect cost categories: Depreciation and use allowances, general administration and general expenses, sponsored projects administration expenses, operation and maintenance expenses, library expenses, departmental administration expenses, and student administration and services.

2. *Criteria for distribution.—a. Base period.* A base period for distribution of indirect costs is the period during which the costs are incurred. The base period normally should coincide with the fiscal year established by the institution, but in any event the base period should be so selected as to avoid inequities in the distribution of costs.

b. *Need for cost groupings.* The overall objective of the indirect cost allocation process is to distribute the indirect costs described in Section F to the major functions of the institution in proportions, reasonably consistent with the nature and extent of their use of the institution's resources. In order to achieve this objective, it may be necessary to provide for selective distribution by establishing separate groupings of cost within one or more of the indirect cost categories referred to in E1 above. In general, the cost groupings established within a category should constitute, in each case, a pool of those items of expense that are considered to be of like nature in terms of their relative contribution to (or degree of remoteness from) the particular cost objectives to which distribution is appropriate. Cost groupings should be established considering the general guides provided in c below. Each such pool or cost grouping should then be distributed individually to the related cost objectives, using the distribution base or method most appropriate in the light of the guides set forth in d below.

c. *General considerations on cost groupings.* The extent to which separate

cost groupings and selective distribution would be appropriate at an institution is a matter of judgment to be determined on a case-by-case basis. Typical situations which may warrant the establishment of two or more separate cost groupings (based on account classification or analysis) within an indirect cost category include but are not limited to the following:

(1) Where certain items or categories of expense relate solely to one of the major functions of the institution or to less than all functions, such expenses should be set aside as a separate cost grouping for direct assignment or selective allocation in accordance with the guides provided in E2b and d.

(2) Where any types of expense ordinarily treated as general administration or departmental administration are charged to sponsored agreements as direct costs, expenses applicable to other activities of the institution when incurred for the same purposes in like circumstances must, through separate cost groupings, be excluded from the indirect costs allocable to those sponsored agreements and included in the direct cost of other activities for cost allocation purposes.

(3) Where it is determined that certain expenses are for the support of a service unit or facility whose output is susceptible of measurement of a workload or other quantitative basis, such expenses should be set aside as a separate cost grouping for distribution on such basis to organized research, instructional, and other activities at the institution or within the department.

(4) Where activities provide their own purchasing, personnel administration, building maintenance or similar service, the distribution of general administration and general expenses, or operation and maintenance expenses to such activities should be accomplished through cost groupings which include only that portion of central indirect costs (such as for overall management) which are properly allocable to such activities.

(5) Where the institution elects to treat fringe benefits as indirect charges, such costs should be set aside as a separate cost grouping for selective distribution to related cost objectives.

(6) The number of separate cost groupings within a category should be held within practical limits, after taking into consideration the materiality of the amounts involved and the degree of precision attainable through less selective methods of distribution.

d. *Selection of distribution method.—*(1) Actual conditions must be taken into account in selecting the method or base to be used in distributing individual cost

groupings. The essential consideration in selecting a base is that it be the one best suited for assigning the pool of costs to cost objectives in accordance with benefits derived; a traceable cause and effect relationship; or logic and reason, where neither benefit nor cause and effect relationship is determinable.

(2) Where a cost grouping can be identified directly with the cost objective benefited, it should be assigned to that cost objective.

(3) Where the expenses in a cost grouping are more general in nature, the distribution may be based on a cost analysis study which results in an equitable distribution of the costs. Such cost analysis studies may take into consideration weighting factors, population, or space occupied if appropriate. Cost analysis studies, however, must (a) be appropriately documented in sufficient detail for subsequent review by the cognizant Federal agency, (b) distribute the costs to the related cost objectives in accordance with the relative benefits derived, (c) be statistically sound, (d) be performed specifically at the institution at which the results are to be used, and (e) be reviewed periodically, but not less frequently than every two years, updated if necessary, and used consistently. Any assumptions made in the study must be stated and explained. The use of cost analysis studies and periodic changes in the method of cost distribution must be fully justified.

(4) If a cost analysis study is not performed, or if the study does not result in an equitable distribution of the costs, the distribution shall be made in accordance with the appropriate base cited in Section F, unless one of the following conditions is met: (a) It can be demonstrated that the use of a different base would result in a more equitable allocation of the costs, or that a more readily available base would not increase the costs charged to sponsored agreements, or (b) the institution qualifies for, and elects to use, the simplified method for computing indirect cost rates described in Section H.

e. *Order of Distribution*—(1) Indirect cost categories consist of depreciation and use allowance, operation and maintenance, general administration and general expenses, departmental administration, sponsored projects administration, library, and student administration and services, as described in Section F.

(2) Depreciation and use allowances, operation and maintenance expenses, and general administrative and general expenses should be allocated in that order to the remaining indirect cost categories as well as to the major

functions and specialized service facilities of the institution. Other cost categories may be allocated in the order determined to be most appropriate by the institutions. When cross allocation of costs is made as provided in (3) below, this order of allocation does not apply.

(3) Normally an indirect cost category will be considered closed once it has been allocated to other cost objectives, and costs may not be subsequently allocated to it. However, a cross allocation of costs between two or more indirect cost categories may be used if such allocation will result in a more equitable allocation of costs. If a cross allocation is used, an appropriate modification to the composition of the indirect cost categories described in Section F is required.

F. Identification and assignment of indirect costs.

1. Depreciation and use allowances.—

a. The expenses under this heading are the portion of the costs of the institution's buildings, capital improvements to land and buildings, and equipment which are computed in accordance with Section J9.

b. In the absence of the alternatives provided for in Section E2d, the expenses included in this category shall be allocated in the following manner:

(1) Depreciation or use allowances on buildings used exclusively in the conduct of a single function, and on capital improvements and equipment used in such buildings, shall be assigned to that function.

(2) Depreciation or use allowances on buildings, used for more than one function, and on capital improvements and equipment used in such buildings, shall be allocated to the individual functions performed in each building on the basis of usable square feet of space, excluding common areas such as hallways, stairwells, and restrooms.

(3) Depreciation or use allowances on buildings and capital improvements where space is used jointly, and on equipment used jointly, shall be allocated to benefiting functions in proportion to the total salaries and wages applicable to the joint functions.

(4) Depreciation or use allowances on buildings, capital improvements, and equipment used predominantly for one function and only incidentally for other(s), may be assigned to the function in which it is used predominantly.

(5) Depreciation or use allowances on certain capital improvements to land, such as paved parking areas, fences, sidewalks, and the like, not included in the cost of buildings, shall be allocated to user categories of students and

employees on a full-time equivalent basis. The amount allocated to the student category shall be assigned to the instruction function of the institution. The amount allocated to the employee category shall be further allocated to the major functions of the institution in proportion to the salaries and wages of all employees applicable to those functions.

2. *Operation and maintenance expenses*—a. The expenses under this heading are those that have been incurred by a central service organization or at the departmental level for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant. They include expenses normally incurred for such items as janitorial and utility services; repairs and ordinary or normal alterations of buildings, furniture and equipment; and care of grounds and maintenance and operation of buildings and other plant facilities. The operation and maintenance expense category should also include the fringe benefit costs applicable to the salaries and wages included therein, and depreciation and use allowance.

b. In the absence of the alternatives provided for in Section E2d, the expenses included in the category shall be allocated in the same manner as described in Section F1b for depreciation and use allowances.

3. *General administration and general expenses*—a. The expenses under this heading are those that have been incurred for the general executive and administrative offices of educational institutions and other expenses of a general character which do not relate solely to any major function of the institution; i.e., solely to (1) instruction, (2) organized research, (3) other sponsored activities, or (4) other institutional activities. The general administration and general expense category should also include the fringe benefit costs applicable to the salaries and wages included therein, an appropriate share of operation and maintenance expense, and depreciation and use allowances.

b. In the absence of the alternatives provided for in Section E2d, the expenses included in this category shall be grouped first according to common major functions of the institution to which they render services or provide benefits. The aggregate expenses of each group shall then be allocated to serviced or benefited functions on the modified total cost basis. Modified total costs consist of salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and

subcontracts up to \$25,000 each. When an activity included in this indirect cost category provides a service or product to another institution or organization, an appropriate adjustment must be made to either the expenses or the basis of allocation or both, to assure a proper allocation of costs.

4. Departmental administration expenses—a. The expenses under this heading are those that have been incurred for administrative and supporting services that benefit common or joint departmental activities or objectives in academic deans' offices, academic departments and divisions, and organized research units. Organized research units include such units as institutes, study centers, and research centers. Departmental administration expenses are subject to the following limitations.

(1) Academic deans' offices. Salaries and operating expenses are limited to those attributable to administrative functions.

(2) Academic departments: (a) The salaries of the heads of academic departments, divisions, and organized research units are limited to amounts attributable to their administrative duties. Salaries of professorial or professional staff, whose appointment or assignment require administrative work that benefits sponsored projects, may also be included to the extent that the portion so charged is clearly and specifically supported as required in Section 5a.

(b) Other administrative and supporting expenses incurred within academic departments are allowable provided they are treated consistently in like circumstances. This would include expenses such as the salaries of secretarial and clerical staff, the salaries of administrative officers and assistants, travel, office supplies, stockrooms, and the like.

(3) Other fringe benefit costs applicable to the salaries and wages included in (1) and (2) above are allowable, as well as an appropriate share of general administration and general expenses, operation and maintenance expenses, and depreciation and/or use allowances.

b. In the absence of the alternatives provided for in Section E2d, the expenses included in this category shall be allocated as follows:

(1) The administrative expenses of the dean's office of each college and school shall be allocated to the academic departments within that college or school on the modified total cost basis.

(2) The administrative expenses of each academic department, and the department's share of the expenses

allocated in (1) above shall be allocated to the appropriate functions of the department on the modified total cost basis.

5. Sponsored projects administration—a. The expenses under this heading are those that have been incurred by a separate organization(s) established primarily to administer sponsored projects, including such functions as grant and contract administration (Federal and non-Federal), special security, purchasing, personnel administration, and editing and publishing of research and other reports. They include the salaries and expenses of the head of such organization, his assistants, and their immediate staff, together with the salaries and expenses of personnel engaged in supporting activities maintained by the organization, such as stock rooms, stenographic pools, and the like. The salaries of professorial or professional staff whose appointments or assignments involve the performance of such administrative work may also be included to the extent that the portion so charge to sponsored agreements administration is clearly identified and supported as required by Section 5a. This category should also include the fringe benefit costs applicable to the salaries and wages included therein, an appropriate share of general administration and general expenses, the operation and maintenance expenses, and depreciation and use allowance. Appropriate adjustments should be made for services provided to other functions or organizations.

b. In the absence of the alternatives provided for in Section E2d, the expenses included in this category shall be allocated to the major functions of the institution under which the sponsored projects are conducted on the basis of the modified total cost of sponsored projects.

c. An appropriate adjustment shall be made to eliminate any duplicate charges to sponsored agreements when this category includes similar or identical activities as those included in the general administration and general expense category or other indirect cost items—such as accounting, procurement, or personnel administration.

6. Library expenses—a. The expenses under this heading are those that have been incurred for the operation of the library, including the cost of books and library materials purchased for the library, less any items of library income that qualify as applicable credits under Section C5. The library expense category should also include the fringe benefits applicable to the salaries and wages included therein, an appropriate

share of general administration and general expense, operation and maintenance expense, and depreciation and use allowances. Costs incurred in the purchases of rare books (museum-type books) with no value to sponsored agreements should not be allocated to them.

b. In the absence of the alternatives provided for in Section E2d, the expenses included in this category shall be allocated first on the basis of primary categories of users, including students, professional employees, and other users.

(1) The student category shall consist of full-time equivalent students enrolled at the institution, regardless of whether they earn credits toward a degree or certificate.

(2) The professional employee category shall consist of all faculty members and other professional employees of the institution, on a full-time equivalent basis.

(3) The other users category shall consist of all other users of library facilities.

c. Amounts allocated in b above shall be assigned further as follows:

(1) The amount in the student category shall be assigned to the instruction function of the institution.

(2) The amount in the professional employee category shall be assigned to the major functions of the institution in proportion to the salaries and wages of all faculty members and other professional employees applicable to those functions.

(3) The amount in the other users category shall be assigned to the other institutional activities function of the institution.

7. Student administration and services—a. The expenses under this heading are those that have been incurred for the administration of student affairs and for services to students, including expenses of such activities as deans of students, admissions, registrar, counseling and placement services, student advisers, student health and infirmary services, catalogs, and commencements and convocations. The salaries of members of the academic staff whose academic appointments or assignments involve the performance of such administrative or service work may also be included to the extent that the portion so charged is supported pursuant to Section 5a. This expense category also includes the fringe benefit costs applicable to the salaries and wages included therein, an appropriate share of general administration and general expenses, operation and maintenance, and use allowances and/or depreciation.

In the absence of the alternatives 1 for in Section E2d, the items in this category shall be allocated to the instruction function, and consequently to sponsored agreements that function.

4. Offset for indirect expenses otherwise provided for by the Government—a. The items to be included under this heading are the reimbursements and other payments made to the institution to support solely, specifically, and directly, in whole or in part, any of the administrative or service activities described in F1 through F7 above.

b. The items in this group shall be treated as a credit to the affected individual indirect cost category before that category is allocated to benefiting functions.

Determination and application of direct cost rate or rates

1. Indirect cost pools—a. Subject to below the separate categories of indirect costs allocated to each major function of the institution as prescribed in Section F shall be aggregated and treated as a common pool for that function. The amount in each pool shall be divided by a distribution base described in G2

to arrive at a single indirect cost rate for each function. The rate for each function is used to distribute indirect costs to individual sponsored agreements of that function. Since a common pool is established for each major function of the institution, a separate indirect cost rate would be established for each of the major functions described in Section B1 under which sponsored agreements are carried out.

b. In some instances a single rate basis for use across the board on all work within a major function at an institution may not be appropriate. A single rate for research, for example, might not take into account those different environmental factors and other conditions which may affect substantially the indirect costs

applicable to a particular segment of research at the institution. A particular segment of research may be that performed under a single sponsored agreement or it may consist of research under a group of sponsored agreements performed in a common environment. The environmental factors are not limited to the physical location of the work. Other important factors are the level of the administrative support required, the nature of the facilities or resources employed, the scientific lines or technical skills involved, and the organizational arrangements used,

or any combination thereof. Where a particular segment of a sponsored agreement is performed within an environment which appears to generate a significantly different level of indirect costs, provision should be made for a separate indirect cost pool applicable to such work. The separate indirect cost pool should be developed during the regular course of the rate determination process and the separate indirect cost rate resulting therefrom should be utilized; provided it is determined that (1) such indirect cost rate differs significantly from that which would have been obtained under a, above, and (2) the volume of work to which such rate would apply is material in relation to other sponsored agreements at the institution.

2. The distribution basis. Indirect costs shall be distributed to applicable sponsored agreements on the basis of modified total direct costs, consisting of salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to \$25,000 each. For this purpose, an indirect cost rate should be determined for each of the separate indirect cost pools developed pursuant to G1, above. The rate in each case should be stated as the percentage which the amount of the particular indirect cost pool is of the modified total direct costs identified with such pool. Other bases may be used where it can be demonstrated that they produce more equitable results.

3. Negotiated lump sum for indirect costs. A negotiated fixed amount in lieu of indirect costs may be appropriate for self-contained, off-campus, or primarily subcontracted activities where the benefits derived from an institution's indirect services cannot be readily determined. Such negotiated indirect costs will be treated as an offset before allocation to instruction, organized research, other sponsored activities, and other institutional activities. The base on which such remaining expenses are allocated should be appropriately adjusted.

4. Predetermined fixed rates for indirect costs. Pub. L. 87-838 (76 Stat. 437) authorizes the use of predetermined fixed rates in determining the indirect cost applicable under research agreements with educational institutions. The stated objectives of the law are to simplify the administration of cost-type research and development contracts (including grants) with educational institutions, to facilitate the preparation of their budgets, and to permit more expeditious closeout of such contracts when the work is completed. In view of the potential

advantages offered by this procedure, consideration should be given to the negotiation of predetermined fixed rates for indirect costs in those situations where the cost experience and other pertinent facts available are deemed sufficient to enable the parties involved to reach an informed judgment as to the probable level of indirect costs during the ensuing accounting period.

5. Negotiated fixed rates and carry-forward provisions. When a fixed rate is negotiated in advance for a fiscal year (or other time period), the over- or under-recovery for that year may be included as an adjustment to the indirect cost for the next rate negotiation. When the rate is negotiated before the carry-forward adjustment is determined, the carry-forward amount may be applied to the next subsequent rate negotiation. When such adjustments are to be made, each fixed rate negotiated in advance for a given period will be computed by applying the expected indirect costs allocable to sponsored agreements for the forecast period plus or minus the carry-forward adjustment (over- or under-recovery) from the prior period, to the forecast distribution base. Unrecovered amounts under lump-sum agreements or cost-sharing provisions of prior years shall not be carried forward for consideration in the new rate negotiation. There must, however, be an advance understanding in each case between the institution and the cognizant Federal agency as to whether these differences will be considered in the rate negotiation rather than making the determination after the differences are known. Further, institutions electing to use this carry-forward provision may not subsequently change without prior approval of the cognizant Federal agency. In the event that an institution returns to a postdetermined rate, any over- or under-recovery during the period in which negotiated fixed rates and carry-forward provisions were followed will be included in the subsequent postdetermined rates. Where multiple rates are used, the same procedure will be applicable for determining each rate.

H. Simplified method for small institutions.

1. General. a. Where the total direct cost of work covered by this Circular at an institution does not exceed \$3,000,000 in a fiscal year, the use of the simplified procedure described in 2. below, may be used in determining allowable indirect costs. Under this simplified procedure, the institution's most recent annual financial report and immediately available supporting information with salaries and wages segregated from

other costs, will be utilized as a basis for determining the indirect cost rate applicable to all sponsored agreements.

b. The simplified procedure should not be used where it produces results which appear inequitable to the Government or the institution. In any such case, indirect costs should be determined through use of the regular procedure.

2. *Simplified procedure* a. Establish the total amount of salaries and wages paid to all employees of the institution.

b. Establish an indirect cost pool consisting of the expenditures (exclusive of capital items and other costs specifically identified as unallowable) which customarily are classified under the following titles or their equivalents:

(1) General administration and general expenses (exclusive of costs of student administration and services, student activities, student aid, and scholarships).

(2) Operation and maintenance of physical plant and depreciation and use allowances, after appropriate adjustment for costs applicable to other institutional activities.

(3) Library.

(4) Department administration expenses, which will be computed as 20 percent of the salaries and expenses of deans and heads of departments.

In those cases where expenditures classified under (1) above have previously been allocated to other institutional activities, they may be included in the indirect cost pool. The total amount of salaries and wages included in the indirect cost pool must be separately identified.

c. Establish a salary and wage distribution base, determined by deducting from the total of salaries and wages as established in a above the amount of salaries and wages included under b above.

d. Establish the indirect cost rate, determined by dividing the amount in the indirect cost pool, b above, by the amount of the distribution base, c above.

e. Apply the indirect cost rate to direct salaries and wages for individual agreements to determine the amount of indirect costs allocable to such agreements.

J. General provisions for selected items of cost.

Sections 1 through 44 below provide principles to be applied in establishing the allowability of certain items involved in determining cost. These principles should apply irrespective of whether a particular item of cost is properly treated as direct cost or indirect cost. Failure to mention a particular item of cost is not intended to imply that it is either allowable or

unallowable; rather determination as to allowability in each case should be based on the treatment provided for similar or related items of cost. In case of a discrepancy between the provisions of a specific sponsored agreement and the provisions below, the agreement should govern.

1. *Advertising costs.* a. The term advertising costs means the costs of advertising media and corollary administrative costs. Advertising media include magazines, newspapers, radio and television programs, direct mail, exhibits, and the like.

b. The only advertising costs allowable are those which are solely for (1) the recruitment of personnel required for the performance by the institution of obligations arising under the sponsored agreement, when considered in conjunction with all other recruitment costs, as set forth in Section 132; (2) the procurement of goods and services for the performance of the sponsored agreement; (3) the disposal of scrap or surplus materials acquired in the performance of the sponsored agreement except when institutions are reimbursed for disposal costs at a predetermined amount in accordance with Attachment N, OMB Circular No. A-110; or (4) other specific purposes necessary to meet the requirements of the sponsored agreement.

c. Costs of this nature, if incurred for more than one sponsored agreement or for both sponsored work and other work of the institution, are allowable to the extent that the principles in Sections D and E are observed.

2. *Bad debts.* Any losses, whether actual or estimated, arising from uncollectible accounts and other claims, related collections costs, and related legal costs, are unallowable.

3. *Civil defense costs.* Civil defense costs are those incurred in planning for, and the protection of life and property against, the possible effects of enemy attack. Reasonable costs of civil defense measures (including costs in excess of normal plant protection costs, first-aid training and supplies, firefighting training, posting of additional exit notices and directions, and other approved civil defense measures) undertaken on the institution's premises pursuant to suggestions or requirements of civil defense authorities are allowable when distributed to all activities of the institution. Capital expenditures for civil defense purposes will not be allowed, but a use allowance or depreciation may be permitted in accordance with provisions set forth in Section 19. Costs of local civil defense projects not on the institution's premises are unallowable.

4. *Commencement and convocation costs.* Costs incurred for commencements and convocations are unallowable, except as provided for in Section F7.

5. *Communication costs.* Costs incurred for telephone services, local and long distance telephone calls, telegrams, radiograms, postage and the like, are allowable.

6. *Compensation for personal services.* a. *General.* Compensation for personal services covers all amounts paid currently or accrued by the institution for services of employees rendered during the period of performance under sponsored agreements. Such amounts include salaries, wages, and fringe benefits (See Section 115.) These costs are allowable to the extent that the total compensation to individual employees conforms to the established policies of the institution, consistently applied, and provided that the charges for work performed directly on sponsored agreements and for other work allocable as indirect costs are determined and supported as provided below. Charges to sponsored agreements may include reasonable amounts for activities contributing and intimately related to work under the agreements, such as delivering special lectures about specific aspects of the ongoing activity, writing reports and articles, participating in appropriate seminars, consulting with colleagues and graduate students, and attending meetings and conferences. Incidental work (that in excess of normal for the individual), for which supplemental compensation is paid by an institution under institutional policy, need not be included in the payroll distribution systems described below, provided such work and compensation are separately identified and documented in the financial management system of the institution.

b. *Payroll distribution.* For each organizational unit of an institution, the distribution of salaries and wages of professional or professional staff (whether charged direct or required to be distributed to more than one activity for purposes of allocating indirect costs) will be based on either a system of monitored workload or a system of personnel activity reports. The latter system will be used for nonprofessional employees whose costs are charged direct or are required to be distributed to more than one activity for purposes of allocating indirect costs. In the use of either method, it is recognized that, because of the nature of work involved in academic institutions, the various and often interrelated activities of

professorial and professional employees frequently cannot be measured with a high degree of precision, that reliance must be placed on reasonably accurate approximations, and that acceptance of a degree of tolerance in measurement is appropriate.

c. Monitored workload. Under this method the distribution of salaries and wages applicable to sponsored agreements is based on budgeted or assigned workload, updated to reflect any significant changes in workload distributions. A monitored workload system used for salaries and wages charged directly or indirectly to sponsored agreements will meet the following standards:

(1) A system of budgeted or assigned workload will be incorporated into the official records of the institution and encompass both sponsored and all other activities on an integrated basis. The system may include the use of subsidiary records.

(2) The system will reasonably reflect workload of employees, accounting for 100 percent of the work for which the employee is compensated and which is required in fulfillment of the employee's obligations to the institution. Because practices vary among institutions and within institutions as to the total activity constituting a full workload—when expressed in measurable units, such as *contact hours in teaching*—the system will be based on a determination for each individual, reflecting the ratio of each of the activities which comprise the total workload of the individual. (But see Section H for treatment of indirect costs under the simplified method for small institutions.)

(3) The system will provide for modification of an individual's salary distribution commensurate with any significant change in the employee's workload or the ratio of activities comprising the total workload. A significant change in an employee's workload shall be considered to include the following as a minimum: When work begins or ends on a sponsored agreement, when a teaching load is materially modified, when additional unanticipated assignments are received or taken away, when an individual begins or ends a sabbatical leave, prolonged sick leave, or leave without pay, etc. Short-term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term such as an academic period. Whenever it is apparent that a change in workload will occur or has occurred, the change will be documented over the

signature of a responsible official and, if significant, entered into the system.

(4) The system will utilize workload categories reflecting activity which is applicable to each sponsored agreement, each indirect cost activity, and each major function of the institution.

(5) At least annually a statement will be signed by the employee, principal investigator, or responsible official, having first hand knowledge of the work stating that salaries and wages charged to sponsored agreements as direct charges, or that salaries and wages charged to both direct and indirect cost categories, or to more than one indirect cost category are reasonable.

(6) The system will provide for independent internal evaluations to insure that it is working effectively.

(7) In the use of this method an institution shall not be required to provide additional support or documentation for the effort actually performed, but is responsible for assuring that the system meets the above standards.

d. Personnel activity reports. Under this system the distribution of salaries and wages will be supported by personnel activity reports as prescribed below.

(1) Personnel activity reports will reflect the distribution of activity expended by each employee covered by the system.

(2) The reports will reflect an after-the-fact reporting of the percentage of activity of each employee. Charges may be made initially on the basis of estimates made before the services are performed, provided that such charges are promptly adjusted if significant differences are indicated by activity reports.

(3) Each report will account for 100 percent of the activity for which the employee is compensated and which is required in fulfillment of the employee's obligations to the institution. The report will reasonably reflect the percentage of activity applicable to each sponsored agreement, each indirect cost category, and major function of the institution. The report will reasonably reflect the percentage of activity applicable to each sponsored agreement, each indirect cost category, and each major function of the institution.

(4) To confirm that the distribution of activity represents a reasonable estimate of the work performed by the employee during the period, each report will be signed by the employee or by a responsible official having first hand knowledge of the work performed.

(5) For professorial and professional staff, the reports will be prepared each academic term, but no less frequently

than every six months. For other individuals, the reports will be prepared no less frequently than monthly and will coincide with one or more pay periods.

(6) Where the institution used time cards or other forms of after-the-fact payroll documents as original documentation for payroll and payroll charges, such documents shall qualify as a personnel activity report provided that they meet the requirements in (1) through (5) above.

e. Salary rates for faculty members.

(1) *Salary rates for academic year.* Charges for work performed on sponsored agreements by faculty members during the academic year will be based on individual faculty member's regular compensation for the continuous period which, under the policy of the institution concerned, constitutes the basis of his salary. Charges for work performed on sponsored agreements during all or any portion of such period are allowable at the base salary rate. In no event will charges to sponsored agreements, irrespective of the basis of computation, exceed the proportionate share of the base salary for that period. This principle applies to all members of the faculty at an institution. Since intra-university consulting is assumed to be undertaken as a university obligation requiring no compensation in addition to full-time base salary, the principle also applies to faculty members who function as consultants or otherwise contribute to a sponsored agreement conducted by another faculty member of the same institution. However, in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the consultant is in addition to his regular departmental load, any charges for such work representing extra compensation above the base salary are allowable provided that such consulting arrangements are specifically provided for in the agreement or approved in writing by the sponsoring agency.

(2) *Periods outside the academic year.* (a) Except as otherwise specified for teaching activity in (b) below, charges for work performed months or other period not included in the base salary period will be determined for each faculty member at a rate not in excess of the base salary divided by the period to which the base salary relates, and will be limited to charges made in accordance with other parts of this section. The base salary period used in computing charges for work performed during the summer months will be the number of months covered by the

faculty member's official academic year appointment.

(b) Charges for teaching activities performed by faculty members on sponsored agreements during the summer months or other periods not included in the base salary period will be based on the normal policy of the institution governing compensation to faculty members for teaching assignments during such periods.

(3) *Part-time faculty.* Charges for work performed on sponsored agreements by faculty members having only part-time appointments will be determined at a rate not in excess of that regularly paid for the part-time assignments; e.g., an institution pays \$5,000 to a faculty member for half-time teaching during the academic year. He devoted one-half of his remaining time to a sponsored agreement. Thus, his additional compensation, chargeable by the institution to the agreement, would be one-half of \$5,000, or \$2,500.

L. Noninstitutional professional activities. Unless an arrangement is specifically authorized by a Federal sponsoring agency, an institution must follow its institution-wide policies and practices concerning the permissible extent of professional services that can be provided outside the institution for noninstitutional compensation. Where such institution-wide policies do not exist or do not adequately define the permissible extent of consulting or other noninstitutional activities undertaken for extra outside pay, the Government may require that the effort of professional staff working on sponsored agreements be allocated between (1) institutional activities, and (2) noninstitutional professional activities. If the sponsoring agency considers the extent of noninstitutional professional effort excessive, appropriate arrangements governing compensation will be negotiated on a case-by-case basis.

7. Contingency provisions. Contributions to a contingency reserve or any similar provision made for events, the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening, are unallowable. (But see also Section 18c.)

8. Deans of faculty and graduate schools. The salaries and expenses of deans of faculty and graduate schools, or their equivalents, and their staffs, are allowable.

9. Depreciation and use allowances. Institutions may be compensated for the use of their buildings, capital improvements, and equipment. Provided, That they are used, needed in the institutions' activities, and properly

allocable to sponsored agreements. Such compensation shall be made by computing either depreciation or use allowance. Use allowances are the means of providing such compensation when depreciation or other equivalent costs are not computed. The allocation for depreciation or use allowance shall be made in accordance with Section F1. Depreciation and use allowances are computed applying the following rules:

a. The computation of depreciation or use allowances shall be based on the acquisition cost of the assets involved. For this purpose, the acquisition cost will exclude (1) the cost of land; (2) any portion of the cost of buildings and equipment borne by or donated by the Government, irrespective of where title was originally vested or where it is presently located; and (3) any portion of the cost of buildings and equipment contributed by or for the institution where law or agreement prohibit recovery. For an asset donated to the institution by a third party, its fair market value at the time of the donation shall be considered as the acquisition cost.

b. In the use of the depreciation method, the following shall be observed:

(1) The period of useful service or useful life established in each case for usable capital assets must take into consideration such factors as type of construction, nature of the equipment, technological developments in the particular area, and the renewal and replacement policies followed for the individual items or classes of assets involved.

(2) The depreciation method used to charge the cost of an asset (or group of assets) to accounting periods shall reflect the pattern of consumption of the asset during its useful life. In the absence of clear evidence indicating that the expected consumption of the asset will be significantly greater in the early portions than in the later portions of its useful life, the straight-line method shall be presumed to be the appropriate method. Depreciation methods once used shall not be changed unless approved in advance by the cognizant Federal agency.

(3) Where the depreciation method is introduced for application to assets for which use allowance was previously charged, the aggregate amount of use allowances and depreciation applicable to such assets must not exceed the total acquisition cost of the assets.

(4) When the depreciation method is used for buildings, a building "shell" may be treated separately from other building components, such as plumbing system and heating and air conditioning system. Each component item may then

be depreciated over its estimated useful life. On the other hand, the entire building, including the shell and all components, may be treated as a single asset and depreciated over a single useful life.

(5) Where the depreciation method is used for a particular class of assets, no depreciation may be allowed on any such assets that have outlived their depreciable lives. (But see also c(3), below.)

c. Under the use allowance method, the following shall be observed:

(1) The use allowance for buildings and improvements (including improvements such as paved parking areas, fences, and sidewalks) will be computed at an annual rate not exceeding two percent of acquisition cost. The use allowance for equipment will be computed at an annual rate not exceeding six and two-thirds percent of acquisition cost.

(2) In contrast to the depreciation method, the entire building must be treated as a single asset without separating its "shell" from other building components under the use allowance method. The entire building must be treated as a single asset, and the two-percent use allowance limitation must be applied to all parts of the building. The two-percent limitation, however, need not be applied to equipment or other assets that are merely attached or fastened to the building but not permanently fixed and are used as furnishings, decorations or for specialized purposes (e.g., dentist chairs and dental treatment units, counters, laboratory benches bolted to the floor, dishwashers, and carpeting). Such equipment and assets will be considered as not being permanently fixed to the building if they can be removed without the need for costly or extensive alterations or repairs to the building to make the space usable for other purposes. Equipment and assets which meet these criteria will be subject to the six and two-thirds percent equipment use allowance.

(3) A reasonable use allowance may be negotiated for any assets that are considered to be fully depreciated, after taking into consideration the amount of depreciation previously charged to the Government, the estimated useful life remaining at the time of negotiation, the effect of any increased maintenance charges, decreased efficiency due to age, and any other factors pertinent to the utilization of the asset for the purpose contemplated.

d. Except as otherwise provided in b and c above, a combination of the depreciation and use allowance methods may not be used, in like

circumstances, for a single class of assets (e.g., buildings, office equipment, and computer equipment).

a. Charges for use allowances or depreciation must be supported by adequate property records, and physical inventories must be taken at least once every two years to ensure that the assets exist and are usable, used, and needed. Statistical sampling techniques may be used in taking these inventories. In addition, when the depreciation method is used, adequate depreciation records showing the amount of depreciation taken each period must also be maintained.

10. *Donated services and property.* The value of donated services and property are not allowable either as a direct or indirect cost, except that depreciation or use allowances on donated assets are permitted in accordance with Section J9a. The value of donated services and property may be used to meet cost sharing or matching requirements, in accordance with OMB Circular No. A-110.

11. *Employee morale, health, and welfare costs and credits.* The costs of house publications, health or first-aid clinics and/or infirmaries, recreational activities, employees' counseling services, and other expenses incurred in accordance with the institution's established practice or custom for the improvement of working conditions, employer-employee relations, employee morale, and employee performance, are allowable. Income generated from any of these activities will be credited to the cost thereof unless such income has been irrevocably set over to employee welfare organizations.

12. *Entertainment costs.* Costs incurred for amusement, social activities, entertainment, and any items relating thereto, such as meals, lodging, rentals, transportation, and gratuities, are unallowable.

13. *Equipment and other capital expenditures.* a. For purposes of this paragraph, the following definitions apply:

(1) *Equipment* means an article of nonexpendable tangible personal property having a useful life of more than two years, and an acquisition cost of \$500 or more per unit. However, consistent with institutional policy, lower limits may be established.

(2) *Capital expenditure* means the cost of the asset including the cost to put it in place. Capital expenditure for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired.

Ancillary charges, such as taxes, duty, protective intransit insurance, freight, and installation may be included in, or excluded from, capital expenditure cost in accordance with the institution's regular accounting practices.

(3) *Special purpose equipment* means equipment which is used only for research, medical, scientific, or other technical activities.

(4) *General purpose equipment* means equipment, the use of which is not limited only to research, medical, scientific or other technical activities. Examples of general purpose equipment include office equipment and furnishings, air conditioning equipment, reproduction and printing equipment, motor vehicles, and automatic data processing equipment.

b. The following rules of allowability shall apply to equipment and other capital expenditures:

(1) Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except where approved in advance by the sponsoring agency.

(2) Capital expenditures for special purpose equipment are allowable as direct charges, provided that the acquisition of items having a unit cost of \$1,000 or more is approved in advance by the sponsoring agency.

(3) Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as direct charges, except where approved in advance by the sponsoring agency.

(4) Capital expenditures are unallowable as indirect costs. But see Section J9 for allowability of depreciation or use allowance on buildings, capital improvements, and equipment. Also see Section J33 for allowability of rental costs on land, buildings, and equipment.

14. *Fines and penalties.* Costs resulting from violations of, or failure of the institution to comply with, Federal, State, and local laws and regulations are unallowable, except when incurred as a result of compliance with specific provisions of the sponsored agreement, or instructions in writing from the contracting officer or equivalent.

15. *Fringe benefits.* a. Fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, military leave, and the like, are allowable, provided such costs are distributed to all institutional activities in proportion to the relative amount of time or effort actually devoted by the employees. See

Section J35 for treatment of sabbatical leave.

b. Fringe benefits in the form of employer contributions or expenses for social security, employee insurance, workmen's compensation insurance, tuition or remission of tuition for individual employees or their families and the like are allowable, provided such benefits are granted in accordance with established institutional policies, and are distributed to all institutional activities on an equitable basis. See Section J36b for treatment of tuition remission provided to students.

c. Rules for pension plan costs are as follows:

(1) Costs of the institution's pension plan which are incurred in accordance with the established policies of the institution are allowable: Provided (a) Such policies met the test of reasonableness; (b) the methods of cost allocation are equitable for all activities; (c) the amount of pension cost assigned to each fiscal year is determined in accordance with (2) below; and (d) the cost assigned to a given fiscal year is paid or funded for all plan participants within six months after the end of that year.

(2) The amount of pension cost assigned to each fiscal year shall be determined in accordance with generally accepted accounting principles. Institutions may elect to follow the "Cost Accounting Standard for Composition and Measurement of Pension Cost" (4 CFR Part 412).

(3) Premiums paid for pension plan termination insurance pursuant to the Employee Retirement Income Security Act of 1974 (Pub. L. 93-406) are allowable. Late payment charges on such premiums are unallowable. Excise taxes on accumulated funding deficiencies and prohibited transactions of pension plan fiduciaries imposed under the Employee Retirement Income Security Act are also unallowable.

d. Fringe benefits may be assigned to cost objectives by identifying specific benefits to specific individual employees or by allocating on the basis of the salaries and wages of the employees receiving the benefits. When the allocation method is used, separate allocations must be made to selective groupings of employees, if the costs in relationship to salaries and wages differ significantly for different groups of employees. Also fringe benefits related to institutional salaries and wages treated as direct costs may be treated as direct costs.

16. *Insurance and indemnification.* a. Costs of insurance required or approved, and maintained, pursuant to the sponsored agreement, are allowable.

b. Costs of other insurance maintained by the institution in connection with the general conduct of its activities are allowable subject to the following limitations: (1) Types and extent and cost of coverage must be in accordance with sound institutional practice; (2) costs of insurance or of any contributions to any reserve covering the risk of loss of or damage to Government-owned property are unallowable, except to the extent that the Government has specifically required or approved such costs; and (3) costs of insurance on the lives of officers or trustees are unallowable except where such insurance is part of an employee plan which is not unduly restricted.

c. Contributions to a reserve for a self-insurance program are allowable, to the extent that the types of coverage, extent of coverage, and the rates and premiums would have been allowed had insurance been purchased to cover the risks.

d. Actual losses which could have been covered by permissible insurance (whether through purchased insurance or self-insurance) are unallowable, unless expressly provided for in the sponsored agreement, except that costs incurred because of losses not covered under existing deductible clauses for insurance coverage provided in keeping with sound management practice as well as minor losses not covered by insurance, such as spoilage, breakage and disappearance of small hand tools, which occur in the ordinary course of operations, are allowable.

e. Indemnification includes securing the institution against liabilities to third persons and other losses not compensated by insurance or otherwise. The Government is obligated to indemnify the institution only to the extent expressly provided for in the sponsored agreement, except as provided in d above.

17. *Interest, fund raising, and investment management costs.* a. Costs incurred for interest on borrowed capital or temporary use of endowment funds, however represented, are unallowable.

b. Costs of organized fund raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions, are unallowable.

c. Costs of investment counsel and staff and similar expenses incurred solely to enhance income from investments are unallowable.

d. Costs related to the physical custody and control of monies and securities are allowable.

18. *Labor relations costs.* Costs incurred in maintaining satisfactory

relations between the institution and its employees, including costs of labor management committees, employees' publications, and other related activities, are allowable.

19. *Losses on other sponsored agreements or contracts.* Any excess of costs over income under any other sponsored agreement or contract of any nature is unallowable. This includes, but is not limited to, the institution's contributed portion by reason of cost-sharing agreements or any under-recoveries through negotiation of flat amounts for indirect costs.

20. *Maintenance and repair costs.* Costs incurred for necessary maintenance, repair or upkeep of property (including Government property unless otherwise provided for) which neither add to the permanent value of the property nor appreciably prolong its intended life but keep it in an efficient operating condition, are allowable.

21. *Material costs.* Costs incurred for purchased materials, supplies, and fabricated parts directly or indirectly related to the sponsored agreement, are allowable. Purchases made specifically for the sponsored agreement should be charged thereto at their actual prices after deducting all cash discounts, trade discounts, rebates, and allowances received by the institution. Withdrawals from general stores or stockrooms should be charged at their cost under any recognized method of pricing stores withdrawals conforming to sound accounting practices consistently followed by the institution. Incoming transportation charges are a proper part of material cost. Direct material cost should include only the materials and supplies actually used for the performance of the sponsored agreement, and due credit should be given for any excess materials retained; or returned to vendors. Due credit should be given for all proceeds or value received for any scrap resulting from work under the sponsored agreement. Where Government-donated or furnished material is used in performing the sponsored agreement, such material will be used without charge.

22. *Memberships, subscriptions and professional activity costs.* a. Costs of the institution's membership in civic, business, technical, and professional organizations are allowable.

b. Costs of the institution's subscriptions to civic, business, professional, and technical periodicals are allowable.

c. Costs of meetings and conferences, when the primary purpose is the dissemination of technical information, are allowable. This includes costs of

meals, transportation, rental of facilities, and other items incidental to such meetings or conferences.

23. *Patent costs.* Costs of preparing disclosures, reports, and other documents required by the sponsored agreement, and of searching the art to the extent necessary to make such invention disclosures, are allowable. In accordance with the clauses of the sponsored agreement relating to patents, costs of preparing documents and any other patent costs, in connection with the filing of a patent application where title is conveyed to the Government, are allowable. (See also Section 34.)

24. *Plant security costs.* Necessary expenses incurred to comply with security requirements, including wages, uniforms and equipment of personnel engaged in plant protection, are allowable.

25. *Preagreement costs.* Costs incurred prior to the effective date of the sponsored agreement, whether or not they would have been allowable thereunder if incurred after such date, are unallowable unless approved by the sponsoring agency.

26. *Professional services costs.* a. Costs of professional services rendered by the members of a particular profession who are not employees of the institution are allowable, subject to b and c below, when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Government. Retainer fees to be allowable must be reasonably supported by evidence of services rendered.

b. Factors to be considered in determining the allowability of costs in a particular case include (1) the past pattern of such costs, particularly in the years prior to the award of sponsored agreements; (2) the impact of sponsored agreements on the institution's total activity; (3) the nature and scope of managerial services expected of the institution's own organizations; and (4) whether the proportion of Government work to the institution's total activity is such as to influence the institution in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to work under sponsored agreements.

c. Costs of legal, accounting, and consulting services, and related costs, incurred in connection with the prosecution of claims against the Government, are unallowable. Costs of legal, accounting and consulting services, and related costs, incurred in connection with patent infringement litigation, are unallowable unless

otherwise provided for in the sponsored agreements.

27. Profits and losses on disposition of plant equipment or other capital assets. Profits or losses arising from the sale or exchange of plant, facilities, equipment or other capital assets, including sale or exchange of either short-term or long-term investments, shall not be considered in computing the costs of sponsored agreements except for pension plans as provided in Section 15c. When assets acquired with Federal funds, in part or wholly, are disposed of, the distribution of the proceeds shall be made in accordance with Attachment N, OMB Circular No. A-110.

28. Proposal costs. Proposal costs are the costs of preparing bids or proposals on potential Government and nongovernment sponsored agreements or projects, including the development of data necessary to support the institution's bids or proposals. Proposal costs of the current accounting period of both successful and unsuccessful bids and proposals normally should be treated as indirect costs and allocated currently to all activities of the institution, and no proposal costs of past accounting periods will be allocable to the current period. However, the institution's established practices may be to treat proposal costs by some other recognized method. Regardless of the method used, the results obtained may be accepted only if found to be reasonable and equitable.

29. Public information services costs. Cost of news releases pertaining to specific research or scientific accomplishment are allowable, when they result from performance of sponsored agreements.

30. Rearrangement and alteration costs. Cost incurred for ordinary or normal rearrangement and alteration of facilities are allowable. Special arrangement and alteration costs incurred specifically for the project are allowable when such work has been approved in advance by the sponsoring agency.

31. Reconversion costs. Costs incurred in the restoration or rehabilitation of the institution's facilities to approximately the same condition existing immediately prior to commencement of a sponsored agreement, fair wear and tear excepted, are allowable.

32. Recruiting costs. a. Subject to b, c, and d below, and provided that the size of the staff recruited and maintained is in keeping with workload requirements, costs of "help wanted" advertising, operating costs of an employment office necessary to secure and maintain an adequate staff, costs of operating an aptitude and educational testing

program, travel costs of employees while engaged in recruiting personnel, travel costs of applicants for interviews for prospective employment, and relocation costs incurred incident to recruitment of new employees, are allowable to the extent that such costs are incurred pursuant to a well managed recruitment program. Where the institution uses employment agencies, costs not in excess of standard commercial rates for such services are allowable.

b. In publications, costs of help wanted advertising that includes color, includes advertising material for other than recruitment purposes, or is excessive in size (taking into consideration recruitment purposes for which intended and normal institutional practices in this respect), are unallowable.

c. Costs of help wanted advertising, special emoluments, fringe benefits, and salary allowances incurred to attract professional personnel from other institutions that do not meet the test of reasonableness or do not conform with the established practices of the institution, are unallowable.

d. Where relocation costs incurred incident to recruitment of a new employee have been allowed either as an allocable direct or indirect cost, and the newly hired employee resigns for reasons within his control within twelve months after hire, the institution will be required to refund or credit such relocation costs to the Government.

33. Rental cost of buildings and equipment. a. Rental costs of buildings or equipment are allowable to the extent that the decision to rent or lease is in accord with Section C-3. Rental arrangements should be reviewed periodically to determine if circumstances have changed and other options are available.

b. Rental costs under "sale and lease back" arrangements are allowable only up to the amount that would be allowed if the institution continued to own the property.

c. Rental costs under "less-than-arms-length" leases are allowable only up to the amount that would be allowed if the institution owned the property. For this purpose, a less-than-arms-length lease is one under which one party to the lease agreement is able to control or substantially influences the actions of the other.

d. Where significant rental costs are incurred under leases which create a material equity in the leased property, they are allowable only up to the amount that would be allowed if the institution purchased the property on the date the lease agreement was executed.

For this purpose, a material equity in the property exists when the lease:

(1) Is noncancelable or is cancelable only upon the occurrence of some remote contingency, and

(2) Has one or more of the following characteristics:

(a) Title to the property passes to the institution at some time during or after the lease period.

(b) The term of the lease corresponds substantially to the estimated useful life of the property (i.e., the period of economic usefulness to the legal owner of the property).

(c) The initial term is less than the useful life of the property and the institution has the option to renew the lease for the remaining useful life at substantially less than fair rental value.

(d) The property was acquired by the lessor to meet the special needs of the institution and will probably be usable only for that purpose and only by the institution.

(e) The institution has the right, during or at the expiration of the lease, to purchase the property at a price which at the inception of the lease appears to be substantially less than the probable fair market value at the time it is permitted to purchase the property (commonly called a lease with a bargain purchase option), except for any discount normally given to educational institutions.

34. Royalties and other costs for use of patents. Royalties on a patent or amortization of the cost of acquiring a patent or invention or rights thereto, necessary for the proper performance of the sponsored agreement and applicable to tasks or processes thereunder, are allowable unless the Government has a license or the right to free use of the patent, the patent has been adjudicated to be invalid or has been administratively determined to be invalid, the patent is considered to be unenforceable, or the patent has expired.

35. Sabbatical leave costs. Costs of leave of absence by employees for performance of graduate work or sabbatical study, travel, or research are allowable provided the institution has a uniform policy on sabbatical leave for persons engaged in instruction and persons engaged in research. Such costs will be allocated on an equitable basis among all related activities of the institution. Where sabbatical leave is included in fringe benefits for which a cost is determined for assessment as a direct charge, the aggregate amount of such assessments applicable to all work of the institution during the base period must be reasonable in relation to the

institution's actual experience under its sabbatical leave policy.

36. Scholarships and student aid costs. a. Costs of scholarships, fellowships, and other programs of student aid are allowable only when the purpose of the sponsored agreement is to provide training to selected participants and the charge is approved by the sponsoring agency. However, tuition remission and other forms of compensation paid as, or in lieu of, wages to students performing necessary work are allowable provided that (1) there is a bonafide employer-employee relationship between the student and the institution for the work performed, (2) the tuition or other payments are reasonable compensation for the work performed and are conditioned explicitly upon the performance of necessary work, and (3) it is the institution's practice to similarly compensate students in nonsponsored as well as sponsored activities.

b. Charges for tuition remission and other forms of compensation paid to students as, or in lieu of, salaries and wages shall be subject to the reporting requirements stipulated in Section 46, and shall be treated as direct or indirect cost in accordance with the actual work being performed. Tuition remission may be charged on an average rate basis.

37. Severance pay. a. Severance pay is compensation in addition to regular salary and wages which is paid by an institution to employees whose services are being terminated. Costs of severance pay are allowable only to the extent that such payments are required by law, by employer-employee agreement, by established policy that constitutes in effect an implied agreement on the institution's part, or by circumstances of the particular employment.

b. Severance payments that are due to normal recurring turnover and which otherwise meet the conditions of a above may be allowed provided the actual costs of such severance payments are regarded as expenses applicable to the current fiscal year and are equitably distributed among the institution's activities during that period.

c. Severance payments that are due to abnormal or mass terminations are of such conjectural nature that allowability must be determined on a case-by-case basis. However, the Government recognizes its obligation to participate, to the extent of its fair share, in any specific payment.

38. Specialized service facilities. a. The costs of institutional services involving the use of highly complex or specialized facilities such as electronic computers, wind tunnels, and reactors are allowable. *Provided*, The charge for

the service meets the conditions of b through d below:

b. The cost of each service normally shall consist of both its direct costs and its allocable share of indirect costs with deductions for appropriate income or Federal financing as described in Section C3.

c. The cost of such institutional services when material in amount will be charged directly to users, including sponsored agreements based on actual use of the services and a schedule of rates that does not discriminate between federally and nonfederally supported activities of the institution, including use by the institution for internal purposes. Charges for the use of specialized facilities should be designed to recover not more than the aggregate cost of the services over a long-term period agreed to by the institution and the cognizant Federal agency. Accordingly, it is not necessary that the rates charged for services be equal to the cost of providing those services during any one fiscal year as long as rates are reviewed periodically for consistency with the long-term plan and adjusted if necessary.

d. Where the costs incurred for such institutional services are not material, they may be allocated as indirect costs. Such arrangements must be agreed to by the institution and the cognizant Federal agency.

e. Where it is in the best interest of the Government and the institution to establish alternative costing arrangements, such arrangements may be worked out with the cognizant Federal agency.

39. Special services costs. Costs incurred for general public relations activities, alumni activities, and similar services, are unallowable.

40. Student activity costs. Costs incurred for intramural activities, student publications, student clubs, and other student activities, are unallowable, unless specifically provided for in the sponsored agreements.

41. Taxes. a. In general, taxes which the institution is required to pay and which are paid or accrued in accordance with generally accepted accounting principles are allowable. Payments made to local governments in lieu of taxes which are commensurate with the local government services received are allowable, except for (1) taxes from which exemptions are available to the institution directly or which are available to the institution based on an exemption afforded the Government, and in the latter case when the sponsoring agency makes available the necessary exemption certificates; and

(2) special assessments on land which represent capital improvements.

b. Any refund of taxes, interest, or penalties, and any payment to the institution of interest thereon, attributable to taxes, interest, or penalties which were allowed as sponsored agreement costs, will be credited or paid to the Government in the manner directed by the Government. However, any interest actually paid or credited to an institution incident to a refund of tax, interest, and penalty will be paid or credited to the Government only to the extent that such interest accrued over the period during which the institution had been reimbursed by the Government for the taxes, interest, and penalties.

42. Transportation costs. Costs incurred for freight, express, cartage, postage, and other transportation services relating either to goods purchased, in process, or delivered, are allowable. When such costs can readily be identified with the items involved, they may be charged directly as transportation costs or added to the cost of such items. Where identification with the materials received cannot readily be made, inbound transportation costs may be charged to the appropriate indirect cost accounts if the institution follows a consistent, equitable procedure in this respect. Outbound freight, if reimbursable under the terms of the sponsored agreement, should be treated as a direct cost.

43. Travel costs. a. Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the institution. Such costs may be charged on an actual basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed by the institution in its regular operations.

b. Travel costs are allowable subject to c, d, e, and f below, when they are directly attributable to specific work under a sponsored agreement or are incurred in the normal course of administration of the institution or a department or program thereof.

c. The difference in cost between first-class air accommodations, and less than first-class air accommodations is unallowable except when less than first-class air accommodations are not reasonably available to meet necessary mission requirements, such as where less than first-class accommodations would (1) require circuitous routing, (2) require travel during unreasonable

hours, (3) greatly increase the duration of the flight, (4) result in additional costs which would offset the transportation savings, or (5) offer accommodations which are not reasonably adequate for the medical needs of the traveler.

d. Costs of personnel movements of a special or mass nature are allowable only when authorized or approved in writing by the sponsoring agency or its authorized representative.

e. Foreign travel costs are allowable only when the travel has received specific prior approval. Each separate foreign trip must be specifically approved. For purposes of this provision, foreign travel is defined as any travel outside of Canada and the United States and its territories and possessions. However, for an organization located outside Canada and the United States and its territories and possessions, foreign travel means travel outside that country.

f. Domestic travel costs are allowable when permitted by the sponsored agreement. Expenditures for such travel will not be allowed if they exceed the amount specified by more than 25% or \$500, whichever is greater, except with an advanced approval of the sponsoring agency.

44. *Termination costs applicable to sponsored agreements.* a. Termination of sponsored agreements generally gives rise to the incurrence of costs or to the need for special treatment of costs, which would not have arisen had the agreement not been terminated. Items peculiar to termination are set forth below. They are to be used in conjunction with all other provisions of this Circular in the case of termination.

b. The cost of common items of material reasonably usable on the institution's other work will not be allowable unless the institution submits evidence that it could not retain such items at cost without sustaining a loss. In deciding whether such items are reasonably usable on other work of the institution, consideration should be given to the institution's plans and orders for current and scheduled work. Contemporaneous purchases of common items by the institution will be regarded as evidence that such items are reasonably usable on the institution's other work. Any acceptance of common items as allowable to the terminated portion of the agreement should be limited to the extent that the quantities of such items on hand, in transit, and on order are in excess of the reasonable quantitative requirements of other work.

c. If in a particular case, despite all reasonable efforts by the institution, certain costs cannot be discontinued immediately after the effective date of

termination, such costs are generally allowable within the limitations set forth in this Circular, except that any such costs continuing after termination due to the negligent or willful failure of the institution to discontinue such costs will be considered unacceptable.

d. Loss of useful value of special tooling, and special machinery and equipment is generally allowable: *Provided* (1) Such special tooling, machinery, or equipment is not reasonably capable of use in the other work of the institution; (2) the interest of the Government is protected by transfer of title or by other means deemed appropriate by the contracting officer or equivalent; and (3) the loss of useful value as to any one terminated agreement is limited to that portion of the acquisition cost which bears the same ratio to the total acquisition cost as the terminated portion of the agreement bears to the entire terminated agreement and other Government agreements for which the special tooling, special machinery, or equipment was acquired.

e. Rental costs under unexpired leases are generally allowable where clearly shown to have been reasonably necessary for the performance of the terminated agreement, less the residual value of such leases, if (1) the amount of such rental claimed does not exceed the reasonable use value of the property leased for the period of the agreement and such further period as may be reasonable; and (2) the institution makes all reasonable efforts to terminate, assign, settle, or otherwise reduce the cost of such lease. There also may be included the cost of alterations of such leased property: *Provided*, Such alterations were necessary for the performance of the agreement, and of reasonable restoration required by the provisions of the lease.

f. Settlement expenses including the following are generally allowable: (1) Accounting, legal, clerical, and similar costs reasonably necessary for the preparation and presentation to contracting officers or equivalent of settlement claims and supporting data with respect to the terminated portion of the agreement, and the termination and settlement of subagreements; and (2) reasonable costs for the storage, transportation, protection, and disposition of property provided by the Government or acquired or produced by the institution for the agreement, except when the institution is reimbursed for disposals at a predetermined amount in accordance with the provisions of Circular No. A-110.

g. Claims under subagreements, including the allocable portion of claims

which are common to the agreement and to other work of the institution, are generally allowable.

K. Certification of charges.

To assure that expenditures for sponsored agreements are proper and in accordance with the agreement documents and approved project budgets, the annual and/or final fiscal reports or vouchers requesting payment under the agreements will include a certification, signed by an authorized official of the university, which reads essentially as follows: "I certify that all expenditures reported (or payment requested) are for appropriate purposes and in accordance with the provisions of the application and award documents."

Subpart 1-15.8 is deleted in its entirety:

Subpart 1-15.8—(Deleted)

(Sec. 205(c), 43 Stat. 390; (40 U.S.C. 486(c))

Dated: January 7, 1980.

R. G. Freeman III,

Administrator of General Services.

(FR Doc. 80-1488 Filed 1-16-80 8:46 am)

BILLING CODE 8030-01-M

FEDERAL MARITIME COMMISSION

46 CFR Part 514

(General Order 42, Docket No. 78-48)

Financial Exhibits and Schedules; Non-Vessel Operating Common Carriers in Domestic Offshore Trades

AGENCY: Federal Maritime Commission.

ACTION: Final rules.

SUMMARY: The Federal Maritime Commission hereby adds a new Part 514 of Title 46, Code of Federal Regulations, in order to publish substantive guidelines for determining what constitutes a just and reasonable rate of return or profit for non-vessel operating common carriers in the domestic offshore trades and to provide for the orderly acquisition of data in the event the Commission institutes a formal investigation and hearing. The annual reporting requirement has been eliminated as have the reports which are submitted concurrently with every general rate change. The methodology adopted by the Commission, as reflected in the final rules, includes the utilization of operating ratio as the comparative test of reasonableness. "Normalized" tax accounting, cargo cube allocation (using outside dimensions of containers) and other substantive methods of data reporting have also been adopted to conform with the Commission's regulations concerning financial reports by vessel operating common carriers in the domestic offshore trades (Part 512 of



Department of Energy

Idaho Operations Office
785 DOE Place
Idaho Falls, Idaho 83402

March 16, 1987

Rec 3/18/87
HFI

Mr. Howard Ross
University of Utah Research Institute
Earth Science Laboratory
391 Chipeta Way, Suite C
Salt Lake City, UT 84108-1295

SUBJECT: State Geothermal Research & Development

Dear Howard:

You have been nominated to be a member of the Technical Review Committee for reviewing the proposals from the State Geothermal Research and Development PRDA. It is expected that the review will begin June 23 and last through June 25, 1987.

Please let me know if you will not be able to attend. If you can attend, please sign and return to me the enclosed Confidentiality Statement.

If you have any questions, please call me.

Very truly yours,

A handwritten signature in cursive script that reads "Peggy".

Peggy A.M. Brookshier
Project Manager
Advanced Technology Division

Enclosure

cc: Trudy Thorne, DOE-ID, wo/enc.

STATEMENT OF CONFIDENTIALITY AND FREEDOM FROM CONFLICT OF
INTEREST FOR TECHNICAL ADVISORY COMMITTEE
ACTIVITIES ON PROGRAM RESEARCH AND DEVELOPMENT ANNOUNCEMENT (PRDA)
FOR STATE GEOTHERMAL RESEARCH AND DEVELOPMENT

In anticipation of my participation on the Technical Advisory Committee for the Program Research and Development Announcement (PRDA) for state geothermal research and development, I certify that I will not disclose any information either during the proceedings of the Committee or any subsequent time concerning the evaluation of proposals or other activities of the Committee to anyone who is not also participating in the same proceedings and then only to the extent that such information is required in connection with such proceedings. Furthermore, I will report to the Chairman of the Panel any communication concerning the PRDA or the Panel's or Committee's composition and activities directed to me from any source outside the Panel and Committee.

I also certify that to my knowledge neither I, my spouse, minor children, nor any member of my immediate family has any stock, bond, or other financial interest in, or any employment arrangement with any person, firm, or other organization which has submitted a proposal or otherwise has an interest in the project which is subject of the PRDA. I also agree that in the event that subsequent to the execution of this certification by me, any person, firm, or organization in which, to my knowledge I (including my spouse, minor children and other members of my immediate household) have a financial interest or with which I have (or had) an employment arrangement, submits a proposal or otherwise becomes involved in the subject project, I will notify the Chairman of the Panel, and thereafter, until advised to the contrary, I will not participate further in any way, by rendering advice, making recommendations, voting, or otherwise in the work of this Committee.

I agree to use information contained in proposals which I receive for evaluation only for DOE evaluation purposes and to treat the information obtained in confidence. This obligation shall not apply to information obtainable from any source, including the proposer, without restriction. Any notice or restriction placed on the proposal by either DOE or the originator of the proposal shall be conspicuously affixed by me to any reproduction or abstract thereof and its provisions will be strictly complied with. Upon completion of the evaluation, I will return all copies of the proposal and abstracts, if any, to the DOE office which initially furnished the proposal for evaluation. Unless authorized by the Panel Chairman, I will not contact the originator of the proposal concerning any aspect of its contents.

Howard P. Ross

Name

March 18, 1987

Date

Supplementary Recommendations For PRDA Proposals
by Howard P. Ross

1

Proposal # 1 - Washington Dept. Natural Resources

Task 1 - Drill 6 @ 150 m Thermal Gradient Holes

2 @ 300 m " " "

Task 2 - Sample 12 to 20 Volcanic Rocks for Age dating & geochem analysis

Task 3 - Integrate/evaluate drill results, new geologic mapping, age dates, thermal gradient studies, and geochemistry to refine time-space-volume models for Cascade volcanism and relate to the geothermal potential of the Cascade Range

Task 4 - Periodic and Final Reporting - Deliverables

Recommendation :- Proposal should be funded, but at a reduced level

- Drilling program could easily be cut back to 4 @ 150 m

T.G. holes + 2 @ 300 holes with much reduced costs

- DOE should not have to pay indirect fee on full drilling contract.

- Proposer should spell out distinct work tasks.

Proposal #3 University of Wyoming

- Tasks 1-4 Develop algorithms
- Task 5 Apply grid refinements
- Task 6 Gather additional temperature data from wells in either the Cody or Thermopolis area.
- Task 7 Apply finite difference model to either Cody or Thermopolis hydrothermal system for test of improved comp. schemes
- Task 8 Complete Final Report

Recommendation: Fund project at full level without change of tasks

Proposal #4: Geophysical Institute, U of Alaska and Alaska D.GGS

Task 1 - Geysir Bight KGRA Site Specific Study

- 1A - Construct Geologic Map @ 1:25,000
- 1B - Sampling and Isotopic (K/Ar) dating of critical rocks
- 1C - Seismic refraction survey of valley to determine thickness of fill.
- 1D - CSAMT survey to determine reservoir extent & configuration
- 1E - VLF resistivity survey to determine near-surface reservoir system
- 1F - Electrical S.P. survey of valley
- 1G - Passive seismic monitoring to locate seismic events
- 1H - Mercury survey of soil, Geysir Creek Valley
- 1I - Investigation of fluid geochemistry of the Geysir Bight KGRA
- 1J - Analysis and interpretation of available data; final report

Task 2A - Technical Geothermal Resource Map - Aleutian Islands - Alaskan Peninsula

- 2B - Prepare tables of fluid geochemistry
- 2C - Prepare circular describing geothermal sites

Recommendations:

and work is too costly

Geysir Bight is too remote, to justify a full blown geophysical characterization. Much of Task 1 should be deleted, especially several items with low probability of significant results.

Therefore:

Delete Tasks 1D, 1E, 1F, 1G ; (possibly all of Task 1)

Fund Tasks 2A, 2B, 2C.

Proposal #5 State Univ. of New York @ Buffalo

- Tasks
1. Analysis of all BHT data from oil and gas wells, 1983-present
 2. Analysis of geologic data from deep wells to determine reservoir characteristics.
 - 3a. Acquire new high-quality seismic refl. data
 - 3b. Purchase existing seismic data and reprocess if necessary
 4. Determine thermal conductivity of samples from wells
 5. Geochemical modeling of equilibria in Theresa Fm.
 6. Provide tech services to initiate well drilling project
 7. Quarterly and final reports

Recommendations

- Delete task 3a - Acquire new seismic data
 Partial effort 3b - Evaluate existing seismic data.
 Delete tasks 5, 6. Purchase/reprocess existing seismic data

Add 6b - Evaluate possible economics of geothermal utilization, in consideration of: fluid temperatures, production depths, well drilling costs, possible flow rates, probable utilization value of thermal fluids.

Recommend partial funding

Proposal #6 - UNLV - Geothermal Fluid Genesis in Great Basin

- Task 1 Collect & evaluate existing data
- Task 2 Format data base
- Task 3 Sample geothermal fluids: elements, isotopes, etc.
- Task 4 Isotope analysis of selected archaeological material
- Task 5 Procure ice/snow cores
- Task 6 Data interpretation and synthesis
- Task 7 Integrate detailed geochemical data, etc
- Task 8 Reporting.

Recommendation

Partial Funding:

Delete tasks: 1c, 1d

Task 4

Task 5

Proposal
#7

Hawaii - Dept. Planning & Econ. Development.

Task 3.1 The Brine SubProject.

Task 3.2 The Gas Injection SubProject

Task 3.3 The Reservoir Optimization Subproject.

Recommendation: Partial Funding

Fund Task 3.1 (silica study)

Delete Tasks 3.2
3.3

} underway at HGI
and by developers

Proposal #8 New Mexico Research and Development Inst - RADON STUDY

Task 1: Soil-Depth Profile - radon study

- 2. Tortugas Mtn. Survey
- 3. Radium Springs Survey
- 4. Rincon Survey
- 5. Picacho Survey
- 6. Discussion, Interpretation, Final Report
- 7. Target of Opportunity

Recommendation: Partial Funding

Delete: One survey area Task 4 or 5?
Target of Opportunity, Task 7

Reduce size of other survey areas to be more selective about radon sampling. Be more specific

Proposal #9 New Mexico Research and Development Inst - Tularosa Basin

- Task 1 Data Acquisition
- 2 Thermal Data Mapping
- 3 Soil Mercury Studies
- 4 Detailed Gravity Studies
- 5 Detailed Magnetic Studies
- 6 Heat Flow Drilling
- 7 Reports

Recommendation:
Do NOT FUND

Phase I. Acquire, collate, evaluate existing data

Phase II.

- Task 1. study stratigraphy, sedimentology, reservoir properties, etc
2. Photogeologic/remote sensing
3. Geochemical mapping
4. Temperature profiles
5. Thermal Analysis
6. Simple groundwater modeling
7. Acquire new deep subsurface & geophysical data
8. Deep elec. resistivity investigations.
9. Outcrop sampling and physical property testing
10. Gravity and magnetic data as fill in.

Phase III. Interpretation, evaluation, reporting

Recommendations - Partial Funding.

Delete from Phase II: Task 2, 8, 9, 6
reduced effort: Task 1.

Task 6 can be performed as a simple conceptual groundwater model rather than a formal complex numerical modeling which may be unjustified with a limited data base

Proposal
* 11

Washington State Energy Office

- Task 1 - Evaluate completed portion of program GEODIM
- Task 2 - Study plans for program completion, modification
- 3 - Determine, with Univ. of Lund, input and output procedures
- 4 - Modify program as needed, complete new portions of program
- 5 - Field test and calibrate program against reference system (Lund)
- 6 - Field test on 4 selected U.S. geothermal systems
- 7 - Revise, modify program as needed.
- 8 - Complete work on GEODIM user manual, code, documentation
- 9 - Recommendations to operators of tested systems
- 10 - Publish user manual and distribute

Recommendation

- Partial funding (80-100%) to complete and test program
- possibly reduce U.S. application areas from 4 to 3 to make some economies
- Any foreign travel should be a state cost-share item

Desert Research Institute - UN - Moana Geothermal System

Task I. Inventory/Assessment of Existing Data

Task II. Data Collection - (well measurement, etc)

Task III. Model Calibration/Verification

IV. Reservoir Simulation: Development Scenarios

V. Report Preparation

Recommendation:

- All tasks seem essential to successful completion of project
- Fund if significant economies could be made to reduce total DOE cost

Task 1. Twin Falls County Geothermal System
Methodology items 1-11

Task 2. Boise Geothermal Aquifer Study
Methodology items 1, 2

Task 3. - Wood River Geochemistry of Geothermal Systems
Methodology items 1-6

Recommendation:

Tasks 1 and 2 are clearly more important than Task 3. as both the Twin Falls and Boise systems are heavily developed and show signs of stress.

Funding: Task 2 should be completed as indicated however services of a part time consultant reservoir engineer should not exceed \$30,000.

Task 1: Items 8 & 10 are most important
Items 6, 9, 5 are least important

Task 3: Items 1-6 all seem appropriate for this study.

* Partial Funding consistent with above: Reservoir Engineer of Task 2 should be hired by or report directly to DWR

Proposal

14

Mining & Mineral Resources Research Inst, U.N.D.

- Task 1 - Temperature Measurements ND + SD
- 2 - Analysis of BHT data for Thermal Anom "
- 3 - Analysis of Thermal Conduct. of Core "
- 4 - Drill four shallow (150-300m) heat flow holes, ND
- 5 - Drill four shallow () heat flow holes, SD
- 6 - Assimilate and analyze reservoir data
- 7 - Compile Stratigraphic data for ND + SD into data base
- 8 - Analyze data and calculate the geothermal resources
- 9 - Dissemination of results

Recommendation:

Full funding - do not want to reduce completeness of this comprehensive study.

Proposal #

17

Utah Geological & Mineral Survey - Newcastle

- Task 1. Literature search and background data compilation
2. Mapping surficial deposits and Quaternary structures
3. Geologic mapping of bedrock
4. Detailed gravity and magnetic studies
5. Geochemical studies
6. Thermal Gradient Drilling - 2 @ 1,000 ft.
7. Data Evaluation / Interpretation
8. Reporting.

Recommendation: All tasks are important for the completion of this study.

Proposal

18

California - State Lands Commission - with LBL

- Task 1 Fundamental research of the fracture / fault characteristics of the Geysers
- Task 2 Study natural thermodynamic conditions / estimate mass / heat reserves at The Geysers
- Task 3 Prepare reports & database
- Task 4 Reporting and scheduling

Recommendation:

This is a good proposal for a quality study of the best hydrothermal resource.

The work should be funded, but since all the technical work would be done by a national lab, LBL, funding should not come from the State Coop PRDA

Proposal
#22

Oregon - DOGAMI

Task 1. Site Selection

Task 2. Permitting and Contracting

Task 3. Drilling - One hole @ 650m

Task 4. Preliminary Data Analysis

Task 5. Core Curation

Task 6. Reporting

Recommendation

Only Task 1, a site selection study, should be funded. There is a large risk that a 650m drill hole in this area of high recharge would not penetrate the rain curtain.

The siting study would have value in furthering the Deep Continental Drilling Project.

Proposal
#23

California Energy Commission - Wilbur Hot Springs.

Task 1A Literature Search - Wilbur Hot Springs
1B Geologic Field Reconnaissance
1C Temperature-Gradient Well Drilling 1 well 700m

Task 2A Technical Data Collection - Power Cycles
2B Tech. Data Validation and Assessment
2C Technology Database Development

Task 3 Site specific Geothermal Technology Characterization
for resources, No. California
A. Wilbur H.S.
B. Geothermal Atlas in Northern California

Task 4 Final Report Preparation

Recommendation

Funding of all tasks, as funding permits.

Proposals Not Recommended For Funding

Proposal #

By

- | | | |
|----|---|------------------|
| 2 | Arizona Solar Energy Comm. | |
| 9 | New Mexico Research & Development Inst | - Tularosa Basin |
| 15 | Oregon - Dept. of Energy | |
| 16 | Louisiana State Univ - Dept. Pet. Engr | |
| 19 | California Energy Commission - | |
| 20 | Arkansas Mining & Min. Resources Res. Inst. | |
| 21 | American Samoa | |

H. Ross
June 23, '87

OFFICIAL USE ONLY

PROPOSAL EVALUATION/RATING PLAN

FOR

PRDA NO. DE-PR07-87ID12662

STATE GEOTHERMAL RESEARCH AND DEVELOPMENT

OFFICIAL USE ONLY

STATE GEOTHERMAL RESEARCH AND DEVELOPMENT

PROCESSING AND EVALUATION PROCEDURES

Receipt of Proposals

Proposals are to be delivered to 785 DOE Place in accordance with the solicitation. The Procurement Member is to date stamp each box as received. The SEP Procurement Member will open the boxes after the closing time and will record from the boxes the date and time received and by whom it was received. The receipt log will contain other information as determined by the SEP Procurement Member.

The proposals will be numbered as they are opened and the number entered into the log. The proposals will be checked to see that there are eight copies consecutively numbered from 1 to 8 as per the solicitation. Proposals that are received late are to have two people attest to the time of receipt and the boxes are to remain unopened until the Panel meets and determines the proper actions to take in accordance with the regulations.

Control of Proposals

The original (copy #1) will be retained by the Procurement Member as the file copy. Each Panel member will be assigned a specific copy for their use. The Source Evaluation Panel (SEP) members will be assigned a specific copy or check out copies depending on the availability. Each individual is responsible for the copies assigned to them and must keep them under control. When not in use the proposals must be stored in a locked room or cabinet. All proposals must be accounted for at the completion of the evaluation period and stored in a locked cabinet.

Preliminary Evaluation

A preliminary evaluation will be performed by the Panel to see if each proposal meets the minimum requirements. The Panel will review and concur on any proposal that is disqualified as not meeting the minimum requirements. The Chairman will provide written notification promptly to each proposer who has been eliminated from further consideration.

Detailed Evaluation

The technical and business proposals will be evaluated by each of the Source Evaluation Panel (SEP) members. Each Panel Member will complete an evaluation of each proposal and develop tentative strengths and weaknesses and assess whether they are correctable with respect to each evaluation subcriterion.

Each member of the Source Evaluation Panel will evaluate each subcriterion of the technical and business evaluation criterion for each proposal. Each member will score each subcriterion with a numerical score from 0 to 10 using only the numbers from the following table:

Table of Scores

- 10 Excellent. The proposal satisfies the requirements of the Subcriterion in a well organized, substantiated, and complete manner. Valid and viable solutions to minor weaknesses are identified by the proposer. The absence of solutions may be offset by strengths identified. No major weaknesses are identifiable.
- 8 Above Average. The proposal satisfies the requirements of the subcriterion in an organized and substantiated manner. Minor weaknesses may be acceptable. No major weaknesses are identifiable.
- 5 Average. The proposal generally satisfies the requirements of the subcriterion. Major weaknesses are offset by strengths. Minor weaknesses are evident in the proposal.
- 2 Below Average. The proposal is weak in responding to the requirements of the subcriterion either by being unclear, by unsubstantiated statements, by a lack of information, or by virtue of a major weakness in the information being presented (e.g. technically invalid information, information which is detrimental to the potential success of the project and for which no solution is identified).
- 0 Poor. The proposal does not meet the requirements of the subcriterion or fails to address the subcriterion in any satisfactory fashion.

Each SEP Member will individually assign a point score to each evaluation criterion of each proposal and enter it on the attached SEP form. The score will be determined by the definition that best represents the relative quality of the proposer's response to that element.

Each member will prepare a written justification at the subcriterion level for the assigned scores emphasizing strengths, weaknesses, and desired additional clarification.

Scores Derivation

The entire SEP will meet and discuss the findings of their individual evaluations. The discussion will proceed by subcriterion for each qualified proposal. The members shall thoroughly discuss the strengths and weaknesses of each proposal's response to a given subcriterion. The voting members of the SEP will then arrive at a consensus as to those strengths and weaknesses and as to that proposal's score under that subcriterion. The consensus score will be the numeral 0, 2, 5, 8, or 10 which best represents the proposal quality, as defined by the above table, in the opinion of the voting members of the SEP. If no consensus score can be decided upon then the arithmetic average of the voting member's individual scores may be used as the consensus.

The consensus score for each subcriterion will then be weighted and summed for a total consensus point score for each proposal. The total scores for each proposal must also reflect the consensus of the SEP.

The SEP may then determine the competitive range. The SSO will be informed of the competitive range determination and, provided he has no objections to the range, it will be documented as determined. The Chairperson will promptly notify those proposers who have been eliminated from further competition. The SEP will determine the issues to be discussed with each proposer in the competitive range and whether a site visit will be needed. Specific information desired will be defined and those proposers in the competitive range will be notified. A common due date will be required for submittal of any additional information requested of those in the competitive range. This additional information will be evaluated by the SEP and adjustments made to the consensus scoring in the same manner as the original evaluation and scoring. This will result in the final score and rank for each proposal in the competitive range.

The SEP may also choose not to make a competitive range determination by determining instead that sufficient information is available in the proposals as received to make a selection. The SSO will be notified and the SEP report will be prepared. If no competitive range determination is made the initial total consensus score shall result in the final scores and ranking for the proposals.

Evaluation of Cost

The Technical and Finance members of the SEP will be responsible for preparing the probable cost estimate to the Government of each qualified proposal. The probable cost estimates will be presented to the SEP at the time of consensus scoring discussions. A comparative analysis of the proposer's costs will be made and considered by the SEP in determining the competitive range.

Other Factors

The SEP members may also identify for SEP consideration any other factors that are generally relevant to the evaluation and selection process and that should be given consideration by the Source Selection Official.

Final Report

Upon completion of the final rankings of the proposals the SEP will prepare its final report and submit it to the Source Selection Official.

MINIMUM REQUIREMENTS

Evaluator _____

Proposal No. _____

Proposer _____

Please check if the proposer meets the following minimum requirements:

- _____ The proposer must be a state or designated by the state as being responsible for geothermal resources within the state.
- _____ The major area of the proposed research must be: a) resource assessment; b) resource development; or, c) technical assistance and related activities on hydrothermal systems. (The proposal should address only one major area.)
- _____ The proposed research must be on or related to hydrothermal resources, and the states and/or state-designated organizations from which the proposals are received must have a significant hydrothermal resource base as defined by DOE research programs or by U. S. Geological Survey Circular 790 or 892. If the resource is not owned by the proposer and the research involves the use of the resource, the proposer must show that it has right of access to the resource.
- _____ The proposed worksite must be in-state or have written approval from the appropriate executive in the other state(s) where the proposed work is to be done.

Comments:

CRITERIA EVALUATION

Evaluator _____

Proposal No. _____

Proposer _____

(a) Criterion A - Statement of Work

- (1) Usefulness of the proposed research on resource assessment, resource development, or technical assistance and related activities to industry and others in the development of geothermal resources.

Strengths:

Weaknesses:

Clarification of Information Desired:

(a)(1) Score _____

CRITERIA EVALUATION

Evaluator _____

Proposal No. _____

Proposer _____

(a) Criterion A - Statement of Work

- (2) Technical quality of the proposed work, including consideration of the merit of the proposed approach and probability of achieving positive results.

Strengths:

Weaknesses:

Clarification of Information Desired:

(a)(2) Score _____

CRITERIA EVALUATION

Evaluator _____

Proposal No. _____

Proposer _____

(a) Criterion A - Statement of Work

(3) The significance of the hydrothermal resource base.

Strengths:

Weaknesses:

Clarification of Information Desired:

(a)(3) Score _____

CRITERIA EVALUATION

Evaluator _____

Proposal No. _____

Proposer _____

(b) Criterion B - Qualification and Capabilities

- (1) Key personnel will be evaluated as to their capability, knowledge and understanding of the technology involved in the proposed work, as demonstrated by education, publication, and work experience.

Strengths:

Weaknesses:

Clarification of Information Desired:

(b)(1) Score _____

CRITERIA EVALUATION

Evaluator _____

Proposal No. _____

Proposer _____

(b) Criterion B - Qualification and Capabilities

- (2) Proposing organization's and subcontractor's capabilities with regard to availability of the necessary facilities and support. Also, past technical performance.

Strengths:

Weaknesses:

Clarification of Information Desired:

(b)(2) Score _____

CRITERIA EVALUATION

Evaluator _____

Proposal No. _____

Proposer _____

(c) Criterion C - Cost-Sharing

The degree of cost-sharing and the ability of the offeror to provide its cost-share commitment.

Strengths:

Weaknesses:

Clarification of Information Desired:

(c) Score _____

CRITERIA EVALUATION

Evaluator _____

Proposal No. _____

Proposer _____

(d) Criterion D - Project Financial Plan

Determine the realism and reasonableness of the proposed costs, manhours, duration of the total project and adequacy of cost breakdown by cost element and tasks (Federal Assistance Budget Information Form).

Strengths:

Weaknesses:

Clarification of Information Desired:

(d) Score _____

CRITERIA EVALUATION

Evaluator _____

Proposal No. _____

Proposer _____

Proposed Cost - Reasonableness of cost and probable cost to the Government will be considered. The proposed costs will be considered as an indicator of the offeror's understanding of the work. The question to be determined by the Source Selection Official is whether an otherwise better proposal is with the apparent cost difference.

Comments:

Clarification of Information Desired:

T2e-1097K

STATE TEAM DELIVERABLES

Short Form Summary, 5 May 1987

TEAM	1987												1988		
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR
AK-DGGS	Q			1-Q	15-F										
			DF m3		F m3										
AZ-K/Ar												15-DFm1		31-Fm1	
IDAHO	Q			Q	1-Fm5				NCIE req.						31
MONT	Q	28-F		NCIE req.		15-F									
	DF m3	m3			DF										
NM	Q			Q					30		Q	16-DF m3		31-F m3	
ND	Q		16-DFm2		1-Fm2				NCIE req.						1-F
ORE-DOGAMI	Q			Q		16-DTR ml		Q	1-TR ml		Q	Continues to 7/31/88		F	NCIE req.
SMU (Cascade Range)	Q			Q		16-DF ml		Q	31-F ml						
WASH	Q		16-maps			30-DF									30-Fm8
WYO.	Q		16-DF			30-NCIE									Fm1

Q: Quarterly Reports	DTR: Draft Tech Rept.
F: Final Report	TR: Tech Rept.
DF: Draft Final Report	m: Mod. Number
NCIE: No cost time extension	

CONTRACTS COMPLETED: UTAH (12-12-86) AK-GI (12-7-86) WYO (5-4-87)	OTHER: U. FL. P.O. (6-30-87) (Work in progress)
---	--

PRDA EVALUATION CRITERIA

HAR
6/22/87

Technical Proposal = 75%
Business Proposal = $\frac{25\%}{100\%}$

I Technical Proposal

A.			
A-1	^{50w} Usefulness of proposed research	.33 $\frac{1}{3}$	
A-2	Technical quality	.20	
A-3	Significance of resourcebase	.13.3	
B	Qualifications and Capabilities		
B-1	Key Personnel	.20	
B-2	Organization & Subcontractor	<u>.133</u>	
		1.000	= 100% Tech.

II Business Proposal

C.	Cost sharing	.80	
D.	Project Financial Plan	<u>.20</u>	
		1.00	= 100% Bus.

Sec. III EVALUATION CRITERIA

4/7/87
WPR/Res

Tech Criteria = 3X Business Criteria

A = 2B

A.1 = A/2 = 0.3333

A.2 = 1/2 A.3 = 0.19998

A.3 = 0.13332

A = .666 Tech

B = .333 Tech

A.1 = .333 Tech

A.3 + 1.5A.3 = .333 Tech = A/2

2.5A.3 = .333

A.3 = $\frac{.333}{2.5} = 0.13332$

B = A/2 = .3333

B.1 = 1/2 B.2 = 0.19998 ≈ 20%

B.2 = 0.13332

B.1 + B.2 = .3333 = 2.5B.2

A.2 = 1.5A.3 = 0.19998

A.1 = A/2 = 0.3333

A.1 + A.2 + A.3 = 0.6666

B.2 = $\frac{.3333}{2.5} = 0.13332$

A.1 = 0.333 = 33.3%

A.2 = 0.19998 ≈ 20.0%

A.3 = 0.13332 ≈ 13.3%

B.1 = 0.1998 ≈ 20.0%

B.2 = 0.1333 ≈ 13.3%

≈ 99.9%

Business Proposal

C = 4D

4D + 1D = 100%

5D = 100%

D = 20%

C = 4D = 4(20) = 80%

UURI

EARTH SCIENCE LABORATORY
391 CHIPETA WAY, SUITE C
SALT LAKE CITY, UTAH 84108-1295
TELEPHONE 801-524-3422

M E M O R A N D U M

TO: Marshall Reed
Kenneth Taylor

FROM: Howard Ross

SUBJECT: State Cooperative Program - Grants Status
Update to February 1, 1988

January has been an active month for the State Cooperative Program and the accompanying Quarterly Report of January 15, 1988 does not reflect several significant changes in grant status. These changes are updated here.

Alaska-DGGS Final report on Mt. Spurr studies received 1/04. Report acknowledges incorrect grant number and did not include a disclaimer statement. DGGS will submit an Errata statement for inclusion in the reports which were distributed. Otherwise this grant is ready for close out.

U. Arizona Dr. Damon is currently working on eight K-Ar samples in addition to 10 already completed. Washington-DNR will submit several samples as soon as a new grant is in place. Dr. Damon has agreed to ask for another no cost time extension to 12/31/88.

Idaho-DWR Leah Street's DWR final report and the Boise State U. subcontract final report were received on January 11. The USGS subcontract report on the Twin Falls County study is still held up in printing. Leah will request a no cost time extension to Feb. 29 to cover the anticipated delay in this report and related payments.

MT-MCMS&T Dr. Bill Sill acknowledges additional problems in getting a student to finish the CSAMT thesis (and report to DOE) and plans to make the changes himself in order to complete this long overdue deliverable. He will request a no cost time extension to Feb 29 or March 31 for the grant.

NM-NMRDI .

A draft final report was received from Dr. Larry Icerman on Feb. 1. The report is being reviewed and should be completed by Feb.12. Larry will request a no cost time extension to February 29 to allow for time to complete the final report.

SMU

Dr. Dave Blackwell says the draft final report is nearly ready and should be sent out in early February. He will request another time extension for March 31 to complete final reporting.

Howard

Howard Ross
Project Manager

UURI

EARTH SCIENCE LABORATORY
391 CHIPETA WAY, SUITE C
SALT LAKE CITY, UTAH 84108-1295
TELEPHONE 801-524-3422

MEMORANDUM

TO: Marshall Reed
Kenneth Taylor

FROM: Howard Ross

SUBJECT: State Cooperative Program - Status of Existing
Contracts, January 1, 1988

Date: January 15, 1988

Enclosed is a brief summary of the status of State Cooperative Program (SCP) contracts as of January 1, 1988. Additional delays have prevented the scheduled delivery of final reports from: Alaska-DGGS; Idaho-DWR; Montana; New Mexico; and SMU. The Geothermal Resource Map of South Dakota is still an outstanding deliverable for the North Dakota team.

No cost time extensions were completed during the last quarter for the Alaska-DGGS, Idaho-DWR, New Mexico, and Southern Methodist SCP teams. It appears that additional time extensions will be required by the Arizona and Montana teams during the next quarter.

Statements of Work and Technical Evaluation forms have been completed at UURI for the four highest ranking proposals submitted under the 1987 PRDA, and these have been forwarded to DOE/ID for inclusion in the new Grant awards. Please call me if there are any questions regarding the status of the existing grants.



Howard P. Ross
Project Manager

STATE TEAM DELIVERABLES

Short Form Summary, 1 January 1988

TEAM	1987			1988								
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
AK-DGGS	Q	16	31									
		NCTE DF m4	F m4									
AZ-K/Ar			15	31								
			F m1	F m1								
IDAHO				31								
		NCTE	F m7									
MONT				31								
		NCTE	F m5									
NM	Q	16	31									
		DF m3	F m3									
ND	map due - Grant closed out)											
OREGON	Q			Q			Q					
								(F m5		due 10/31/88)		
SMU	Q			31								
		NCTE	(F m3)									

CONTRACTS COMPLETED:
 UTAH (12/12/86)
 AK-GI (12/7/86)
 WYO (5/4/87)
 WASH (5/8/87)
 FL PO (7/15/87)

Q: Quarterly Rep. DTR: Draft Tech Rep
 F: Final Report TR: Tech Report
 DF: Draft Final Rep m: Grant Mod. No.
 NCTE: No cost time extension

ALASKA-DGGS Grant DE-FG07-84ID12524; M001, A002, M003,
M004;
M005 requested.

Dr. Roman J. Motyka, P.I.

Mod. 004 Extends contract period to May 15, 1987; NCTE
request to December 31, 1987 is pending.

Mod. A002 Tasks 1-5. Geothermal energy investigations for
the area of Mt. Spurr volcano, including petrographic,
microprobe, geochemical studies, final reporting. Draft
final report received for review at UURI on 11/19/87.

Task 6. Annotated Bibliography and other data
(Completed 3/23/87).

Task 7. Management and reporting.

Total Funding Authorized	\$ 67,766
Invoices 1 and 2 (thru 12/31/87)	67,766
(less \$9,891 withheld-PAMB)	<hr/>
Total Funds Remaining	\$ 9,891

ARIZONA- K/Ar Dating Grant DE-FG07-586ID12622; M001

Dr. Paul E. Damon, P. I.

Mod. M001 extends original contract to Jan. 31, 1988

Task 1. Complete 40 K/Ar dates of young geological samples
in support of researchers funded under other DOE geothermal
programs. Provide management and reporting.

Project Status: 10 Samples completed through 12/31/87, @
\$750 each. Eight additional samples submitted, work in
progress. Contract will require an additional no cost time
extension. New SCP grants may utilize this dating service.

Total Funding Authorized	\$ 29,999
Invoices 1 and 2 (thru 12/31/87)	7,500
Total Funds Remaining	<hr/> \$ 22,499

IDAHO-DWR Grant DE-FG07-84ID12549; M001, M002, A003, M004, M005, A006.

Ms. Leah V. Street, P. I.

Mod. A006 extended contract period to Sept. 30, 1987 with no increase in funding. No cost time extensions requested in September and December to extend Grant completion date to Feb.29, 1988.

Original Grant Tasks 1, 2, 4; A003 Tasks 1-7. Geothermal resource studies in the Twin Falls-Banbury area; well monitoring, geochemical studies, management, reporting, etc.

Original Grant Task 3. Monitor and characterize Boise geothermal resource. Prepare reports. Subcontract to Dr. Charles Waag, Boise State University.

Project Status: Draft final report has been reviewed. Final changes to figures in progress. Draft was held up in Idaho-DWR administrative review for over one month. Final report now expected early January. Final report by Boise State University also expected in early January.

Total Funding Authorized	\$ 158,579
Invoices 1-20 (thru 9/30/87)	\$ 120,000
Funds Remaining (includes subcontract \$\$)	\$ 38,579

MONTANA-MCMS&T Grant DE-FG07-84ID12525; M001, M002, M003, M004

Dr. Charles Widman, Dr. William R. Sill, P.I.'s.

Original grant extended from 12/11/85 to 6/30/87 by amendments M001-M004. A request for a no cost time extension to 12-31-87 was submitted to DOE/ID.

Tasks 1-7. Complete detailed CSAMT and gravity surveys in the Ennis Hot Springs area, Montana. Interpret data, complete reports, provide management. Field work and studies will be completed as two M. S. thesis projects.

Project Status: Draft final reports (two) have been reviewed for both studies. A final report for the gravity study at Ennis Hot Springs was submitted to DOE/ID on 12/21/88. The CSAMT report was not completed by December 31, 1987. Another time extension may be required.

Total Funds Authorized	\$ 93,421
Invoices 1-7 (thru 3/31/86 less \$2290.85-PAMB)	\$ 93,421
Total Funds Remaining	\$ 2,290.85

NEW MEXICO-NMRDI Grant DE-FG07-84ID12546; M001, M002, M003

Dr. Larry Icerman, P. I.

Mod. M003 revised statement of work. Project period ends December 31, 1987. NCTE requested to 2/29/88.

Task 4.1 Compilation of geothermal data for south-central New Mexico. Subcontract to New Mexico State University.

Task 4.2 Geothermal reservoir hydrology of the Animas Valley - abbreviated study by Lightning Dock Geothermal, subcontractor.

Task 4.3 Geothermal reservoir assessment of the Orogrande area, Tularosa Basin, New Mexico; thermal gradient and geologic study by Lightning Dock Geothermal, subcontractor.

Task 5. Reporting and management.

Project Status: Draft reports by NMSU and Lightning Dock Geothermal have been received by NMRDI. Revisions and additions are in progress. Project (as revised) is on schedule.

Total Funding Authorized	\$ 109,970
Invoics 1-4 (thru 10/8/87)	\$ 67,548
Total Funds Remaining	\$ 42,422

NORTH DAKOTA-NDMMRI Grant DE-FG07-85ID12606; M001, M002, M003.

Dr. Wil Gosnold, P. I.

Original grant extended to 7/1/87 by Mods. M001-M003.

Tasks 1-4. Complete a geothermal resource assessment of South Dakota.

Task 5. Prepare a geothermal resource map of South Dakota (at a scale of 1:1,000,000).

Project Status: Final report covering Tasks 1-4 received on 8/7/87. Work more than 80% completed on Task 5, and map delivery expected during first quarter 1988.

Total Funding Authorized	\$ 47,000
Invoices 1-7 (thru 6/30/87)	\$ 47,000
Funds Remaining	\$ 0

OREGON - DOGAMI Grant DE-FG07-84-ID12526; M001, A002

Dr. George R. Priest, P. I.

Original grant extended by Mods. M001, A002, M005 to October 31, 1988. Active tasks are:

Task I. Prepare and publish a geologic map of about 15 square miles centered on the CGTH-1 drill site, east half of Breitenbush 15' topographic quadrangle.

Task II. Conduct studies on rocks and available well core to define mappable lithologic units, CGTH-1 drill site area.

Task III. Prepare a comprehensive report containing geologic and geothermal implications and possible geologic models.

Total Funding Authorized (thru 002)	\$ 359,357
Invoices 1-38 (thru 12/14/87)	\$ 264,527

Total Funds Remaining	\$ 94,830
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SMU - (Cascade Range) Grant DE-FG07-86ID12623; A001, A002

Dr. David D. Blackwell, P. I.

Original grant to compile heat flow map of the U.S. extended by Mod A001 to add new heat flow studies in Cascades holes. Mod A002 added funds and extended contract period to September 30, 1987. No cost time extension to 12/31/87.

Task I. Compile existing data to generate heat flow map of the United States; compile data about temperatures in regional aquifers. Compile additional geothermal data. Assemble heat flow data in a comprehensive data base. Prepare and publish a report.

Task II. (A001) Conduct thermal gradient, conductivity and other measurements in Cascades drill holes. Calculate heat flow values. Interpret results in terms of regional tectonic and geothermal models.

Project Status: Heat flow map of the U.S. has not yet been submitted to GSA for printing. Final measurements in Cascade holes have been completed. Final report may require two more weeks time to complete draft. Dr. Blackwell has been asked to request a no cost time extension.

SMU Cascade Range (continued)

Total Funding Authorized (thru 9/15/87)	\$ 115,790
Invoices 1-7 (thru 7/21/87)	\$ 97,817
Total Funds Remaining	<u>\$ 17,973</u>

UURI

EARTH SCIENCE LABORATORY
391 CHIPETA WAY, SUITE C
SALT LAKE CITY, UTAH 84108-1295
TELEPHONE 801-524-3422

MEMORANDUM

TO: Peggy A. M. Brookshier
Susan M. Prestwich
Marshall Reed

FROM: Howard Ross

SUBJECT: State Cooperative Program - Status of Existing
Contracts, October 15, 1987

DATE: October 26, 1987

Enclosed is a brief summary of the status of State Cooperative Program (SCP) contracts. Final reports are due or expected during this quarter from: Alaska-DGGS; Idaho; Montana; New Mexico; and SMU. North Dakota has delivered their final report, but the Geothermal Resource Map of South Dakota has not been completed.

No-cost time extensions are in progress for the Alaska and Montana teams, and may also be required for the Idaho, Southern Methodist, and Arizona (K/Ar dating) teams. Only the Arizona and Oregon contracts should extend well into 1988.

Howard Ross

Howard P. Ross
Project Manager

STATE TEAM DELIVERABLES

Short Form Summary, 15 October 1987

TEAM	1987						1988					
	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
AK-DGGS	Q	-----	-----	Q	-16-	-31						
				(NCTE req.)	DF	m4	F	m4				
AZ-K/Ar						15	-----	31				
						DF	m1	F	m1			
IDAHO	Q	-----	30	-----								
			F	m6								
MONT	F	-----	-----	Q	-----	31						
	m4			(NCTE req.)		F	m5					
NM	Q	-----	-----	Q	-----	16	-----	31				
						DF	m3	F	m3			
ND	1	-----	-----	Q	-----							
	F	m4		(map due - Grant closed out)								
OREGON	Q	-----	1	-----	Q	-----	-----	Q	-----	Q	-----	-----
			TR	m1					(F	m5	due 10/31/88)	
SMU	Q	-----	31	-----	30	-----	Q	-----	-----	-----	-----	-----
	F	m1		(F	m2)	(NCTE needed)						

CONTRACTS COMPLETED:
 UTAH (12/12/86)
 AK-GI (12/7/86)
 WYO (5/4/87)
 WASH (5/8/87)
 FL PO (7/15/87)

Q: Quarterly Rep. DTR: Draft Tech Rep
 F: Final Report TR: Tech Report
 DF: Draft Final Rep m: Grant Mod. No.
 NCTE: No cost time extension

ALASKA-DGGS Grant DE-FG07-84ID12524; M001, A002, M003, M004;
M005 requested.

Dr. Roman J. Motyka, P.I.

Mod. 004 Extends contract period to May 15, 1987; NCTE
request to December 31, 1987 is pending.

Mod. A002 Tasks 1-5. Geothermal energy investigations for
the area of Mt. Spurr volcano, including petrographic,
microprobe, geochemical studies, final reporting.

Task 6. Annotated Bibliography and other data
(Completed 3/23/87).

Task 7. Management and reporting.

Total Funding Authorized	\$ 67,766
Invoices 1 and 2 (thru 5/15/87)	67,766
(less \$9,891 withheld-PAMB)	<hr/>
Total Funds Remaining	\$ 9,891

ARIZONA- K/Ar Dating Grant DE-FG07-586ID12622; M001

Dr. Paul E. Damon, P. I.

Mod. M001 extends original contract to Jan. 31, 1988

Task 1. Complete 40 K/Ar dates of young geological samples
in support of researchers funded under other DOE geothermal
programs. Provide management and reporting.

Project Status: 10 Samples completed through 9/31/87, @
\$750 each. Contract will require an additional no cost time
extension. New SCP grants may utilize this dating service.

Total Funding Authorized	\$ 29,999
Invoices 1 and 2 (thru 9/31/87)	7,500
Total Funds Remaining	<hr/> \$ 22,499

IDAHO-DWR Grant DE-FG07-84ID12549; M001, M002, A003, M004, M005,
A006.

Ms. Leah V. Street, P. I.

Mod. A006 extended contract period to Sept. 30, 1987 with no increase in funding.

Original Grant Tasks 1, 2, 4; A003 Tasks 1-7. Geothermal resource studies in the Twin Falls-Banbury area; well monitoring, geochemical studies, management, reporting, etc.

Original Grant Task 3. Monitor and characterize Boise geothermal resource. Prepare reports. Subcontract to Dr. Charles Waag, Boise State University.

Project Status: Draft final report has been reviewed. Final changes to figures in progress. Printing by state offices; should be ready. Final report expected by 10/31/87. DOE/ID has problems with Dr. Waag's report on the Boise Geothermal System. Wording changes have been forwarded to Leah Street.

Total Funding Authorized	\$ 158,579
Invoices 1-20 (thru 9/30/87)	\$ 120,000
Funds Remaining (includes subcontract \$\$)	\$ 38,579

MONTANA-MCMS&T Grant DE-FG07-84ID12525; M001, M002, M003, M004

Dr. Charles Widman, Dr. William R. Sill, P.I.'s.

Original grant extended from 12/11/85 to 6/30/87 by amendments M001-M004. A request for a no cost time extension to 12-31-87 is in progress.

Tasks 1-7. Complete detailed CSAMT and gravity surveys in the Ennis Hot Springs area, Montana. Interpret data, complete reports, provide management. Field work and studies will be completed as two M. S. thesis projects.

Project Status: Draft final reports (two) have been reviewed and most changes have been completed. Trouble getting one student to complete thesis requirements after taking job in eastern U. S. Reports should be completed by December 31, 1987.

Total Funds Authorized	\$ 93,421
Invoices 1-7 (thru 3-31-86, less \$2290.85-PAMB)	\$ 93,421
Total Funds Remaining	\$ 2,290.85

NEW MEXICO-NMRDI Grant DE-FG07-84ID12546; M001, M002, M003

Dr. Larry Icerman, P. I.

Mod. M003 revised statement of work. Project period ends December 31, 1987.

Task 4.1 Compilation of geothermal data for south-central New Mexico. Subcontract to New Mexico State University.

Task 4.2 Geothermal reservoir hydrology of the Animas Valley - abbreviated study by Lightning Dock Geothermal, subcontractor.

Task 4.3 Geothermal reservoir assessment of the Orogrande area, Tularosa Basin, New Mexico; thermal gradient and geologic study by Lightning Dock Geothermal, subcontractor.

Task 5. Reporting and management.

Project Status: Draft reports by NMSU and Lightning Dock Geothermal have been received by NMRDI. Revisions and additions are in progress. Project (as revised) is on schedule.

Total Funding Authorized	\$ 109,970
Invoics 1-4 (thru 10/8/87)	\$ 67,548
Total Funds Remaining	\$ 42,422

NORTH DAKOTA-NDMMRI Grant DE-FG07-85ID12606; M001, M002, M003.

Dr. Wil Gosnold, P. I.

Original grant extended to 7/1/87 by Mods. M001-M003.

Tasks 1-4. Complete a geothermal resource assessment of South Dakota.

Task 5. Prepare a geothermal resource map of South Dakota (at a scale of 1:1,000,000).

Project Status: Final report covering Tasks 1-4 received on 8/7/87. Work more than 70% completed on Task 5, and map delivery expected during fall quarter 1987.

Total Funding Authorized	\$ 47,000
Invoices 1-7 (thru 6/30/87)	\$ 47,000
Funds Remaining	\$ 0

OREGON - DOGAMI Grant DE-FG07-84-ID12526; M001, A002

Dr. George R. Priest, P. I.

Original grant extended by Mods. M001, A002, M005 to October 31, 1988. Active tasks are:

Task I. Prepare and publish a geologic map of about 15 square miles centered on the CGTH-1 drill site, east half of Breitenbush 15' topographic quadrangle.

Task II. Conduct studies on rocks and available well core to define mappable lithologic units, CGTH-1 drill site area.

Task III. Prepare a comprehensive report containing geologic and geothermal implications and possible geologic models.

Total Funding Authorized (thru 002)	\$ 359,357
Invoices 1-35 (thru 7/31/87)	\$ 249,217
Total Funds Remaining	\$ 110,140

SMU - (Cascade Range) Grant DE-FG07-86ID12623; A001, A002

Dr. David D. Blackwell, P. I.

Original grant to compile heat flow map of the U.S. extended by Mod A001 to add new heat flow studies in Cascades holes. Mod A002 added funds and extended contract period to September 30, 1987. Another no cost time extension is needed.

Task I. Compile existing data to generate heat flow map of the United States; compile data about temperatures in regional aquifers. Compile additional geothermal data. Assemble heat flow data in a comprehensive data base. Prepare and publish a report.

Task II. (A001) Conduct thermal gradient, conductivity and other measurements in Cascades drill holes. Calculate heat flow values. Interpret results in terms of regional tectonic and geothermal models.

Project Status: Heat flow map of the U.S. has not yet been submitted to GSA for printing. Final measurements in Cascade holes have been completed. Final report may require two more months time. Dr. Blackwell has been asked to request a no cost time extension.

SMU Cascade Range (continued)

Total Funding Authorized (thru 9/15/87)
Invoices 1-7 (thru 7/21/87)

\$ 115,790
\$ 97,817

Total Funds Remaining

\$ 17,973

UURI

EARTH SCIENCE LABORATORY
391 CHIPETA WAY, SUITE C
SALT LAKE CITY, UTAH 84108-1295
TELEPHONE 801-524-3422

MEMORANDUM

TO: Peggy A. M. Brookshier
Susan M. Prestwich
Marshall Reed

FROM: Howard Ross

SUBJECT: State Cooperative Program - Status of Existing
Contracts, October 1, 1987

DATE: October 7, 1987

Enclosed is a brief summary of the status of State Cooperative Program (SCP) contracts. Final reports are due or expected during the next quarter from: Alaska-DGGS; Idaho; Montana; New Mexico; and SMU. North Dakota has delivered their final report, but the Geothermal Resource Map of South Dakota has not been completed.

No cost time extensions are in progress for the Alaska and Montana teams, and may also be required for the Idaho, North Dakota, and Arizona (K/Ar dating) teams. Only the Arizona and Oregon contracts should extend well into 1988.

Some uncertainties due to contract modifications or time extensions in progress are denoted by (?)s. Please call me for additional clarification.

Howard Ross

Howard P. Ross
Project Manager

STATE TEAM DELIVERABLES

Short Form Summary, 5 October 1987

TEAM	1987						1988					
	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
AK-DGGS	Q	-----		Q	--16--	--31						
				(NCTE req.)	DF m4	F m4						
AZ-K/Ar						15	31					
						DF m1	F m1					
IDAHO	Q	-----	30	--								
			F m6									
MONT	F	-----		Q	-----	--31						
	m4			(NCTE req.?)		F m5						
NM	Q	-----		Q	16	31						
					DF m3	F m3						
ND	1	-----		Q	-----							
	F m4			(map due - NCTE req.?)								
OREGON	Q	1		Q	-----		Q	-----	Q	-----	16	
		TR m1									DF m2	
									(F m2 on 7/31/88)		??	
SMU	Q	31	-----	Q	--	?						
	F m1			(m2 req.)								

CONTRACTS COMPLETED:
 UTAH (12/12/86)
 AK-GI (12/7/86)
 WYO (5/4/87)
 WASH (5/8/87)
 FL PO (7/15/87)

Q: Quarterly Rep. DTR: Draft Tech Rep
 F: Final Report TR: Tech Report
 DF: Draft Final Rep m: Grant Mod. No.
 NCTE: No cost time
 extension

ALASKA-DG65 Grant DE-FG07-84ID12524; M001, A002, M003, M004;
M005 requested.

Dr. Roman J. Motyka, P.I.

Mod. 004 Extends contract period to May 15, 1987; NCTE
request is pending.

Mod. A002 Tasks 1-5. Geothermal energy investigations for
the area of Mt. Spurr volcano, including petrographic,
microprobe, geochemical studies, final reporting.

Task 6. Annotated Bibliography and other data
(Completed 3/23/87).

Task 7. Management and reporting.

Total Funding Authorized	\$ 67,766
Invoices 1 and 2 (thru 5/15/87)	67,766
(less \$9,891 withheld-PAMB)	<hr/>
Total Funds Remaining	\$ 9,891

ARIZONA- K/Ar Dating Grant DE-FG07-586ID12622; M001

Dr. Paul E. Damon, P. I.

Mod. M001 extends original contract to Jan. 31, 1988

Task 1. Complete 40 K/Ar dates of young geological samples
in support of DOE funded geothermal programs. Provide
management and reporting.

Project Status: 10 Samples completed through 9/31/87, @
\$750 each. Contract will require an additional no cost time
extension. New SCP grants may utilize this dating service.

Total Funding Authorized	\$ 29,999
Invoices 1 and 2 (thru 9/31/87)	7,500
Total Funds Remaining	<hr/> \$ 22,499

IDAHO-DWR Grant DE-FG07-84ID12549; M001, M002, A003, M004, M005, A006.

Ms. Leah V. Street, P. I.

Mod. A006 extended contract period to Sept. 30, 1987 with no increase in funding.

Original Grant Tasks 1, 2, 4; A003 Tasks 1-7. Geothermal resource studies in the Twin Falls-Banbury area; well monitoring, geochemical studies, management, reporting, etc.

Original Grant Task 3. Monitor and characterize Boise geothermal resource. Prepare reports. Subcontract to Dr. Charles Waag, Boise State University.

Project Status: Draft final report has been reviewed. Final changes to figures in progress. Printing by state offices; should be ready. Final report expected by 10/15/87. DOE/ID has problems with Dr. Waag's report on the Boise Geothermal System.

Total Funding Authorized	\$ 158,579
Invoices 1-20 (thru 9/30/87)	\$ 120,000
Funds Remaining (includes subcontract \$\$)	\$ 38,579

MONTANA-MCMS&T Grant DE-FG07-84ID12525; M001, M002, M003, M004

Dr. Charles Widman, Dr. William R. Sill, P.I.'s.

Original grant extended from 12/11/85 to 6/30/87 by amendments M001-M004. A request for a no cost time extension to 12-31-87 is in progress (??).

Tasks 1-7. Complete detailed CSAMT and gravity surveys in the Ennis Hot Springs area, Montana. Interpret data, complete reports, provide management. Field work and studies will be completed as two M. S. thesis projects.

Project Status: Draft final reports (two) have been reviewed and most changes have been completed. Trouble getting one student to complete thesis requirements after taking job in eastern U. S. Reports should be completed by December 31, 1987.

Total Funds Authorized	\$ 93,421
Invoices 1-7 (thru 3-31-86, less \$2290.85-PAMB)	\$ 93,421
Total Funds Remaining	\$ 2,290.85

NEW MEXICO-NMRDI Grant DE-FG07-B4ID12546; M001, M002, M003

Dr. Larry Icerman, P. I.

Mod. M003 revised statement of work. Project period ends December 31, 1987.

Task 4.1 Compilation of geothermal data for south-central New Mexico. Subcontract to New Mexico State University.

Task 4.2 Geothermal reservoir hydrology of the Animas Valley - abbreviated study by Lightning Dock Geothermal, subcontractor.

Task 4.3 Geothermal reservoir assessment of the Orogrande area, Tularosa Basin, New Mexico; thermal gradient and geologic study by Lightning Dock Geothermal, subcontractor.

Task 5. Reporting and management.

Project Status: Draft reports by NMSU and Lightning Dock Geothermal have been received by NMRDI. Revisions and additions are in progress. Project (as revised) is on schedule.

Total Funding Authorized	\$ 109,970
Invoics 1-3 (thru 7/31/86)	\$ 20,725
Total Funds Remaining	\$ 89,245

Invoice No. 4 received for \$ 46,000+. OK to pay.

NORTH DAKOTA-NDMMRI Grant DE-FG07-85ID12606; M001, M002, M003.

Dr. Wil Gosnold, P. I.

Original grant extended to 7/1/87 by Mods. M001-M003.

Tasks 1-4. Complete a geothermal resource assessment of South Dakota.

Task 5. Prepare a geothermal resource map of South Dakota (at a scale of 1:1,000,000).

Project Status: Final report covering Tasks 1-4 received on 8/7/87. Work more than 50% completed on Task 5. NCTE may be required.

Total Funding Authorized	\$ 47,000
Invoices 1-7 (thru 6/30/87)	\$ 47,000
Funds Remaining (??)	\$ 0 ?

OREGON - DOGAMI Grant DE-FG07-84-ID12526; M001, A002

Dr. George R. Priest, P. I.

Original grant extended by Mods. M001, A002 to July 31, 1988. NCTE is in progress (??) Active tasks are:

Task I. Prepare and publish a geologic map of about 15 square miles centered on the CGTH-1 drill site, east half of Breitenbush 15' topographic quadrangle.

Task II. Conduct studies on rocks and available well core to define mappable lithologic units, GTH-1 drill site area.

Task III. Prepare a comprehensive report containing geologic and geothermal implications and possible geologic models.

Total Funding Authorized (thru 002)	\$ 359,357
Invoices 1-35 (thru 7/31/87)	\$ 249,217
Total Funds Remaining	\$ 110,140

SMU - (Cascade Range) Grant DE-FG07-86ID12623; A001, A002 (??)

Dr. David D. Blackwell, P. I.

Original grant to compile heat flow map of the U.S. extended by Mod A001 to add new heat flow studies in Cascades holes. Mod A002 (in progress ?) adds funds and extends contract period to September 30, 1987 (?).

Task I. Compile existing heat flow map of the United States; compile data about temperatures in regional aquifers. Compile additional geothermal data. Assemble heat flow data in a comprehensive data base. Prepare and publish a report.

Task II. (A001) Conduct thermal conductivity and other measurements in Cascadeks drill holes. Calculate heat flow values. Interpret results in terms of regional tectonic and geothermal models.

Project Status: Heat flow map of the U.S. should have been submitted to NOAA for printing during last quarter. Final measurements in Cascade holes should also have been completed during last quarter. Current update from Dr. Blackwell is needed after review of current grant mod. May require still another time extension.

SMU Cascade Range (continued)

Total Funding Authorized (thru 7/31/87)	\$ 100,085
Invoices 1-7 (thru 7/21/87)	\$ 97,817
Total Funds Remaining (thru A001)	\$ 2,268
Mod A002 (add \$ 12,915 or \$ 17,205 ??)	\$ _____
Total Funds Remaining	\$ _____

UURI

EARTH SCIENCE LABORATORY
391 CHIPETA WAY, SUITE C
SALT LAKE CITY, UTAH 84108-1295
TELEPHONE 801-524-3422

M E M O R A N D U M

TO: Peggy Brookshier
Marshall Reed

FROM: Howard Ross

SUBJECT: State Cooperative Program

DATE: May 5, 1987

Enclosed are the State Cooperative Program quarterly progress report summary sheets which have been updated to May 5, 1987 rather than April 1 in order to reflect several recent deliverable products and contract period extensions.

The final report received from the University of Alaska - Geophysical Institute was accepted without modifications in January after discussions between UA-GI, DOE, and UURI.

Dr. Henry Heasler, University of Wyoming, completed his final report describing geothermal modeling of the Jackson Hole area, Wyoming, in April. He concludes that deep circulation of ground waters in the Paleozoic sediments adequately explains the observed spring and well temperatures, and that the possibility of high temperature heat sources in the Jackson Hole study area is unlikely. With the completion of the Wyoming report, three contracts (Utah, AK-GI, WY) are now completed.

Partial deliverables were submitted in draft form for review at UURI by the Montana, Alaska - DGGs, and North Dakota teams. Review comments were returned to the respective SCP teams and to DOE-ID. Additional no cost time extensions have been requested by the Montana, North Dakota, and Idaho teams in order to complete their deliverables.

The geothermal resource assessment of South Dakota, by Will Gosnold, has identified 11 aquifers with thermal and production potential adequate to constitute low-to moderate-temperature geothermal resources. This encouraging study did not include an effort to examine the colocation of resources and potential users, however.

The long overdue maps and final reports which will complete

the Washington - DNR deliverables have just been received (May 8) at UURI. Following review and acceptance, this will complete the deliverables required under this contract.

Dr. George Priest (Oregon - DOGAMI) has requested an additional one-year time extension because of conflicts with other state projects in Oregon. Some time extension will probably be required for the mapping in the Thermal Power well site area. If so, these data will then be available much later than for cooperative studies by SMU, UURI and other related Cascade projects.

Dr. Paul Damon, U AZ, has completed age determinations for two samples from Cerro Prieto. The dates showed large error bars of roughly half the age itself. Samples have also been submitted for Ascension Island (UURI) and the Oregon Cascades (DOGAMI).

UURI completed a Purchase Order agreement with Dr. Douglas Smith which will make available new thermal gradient and heat flow data for the State of Arkansas. The modest funding of \$2158 will purchase a final report, effectively reimbursing Dr. Smith and students for out-of-pocket field and laboratory expenses.

The last three months have been quite productive for the State Cooperative Program, in spite of reporting delays and contract modifications. Some good technical results have been coming in and many of the existing contracts are moving toward completion.


Howard Ross

STATE TEAM DELIVERABLES

Team	Start 1984	Start 1985	1984 Sept.	Oct.	Nov.	1984 Dec.	1985 Jan.
AK-DGGS	Aug. 13	Nov. 15 mod. 1					Q 15
AK-GI	May 31	July 8 mod. 1		Q 15	(Q 16)		Q 15 (Q 16)
AZ-K/Ar		Jan. 7, 1986					
IDAHO	Aug. 17	Dec. 3 mod. 1					Q 15 (Q 17)
MONT	June 11			Q 15 (Q 9)			Q 15 (Q 16)
NM	Sept. 7	Sept. 30 mod. 1		Q 15 (Q 15)			Q 15 (Q 7)
ND		Aug. 6					
ORE DOGAMI	June 25	Sept. 1 mod. 1		Q 15		(Q 12)	Q 15 (Q 23)
ORE DWR	(refused)						
SMUJ		Dec. 3					
UTAH	Sept. 26	Sept. 26 mod. 1					Q 15 (Q 14)
WASH	Sept. 25						Q 15 (Q 7)
WYO		Sept. 30					

Q: Quarterly Reports
 DF: Draft Final Report
 F: Final Report

(): Date Received
 []: Due date superseded by NCTE
 m: Mod. number

STATE TEAM DELIVERABLES

Team	Feb.	Mar.	April	May	June	July	1985 Aug.
AK-DGGS			Q 15	(O 13)	DF 30	Q 15 missing	[F 13]
AK-GI			Q 15 (O 15)			Q 15	(F 26) (O 26)
AZ-K/Ar							
IDAHO			Q 15 (O 24)			[DF 3] Q 15 (O 18)	[F 12]
MONT			Q 15	(O 13)		Q 15 (O 19)	
NM			Q 15 (O 11)			Q 15 (O 1)	
ND							
ORE DOGAMI			Q 15	(O 2)		Q 15	(O 1)
ORE DWR	(refused)						
SMU							
UTAH			Q 15 (O 15)			Q 15 (O 5)	[DF 12]
WASH			Q 15 (O 8)			Q 15 (O 15)	
WYO							

Q: Quarterly Reports
 DF: Draft Final Report
 F: Final Report
 (): Date Received
 []: Due date superseded by NCTE
 m: Mod. number

STATE TEAM DELIVERABLES

Team	1985 Sept.	Oct.	Nov.	1985 Dec.	1986 Jan.	Feb.	1986 Mar.
AK-DGGS		Q 15 (Q 15)			Q 15	(Q10)	
AK-GI		Q 15 (Q 21)			Q 15	(Q 10)	
AZ-K/Ar							
IDAHO		Q 15 (Q 17)			Q 15 (Q 31)		
MONT		[DF 28] Q 15 (Q 28)		[F 11]	Q 15		(Q3)
NM		Q 15 (Q 15)			DF 20 Q 15	(Q 18)	[F 7]
ND		Q 15		(Q 30)	Q 15 (Q 30)		
ORE DOGAMI		Q 15 (Q 30)			Q 15 (Q 31)		
ORE DWR (refused)							
SMU						(Q24)	
UTAH	[F 26]	Q 15 (Q 10)		DF 17	Q 15 F 3 (Q 10) (DF 7)		(F 31, task 1)
WASH		Q 15 (Q 15)			Q 15 DF 12 (Q 16)	F 28	(F31*)
WYO					Q 15 (4-25)		

Q: Quarterly Reports
 DF: Draft Final Report
 F: Final Report
 (): Date Received
 []: Due date superseded by NCTE
 m: Mod. number
 *: Revisions outstanding (Maps)

STATE TEAM DELIVERABLES

Team	Apr.	May	June	July	Aug.	Sept.	1986 Oct.
AK-DGGS	Q 15	(Q 5)	[DF 30]	Q 15 (Q 17)	[F 14]		[DF 2 m2] Q 15 m2
AK-GI	DF 16# Q 15 (Q 8)	F 31# DF 25 m2		[F 8 m2] Q 15	(Q 11)		Q 15 m2 (Q 14)
AZ-K/Ar	Q 15			Q 15 (Q 17)		(Q 12)	Q 15
IDAHO	Q 15 (Q 24)			Q 15 [DF 18]	[F 31]		Q 15 (Q 22)
MONT	Q 15 (Q 25)	[DF 16]	[F 30]	Q 15 (Q 7)	[DG 16]	[F 30]	Q 15
NM	Q 15 (Q 14)			Q 15 (Q 7)	[DF 16 m1]	[F 30 m1]	Q 15 m3 (Q 26)
ND	Q 15	(Q 5)	[DF 23]	Q 15 (Q 25)	[F 6]		Q 15 m1
ORE DOGAMI	Q 15 (Q 25)	[DF 11]	[F 22]	Q 15 m1	(Q 7)		Q 15 m1,m2 (Q 30)
ORE DWR	(refused)						
SMU	Q 15		(Q 9)	Q 15m1			Q 15 [DF 19] (Q 17)
UTAH	Q 15 (Q 14)			Q 15 (Q 6)			Q 15 DF16m1 (#8/4) (Q 15)
WASH	Q 15			Q 15	(Q 11)		
WYO	Q 15 Q 25 (both)			Q 15	[DF 16m1] (Q 15)	[F 30m1]	Q 15 (Q 22)

Q: Quarterly Reports
 F: Final Report
 []: Due date superseded by NCTE
 #: Delivered early

DF: Draft Final Report
 (): Date Received
 m: Mod. number

STATE TEAM DELIVERABLES

Team	1986 Nov.	1986 Dec.	1987 Jan.	1987 Feb.	1987 Mar.	1987 Apr.	1987 May
AK DGGS	[F 15m2] (Q14)		Q15m3	(Q23)		%DF1m3 Q15m3	F15m3
AK-GI	DF 24	(DF 11) (F 11)	#F 7		#F 31m4		
AZ-K-Ar		[DF 16]	[F 31]				
IDAHO			[DF 13 m3] Q 15 (Q30)	[F 28 m3]		[DF16m5] Q15m5 (Q27)	[*]
MONT			DF 13m3 (Q7) Q15	F 28 m3 % DF(5)			15 [*] DFm4
NM			Q 15m3 (Q 6)			Q15m3 (Q26)	
ND	[DF 15m1]	[F 31m]	Q 15m2	(Q20)	DF15m2	Q15m2 % DF(22)	F1m2 [*]
OR-DOGAMI			Q 15 m2	(Q16)		Q15m2	[*]
OR-DWR	(refused)						
SMU		[F 3] (Q 22)	Q 15m1			Q15m1	
UTAH	F 30 m1	(F 12)					
WASH		maps due (Q 19)	(Q12)			F 30 maps	
WYO	[DF 16m1]	[F 31m1]			(DF 13)	F 30	(F4)

Q: Quarterly Reports
 DF: Draft Final Report
 F: Final Report
 (): Date Received

[: Due date Superseded by NCTE
 m: Mod. number
 #: Delivered early
 %: Partial Deliverable Recd.
 [*]:NCTE in progress

STATE TEAM DELIVERABLES

Team	1987 June	July	Aug.	Sept.	Oct.	Nov.	1987 Dec.
AK DGGS							
AK-GI							
AZ-K-Ar						16 DFm1	31 Fm1
IDAHO	F 1m5 [*]						
MONT		[*]					
NM		Q15 m3			Q15 m3	DF16 m3	F31 m3
ND	[*]						
OR-DOGAMI		Q 15 TR 1m2	[DF16] m1	[F 30] m1	Q15 m3	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Note: Cont. to 7-31-88 F 7-31-88 m3 </div> [*] →	
OR-DWR							
SMU	DF 16m1	F 31m1 Q 15					
UTAH							
WASH							
WYO							

Q: Quarterly Reports
 DF: Draft Final Report
 F: Final Report
 (): Date Received
 [*] NCTE in progress

[]: Due date superseded by NCTE
 m: Mod. number
 #: Delivered early
 TR: Tech. Report

CONTRACT DELIVERABLES

ORGANIZATION Alaska Div. Geol. and Geophys. Surveys

PRINCIPAL CONTACTS Dr. Roman Motyka PHONE 907-465-2520
 Dr. Chris Nye (Mod. 2) 907-474-7147
 Dr. Roman Motyka (Mod.4)

PROJECT TITLES Original: Geothermal Study of Copper River Basin
 Mod. 2: Geothermal Studies in Alaska (Mt. Spurr)

CONTRACT NO. DE-FG07-84ID12524 COMPLETION DATE 8-13-85
 NCTE 8-14-86
 MOD. 2 11-30-86
 MOD. 3 5-15-87

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	27,875	27,875		0	1
STATE	0			0	

MOD 2 \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	39,981	0		39,981	
STATE	0				

\$ DATA UPDATED 5-5-87

NOTE: 1. Invoice No. 1

CONTRACT	START	TASKS
Original	8-13-84	Synthesize water, gas, and isotopic geochemical data, Copper River Basin mud volcanos and mineral springs 1. synthesize available data 2. interpret data for geothermal resources 3. mineral equilibria studies of water and gas analyses with rocks from nearby oil wells 4. prepare final report 5. management
MOD.1	8-24-85	1. NCTE to 8-14-86
MOD. 2	11-15-85	At Mt. Spurr 1. collect suite of Holocene lavas 2. collect older lavas 3. conduct petrographic and microprobe analyses of samples 4. analyze rocks for major and trace elements 5. prepare final report 6. annotated bibliography, project list 7. project management
MOD. 3	9-30-86	1. NCTE to 5-15-87
MOD. 4	11-24-86	1. Project Manager is changed to Roman Motyka
HR/ESL/5-5-87		

TASK	DELIVERABLES	DATE DUE	REC'D
1,2,3	see #4		
4	final report, to include: data tables discussion of geochemistry results of equilibria study geothermal interpretation draft final report	8-13-85 extended to 5-15-87	extended by MOD. 2, MOD. 3.
5	quarterly reports	6-30-85 extended to 6-30-86 1-5-85 4-15-85 7-15-85 10-15-85 1-15-86 4-15-86 7-15-86 10-15-86 1-15-87	? 5-13-85 10-15-85 10-15-85 2-10-86 5-05-86 7-17-86 10-14-87 2-23-87
MOD. 2 TASK			
1-4	draft report	10-2-86	extended
5	final report	11-30-86	by MOD.3.
6	final report	11-30-86	
7	see above		
MOD. 3 TASK			
1-4	draft report	04-01-87	
5	final report	05-15-87	
6	final report	05-15-87	3-23-87 (draft)
7	see above		
MOD. 4 TASK			
1-4	draft report	04-01-87	
5	final report	05-15-87	
6	final report	05-15-87	3-23-87 (draft)
7	see above		

HR/ESL/5-5-87

CONTRACT DELIVERABLES

ORGANIZATION Geophysical Institute, Univ. Alaska

PRINCIPAL CONTACTS Dr. Donald Turner PHONE 907-474-7198
 Dr. Gene Westcott 907-474-7576

PROJECT TITLES Original: Geothermal Resource Assessment Research, Eastern
 Copper River Basin
 Mod. 1: Geothermal Energy Resource Investigation of Mt.
 Spurr, Alaska

CONTRACT NO. DE-FG07-84ID12471 COMPLETION DATE 5-13-86
 MOD.3 NCTE 1-7-87
 MOD.4 NCTE 3-31-87

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	117,000	117,000		-0-	Vouchers 1-19
STATE	0			0	

MOD. 2 \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	120,000	120,000.00	0	0	Vouchers
STATE	0			0	20-30

\$ DATA UPDATED 5-5-87

CONTRACT CLOSED 1/27/87

CONTRACT	START	TASKS
Original	5-31-84	All work is to be done in the Copper River Basin area 1. define He and Hg anomalies, to site geophysical studies 2. SP, gravity, and ground magnetic studies 3. further He and Hg sampling 4. SP of 2 He anomalies at Klawasi mud volcanos 5. He and Hg in area of Task 4 6. gravity in area of Task 4 7. deep EM in all anomalous areas 8. final report 9. management
MOD.2	7-8-85	All work on this mod is to be done in the Mt. Spurr area 1. coordinate closely with and provide field support for AK DGGs researcher 2. compile existing data, develop resource model 3. Hg, He, SP, resistivity, CSAMT, of south and southeast flanks 4. radar and gravity of central ice field 5. dating, without cost to project 6. develop model of resource 7. final report 8. continue management

HR/ESL/5-5-87

ORIGINAL CONTRACT

TASK	DELIVERABLES	DATE DUE	REC'D
1-7	see #8		
8	final report, to include: maps and data on geochemical and geophysical anomalies, with a geothermal interpretation, in detail sufficient to allow readers to interpret results	5-13-86	8-26-85
9	draft final report (originals)	4-16-86	8-26-85
	quarterly reports	10-15-84	11-16-84
		1-15-85	1-16-85
		4-15-85	4-15-85
		7-15-85	8-26-85
		10-15-85	task
		1-15-86	complete
		4-15-86	"
MOD. 2			
TASK	DELIVERABLES	DATE DUE	REC'D
1-6	see #7		
7	draft final report	5-25-86	12-11-86*
	final report	7-8-86	12-11-86
8	quarterly reports	10-15-85	10-21-85
		1-15-86	2-10-86
		4-15-86	4-08-86
		7-15-86	8-11-86
		10-15-86	10-14-86
MOD. 3	NCTE to 1-07-87		
TASK	DELIVERABLES		
1-6	See #7		
7	draft final report	11-24-86	12-11-86*
	final report	1-07-87	12-11-86
MOD. 4	NCTE to 3-31-87		
TASK	DELIVERABLES		
1-6	See #7		
7	final report	3-31-87	12-11-86

* Final Report submitted without earlier Draft Report
Final Report accepted with reservations.

HR/ESL/5-5-87

CONTRACT DELIVERABLES

ORGANIZATION Idaho Department of Water Resources

PRINCIPAL CONTACT Leah V. Street

PHONE 208-734-3578

PROJECT TITLES Original: Geothermal Resource Evaluations in Idaho
 Mod. 3: Geothermal Resource Analysis in Twin Falls County,
 Idaho

CONTRACT NO. DE-FG07-84ID12549

COMPLETION DATE 8-17-85
 extension to 8-31-86
 mod 3 completion 2-28-87
 mod 5 completion 6-1-87

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	98,579	98,579		0	1
STATE	0			0	1

MOD 3 \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	60,000	1,421		58,579	
STATE	0				

\$ DATA UPDATED 5-5-87

NOTES: 1. Vouchers 1-16

CONTRACT	START	TASKS
Original	8-17-84	<ol style="list-style-type: none"> 1. sample, log and chemical analyses for approximately 25 wells in southern Idaho 2. characterize geothermal reservoir in Twin Falls (cooperative work with USGS) 3. monitor Boise reservoir 4. management
MOD. 1	8-13-85	<ol style="list-style-type: none"> 1. no cost time extension until 8-31-86
MOD. 2	8-26-85	<ol style="list-style-type: none"> 1. revision of existing budget
MOD. 3	12-3-85	In the Twin Falls - Banbury area: <ol style="list-style-type: none"> 1. continue monitoring 2. continue water sample collection 3. expand area of geologic mapping to include recharge zones 4. collect samples for rock geochemistry 5. date rocks, if possible 6. final report 7. management
MOD. 5	11-18-86	<ol style="list-style-type: none"> 1. no cost time extension until 6-1-87

HR/ESL/5-5-87

TASK	DELIVERABLES	DATE DUE	REC'D
1	final report with chemical data, reservoir temperature estimates, and thermal profiles where available	8-17-85 mod. 1, now 8-31-86	
2	final report on reservoir characteristics, including volume, longevity, and effects of present development	8-17-85 mod. 1, now 8-31-86	
3	final report on reservoir pressure data, with computer-based interpretation	8-17-85 mod. 1, now 8-31-86	
1,2,3	draft final reports	7-3-85 mod. 1, now 7-18-86	
4	quarterly reports	1-15-85 4-15-85 7-15-85 10-15-85 1-15-86 4-15-86 7-15-86 10-15-86 1-15-87 4-15-87	1-17-85 4-24-85 7-18-85 10-17-85 1-31-86 4-24-86 7-17-86 10-22-86 1-30-87
MOD. 3			
1-5	draft report	1-15-87	(extended by
6	final report; geologic map, etc.	2-28-87	NCTE, Mod. 5)
7	quarterly reports	see above	
MOD. 5			
1-5	draft report	4-16-87	
6	final report; geologic map	6-1-87	
7	quarterly reports	see above	

** No cost time extension to 8/31/87 has been requested.

HR/ESL/5-5-87

CONTRACT DELIVERABLES

ORGANIZATION Montana College of Mineral Sci. and Tech.

PRINCIPAL CONTACTS Dr. William Sill PHONE 406-496-4211
 Dr. Charles Wideman 406-496-4209

PROJECT TITLES Geophysical Research on Geothermal Resources in Montana

CONTRACT NO. DE-FG07-84ID12525 COMPLETION DATE 12-11-85
 NCTE granted to 6-30-86
 2nd NCTE until 9-30-86
 3rd NCTE until 2-28-87

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	93,421	93,421	2,291	2,291	1
STATE	0			0	

\$ DATA UPDATED 5-5-87

NOTE: 1. Billing of 4/10/86 requested all remaining funds in contract, DOE/ID was to approve payment of \$5000, and retain \$2290.85 until Sept. 30 completion of contract (now June 30, 1987).

CONTRACT	START	TASKS
Original	6-11-84	All studies are in Ennis area 1. collect CSAMT data to define anomalies; generate 1-D and 2-D models 2. integrate CSAMT with geological, hydrologic, geochemical, and geophysical data to define anomalous areas for study; perform appropriate follow-up geophysics (CSAMT, SP, dipole-dipole) 3. evaluate existing gravity data, collect additional data, integrate with other studies to define areas for detailed investigation 4. do detailed gravity; model results and integrate with other studies 5. prepare final report 6. management
MOD.1	8-8-85	1. no cost extension until 6-30-86
MOD.2		1. no cost extension until 9-30-86
MOD.3	9-12-86	1. no cost extension until 2-28-87

COMMENT

"Quarterly" report of 3-8-86 covered 4 months.

** One of the two final reports have been received in draft form.

A no cost time extension to 6-30-87 has been requested.

HR/ESL/5-5-87

TASK	DELIVERABLES	DATE DUE	REC'D
1,2,3,4	see #5		
5	final report, to include: evaluation of applicability and success of geophysical techniques, and their results; develop model of geothermal resources, based on existing and new data	12-11-85 mod. 1, now 6-30-86 Mod.2, now 9-30-86 Mod.3, now 2-28-87	1 of 2 draft final reports rec. 2/5/87
	draft final report	10-28-85 mod. 1, now 5-16-86	
6	quarterly reports	10-15-84 1-15-85 4-15-85 7-15-85 10-15-85 1-15-86 4-15-86 7-15-86 10-15-86 1-15-87	10-9-84 1-16-85 5-13-85 7-19-85 10-28-85 3-08-86 4-25-86 7-7-86 1-7-87 1-7-87

CONTRACT DELIVERABLES

ORGANIZATION New Mexico Energy Research and Devel. Inst.

PRINCIPAL CONTACT Dr. Larry Icerman

PHONE 505-827-5886

PROJECT TITLES Original: Statewide Geothermal Energy Program for New Mexico
 Mod. 1: Geothermal Exploration Well at New Mexico State University

CONTRACT NO. DE-FG07-84 ID12546

COMPLETION DATE 3-7-86
 mod. 1 9-30-86

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	90,000	15,581		74,410	1
STATE	0			0	

MOD 1 \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	19,970	0		19,970	
STATE	53,000				

\$ DATA UPDATED 5-5-87

NOTES: 1. New Mexico is passing \$77,500 through for subcontracting; they are not charging any overhead to this grant.

CONTRACT	START	TASKS
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Original	9-7-84	This work was supposed to have consisted of cost-shared drilling for definition of an electrical grade reservoir (\$30,000), a moderate-temperature reservoir (\$30,000), and temperature gradient drilling (\$17,500). 1. develop RFPs for three drilling projects, issue RFPs, evaluate responses, award projects 2. administer and monitor projects 3. prepare final report 4. project management These moneys will be reprogrammed.
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MOD.1	9-30-85	Deepen well DT-3 at New Mexico State campus 1. prepare bids, select driller 2. develop final drilling plan 3. drill well, collect 10 ft cuttings
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CONTRACT	START	TASKS
Mod. 1		4. log well 5. air lift test, water sample 6. final report 7. management
Mod. 2	9-30-86	This grant modification changes the scope of work of the original contract and reprograms previously allocated funds to accomplish the new research. Time extended to 12-31-87. <ol style="list-style-type: none"> 1. Compilation of geothermal data for south-central New Mexico. 2. Geothermal reservoir hydrology of the Animas Valley. <ol style="list-style-type: none"> a) review and evaluate data from 60 wells. b) monitor temperature and water chem., 12 wells, monthly basis. c) precision drawdown tests, 4 wells, monthly. 3. Final report, Tasks 1 and 2. 4. Management.

COMMENTS 5-5-87

Original funds reprogrammed to new tasks, Mod.2. Well drilling and air lift testing in Mod. 1 have been completed; report writing is underway. No contingency funds were required in drilling.

COMMENTS 5-5-87

Task 2, Mod. 2, hydrology in Animas Valley, presently inactive due to litigation over land rights.

TASK	DELIVERABLES	DATE DUE	REC'D
1,2	see #3		
3	final report, to include: comprehensive detailed results of all three programs draft final	3-7-86	Superseded by mod.2.
4	quarterly reports	1-21-86 10-15-84 1-15-85 4-15-85 7-15-85 10-15-85 1-15-86 4-15-86 7-15-86 10-15-86 1-15-87 4-15-87 7-15-87 10-15-87	10-15-84 1-7-85 4-11-85 7-1-85 10-15-85 2-18-86 4-14-86 7-7-86 10-26-86 1-06-87 3-26-87

HR/ESL/5-5-87

MOD. 1

1-5	see #6		
6	draft final report	8-16-86	(To be included in Mod. 2 Final Report)
	final report, including results of 1-5	9-30-86	
7	quarterly reports	see above	

MOD. 2

1,2	see #3		
3	draft final report	11-15-87	
	final report	12-31-87	
4	quarterly reports	see above	

CONTRACT DELIVERABLES

ORGANIZATION University of North Dakota

PRINCIPAL CONTACT Dr. Will Gosnold

PHONE 701-777-2631

PROJECT TITLE Geothermal Resources in South Dakota

CONTRACT NO. DE-FG07-85ID12606

COMPLETION DATE 8-9-86

mod. 1 12-31-86

mod. 2 5-01-87

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	47,000	38,965		8,035	1
STATE					

\$ DATA UPDATED 5-5-87

NOTE: U. N. D. Invoices 1-6

CONTRACT	START	TASKS
Original	8-6-85	For a geothermal resource assessment of South Dakota: 1. New heat flow data, with thermal gradients and conductivities 2. Produce structure contour maps 3. Measure gradients in deep wells 4. Synthesize previously published data 5. Prepare geothermal resource map of South Dakota 6. Prepare accompanying text 7. Final report 8. Management
MOD.1	9-1-85	1. No cost time extension to 12-31-86
MOD.2	1-6-87	1. No cost time extension to 5-01-87

TASK	DELIVERABLES	DATE DUE	REC'D
1-4	see 5,6,7		
5	geothermal resource map	8-6-86)	
6	accompanying text	8-6-86	NCTE
7	draft final report	6-23-86	Mod.2
	final report	8-6-86)	
8	quarterly reports	10-15-85	12-30-85
		1-15-86	1-28-86
		4-15-86	5-05-86
		7-15-86	7-25-86
		10-15-86	12-15-86
		1-15-87	2-20-87
MOD.2			
TASK	DELIVERABLES		
1-7	draft final report	3-15-87	4-22-87 (partial)
	final report	5-1-87	
8	quarterly reports	see above	

HR/ESL/5-5-87 ** A no cost time extension to 7-1-87 has been requested

CONTRACT DELIVERABLES

ORGANIZATION Oregon Dept. Geology and Mineral Industries

PRINCIPAL CONTACT Dr. George Priest

PHONE 503-229-5580

PROJECT TITLE Geothermal Research, Oregon Cascades

CONTRACT NO. DE-FG07-84ID12526

COMPLETION DATE orig. 6-25-86
 mod. 1 4-30-88
 mod. 2 7-31-88

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	150,000	150,000		0	1, 2, 3
STATE	110,000			110,000	

MOD 1 \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	160,000	73,452		86,548	2, 3
STATE					

MOD 2 \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	49,357	0		49,357	3

NOTES: 1. The Oregon Team proposed the following FY schedule for original funds:

	FY	DOE	DOGAMI	TOTAL
	84	\$37,500	20,000	\$ 57,500
	85	75,000	60,000	135,000
	86	37,500	30,000	57,500

2. Vouchers 1-29

3. Total amount paid thru DOGAMI Inv. #29 = \$223,452. Balance of funds remaining at 5/5/87 = \$143,156.

\$ DATA UPDATED 5-5-87

CONTRACT	START	TASKS
Original	6-25-84	This grant covers the preparation of geologic maps in the Cascades.
		1. a. prepare geologic map of western Cascades in the vicinity of Coffin Mountain (1:62,500 scale)
		b. prepare geologic map in the eastern Cascades in the vicinity of the Sisters 15 min. quad (1:24,000 scale)
		note: DOGAMI may prepare third map at own expense along high Cascade-western Cascade boundary, N. Santiam drainage
		2. obtain temperature logs in holes of opportunity, and have SMU calculate heat flow values
		3. management

HR/ESL/5-5-87

CONTRACT	START	TASKS
MOD.1	9-1-85	<ol style="list-style-type: none"> 1. conduct feasibility study for scientific drilling in the Cascades 2. prepare geologic map of McKenzie Bridge 15' quadrangle 3. project management
MOD.2	9-1-86	<ol style="list-style-type: none"> 1. prepare geologic map, 15 sq. mi., Breitenbush 15' quad. 2. study rocks and available well core 3. produce comprehensive report re geologic and geothermal implications 4. project management

TASK	DELIVERABLES	DATE DUE	REC'D
1a	geologic map	6-22-86	8-1-87
1b	geologic map	6-22-86	8-1-87
	note: a third geologic map is a required deliverable, but NOT a required task; this will need to be resolved		(extension)
2	compilation of temperature-depth logs to DOE, and open-filed(?) through DOGAMI	6-25-86 7-31-88 (extension)	
3	quarterly reports	10-15-84 1-15-85 4-15-85 7-15-85 10-15-85 1-15-86 4-15-86 7-15-86 10-15-86 1-15-87 4-15-87 7-15-87	12-12-84 1-23-85 5-2-85 8-1-85 10-30-85 1-30-86 4-25-86 7-7-86 10-30-86 2-16-87
	draft final report	8-16-87	
	final report, with brief summary of activities, data lessons, and recommendations	9-30-87	
MOD. 1			
1.1	scientific plan for further research	12-31-85 8-1-87	(Time Extension)
1.2	geologic map, McKenzie Bridge area	9-30-87	7-31-88 extension
1.3	management reports	listed above	

HR/ESL/5-5-87 ** A no cost time extension to 7-31-87 has been requested.

MOD. 2

1. geologic map, Breitenbush area 7-31-88
2. raw data and analysis to UURI 7-31-88
3. geologic report 7-31-88
4. management reports quarterly to completion

** A no cost time extension to 7-31-87 has been requested.

PROPOSED
CONTRACT DELIVERABLES

ORGANIZATION Oregon Department of Water Resources

PRINCIPAL CONTACT Mr. Marshall Gannett

PHONE 503-378-8456

PROJECT TITLE Low Temperature Geothermal Research, Oregon

CONTRACT NUMBER pending

COMPLETION DATE

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	0				20,000 deobligated-
STATE					

\$ DATA UPDATED 5-6-86

CONTRACT	START	TASKS
Original	not yet in place	1. One or two, three to five week tests of geothermal aquifers, sites to be selected 2. Monitoring of statewide geothermal observation network 3. final reports 4. management

TASK	DELIVERABLES	DATE DUE	REC'D
1	data and interpretations of pump tests	contract not in place	
2	final reports draft final reports		
3	quarterly reports		

PROJECT REJECTED BY STATE
OF OREGON

CONTRACT DELIVERABLES

ORGANIZATION Utah Geological and Mineral Survey

PRINCIPAL CONTACTS Mr. Don Mabey (Orig.) PHONE 801-581-6831
Mr. Archy Smith (Mod. 1) 801-581-6831

CONTRACT NO. DE-FG07-84ID12543 COMPLETION DATE 9-26-85
Orig. NCTE to 1-31-86
Mod. 1 11-30-86

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	83,000	80,099.84		2,900.16	1, 2, 3
STATE	0			0	

MOD 1 \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	40,000	40,000		0	2, 3
STATE					

\$ DATA UPDATED 1-20-87

- NOTES:
1. Quarterly report through Mar. 1986 shows expenditures of the entire original budget of \$83K
 2. Invoices 1-11 indicate \$63,503.16 to Original Contract, #56,596.68 to Mod.1.
 3. Final report received 12/12/86, and approved 1/07/87. Contract completed.

CONTRACT	START	TASKS
Original	9-26-84	<ol style="list-style-type: none"> 1. annotated bibliography of geothermal resources in Utah, including descriptions of geothermal projects and developments 2. study high-temperature geothermal systems in the Richfield 2 degree quad area 3. management
MOD.1	9-26-85	<p>In Washington County (St. George) area:</p> <ol style="list-style-type: none"> 1. conduct literature and well record search 2. contact other researchers 3. develop conceptual model for resources 4. temperature measurements, gradients, geochemical sampling, and maybe geology, geophysics, hydrology in field 5. refine model and assess geothermal potential 6. final report 7. management

TASK	DELIVERABLES	DATE DUE	REC'D
1	publish bibliography and descriptions of projects	9-26-85	
2	report including maps and data tables, which will discuss igneous and tectonic events of last 30 million years, current geophysical and geochemical anomalies, source of heat and structural controls of present geothermal systems, exploration strategies, and probability of undiscovered systems	9-26-85 NCTE: 1-31-86	3-31-86
1,2	draft final reports	8-12-85	
3	quarterly reports	1-15-85	1-14-85
		4-15-85	4-15-85
		7-15-85	7-5-85
		10-15-85	10-10-85
		1-15-86	1-10-86
	mod. 1	4-15-86	4-14-86
	mod. 1	7-15-86	7-6-86
	mod. 1	10-15-86	10-15-86
MOD. 1			
1-5	see #6		
6	draft final report	10-16-86	8-4-86
	final report, including results of 1-5	11-30-86	12-12-86
7	quarterly reports	see above	

** Contract closed out 1/07/87.

CONTRACT DELIVERABLES

ORGANIZATION Washington Department of Natural Resources

PRINCIPAL CONTACT J. Eric Schuster

PHONE 206-459-6376

CONTRACT NO. DE-AC07-79ET27014

COMPLETION DATE 2-28-86

Mod. 008 start
all previous tasks completed
Mod. 011

NOTE NCTE 12-31-86 (?)

NOTE NCTE 4-30-87

MOD 8 \$ OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE 117,679	187,029		3,696	1, 2, 3
STATE 22,609				

\$ DATA UPDATED 5-5-87

- \$ NOTES:
1. Carryover of \$73,046 from prior funding on this contract bring the total from DOE for Mod 008 tasks to \$190,725.
 2. All costs billed in 1 invoice, received Mar. 14, 1986.

CONTRACT	START	TASKS
Mod 008	9-25-84	In Cascades 1. drill shallow gradient holes, log cuttings, log temperatures, analyze waters 2. Hg surveys 3. collect and analyze previously unsampled thermal and mineral springs 4. geologic mapping in most important areas of study 5. report preparation 6. management

COMMENT 2-18-86

Team will be requesting a few months extension for final report printing. Draft is nearly complete.

COMMENT 10-10-86

No cost time extension granted. Publication of geologic maps expected by Dec. 31, 1986.

COMMENT 1-20-87, 5-5-87.

No cost time extension approved to 4/30/87. Final delivery of maps is still pending. Maps expected by 5-15-87.

Amount billed includes \$73,046 carryover.

TASK	DELIVERABLES	DATE DUE	REC'D
1 (&5)	topical report on temperature gradient study	2-28-86	3-31-86 *
2,3,4 (&5)	final report with maps, logs, tables on tasks (may also include task 1)	2-28-86	(no cost time extension)

* draft, pending slight revisions

6 quarterly reports

1-15-85	1-7-85
4-15-85	4-8-85
7-15-85	7-15-85
10-15-85	10-15-85
1-15-86	1-16-86
4-15-86	
7-15-86	7-17-86
10-15-86	12-19-86
1-15-87	1-12-86
4-15-87	

PROPOSED
CONTRACT DELIVERABLES

ORGANIZATION University of Wyoming, Department of Geology

PRINCIPAL CONTACT Dr. Henry Heasler

PHONE 307-766-3278

CONTRACT NUMBER DE-FG07-85ID12607

COMPLETION DATE 9-30-86

Mod 1 12-31-86

Mod 2 4-30-87

ORIG. \$ OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE 17,595	16,000		1,595	
STATE				

\$ DATA UPDATED 5-5-87

CONTRACT	START	TASKS
Original	9-30-85	In the Jackson Hole area: 1. Compile existing geothermal data 2. One field trip for new data 3. Develop finite difference numerical model of thermal regime 4. Final report 5. Management
Mod.1	9-30-86 ?	1. No cost time extension to 12-31-86 and budget revision with no increase in funds

TASK	DELIVERABLES	DATE DUE	REC'D
1,2,3	see 4		
4	draft final report	8-16-86; 3-16-87	4-13-87
	final report	9-30-86; 4-30-87	5-4-87
5	quarterly reports	1-15-86	4-25-86
		4-15-86	4-25-86
		7-15-86	8-15-86
		10-15-86	10-22-86
		1-15-87	
		4-15-87	

** Final report received 5-4-87. Contract close out in progress.

HR/ESL/5-5-87

PROPOSED
CONTRACT DELIVERABLES

ORGANIZATION Southern Methodist University

PRINCIPAL CONTACT David Blackwell

PHONE 214-692-2745

PROJECT TITLE A Geothermal Map of the United States

CONTRACT NUMBER DE-FG07-86ID12623

COMPLETION DATE 12-3-86
Mod.1 7-31-87

ORIG. \$ OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE 42,000	42,000		0	
STATE				

MOD.1 \$ OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
58,085	13,773		44,312	

\$ DATA UPDATED 5-5-87

CONTRACT	START	TASKS
Original	12-3-85	1. Compile heat flow data from U.S. 2. Compile temperatures in regional aquifers 3. Compile additional geothermal data 4. Build data base 5. Publish report 6. Program management
MOD.1	8-1-86	1. Conduct thermal conductivity/physical measurements in gradient holes. 2. Calculate heat flow values. 3. Interpret thermal results. 4. Prepare reports. 5. Program management.

TASK	DELIVERABLES	DATE DUE	REC'D
1-5	draft final report	10-19-86	
		Mod. 1 (7-31-87)	
	final report	12-3-86	
		Mod. 1 (7-31-87)	
6	annual data report	1-31-87	
	quarterly reports	2-24-86	2-24-86
		4-15-86	
		7-15-86	6-9-86
		10-15-86	
		1-15-86	
		4-15-86	
		7-15-86	10-17-86
		10-15-86	12-22-86
		1/15/87	1-22-87
		4-15-87	

HR/ESL/5-5-87

MOD.1 TASK	DELIVERABLES	DATE DUE	REC'D
1-4	draft final report	6-16-87	
	final report	7-31-87	
4	annual data report	1-31-87	

PROPOSED
CONTRACT DELIVERABLES

ORGANIZATION University of Arizona Laboratory of Isotope Geochemistry

PRINCIPAL CONTACT Paul Damon

PHONE 602-621-4659

PROJECT TITLE K-Ar Dating of Volcanic Rocks

CONTRACT NUMBER DE-FG07-8ID12622

COMPLETION DATE 1-7-87

Mod. 1 1-31-88

ORIG. \$	OBLIGATED	BILLED	RETAINED	REMAINING	NOTES
DOE	30,000	1,500		28,500	1
STATE					

\$ DATA UPDATED 5-5-87

NOTES: 1. Only eight samples submitted for analysis as of 5-5-87

CONTRACT	START	TASKS
Original	1-7-86	1. 40 K-Ar dates from young geologic environments 2. Data to researchers and DOE 3. Project Management

TASK	DELIVERABLES	DATE DUE	REC'D
1,2	analytic results final report	as obtained 1-31-87; 1-31-88	4-20-87
3	Quarterly Reports	4-15-86 7-15-86 10-15-86 1-15-87	# # 9-8-86 1-29-87

no project activity.

HR/ESL/5-5-87