PRE-AWARD INFORMATION SHEET

The Recipient must provide the following information on behalf of itself and all Subrecipients, and certify that the information is accurate and complete.

NOTE: This Pre-Award Information Sheet template is provided as a convenient method of documenting the information required to process EERE financial assistance awards. The use of the Pre-Award Information Sheet template is not required, but the data elements within the Pre-Award Information Sheet template are required.

<table>
<thead>
<tr>
<th>Recipient Name:</th>
<th>DUNS:</th>
<th>Award Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipient Business Officer:</td>
<td>BO Phone Number/Email:</td>
<td></td>
</tr>
<tr>
<td>Principal Investigator:</td>
<td>PI Phone Number/Email:</td>
<td></td>
</tr>
</tbody>
</table>

A. TYPE OF ORGANIZATION – Please indicate the type of organization of the Recipient by selecting one of the following:

For-Profit Business:
☐ Small Business (A “Small Business” is defined by the SBA Size Standards at http://www.sba.gov/content/table-small-business-size-standards)
☐ Other than a Small Business (e.g., large business)

Non-Profit Organization:
☐ 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))
☐ An organization of the type described in Section 501(c)(4) 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))
☐ An organization of the type described in Section 501(c)(6) 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))
☐ A nonprofit scientific or educational organization qualified under a State nonprofit organization statute. (Please identify the statute.):
☐ Other (specify type):

Other (specify type):
☐ State or Local Government
☐ Indian Tribal Government
☐ Individual
☐ Other not listed (specify type):

B. INTELLECTUAL PROPERTY

IDENTIFICATION OF LIMITED RIGHTS DATA AND RESTRICTED COMPUTER SOFTWARE
Below, please identify any Limited Rights Data or Restricted Computer Software that you plan to use to carry out your work under the award. Limited Rights Data means data (other than computer software) developed at private expense that embody trade secrets or are commercial or financial and confidential or privileged. Restricted Computer Software means computer software developed at private expense and that is a trade secret; is commercial or financial and confidential or privileged; or is published copyrighted computer software; including modifications of the computer software.

Please note that these data do not include data that you will produce under the award. Data that is first produced under the award is treated separately under the data rights clause of your award. This section covers only those data that you bring into the award that were privately funded.

If you plan to use Limited Rights Data or Restricted Computer Software under the award, please describe it in a few sentences or bullets with sufficient detail so that the Technical Project Officer can determine whether DOE will need to have any of it delivered (for example, to validate your results or the data that you produce under the award). You do not have to list issued patents or published patent applications. You need to list unpublished patent applications (title and brief description) and trade secret processes (non-proprietary title with brief, non-proprietary description). If you have questions regarding completing this section, please contact your Grants Management Specialist. Please indicate that you have reviewed the requirements in the technical scope of work and to the best of your knowledge:

Based on the above, please review the requirements in the technical scope of work for this award and indicate, to the best of your knowledge:

☐ No Limited Rights Data will be utilized in the performance of this award.

☐ Limited Rights Data as described in the box below will be utilized in the performance of this award:

<table>
<thead>
<tr>
<th>Limited Rights Data</th>
<th>Description</th>
</tr>
</thead>
</table>

Based on the above, please review the requirements in the technical scope of work for this award and indicate, to the best of your knowledge:

☐ Recipient Restricted Computer Software will NOT be utilized in the performance of this award.

☐ Recipient Restricted Computer Software as described in the box below will be utilized in the performance of this award:

<table>
<thead>
<tr>
<th>Restricted Computer Software</th>
<th>Description</th>
</tr>
</thead>
</table>

C. PROJECT PERFORMANCE SITE AND CONGRESSIONAL DISTRICT

List the address and congressional district for the primary site where the project will be performed:

<table>
<thead>
<tr>
<th>Street Address:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>City:</td>
<td></td>
</tr>
<tr>
<td>State:</td>
<td></td>
</tr>
<tr>
<td>Zip:</td>
<td></td>
</tr>
<tr>
<td>Congressional District:</td>
<td></td>
</tr>
</tbody>
</table>
D. BUSINESS ASSURANCES AND PAYMENT INFORMATION

1. DISCLOSURE OF POTENTIAL IMPROPRIETIES
   Below, please disclose if any of the following conditions exist. If the answer to any question (a) through (g) below is yes, provide a detailed explanation in an attachment to this form.

   a. Is the proposed Recipient, Subrecipient(s), or any of the Recipient’s or Subrecipient’s principals\(^1\) under investigation for or charged with a covered offense\(^2\)?
      ☐  Yes
      ☐  No

   b. Has the proposed Recipient, Subrecipient(s), or any of the Recipient’s or Subrecipient’s principals been convicted of a covered offense in the last five years or had a civil judgment rendered against them for one of those offenses in that time period?
      ☐  Yes
      ☐  No

   c. Is the proposed Recipient, Subrecipient(s), or any of the Recipient’s or Subrecipient’s principals under investigation for potential violation of U.S. export control laws and regulations, or has the proposed Recipient, Subrecipient(s), or any of the Recipient’s or Subrecipient’s principals been convicted of any violations of U.S. export control laws and regulations?
      ☐  Yes
      ☐  No

   d. Is the proposed Recipient or Subrecipient(s) under investigation for potential violations of the Drug-Free Workplace Act of 1988, or has the proposed Recipient or Subrecipient(s) been convicted of any violations of the Drug-Free Workplace Act of 1988?
      ☐  Yes
      ☐  No

   e. Is the proposed Recipient, Subrecipient(s), or any of the Recipient’s or Subrecipient’s principals under investigation for research misconduct, or has the proposed Recipient, Subrecipient(s), or the Recipient’s or Subrecipient’s principals been convicted of research misconduct?
      ☐  Yes
      ☐  No

   f. Has any Federal Agency recommended or initiated proceedings against the proposed Recipient, Subrecipient(s), or the Recipient’s or Subrecipient’s principals for suspension or debarment, or is the proposed Recipient, Subrecipient(s), or the Recipient’s or Subrecipient’s principals debarred, suspended,

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1 For this form, “principal” means: (1) An officer, director, owner, partner, principal investigator (PI), or other person (as defined in 2 C.F.R. 180.95) within the Project Team with management or supervisory responsibilities related to this project and any resulting transaction; or (2) A consultant or other person, whether or not employed by the Recipient, Subrecipient, or their principals, or paid with Federal funds, who (a) is in a position to handle Federal funds, (b) is in a position to influence or control the use of those funds, or (c) occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the transaction, including but not limited to, any Co-PIs.

2 For this form, “covered offenses” include: (1) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement or transaction; (2) Violation of Federal or State antitrust statutes, including those proscribing price fixing between competitors, allocation of customers between competitors, and bid rigging; (3) Commission of embezzlement, theft, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice; or (4) Commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the Recipient’s present responsibility.
publicly banned from doing business with the Federal government, or otherwise declared ineligible from receiving Federal Contracts, subcontracts or financial assistance?

☐ Yes
☐ No

g. Is the proposed Recipient or Subrecipient(s) delinquent on federal debt or insolvent or at risk of insolvency or have the proposed Recipient or Subrecipient(s) filed for bankruptcy in any domestic or foreign jurisdiction?

☐ Yes
☐ No

2. POTENTIAL CONFLICTS OF INTEREST WITHIN PROJECT TEAM

The Recipient is required to disclose potential conflicts of interest within the Project Team. An apparent or actual conflict of interest may exist where an individual or entity has different, and potentially conflicting, duties or relationships with respect to other individuals or entities within the Project Team. If any conflicts of interest exist within the Project Team, explain the conflict and the parties involved in a separate attachment. If no conflicts of interest exist, check the box marked “None” below. Examples of potential conflicts of interest include but are not limited to: the PI for the Recipient has an equity stake in a Subrecipient; the PI for the Subrecipient has a consulting arrangement with the Recipient; or a Subrecipient is a subsidiary of or otherwise affiliated with the Recipient, etc.

☐ None

3. PENDING, CURRENT AND PAST SOURCES OF FUNDING

a. Does the PI, Co-PI(s) or any other the Recipient’s or Subrecipient’s principals, have any applications or funding requests for this project or related work (i.e., work that relates directly or indirectly to the project to be funded under the award number listed above) pending with or approved by any Federal or non-Federal entity (including but not limited to industry, private investors, and foreign, state or local governments)? If yes, attach an explanation for each submission including the source of funding/name of the Federal or non-Federal entity, date of submission, title of submission, application status and project abstract. The following table may be used to provide the information. Complete a separate table for each source of funding.

<table>
<thead>
<tr>
<th>Source of Funding/Name of the Funding Entity</th>
<th>Date of Submission</th>
<th>Title of Submission</th>
<th>Application Status</th>
<th>Project Abstract</th>
</tr>
</thead>
</table>

☐ Yes
☐ No

b. The Recipient must disclose all funding from any Federal or non-Federal entity that the Recipient or any other Recipient’s or Subrecipient’s principals (including, but not limited to, the PI or any Co-PI(s)), is currently receiving or have received within the last 5 years using the same or similar technology proposed for the project to be funded under the award number listed above. Attach a separate explanation for each source of funding that includes name of the Federal or non-Federal entity providing the funding; title of

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3 It is DOE’s position that the existence of a “covered relationship” as defined in 5 C.F.R. § 2635.502(a)&(b) between a member of a Recipient’s owners or senior management and a member of a Subrecipient’s owners or senior management creates at a minimum an apparent conflict of interest that would require the Recipient to notify the Contracting Officer and provide detailed information and justification (including, for example, mitigation measures) as to why the subaward or subcontract does not create an actual conflict of interest. Recipients must also notify the Contracting Officer of any subcontract or subaward to: (1) an entity that is owned or otherwise controlled by the Recipient; or (2) an entity that is owned or otherwise controlled by another entity that also owns or otherwise controls the Recipient, as it is DOE’s position that these situations also create at a minimum an apparent conflict of interest.
the project; funding amount; non-federal share, if applicable; start and end dates; and project abstract. The following table may be used to provide the information. Complete a separate table for each source of funding. If the Recipient and all members of the project team have not received any such funding, check the box marked “N/A” below.

☐ N/A

<table>
<thead>
<tr>
<th>Name of Entity Providing the Funding</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Title of Project</td>
<td></td>
</tr>
<tr>
<td>Funding Amount</td>
<td></td>
</tr>
<tr>
<td>Non-Federal Share Amount (If Applicable)</td>
<td></td>
</tr>
<tr>
<td>Start and End Dates</td>
<td></td>
</tr>
<tr>
<td>Abstract for Project</td>
<td></td>
</tr>
</tbody>
</table>

4. For Institutions of Higher Education, Hospitals, Non-Profit Organizations, and State, Local and Tribal Governments only, in the box below, provide (1) the awardee seven-digit ASAP (Automated Standard Application for Payment System) ID number that is under the DOE / Golden Field Office (GO) Agency Locator Code (ALC) and Region Code (#8900-0001-04) if available; (2) the name, phone number and email for the ASAP / Payments Contact Person; and (3) indicate whether the preferred payment method is by advance or reimbursement.

1) ASAP Number:
2) ASAP/Payments Contact Person:
3) The preferred payment method is:

5. Total Estimated Project Cost is the sum of the Federal Government share and Recipient share of the estimated project costs. The Recipient’s cost share must come from non-Federal sources unless otherwise allowed by law. By accepting Federal funds under this award, you agree that you are liable for your percentage share of total allowable project costs throughout the life of the project (i.e. on an invoice basis), even if the project is terminated early or is not funded to its completion. EERE requires Recipients to contribute the cost share amount incrementally over the life of the award. Specifically, the cumulative cost share percentage provided to date on each invoice received must reflect, at a minimum, the cost sharing percentage specified in your award. If your entity intends to request a waiver of this requirement, please indicate below and attach a waiver request which includes: (1) a detailed justification for the request; (2) a proposed schedule of payments, including amounts and dates; (3) a written commitment to meet that schedule; and (4) such evidence as necessary to demonstrate that the Recipient has complied with its cost share obligations to date. The Contracting Officer must approve all such requests before they may go into effect. The Contracting Officer may require additional information before considering the waiver request.

☐ I verify that the Recipient percentage share of total allowable project costs (cost share) will be provided on an invoice basis.
☐ A waiver request is attached.

6. Indicate the name, phone number, and email address of the Designated Responsible Employee for complying with national policies prohibiting discrimination (see 10 CFR 1040.5 and the Certifications and Assurances SF-424B Assurances for Non-Construction Programs or SF-424D Assurances for Construction Programs found at: http://www.grants.gov/web/grants/forms/sf-424-family.html.)

Name/Title
Phone No/Email
E. PERFORMANCE AND FINANCIAL INFORMATION REQUEST

Before providing this information, please read the ADDITIONAL INFORMATION at the end of this form. Each field identified below must be completed.

1. Has the Recipient had prior Federal awards? □ Yes □ No

   If Yes:
   Is the Recipient up to date on all reporting requirements on all other current and prior awards, including submitting acceptable final technical reports, with other Federal or non-Federal organizations? □ Yes □ No

2a. Has the Recipient had an independent Single Audit or independent Compliance Audit per Federal regulations, or had a prior DCAA Audit performed? □ Yes □ No

   (Please see attached instructions regarding Independent Audit requirements)

2b. Has the Recipient undergone a Financial Audit within the last 3 years? □ Yes □ No

   If Yes to either 2a. or 2b.:
   a. A copy of the audit is attached to this form. □ Yes □ No
   b. An electronic copy of the audit was provided with application package. □ Yes □ No

   An electronic copy of the audit can be found at:

   If audit was not provided, please explain why it has not been completed and/or provided:

3. Recipient’s fiscal year end date is ________________________

4a. Identify the Federal Agency providing the preponderance of funding from ALL Government Awards which the Recipient’s organization is/was the prime recipient, including any DOE Awards.

   Provide Agency name, Cognizant Agency point of contact (individual in charge of negotiating billing rates), phone number, and e-mail.

   (If the Recipient’s organization has a DCAA contact, please provide this information in 4(c) below):

   Agency: ________________________
   Point of Contact: ________________________
   Phone/Email: ________________________

4b. Please provide the following information for the five (5) highest dollar award values for Federal contracts, grants or awards for which the Recipient is the prime recipient receiving the funding directly from a Governmental agency.

   (State and Local Governments, Educational Institutions, and Tribal organizations need only complete this section if DHHS is NOT the cognizant agency).

   The total federal contract/award dollars should include the full project period, not just the incremental funding.

<table>
<thead>
<tr>
<th>Contract/Award #</th>
<th>Awarding Agency</th>
<th>Awarding Office</th>
<th>Start Date</th>
<th>End Date</th>
<th>Total Federal Dollars on Contract/Award</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4c. DCAA Contact Information:

DCAA Office:

Point of Contact:

Phone/Email:

5. Does the Recipient have any non-federal work or contracts?  
☐ Yes  ☐ No
(State and Local Governments, and Educational Institutions can skip this question).
If Yes, please provide brief explanation:

FINANCIAL MANAGEMENT SYSTEM – ACCOUNTING SYSTEM SURVEY

To qualify for Financial Assistance, compliance with 2 CFR 200 as amended by 2 CFR 910 is required. This includes assurance of an adequate accounting system for estimating, accounting and billing for governmental funding received. Please complete the checklist below as assurance of this requirement.

For additional information, please visit https://www.dcaa.mil. Under “Checklists and Tools”, click on “Preaward Accounting System Adequacy Checklist”.

Yes No NA

1. Is the Accounting System in accordance with Generally Accepted Accounting Principles applicable to the circumstances and associated applicable Federal regulations?  
☐ ☐ ☐

2. Accounting System provides for:
   a. Segregation of direct costs from indirect costs.  
      ☐ ☐ ☐
   b. Identification and accumulation of direct costs by project.  
      ☐ ☐ ☐
   c. A logical and consistent method for the allocation of indirect costs to intermediate and final cost objectives. (Project line items are final cost objective)  
      ☐ ☐ ☐
   d. Accumulation of costs under general ledger control.  
      ☐ ☐ ☐
   e. A timekeeping system that identifies employees’ labor by intermediate and final cost objective (i.e., project level, division level).  
      ☐ ☐ ☐
   f. A labor distribution system that charges direct and indirect labor to appropriate cost objectives.  
      ☐ ☐ ☐
   g. Interim (at least monthly) determination of costs charged to a project through routine posting of books of account.  
      ☐ ☐ ☐
   h. Excluding costs charged to Government projects which are not allowable in terms of FAR 31, Contract Cost Principles and Procedures, or other provisions.  
      ☐ ☐ ☐
   i. Identification of costs by project line item and by units (as if each unit or line item were a separate project) if required by the proposed award.  
      ☐ ☐ ☐

3. Is the Accounting System designed, and are the records maintained in such a manner that adequate, reliable data are developed for use in developing cost proposals?  
☐ ☐ ☐

4. Is the Accounting System currently in full operation?  
☐ ☐ ☐
F. REPRESENTATION/CERTIFICATION

Certification of the information is required by the organization’s authorized representative

☐ I certify that I have registered in the System for Award Management (SAM).

☐ I certify that I have registered in FedConnect.net in order to receive award documentation.

☐ I certify that all subrecipient cost information has been reviewed, and that all subrecipient costs are reasonable, allowable and allocable in accordance with the applicable cost principles. All subrecipient budget documents should be available upon DOE request.

☐ I certify that all direct costs proposed in the application (under the personnel, travel, equipment, supplies, contractual, construction, and/or other direct costs categories) are direct to the project and are not duplicated in the proposed indirect costs.

☐ I certify that the processes undertaken to solicit any subrecipients, subawards, subcontracts and vendors comply with our organization’s written procurement procedures as outlined in “Procurement Standards” 2 CFR 200.317 through 2 CFR 200.326 inclusive.

G. SIGNATURES

I, the Authorization Official named below, represent by my signature that I am authorized to certify this information on behalf of the Recipient. I certify under penalty of perjury that the information contained in this Pre-Award Information Sheet is accurate and complete. I understand that false statements or misrepresentations may result in civil and/or criminal penalties under 18 U.S.C. 1001. I further understand and agree that I have a responsibility to update the disclosures during the period of performance of the award should circumstances change which impact the responses provided above.

Name: ________________________________

Title: ________________________________

Signature of Authorized Official:

Date:

I, the Principal Investigator named below, certify under penalty of perjury that the information contained in this Pre-Award Information Sheet is accurate and complete. I understand that false statements or misrepresentations may result in civil and/or criminal penalties under 18 U.S.C. 1001. I further understand and agree that I have a responsibility to update the disclosures during the period of performance of the award should circumstances change which impact the responses provided above.

Name: ________________________________

Title: ________________________________

Signature of Principal: ________________________________
ADDITIONAL INFORMATION

This information will assist DOE in determining: 1) cognizance; 2) whether the Recipient has adequate internal financial and management controls; and 3) whether the Recipient has an adequate accounting system. Generally, cognizance means that an organization has a Federal oversight agency (cognizant agency). Cognizance of an organization is used for many purposes including: determining which agency is responsible for verifying correct allocation of indirect rates to incurred costs; issuing the Provisional and Final Indirect Rate Agreements; and ordering audits. Adequate internal controls and accounting systems are essential to ensure that Recipient’s costs are correctly estimated, recorded, and billed. The Recipient has the responsibility to ensure that these systems are in place. The cognizant Agency has the responsibility for verifying these systems through audits or other methods.

For additional information, please visit [https://www.dcaa.mil](https://www.dcaa.mil). Under “Checklists and Tools”, click on “Preaward Accounting System Adequacy Checklist”.

Cognizance is determined by TOTAL Federal award/contract dollars received by the Recipient/Contractor from all Federal agencies. This information is used to determine which Federal agency has the largest preponderance of funding and is cognizant. Once a Federal agency assumes cognizance for a contractor, it should remain cognizant for at least 5 years to ensure continuity and ease of administration.

Cognizance related duties are the responsibility of the Cognizant Federal Agency (CFA). The CFA is the Federal agency (e.g., Department of Defense, Department of Energy, Navy, etc.) that provided the preponderance (largest amount) of funding for your awards, across all federal agencies. It is very important to confirm that you work with the correct office.

**General Rule of Thumb:** Department of Health & Human Services (DHHS) is usually the CFA for Universities, Cities, States, and Counties. DHHS cognizance is not usually transferred.

If it is determined that the Department of Energy/Golden Field Office (GO) is the Cognizant Federal Office, the Recipient will have the following **ANNUAL** responsibilities:

1. **Submit a Certified Annual Incurred Cost Claim (ICE Model – see #3 below) to the GO Cost/Price mailbox (CostPrice@ee.doe.gov). This should represent the total organization’s costs (representing the Company General Ledger), not just the Recipient’s DOE award(s).**

2. **Due Date:** 180 days after the Recipient’s fiscal year end.

3. **For an example of the ICE Model, please visit [https://www.dcaa.mil](https://www.dcaa.mil). Under “Under “Checklists and Tools”, click on ICE (Incurred Cost Electronically) Model and download the ICE model.**

Once the information is received, GO will have the responsibility of providing your organization with an annual indirect rate agreement. This indirect rate must be used on all Federal grants and contracts.

If it is determined that GO is __not__ the Cognizant Federal Office, the Recipient should contact the Cognizant Office for additional instructions.
### ANNUAL AUDIT REQUIREMENTS

#### Independent (Single & Compliance) Audit Requirements

**2 CFR 200, Section F** located at:

[http://www.ecfr.gov/cgi-bin/textIdx?SID=6e187b05cfeea4f534c659f20938b14e&mc=true&node=pt2.1.200&rgn=div5](http://www.ecfr.gov/cgi-bin/textIdx?SID=6e187b05cfeea4f534c659f20938b14e&mc=true&node=pt2.1.200&rgn=div5)

**For-Profits: 2 CFR 910, Section F** located at:

[http://www.ecfr.gov/cgi-bin/textIdx?node=pt2.1.910&rgn=div5](http://www.ecfr.gov/cgi-bin/textIdx?node=pt2.1.910&rgn=div5)

Below are excerpts from Section F.

**Audit requirements.**

(a) Audit required. A non-Federal entity that expends $750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single (program-specific, not applicable for For-Profits) or compliance audit conducted for that year in accordance with the provisions of this part.

(b) Single audit. A non-Federal entity that expends $750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with §200.514 - Scope of audit except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.

(b) Compliance audit. (1) If a for-profit entity has one or more DOE awards with expenditures of $750,000 or more during the for-profit entity's fiscal year, they must have a compliance audit for each of the awards with $750,000 or more in expenditures. A compliance audit should comply with the applicable provisions in §910.514—Scope of Audit. The remaining awards do not require, individually or in the aggregate, a compliance audit.

(c) Program-specific audit election. (Not applicable to For-Profits). When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with §200.507 Program-specific audits. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.

(d) Exemption when Federal awards expended are less than $750,000. A non-Federal entity that expends less than $750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in §.503 Relation to other audit requirements, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

(e) Federally Funded Research and Development Centers (FFRDC). Management of an auditee that owns or operates a FFRDC may elect to treat the FFRDC as a separate entity for purposes of this part.

(f) Subrecipients and Contractors. An auditee may simultaneously be a recipient, a subrecipient, and a contractor. Federal awards expended as a recipient or a subrecipient are subject to audit under this part. The payments received for goods or services provided as a contractor are not Federal awards. Section §.330 Subrecipient and contractor determinations sets forth the considerations in determining whether payments constitute a Federal award or a payment for goods or services provided as a contractor.
(g) Compliance responsibility for contractors. In most cases, the auditee's compliance responsibility for contractors is only to ensure that the procurement, receipt, and payment for goods and services comply with Federal statutes, regulations, and the terms and conditions of Federal awards. Federal award compliance requirements normally do not pass through to contractors. However, the auditee is responsible for ensuring compliance for procurement transactions which are structured such that the contractor is responsible for program compliance or the contractor's records must be reviewed to determine program compliance. Also, when these procurement transactions relate to a major program, the scope of the audit must include determining whether these transactions are in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards.

(h) For-profit subrecipient. Since this part does not apply to for-profit subrecipients, the pass-through entity is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The agreement with the for-profit subrecipient must describe applicable compliance requirements and the for-profit subrecipient’s compliance responsibility. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the agreement, and post-award audits. See also §.331 Requirements for pass-through entities.