

GRANT COOPERATIVE AGREEMENT

FINANCIAL ASSISTANCE AWARD

AWARD PERIOD
From date of approval shown below through 60 months

RECIPIENT NAME
City of Flagstaff

AWARD NUMBER
07-79-06817

STREET ADDRESS
211 West Aspen

FEDERAL SHARE OF COST
\$ **4,000,000**

CITY, STATE, ZIP CODE
Flagstaff, Arizona 86001

RECIPIENT SHARE OF COST
\$ **3,762,500**

AUTHORITY
42 U.S.C., Section 209 of the Public Works and Economic Development Act of 1965 (Public Law 89-136), as amended by the Economic Development Administration Reauthorization Act of 2004

TOTAL ESTIMATED COST
\$ **7,762,500**

CFDA NO. AND PROJECT TITLE
11.307 Economic Adjustment – Business Incubator with Alternate Emergency Operation Center

BUREAU	FUND	FCFY	PROJECT-TASK	ORGANIZATION	OBJECT CLASS
EDA	40	12	00	07	41, 10, 00

This Award approved by the Grants Officer is issued in duplicate and constitutes an obligation of Federal funding. By signing the two documents, the Recipient agrees to comply with the Award provisions checked below and attached. Upon acceptance by the Recipients, one signed Award document shall be returned to the Grants Officer and the remaining document shall be retained by the Recipient. If this document is not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally terminate this Award.

- Department of Commerce Financial Assistance Standard Terms and Conditions (March 2008)
- Special Award Conditions
- Line Item Budget
- 15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations
- 15 CFR Part 24, Uniform Administrative Requirements for Grants and Agreements to State and Local Governments
- OMB Circular A-21, Cost Principles for Educational Institutions
- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments
- OMB Circular A-122, Cost Principles for Nonprofit Organizations
- 48 CFR Part 31, Contract Cost Principles and Procedures
- OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations
- Other(s): U.S. Department of Commerce Economic Development Administration Standard Terms and Conditions for Construction Projects (December 2007)

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER  A. Leonard Smith		TITLE Regional Director	DATE SEP 13 2012
TYPED NAME AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL KEVIN BURKE CITY MANAGER		TITLE KEVIN BURKE CITY MANAGER	DATE

**Grant Agency: U.S. Department of Commerce, Economic Development
Administration**
**CFDA No. and Project Title: 11.307 Economic Adjustment - Business
Incubator with Alternate Emergency Operations Center**
Grant Number: 07-79-06817

Attest:

City Clerk

Approved as to Form:

City Attorney

PUBLIC WORKS PROJECT COST CLASSIFICATION

Recipient: City of Flagstaff

EDA Award No. 07-79-06817

State: Arizona

County: Coconino

<u>Cost Classification</u>	<u>Proposed</u>	<u>Approved</u>
Administrative and legal expense	\$ 1,000	\$ 1,000
Land, structures and rights-of way, appraisals, etc.	0	0
Relocation expenses and payments	0	0
Architectural and engineering fees	450,000	450,000
Other architectural and engineering fees	1,000	1,000
Project inspection fees	499,000	499,000
Demolition and removal	0	0
Construction	6,019,452	6,019,452
Equipment	262,500	262,500
Contingencies	529,548	529,548
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TOTAL PROJECT COSTS	\$ 7,762,500	\$ 7,762,500

EXHIBIT "A"

U.S. DEPARTMENT OF COMMERCE
Economic Development Administration

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Public Works and Development Facilities

RECIPIENT: City of Flagstaff, Arizona

Award No. 07-79-06817

SPECIAL AWARD CONDITIONS

1. PROJECT DEVELOPMENT TIME SCHEDULE: The Recipient agrees to the following Project development time schedule:

Time allowed after receipt of Financial Assistance Award for:

Return of Executed Financial Assistance Award - 30 days

Time allowed after acceptance by Recipient of Financial Assistance Award for:

Start of Construction - 23 months
Construction Period - 32 months

Project Closeout - All Project closeout documents, including final financial information and any required program reports, shall be submitted to the Government not more than 90 days after the date the Recipient accepts the completed Project from the contractor(s).

The Recipient shall pursue diligently the development of the Project so as to ensure completion of the Project and submission of closeout documents within this time schedule. Moreover, the Recipient shall notify the Government in writing of any event which could delay substantially the achievement of the Project within the prescribed time limits. The Recipient further acknowledges that failure to meet the development time schedule may result in the Government's taking action to terminate the Award in accordance with the regulations set forth at 13 CFR 305.99(b) and 15 CFR 24.43 (53 Fed. Reg. 8048-9, 8102, March 11, 1988).

2. GOALS FOR WOMEN AND MINORITIES IN CONSTRUCTION: Department of Labor regulations set forth in 41 CFR 60-4 establish goals and timetables for participation of minorities and women in the construction industry. These regulations apply to all Federally assisted construction contracts in excess of \$10,000. The Recipient shall comply with these regulations and shall obtain compliance with 41 CFR 60-4 from contractors and subcontractors employed in the completion of the Project by including such notices, clauses and provisions in the Solicitations for Offers or Bids as required by 41 CFR 60-4. The goal for the participation of women in each trade area shall be as follows:

From April 1, 1981, until further notice: 6.9 percent

All changes to this goal, as published in the Federal Register in accordance with the Office of Federal Contract Compliance Programs regulations at 41 CFR 60-4.6, or any successor regulations, shall hereafter be incorporated by reference into these Special Award Conditions.

Goals for minority participation shall be as prescribed by Appendix B-80, Federal Register, Volume 45, No. 194, October 3, 1980, or subsequent publications. The Recipient shall include the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" (or cause them to be included, if appropriate) in all federally assisted contracts and subcontracts. The goals and timetables for minority and female participation may not be less than those published pursuant to 41 CFR 60-4.6.

3. **TITLE:** Prior to EDA authorization to start construction, the Recipient shall provide evidence satisfactory to the Government that the Recipient has acquired good and merchantable title, free of all mortgages, foreclosable liens, or encumbrances, to all land, rights-of-way, and easements necessary for the completion of the Project.
4. **NONRELOCATION:** In signing this award of financial assistance. Recipient(s) attests that EDA funding is not intended by the Recipient to assist its efforts to induce the relocation of existing jobs that are located outside of its jurisdiction to within its jurisdiction in competition with other jurisdictions for those same jobs. In the event that EDA determines that its assistance was used for those purposes, EDA retains the right to pursue appropriate enforcement action in accord with the Standard Terms and Conditions of the Award, including suspension of disbursements and termination of the award for convenience or cause.
5. **ARCHITECT/ENGINEER AGREEMENT:** Prior to the disbursement of funds by EDA, the Recipient must submit to the Government for approval an Architect/Engineer agreement that meets the requirements of EDA publication "Summary of EDA Construction Standards" V. Requirements During Construction, E. Competitive Procurement Requirements, as well as the competitive procurement standards of 15 CFR Part 24 or 15 CFR Part 14, as applicable. The fee for basic Architect/Engineer services will be a lump sum or an agreed maximum and no part of the fees for other services will be based upon a cost-plus-a-percentage-of-cost or a cost using a multiplier.
6. **FEDERAL SHARE OF PROJECT COSTS:** The EDA participation in total eligible project costs will be limited to the EDA grant amount or the EDA share of total allowable project costs based on the area's grant rate eligibility at the time of award, whichever is less.
7. **GRANT SUSPENSION FOR FAILURE TO START CONSTRUCTION:** If significant construction (as determined by EDA) is not commenced within two years of approval of the project or by the date estimated for start of construction in the grant award (or the expiration of any extension granted in writing by EDA), whichever is later, the EDA grant will be automatically suspended and may be terminated if EDA determines, after consultation with the grant recipient, that construction to completion cannot reasonably be expected to proceed promptly and expeditiously.

8. FREEDOM OF INFORMATION ACT (FOIA): EDA is responsible for meeting its Freedom of Information Act (FOIA) (5 U.S.C. § 522) responsibilities for its records. DOC regulations at 15 C.F.R. part 4 set forth the requirements and procedures that EDA must follow in order to make the requested material, information, and records publicly available. Unless prohibited by law and to the extent required under the FOIA, contents of applications and other information submitted by applicants may be released in response to a FOIA request. Applicants should be aware that EDA may make certain application information publicly available. Accordingly, the applicant should notify EDA if it believes any application information to be confidential.
9. PRESERVATION OF OPEN COMPETITION AND GOVERNMENT NEUTRALITY TOWARDS GOVERNMENT CONTRACTORS' LABOR RELATIONS ON FEDERAL AND FEDERALLY FUNDED CONSTRUCTION PROJECTS: Pursuant to E.O. 13202, unless the project is exempted under section 5(c) of the order, bid specifications, project agreements, or other controlling documents for construction contracts awarded by recipients of grants or cooperative agreements, or those of any construction manager acting on their behalf, shall not:
 - a) include any requirement or prohibition on bidders, offerors, contractors, or subcontractors about entering into or adhering to agreements with one or more labor organizations on the same or related construction project(s); or
 - b) otherwise discriminate against bidders, offerors, contractors, or subcontractors for becoming or refusing to become or remain signatories or otherwise to adhere to agreements with one or more labor organizations, on the same or other related construction projects(s).
10. RECIPIENT's Duty to Refrain from EMPLOYING CERTAIN GOVERNMENT EMPLOYEES: For the two-year period beginning on the date the Government executes this award, the Recipient(s) agrees that it will not employ, offer any office or employment to, or retain for professional services any person who:
 - (i) On the date the Government executes this award or within the one-year period ending on that date, served as an officer, attorney, agent, or employee of the Government; and
 - (ii) Occupied a position or engaged in activities that the Assistant Secretary determines involved discretion with respect to the award of Investment Assistance under PWEDA.The two-year period and associated restrictions referenced above also shall apply beginning on the date the Government executes any cost amendment to this award that provides additional funds to the Recipient(s).
11. INDIVIDUAL BACKGROUND SCREENINGS: Notwithstanding the requirements pertaining to Individual Background Screenings set forth in Section F of the Department of Commerce (DOC) Standard Terms and Conditions (March 2008), Individual Background Screenings will be conducted in accordance with the updated guidance contained in Chapter 21 (February 2010) of the DOC Grants and Cooperative Agreements Interim Manual. This guidance may be viewed online at <http://oamweb.osec.doc.gov/docs/RevisedChapter21020210.pdf>.

12. RECORDED STATEMENT: The Recipient expressly agrees to grant to the Government, prior to EDA authorization to start construction, a first priority unsecured lien against, covenant or other statement of EDA's interest in the property acquired or improved in whole or in part with the funds made available under this award. The statement shall specify in years the estimated useful life of the project and shall include, but not be limited to disposition, encumbrance, and compensation of Federal share requirements of 13 CFR Part 314. The statement shall be satisfactory in form and substance to EDA. The statement of EDA's interest must be perfected and placed of record in the real property records of the jurisdiction in which the property is located, all in accordance with local law. EDA will in its own discretion determine whether the lien, covenant or statement of interest is satisfactory, and EDA may require an opinion of counsel for the Recipient that it is valid and enforceable according to its terms, and has been properly recorded. Facilities in which the EDA investment is only a small part of a large project, as determined by EDA, may be exempted from the requirements of this section.

The Recipient further agrees that:

- (a) Except as provided in 13 CFR 314.3(b), (c) or (d), whenever, during the expected useful life of the project, any property acquired or improved in whole or in part with grant assistance is disposed of, or no longer used for the authorized purpose of the project, the federal Government must be compensated by the Recipient for the federal share of the value of the property; provided that for equipment and supplies, the standards of the Uniform Administrative Requirements for Grants at 15CFR Parts 14 and 24 or any supplements or successors thereto, as applicable, shall apply.
- (b) If property is disposed of or encumbered without EDA approval, EDA may assert its interest in the property to recover the federal share of the value of the property for the federal Government. EDA may pursue its rights under both paragraphs (a) and (b) of this section to recover the federal share, plus costs and interest.
- (c) The federal share of the value of the property is that percentage of the current fair market value of the property attributable to the EDA participation in the project (after deducting actual and reasonable selling and fix-up expenses, if any, incurred to put the property into condition for sale). The federal share excludes that value of the property attributable to acquisition or improvements before or after EDA's participation in the project and not included in project costs.
- (d) The lien, covenant or other statement of EDA's interest must remain in effect throughout the useful life of the Project which is determined to be 20 years. Where the Recipient's interest in property is a leasehold for a term of years less than the depreciable remaining life of the property, that factor will be considered in determining the percentage of the Federal share.

This Award agreement contemplates leases, by the Recipient, of space in the **Business Incubator** constructed in this Project. The making of such leases, consistent with the authorized purpose of the Award and applicable EDA requirements concerning, but not limited to, adequate consideration, nondiscrimination and environmental compliance, is an authorized use of the Project property, provided that the lease is pursuant to a lease agreement that is approved by EDA.

13. LEASING RESTRICTIONS: The Recipient agrees that any leasing or renting of the facilities involved in this Project shall be subject to the prior written approval of EDA. Prior to EDA granting said approval, it must be satisfied inter alia, that said lease arrangement is consistent with the authorized general and special purpose of the Award; that said lease arrangement will provide adequate employment and economic benefits for the area in which the property is located; that said lease arrangement is consistent with EDA policies concerning, but not limited to, nondiscrimination, and excessive profits; that the proposed Lessee is providing adequate compensation to the Recipient for said lease and that said lease arrangement shall include a covenant prohibiting the use of such property for any purpose other than the general and special purpose of the Award.
14. OPERATION AND MAINTENANCE AGREEMENT: If the Recipient will not operate and maintain the project, then prior to initial disbursement, the Recipient shall provide to EDA an executed copy of an Agreement with the party responsible for operation and maintenance of the project. Such Agreement must be consistent with EDA policies including, but not limited to, nondiscrimination, environmental requirements, and adequate consideration. The Agreement must also set forth that prior to occupancy, the occupant of any part of the land acquired or improved by this project must furnish to the Recipient, for transmittal to EDA, properly executed EDA forms evidencing assurance of compliance with EDA Civil Rights requirements at 13 CFR Part 317 and all other applicable requirements.
15. NONRELOCATION: In signing this award of financial assistance. Recipient(s) attests that EDA funding is not intended by the Recipient to assist its efforts to induce the relocation of existing jobs that are located outside of its jurisdiction to within its jurisdiction in competition with other jurisdictions for those same jobs. In the event that EDA determines that its assistance was used for those purposes, EDA retains the right to pursue appropriate enforcement action in accord with the Standard Terms and Conditions of the Award, including suspension of disbursements and termination of the award for convenience or cause.
16. SECURITY AGREEMENT – MACHINERY AND EQUIPMENT: The Recipient expressly agrees to grant to the Government, prior to disbursement for Machinery and Equipment, security interest or other statement of EDA's interest in the personal property purchased in whole or in part with any of the proceeds of this Award. Such security interest or other statement must be acceptable in form and substance to EDA and must be perfected and placed of record in

accordance with local law, with continuances refiled as appropriate. The Recipient also agrees that, subject to EDA's approval, the trade-in, or selling of the personal property originally acquired for the project in order to acquire replacement personal property of equal or greater value to be used for the project is subject to the same requirements as the original property.

17. **POSSIBLE CONTAMINATION:** If soil and/or groundwater contamination is encountered, then prior to any ground disturbing activities associated with the EDA-funded project, the Recipient shall provide evidence satisfactory to the EDA that the contamination has been remediated to applicable standards. All expenses related to the site assessment and remediation shall be the responsibility of the Recipient and EDA funds shall not be expended for this work.
18. **TRIBAL HISTORIC PRESERVATION OFFICE (SHPO):** Prior to construction bid, the Recipient shall provide evidence satisfactory to the EDA that the National Historic Preservation Act Section 106 consultation has been concluded to the satisfaction of the EDA and recommendations resulting from the consultation have been incorporated into the construction plans and specifications.
19. **REAFFIRMATION OF APPLICATION:** Recipient(s) acknowledges that Recipient's application for this Award may have been submitted to the Government and signed by Recipient(s) electronically. Regardless of the means by which Recipient(s) submitted its application to the Government, Recipient(s) hereby reaffirms and states that a.) all data in said application and documents submitted with the application are true and correct as of the date of this Award and were true and correct as of the date of said application, b.) said application was as of the date of this Award and as of the date of said application duly authorized by the governing body of the Recipient(s) and c.) Recipients(s) will comply with the Assurances and Certifications submitted with or attached to said application.
20. **CCR Registration & DUNS Number Requirement & Transparency Act Reporting NEXT PAGE**

**CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS
and REPORTING SUBAWARDS and EXECUTIVE COMPENSATION**

I. CCR Registration and DUNS Number Requirement

All recipients of awards made on or after October 1, 2010 are required to maintain current registrations in the Central Contractor Registration (CCR) database throughout the project period until the final financial report is submitted or until the recipient receives final payment, whichever is later. In addition, recipients must obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) numbers and may make subawards only to subrecipients that obtain a DUNS number. The following details the DUNS and CCR requirements. Please read the following carefully and contact the EDA Project Officer with any questions.

Central Contractor Registration and Universal Identifier Requirements.

- a. **Requirement for Central Contractor Registration (CCR).**
Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.
- b. **Requirement for Data Universal Numbering System (DUNS) numbers.** If you are authorized to make subawards under this award, you:
 1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
 2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.
- c. **Definitions.** For purposes of this award term:
 1. Central Contractor Registration (CCR) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).
 2. Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
 3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
 4. Subaward:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

- b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. ____ .210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations”).
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. Subrecipient means an entity that:
- a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

II. Transparency Act Reporting

All recipients of awards made on or after October 1, 2010 are required to comply with reporting requirements under the Federal Funding Accountability and Transparency Act of 2006 (Transparency Act). The following details the requirements of both. In general, all recipients are responsible for reporting subawards of \$25,000 or more. Please note that the Transparency Act reporting

requirement applies to subawards only, and not to procurements you enter into under this award. The required reporting subaward data elements may be found at www.fsrs.gov. In addition, recipients that meet certain criteria are responsible for reporting executive compensation. Please read the following carefully and contact the EDA Project Officer with any questions.

Reporting Subawards and Executive Compensation.

a. Reporting of first-tier subawards.

1. *Applicability.* Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).
2. *Where and when to report.*
 - i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.
 - ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
3. *What to report.* You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—
 - i. the total Federal funding authorized to date under this award is \$25,000 or more;
 - ii. in the preceding fiscal year, you received—
 - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)
2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term:
 - i. As part of your registration profile at <http://www.ccr.gov>.
 - ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. *Applicability and what to report.* Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—
 - i. in the subrecipient's preceding fiscal year, the subrecipient received—
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)

2. *Where and when to report.* You must report subrecipient executive total compensation described in paragraph c.1. of this award term:
 - i. To the recipient.
 - ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (*i.e.*, between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- i. Subawards, and
- ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. *Entity* means all of the following, as defined in 2 CFR part 25:
 - i. A Governmental organization, which is a State, local government, or Indian tribe;
 - ii. A foreign public entity;
 - iii. A domestic or foreign nonprofit organization;
 - iv. A domestic or foreign for-profit organization;
 - v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
2. *Executive* means officers, managing partners, or any other employees in management positions.
3. *Subaward*:
 - i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __.210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
 - iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
4. *Subrecipient* means an entity that:
 - i. Receives a subaward from you (the recipient) under this award; and
 - ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - i. *Salary and bonus.*
 - ii. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.
 - v. *Above-market earnings on deferred compensation which is not tax-qualified.*
 - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.