



Department of Energy
Financial Assistance Regulation

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FINANCIAL ASSISTANCE LETTER

Financial Assistance Letter is issued under the authority of the Procurement Executives of DOE and NNSA

Subject: Implementation Guidance for the Government-wide Research Terms & Conditions

References: 10 CFR Part 600 DOE Financial Assistance Regulations
2 CFR 15 Uniform Administrative Requirements for Grants and
Agreements with Institutions of Higher Education, Hospitals
and Other Non-Profit Organizations (previously OMB Circular
A-110)
73 FR 4563 Federal Register Notice – Final Notice of Standard Terms
and Conditions for Research Grants

When is this Financial Assistance Letter (FAL) effective?

This FAL is effective on July 1, 2008.

When does this FAL expire?

This FAL remains in effect until it is canceled.

Who is the Point of Contact?

Contact Jackie Kniskern of the Office of Procurement and Assistance Policy by telephone at (202) 287-1342 or by email at Jacqueline.kniskern@hq.doe.gov.

What is the purpose of this FAL?

This FAL provides guidance on the use of standard terms and conditions for research grants and cooperative agreements in accordance with the directions of the Office of Science and Technology Policy (an executive office of the President, National Science and Technology Council, Research Business Models (RBM) Subcommittee of the Committee on Science.

What is the background?

In 2000, the Federal Demonstration Partnership (FDP), a cooperative initiative among 10 Federal agencies and 98 institutional recipients of research funds, developed standard administrative terms and conditions as a model implementation of OMB Circular A-110. It was demonstrated that these terms were an effective set of requirements for many agency research awards. In 2005, following public and agency comment on the original FDP terms, a government-wide set of standard administrative terms and conditions were developed by the RBM, as one of the priorities of the RBM is to create greater consistency in the administration of Federal research awards. The standards developed by the task force would allow for Federal agencies to manage awards in a similar fashion and provide recipients consistency and transparency in the setting of terms and conditions.

On January 25, 2008, the RBM published a final notice on the terms and conditions. With this final notice, research agencies and awarding offices that participate in the FDP must use the core set of administrative requirements to the maximum practicable extent in research and research-related grant awards to organizations that are subject to 2 CFR part 215. Likewise, agencies that have not participated in the FDP may elect to use these terms on selective awards to their research recipients.

Guidance Included in this Financial Assistance Letter

- I. What are the standard terms and conditions?**
 - II. When should a Contracting Officer use the standard terms and conditions?**
 - III. What will an award package include when using the standard terms and conditions?**
 - IV. Where can the standard terms and conditions and supplements be found?**
 - V. How will the standard terms and conditions and supplements be maintained?**
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I. What are the standard terms and conditions?

The standard terms and conditions are a core set of Government-wide administrative requirements for research and research-related awards to organizations subject to 2 CFR part 215 (previously OMB Circular A-110.) The core set is supplemented by agency- specific, program-specific and award-specific administrative requirements as necessary. The supplemental administrative requirements are limited to requirements that are (1) consistent with 2 CFR Part 215 or required by statute that supersedes that part; and (2) necessary for programmatic purposes or good stewardship of Federal funds. The core set is also supplemented by a Prior Approval and Other Requirements Matrix and a National Policy Requirements Matrix.

II. When should a Contracting Officer use the standard terms and conditions?

The standard terms and conditions may be used for both grants and cooperative agreements. The standard terms and conditions should be used when:

1. The principal purpose of the activity to be funded is research, development, demonstration or commercial application; and
2. The recipient is a university or non-profit organization.

The standard terms and conditions should not be used when:

1. The principal purpose of the activity to be funded is a non-research or research-related activity, such as outreach, training, information dissemination, or technical support; or
2. The recipient is a State, Local or Tribal Government, a for-profit company or another organization that is not subject to 2 CFR Part 215.

III. What will an award include when using the standard terms and conditions?

The award of a grant or cooperative agreement funding research or a related activity by a university or non-profit organization will consist of:

1. A Notice of Financial Assistance Award (NFAA), DOE F 4600.1, or the STRIPES Grant and Cooperative Agreement Cover Page;
2. DOE's Special Terms and Conditions; and
3. The following items incorporated by reference:
 - a. Program Regulations, as applicable;

- b. The Standard Terms and Conditions, including the Prior Approval and Other Requirements, Subaward, and the National Policy Requirements Matrices;
- c. DOE's Financial Assistance Regulations, 10 CFR Part 600, as applicable; and
- d. The accepted application.

For awards with universities that are part of the Federal Demonstration Partnership (FDP), DOE will include a special acknowledgement in its Special Terms and Conditions identifying the membership in FDP. This membership creates a special collaboration with DOE and other Federal agencies making research awards that may allow for exceptions to the Standard Terms and Conditions when piloting or demonstrating new requirements.

IV. Where can the standard terms and conditions and supplements be found?

The National Science Foundation website includes the current standard terms and conditions, and will include archived versions of the standard terms if and when revisions are developed.
<http://www.nsf.gov/bfa/dias/policy/rtc/index.jsp>.

A template of DOE's Special Terms and Conditions, the NFAA and other associated award documents can be found at http://www.management.energy.gov/business_doe/business_forms.htm.

V. How will the standard terms and conditions and supplements be maintained?

The RBM subcommittee (of which DOE is a member) will update the core set of administrative requirements as needed to maintain it as a standard implementation of 2 CFR Part 215. Significant changes will be coordinated with the Office of Management and Budget, approved by the Grants Policy Committee of the Chief Financial Officers Council, and adopted after opportunity for public comment.

The Office of Procurement and Assistance Policy will maintain its agency-specific requirements.