



U.S. Department
of Transportation

1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Pipeline and Hazardous
Materials Safety Administration

SEP 20 2013

Mr. John Hall
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, NC, 27699-0000

Subject: Grant Agreement #DTPH56-13-G-PHPS19 – Executed

Dear Mr. Hall:

Enclosed is one (1) executed copy of the above referenced Grant Agreement for your file. If you have any questions or concerns regarding this matter, please do not hesitate to contact Ms. Janella Davis by phone at (202) 366-4059 or by email at Janella.Davis@dot.gov.

Sincerely,

Warren D. Osterberg
Contracting Officer

Enclosure
Grant Agreement #DTPH56-13-G-PHPS19 – Executed

GRANT AGREEMENT DTPH56-13-G-PHPS19

GRANT AGREEMENT

BETWEEN

NORTH CAROLINA UTILITIES COMMISSION

AND

THE U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

CONCERNING

"State Damage Prevention (SDP) Grants - 2013"

Agreement No.: DTPH56-13-G-PHPS19

Total Amount of the Grant Agreement: \$15,000.00

Government Funds Obligated: \$15,000.00

PHMSA Line of Appropriation: 5172313DA0.2013.PSGRT03020.50D0204000.41050 \$15,000 PR#: 956-13-0055

Authority: This agreement is entered into between the United States of America, represented by the U.S. Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA), and the North Carolina Utilities Commission (NCUC), pursuant to 49 U.S.C. §60134 (State Damage Prevention Programs), most recently reauthorized in the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, Public Law 112-90, (January 3, 2012).

NORTH CAROLINA UTILITIES COMMISSION
(NCUC)

U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS
SAFETY ADMINISTRATION (PHMSA)

Edward S. Fink, Jr.
Signature

Edward S. Fink, Jr.
Chie. Nunc
Name and Title

9-17-13
Date

Wendy Osterberg
Signature

9/19/13
Date

9/15/13
Effective Date

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Article I. Award Information

Section 1.01 Grantee Information

North Carolina Utilities Commission (NCUC)
430 N Salisbury Street, Suite 2074
Raleigh, NC, 27603-5926
DUNS: 780414723
EIN/TIN: 561611847

Primary Contact: Mr. John Hall, Hall@ncuc.net, (828) 256-6615

Section 1.02 Awarding Agency Information

U.S. Department of Transportation (US DOT)
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Acquisition Services Division, PHA-30
1200 New Jersey Avenue, SE, Room E22-306
Washington, D.C. 20590

Primary Contact: Janella Davis, Janella.Davis@dot.gov, (202) 366-4059

Section 1.03 Basic Award Information

Funding Opportunity Title: "State Damage Prevention (SDP) Grants - 2013"
Funding Opportunity Number: DTPH56-13-SN-000001
CFDA Number: 20.720
Award Type: Grant Agreement
Award Number: DTPH56-13-G-PHPS19
Project Title: North Carolina Utilities Commission State Damage Prevention Grant
Project Period: September 15, 2013 – September 14, 2014
Grant Amount: \$15,000.00

Article II. Background

Section 2.01 Background

Section 2 of the Pipeline Inspection, Protection, Enforcement and Safety Act of 2006, Public Law 109-468, (December 29, 2006) added a new State Damage Prevention Grant program to the Federal Pipeline Safety Law at 49 U.S.C. §60134. The statute was amended by The Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, Public Law 112-90 (January 3, 2012). The purpose of these grants is to establish or improve comprehensive State programs designed to prevent damage to underground pipelines. The statute sets forth nine elements of an effective State damage prevention program. Please see PHMSA's Damage Prevention Assistance Program (DPAP) guidance document for more information on the elements (<http://primis.phmsa.dot.gov/comm/DamagePrevention.htm>).

Section 2.02 Statement of Purpose

Grants awarded under the State Damage Prevention Program are intended for States to establish or improve the overall quality and effectiveness of their programs that are designed to prevent damage to underground pipeline facilities.

Section 2.03 Specific Objective(s) of the Agreement

Under this grant agreement, the NCUC will:

- Develop and implement methods for effective communication
- Foster support and partnership with stakeholders
- Support a Damage Prevention Education Program for industry stakeholders
- Laws and regulations of the damage prevention process
- Foster and promote the use of improving technologies

Article III. Workscope

Under the terms of this grant agreement, the Grantee will address the following elements listed in 49 U.S.C. §60134 (b) through the actions it has specified in its Application.

- **Element 1 (Effective Communications):** Participation by operators, excavators, and other stakeholders in the development and implementation of methods for establishing and maintaining effective communications between stakeholders from receipt of an excavation notification until successful completion of the excavation, as appropriate.
- **Element 2 (Comprehensive Stakeholder Support):** A process for fostering and ensuring the support and partnership of stakeholders, including excavators, operators, locators, designers, and local government in all phases of the program.
- **Element 4 (Effective Employee Training):** Participation by operators, excavators, and other stakeholders in the development and implementation of effective employee training programs to ensure that operators, the one-call center, the enforcing agency, and the excavators have partnered to design and implement training for the employees of operators, excavators, and locators.
- **Element 7 (Enforcement):** Enforcement of State damage prevention laws and regulations for all aspects of the damage prevention process, including public education, and the use of civil penalties for violations assessable by the appropriate State authority.
- **Element 8 (Technology):** A process for fostering and promoting the use, by all appropriate stakeholders, of improving technologies that may enhance communications, underground pipeline locating capability, and gathering and analyzing information about the accuracy and effectiveness of locating programs.

Article IV. Deliverables

The NCUC must submit the following reports:

- Progress Report;
- Final Report;
- Mid-term Financial Status Report; and
- Final Financial Status Report.

Additional information about the reporting requirements is in Article IX, Reports.

Article V. Delineation of Tasks/Deliverables

Section 5.01 Incorporation of Grantee Application

The Grantee's application and Project Plan dated **November 30, 2012** and the Grantee's revised budget submitted on **August 20, 2013** are incorporated by reference into this Agreement.

The Grantee is responsible for accomplishing the objectives, tasks and deliverables of this Grant Agreement, and performing the tasks and the deliverables outlined in the Grantee's Project Plan.

Article VI. Agreement Officials

Refer to the Award Terms and Conditions (Attachment 1), Section 1, for a detailed description of each official's responsibilities below.

Agreement Officer (AO)

Mr. Warren D. Osterberg
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Acquisition Services Division, PHA-30
1200 New Jersey Avenue, SE, E22-317
Washington, D.C. 20590
Telephone: (202) 366-6942
Fax: (202) 366-7974

E-mail: Warren.Osterberg@dot.gov

Agreement Administrator (AA)

Ms. Janella Davis
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Acquisition Services Division, PHA-30
1200 New Jersey Avenue, SE, E22-306
Washington, D.C. 20590
Telephone: (202) 366-4059
Fax: (202) 366-7974

E-mail: Janella.Davis@dot.gov

Agreement Officer's Representative (AOR)

Ms. Annmarie Robertson
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety, PHP-20
246 E. Laverock Road
Indianapolis, IN 46220
Telephone: (317) 253-1622
Mobile: (317) 964-1670
Fax: (317) 253-1622

E-mail: Annmarie.Robertson@dot.gov

Principal Investigator (PI)

Mr. John Hall
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, NC, 27699-0000
Telephone: (828) 256-6615

E-mail: Hall@ncuc.net

Article VII. Terms and Conditions

The Grantee must comply with and spend funds consistent with all the terms and conditions of this award, including the Award Terms and Conditions in **Attachment 1** and any other terms and conditions spelled out in this document. Attachment 1, Award Terms and Conditions, is incorporated into this Agreement.

Article VIII. Special Terms and Conditions

Section 8.01 Modifications

Modifications to this Grant Agreement may be made only in writing and specifically referred to as a modification to this Grant Agreement. The Agreement Officer may unilaterally sign an Administrative modification. The Grantee and the Agreement Officer must both sign all other modifications.

Section 8.02 Travel

Any travel necessary to carry out the objectives of this agreement must use the most economical form of transportation available. All travel is to be scheduled sufficiently in advance, to the extent practicable, to take advantage of offered discount rates.

Article IX. Reports

Section 9.01 Progress Report

During the performance of the grant, the Grantee must provide a letter-type written report to the AOR and the AA. The report must include the following:

1. A comparison of actual accomplishments to the objectives established for the period.
2. Where the output of the project can be quantified, a computation of the cost per unit of output.
3. The reasons for slippage if established objectives were not met.

The Progress Report should cover all activities through March 31, 2014 and this report must be submitted to the AOR and the AA in electronic form, via e-mail, no later than April 30, 2014. *See Attachment 2A "Sample Progress Report Template" for a sample reporting template for submitting progress reports.*

Section 9.02 Final Report

At the end of the grant period, the Grantee must deliver a letter-type final report to the AOR and the AA that describes the results of all activities undertaken as a result of this grant. The report must include the following:

1. A comparison of actual accomplishments to the objectives established for the period.
2. Where the output of the project can be quantified, a computation of the cost per unit of output.
3. The reasons for slippage if established objectives were not met.

The Final Report shall be submitted to the AOR and the AA in electronic form, via e-mail, no later than 90 days after the project period end date (see Section 1.03). If possible this report should be submitted, along with the Final Financial Status Report, within 30 days of project completion. *See Attachment 2B "Sample Final Report Template" for a sample reporting template for submitting final reports.*

Section 9.03 Mid-term Financial Status Report

During the performance of the grant, the Grantee must submit a mid-term Federal Financial Report, Standard Form 425 (SF-425), to report the status of funds. In addition to SF-425, the Grantee should provide the breakdown of costs for each object class category (Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other, and Indirect Charges). The Mid-term Financial Status

Report should cover all activities through March 31, 2014 and this report must be submitted to the AOR and the AA in electronic form, via e-mail, no later than April 30, 2014.

Section 9.04 Final Financial Status Report

At the end of the grant period, the Grantee must submit a Final Federal Financial Report, Standard Form 425 (SF-425), to report the status of all funds. In addition to SF-425, the Grantee should provide the breakdown of costs for each object class category (Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other, and Indirect Charges). The Final Financial Status Report shall be submitted to the AOR and the AA in electronic form, via e-mail, no later than 90 days after the project period end date (see Section 1.03). If possible this report should be submitted, along with the Final Report, within 30 days of project completion.

Article X. Consideration and Payment

Section 10.01 Request for Advance/Reimbursement

A request for an advance or reimbursement must comply with the requirements in 49 CFR 19.22 (refer to Award Terms and Conditions, Section 13, "Payments") and must be submitted on an SF-270, "Request for Advance or Reimbursement." Each request must be submitted through the Delphi eInvoicing system.

All Grantees must be registered in the Central Contractor Registration (CCR) database, which is within the System for Award Management (SAM), to receive payments on their invoices. For information on how to register, visit SAM at: <https://www.sam.gov/portal/public/SAM/>.

See Attachment 1 "Award Terms and Conditions" for additional payment requirements.

Article XI. Attachments

Attachment 1 - DTPH56-13-G-PHPS19 - Award Terms and Conditions

Attachment 2A – Sample Progress Report Template

Attachment 2B – Sample Final Report Template

**Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)**

**Grant and Cooperative Agreement Awards to State and Local Governments
Terms and Conditions**

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1. Definitions

- a) **Recipient** – An organization receiving financial assistance directly from Federal awarding agencies to carry out a project or program.
- b) **Agreement Officer (AO)** – The AO has full authority to negotiate, administer, and execute all business matters of the award. Further, should any changes to the scope, budget, schedule, or any other terms of the agreement become necessary, only the AO has the authority to amend the award.
- c) **Agreement Administrator (AA)** – The AA is responsible for the daily administration of the award. The AA is NOT AUTHORIZED to change the scope, budget, specifications, and terms and conditions as stated in the award, to make any commitments that otherwise obligates the Government or authorize changes which affect the award budget, delivery schedule, period of performance, or other terms and conditions.
- d) **Agreement Officer's Representative (AOR)** – The AOR assists in monitoring the work under the award. The AOR will oversee the technical administration of the award and will act as a technical liaison with the performing organization. The AOR is NOT AUTHORIZED to change the scope, budget, specifications, and terms and conditions as stated in the award, to make any commitments that otherwise obligate the Government or authorize changes which affect the award budget, delivery schedule, period of performance, or other terms and conditions.
- e) **Principal Investigator (PI)** – The PI is the individual designated by the Recipient and approved by PHMSA who is responsible for the technical direction of the project. The PI cannot be changed or become someone substantially less involved than was indicated in the Recipient's proposal, without prior written approval of the Agreement Officer.

2. Recipient Responsibilities

In accepting a PHMSA financial assistance award (grant or cooperative agreement), the Recipient assumes legal, financial, administrative, and programmatic responsibility for administering the award in accordance with the laws, rules, regulations, and Executive Orders governing grants and cooperative agreements, and these Award Terms and Conditions, including responsibility for complying with any provisions included in the award.

Failure to comply with these requirements may result in suspension or termination of the award and PHMSA recovery of funds.

3. Compliance with Award Terms and Conditions

Submission of a signed Request for Advance or Reimbursement (payment request) form constitutes the Recipient's agreement to comply with and spend funds consistent with all the terms and conditions of this award.

4. Order of Precedence

Any inconsistency or conflict in the terms and conditions specified in this Grant will be resolved according to the following order of precedence:

- a) The Federal statute authorizing this award or any other Federal statutes, laws, regulations or directives directly affecting performance of this Grant.
- b) Terms and Conditions of this Grant.

NOTE: OMB Circulars are available at: www.whitehouse.gov/omb/circulars.

5. Uniform Administrative Requirements

49 CFR 18, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments” establishes administrative standards to ensure consistency among recipients of Federal awards. These include financial and program management, property and procurement standards, cost-sharing or matching, and reporting and record retention.

“Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” as adopted by DOT and codified in **49 CFR Part 18**, is incorporated by reference into this award.

6. Federal Cost Principles

PHMSA will determine if costs incurred by a Recipient are allowable in accordance with the applicable statutory limitations, Federal cost principles and terms and conditions of the award.

State and Local Governments are subject to the “Cost Principles for State, Local, and Indian Tribal Governments,” codified in **2 CFR 225** which is incorporated by reference into this award.

7. Audit Requirements

OMB Circular A-133, “Audits of States, Local Governments, and Nonprofit Organizations,” includes specific guidance for conducting financial and compliance audits. The threshold for requiring an A-133 audit is \$500,000 in yearly expenditures of Federal funds. This amount is the aggregate of funds from all Federal sources.

OMB Circular A-133 is incorporated by reference into this award and is available at:
http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf

8. Restrictions on Use of Funds for Lobbying or in Support of Litigation

The Recipient may not conduct political lobbying, as defined in the statutes, regulations, and 2 CFR 225– “Lobbying”, within the Federally-supported project. The Recipient may not use Federal funds for lobbying specifically to obtain grants and cooperative agreements. The Recipient must comply with 49 CFR 20, U.S. Department of Transportation “New Restrictions on Lobbying.” Also, under 49 U.S.C. 60134 (g) the Recipient is prohibited from using funds provided under this agreement in direct support of litigation.

49 CFR 20 is incorporated by reference into this award.

9. Nondiscrimination

The Recipient must comply with Title VI of the Civil Right Act of 1964, which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied benefits of, be subject to discrimination under any program or activity receiving Federal financial assistance. The Recipient must comply with 49 CFR 21, “Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964.”

49 CFR 21 is incorporated by reference into this award and is available at:
http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title49/49cfr21_main_02.tpl

10. Governmentwide Debarment and Suspension (Non-procurement)

The Recipient must review the “list of parties excluded from federal procurement or non-procurement programs” located on the Excluded Parties List System (EPLS) website: <https://www.sam.gov/portal/public/SAM/> before entering into a sub-award.

The Recipient must comply with the provisions of EO 12549, “Debarment and Suspension.”

2 CFR Part 1200, “Nonprocurement Suspension and Debarment,” is incorporated by reference into this award and is available at: http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr1200_main_02.tpl

The Recipient must inform the AO if the recipient suspends or debars a sub-awardee.

11. Drug-Free Workplace

The Recipient must comply with the provisions of Public Law 100-690, Title V, Subtitle D, “Drug-Free Workplace Act of 1988,” which require the Recipient to take steps to provide a drug-free workplace. The Recipient must comply with [49 CFR Part 32](#), “Governmentwide Requirements for Drug Free Workplace (Financial Assistance)” which is incorporated by reference into this award.

12. eInvoicing (PHMSA July 2012)

Recipients of PHMSA grants, cooperative agreements, and other transaction agreements (OTA) must use the Delphi eInvoicing System.

(a) Requirements of recipients:

- must have internet access to register and submit payment requests through the Delphi eInvoicing system.
- must submit payment requests electronically, and receive payment electronically.

(b) System User Requirements:

- Contact the PHMSA Agreement Administrator directly to sign up for the system. PHMSA will provide the recipient’s name and email address to the DOT Financial Management Office. The DOT Financial Management Office will then invite the recipient to sign up for the system.
- DOT will send the recipient a form to verify identity. The recipient must complete the form, and present it to a Notary Public for verification. The recipient will return the notarized form to:

DOT Enterprise Service Center
FAA Accounts Payable, AMZ-100
PO Box 25710
Oklahoma City, OK 73125

- DOT will validate the information on the form and email a user ID and password to the recipient. Contact the PHMSA Agreement Administrator with any changes to the recipient’s system information.

Note: Additional information, including access forms and training materials, can be found on the DOT eInvoicing website (<http://www.dot.gov/cfo/delphi-einvoicing-system.html>)

(c) Waivers

DOT Financial Management officials may, on a case by case basis, waive the requirement to register, and use, the electronic payment system. Waiver request forms can be obtained on the DOT eInvoicing website (<http://www.dot.gov/cfo/delphi-einvoicing-system.html>) or by contacting the PHMSA Agreement Administrator. Recipients must explain why they are unable to use or access the internet to register and enter payment requests.

All waiver requests should be sent to:

- Director of the Office of Financial Management, U.S. Department of Transportation, Office of Financial Management, B-30, Room W93-431, 1200 New Jersey Avenue SE, Washington DC 20590-0001, DOTElectronicInvoicing@dot.gov. The Director of the DOT Office of Financial Management will confirm or deny the request within approximately 30 days.
- A copy of the form should also be sent to U.S. Department of Transportation, PHMSA, Acquisition Services Division (PHA-30), Agreement Officer, 1200 New Jersey Avenue SE, Washington DC 20590-0001, Warren.Osterberg@dot.gov

If a recipient is approved for a waiver, the recipient should submit all hard-copy invoices directly to:

U.S. Department of Transportation
Federal Aviation Administration, MMAC
Financial Operations, AMZ-160
P.O. Box 269039
Oklahoma City, Oklahoma 73126-9039
ATTN: Ms. Margaret Gorman
(405) 954-7468

13. Payments (PHMSA, July 2013)

Recipients, upon receipt of the fully executed award document, may request up to 50% of the total federally funded amount of the award. The remaining amount may be requested, upon receipt and approval, (by the PHMSA Agreement Officer) of the “Mid-Term Report.”

Advance payments or Reimbursement payments will be made after the electronic receipt via iSupplier of “Request for Advance or Reimbursement” (Standard Form SF-270).

a) Method of payment.

- i)** The Government will make all payments under this agreement by electronic funds transfer (EFT), except as provided by paragraph (a)(ii) of this clause. As used in this clause, the term “EFT” refers to the funds transfer and may also include the payment information transfer.
- ii)** If the Government is unable to release one or more payments by EFT, the Recipient agrees either to –
 - (a) Accept payment by check or some other mutually agreeable method of payment; or
 - (b) Request the Government to extend the payment due date until such time as the Government can make payment by EFT (but see paragraph d. of this clause).

- b)** Recipient's EFT information. The Government will make payment to the Recipient using the EFT information contained in the Central Contractor Registration (CCR) database. If the EFT information changes, the Recipient is responsible for providing the updated information to the CCR database, which is within the System for Award Management (SAM) at: <https://www.sam.gov/portal/public/SAM/>
- c)** Mechanisms for EFT payment. The Government may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR Part 210.
- d)** Suspension of payment. If the Recipient's EFT information in the CCR database is incorrect, the Government is not obligated to make payment to the Recipient under this agreement until the correct EFT information is entered into the CCR database. An invoice or agreement-financing request is not a proper invoice for the purpose of prompt payment under this agreement.
- e)** Recipient EFT arrangements. If the Recipient has identified multiple payment receiving points (i.e., more than one remittance address and/or EFT information set) in the CCR database, and the Recipient has not notified the Government of the payment receiving point applicable to this agreement, the Government will make payment to the first payment receiving point (EFT information set or remittance address as applicable) listed in the CCR database.
- f)** Liability for uncompleted or erroneous transfers.

 - i)** If an uncompleted or erroneous transfer occurs because the Government used the Recipient's EFT information incorrectly, the Government remains responsible for –

 - (a) Making a correct payment;
 - (b) Paying any prompt payment penalty due; and
 - (c) Recovering any erroneously directed funds.
 - ii)** If an uncompleted or erroneous transfer occurs because the Recipient's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and –

 - (a) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Recipient is responsible for recovery of any erroneously directed funds; or
 - (b) If the funds remain under the control of the payment office, the Government will not make payment, and the provisions of paragraph d. of this clause apply.
- g)** EFT and prompt payment. A payment will have been made in a timely manner in accordance with the prompt payment terms of this agreement if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.
- h)** EFT and assignment of claims. If the Recipient assigns the proceeds of this agreement, the Recipient must require, as a condition of any such assignment, that the assignee register in the CCR database and be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause will apply to the assignee as if it were the Recipient. EFT information that shows the ultimate recipient of the transfer to be other than the Recipient, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph d. of this clause.

- i) Liability for change of EFT information by financial agent. The Government is not liable for errors resulting from changes to EFT information made by the Recipient's financial agent.
- j) Payment information. The payment or disbursing office will forward to the Recipient available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Recipient to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph a. of this clause, the Government will mail the payment information to the remittance address contained in the CCR database.

(End of Provision)

14. Adherence to Original Project Objectives and Budget Estimates

- a) The Recipient is responsible for any commitments or expenditures it incurs in excess of the funds provided by an award. Expenditures incurred prior to the effective date of an award cannot be charged against an award unless provided for in the award.
- b) The Recipient must submit any proposed change that requires PHMSA's written approval 30 days prior to the requested effective date of the proposed change. PHMSA will not approve any change to the award during the last 30 days of the award period.

15. Prior Approvals

- a) The following expenditures require the AO's advance written approval:
 - i) Changes in the scope, objective, or key personnel referenced in the Recipient's proposal.
 - ii) Change in the project period. PHMSA must receive this request no later than 30 calendar days prior to the end of the project period. The Recipient must submit a revised budget indicating the planned use of all unexpended funds during the extension period.
- b) The Recipient must submit a revised financial estimate and plan for i) and ii) above.
- c) The Agreement Administrator will notify the Recipient in writing within 30 calendar days after receipt of the request for revision or adjustment whether the request has been approved.

16. Contracting with Small and Minority Firms, Women's Business Enterprises, Veteran-Owned, and HubZone Area Firms

- a) It is the Department of Transportation (DOT) policy to award a fair share of contracts to small minority business, women-owned and HubZone firms. DOT is strongly committed to the objectives of this policy and encourages all Recipients of its Grants and Cooperative Agreements to take affirmative steps to ensure such fairness on the awarding of any subcontracts.
- b) The Recipient and any Sub-recipients are encouraged to take all necessary affirmative steps to assure that small, women-owned, minority disadvantaged businesses, veteran, and HUBZone business firms are used when possible.
- c) Affirmative steps include:

- i) Placing qualified small and minority-disadvantaged businesses, women owned business enterprises, veteran-owned and HUBZone business firms on solicitation lists;
- ii) Assuring that small and minority businesses, women's business enterprises, veteran-owned and HUBZone business firms are solicited whenever they are potential sources;
- iii) Dividing total requirements, when economically feasible, into small tasks or quantities to permit maximum participation by small and minority businesses, women's business enterprises, veteran-owned, and HUBZone business firms;
- iv) Establishing delivery schedules, when economically feasible, into small tasks or quantities to permit maximum participation by small and minority business, women's business enterprises, veteran-owned, and HUBZone business firms; and
- v) Using the services and assistance of the Small Business Administration and the Office of the Small and Disadvantaged Business Utilization of the Department of Transportation, as appropriate.

17. Rights in Technical Data

Rights to intangible property under this agreement are governed in accordance with 49 CFR 18, Sec. 18.34, "Copyrights."

18. Notice of News Releases, Public Announcements, and Presentations

The Recipient must have the AO's prior approval of all press releases, formal announcements, or other planned written issuance containing news or information concerning this Agreement before issuance. The Recipient must provide two (2) copies of the document to the AO and AOR for review prior to release. Also, the AO must approve any planned presentations/briefings related to this Agreement, as well as the actual presentation (e.g. slides/vu-graphs) to be used.

19. Violation of Award Terms

If the Recipient has materially failed to comply with any term of the award, the Agreement Officer may suspend, terminate, or take other remedies as may be legally available and appropriate in the circumstances.

20. Fraud, Waste, or Abuse

The DOT Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. Such reports are kept confidential and callers may decline to give their names if they choose to remain anonymous. The number is: (800) 424-9071.

The mailing address is:

DOT Inspector General Hotline
1200 New Jersey Ave SE
West Bldg 7th Floor
Washington, DC 20590
Email: hotline@oig.dot.gov
Web: <http://www.oig.dot.gov/Hotline>

21. Reporting Grantee Executive Compensation, and First Tier Sub-Awards (PHMSA October 2010)

(a) **Definitions.** As used in this provision:

“Executive” means an officer or any other employee in a management position.

“First-tier sub-award” means an award issued directly by the prime Awardee to a sub-awardee to provide support for the performance of any portion of the substantive project or program for which the award was received. A sub-award includes an agreement that the prime Awardee or a sub-awardee considers a contract.

“Total compensation” means the cash and noncash dollar value earned by the executive during the Awardee’s preceding fiscal year and includes the following:

- (1) Salary and bonus.
- (2) Awards of stock, stock options, and stock appreciation rights.
- (3) 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.
- (4) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- (5) Above-market earnings on deferred compensation which is not tax-qualified.
- (6) 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.

(b) **Central Contractor Registration (CCR).** As a recipient of a Federal award you are required to register in the CCR which is within the System for Award management (SAM) at: <https://www.sam.gov/portal/public/SAM/>

(c) **Notification to Sub-Awardees.** Awardees are required to report information on sub-awards. The law requires all reported information be made public; therefore, the Awardee is responsible for notifying its sub-awardees that the required information will be made public.

(d) **Reporting of First-Tier Sub-Awards.** By the end of the month following the month of award of a first-tier sub-award with a value of \$25,000 or more, the Awardee shall report the information below at <http://www.fsr.gov> for each first-tier sub-award. (The Awardee shall follow the instructions at <http://www.fsr.gov> to report the data.) If the Awardee, in the previous tax year, had gross income from all sources under \$300,000, the Awardee is exempt from the requirement to report subcontractor awards. If a sub-awardee, in the previous tax year had gross income from all sources under \$300,000, the Awardee does not need to report awards made to that sub-awardee.

- (1) Unique identifier (9-digit Data Universal Numbering System (DUNS) number) for the sub-awardee receiving the award, and for the sub-awardee’s parent company, if the sub-awardee has a parent company.
- (2) Name of the sub-awardee.
- (3) Amount of the sub-award.
- (4) Date of the sub-award.

- (5) A description of the effort being provided under the sub-award, including the overall purpose and expected outcome or result of the sub-award.
 - (6) Sub-award number (assigned by the Awardee).
 - (7) Sub-awardee's physical address including street address, city, state, country, 9-digit zip code, and congressional district.
 - (8) Sub-awardee's primary performance location including street address, city, state, country, 9-digit zip code, and congressional district.
 - (9) The prime award number (assigned by PHMSA)
 - (10) Awarding agency name. (PHMSA)
 - (11) Funding agency name. (PHMSA)
 - (12) Government awarding office code. (56)
 - (13) Treasury account symbol (TAS) as reported in FAADS.
 - (14) The applicable North American Industry Classification System (NAICS) code.
- (e) ***Reporting Executive Compensation of Awardee.*** If the Awardee, in the previous tax year, had gross income from all sources under \$300,000, the Awardee is exempt from the requirement to report its executive compensation.

By the end of the month following the month of receipt of a prime award, and annually thereafter, the Awardee shall report the names and total compensation of each of the five most highly compensated executives for the Awardee's preceding completed fiscal year into the FFATA Subaward Reporting System (FSRS) at: <https://www.fsrs.gov/> if, in the Awardee's preceding fiscal year, the Awardee received:

- (1) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and sub-awards), cooperative agreements, other transaction agreements; and
 - (2) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and sub-awards), cooperative agreements, other transaction agreements; and
 - (3) 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>.)
- (f) ***Reporting Executive Compensation of Sub-Awardees.*** If the Awardee, in the previous tax year, had gross income from all sources under \$300,000, the Awardee is exempt from the requirement to report the executive compensation of sub-awardees. If a sub-awardee, in the previous tax year had gross income from all sources under \$300,000, the Awardee does not need to report the executive compensation of that sub-awardee.

By the end of the month following the month of a first-tier sub-award with a value of \$25,000 or more, and annually thereafter, the Awardee shall report the names and total compensation of each of the five most highly compensated executives for each first-tier sub-awardee for the sub-awardee's preceding completed fiscal year at:

<https://www.fsrs.gov/> if, in the sub-awardee's preceding fiscal year, the sub-awardee received:

- (1) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and sub-awards), cooperative agreements, other transaction agreements; and
- (2) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and sub-awards), cooperative agreements, other transaction agreements; and
- (3) 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/execomp.htm>.)

(End of provision)

22. Seat Belt Use Policies and Programs

In accordance with Executive Order 13043, the Recipient is encouraged to adopt on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this presidential initiative. For information on how to implement such a program or for statistics on the potential benefits and cost-savings to your company or organization, please visit the Buckle Up America section on NHTSA's website at www.nhtsa.dot.gov. Additional resources are available from the Network of Employers for Traffic Safety (NETS), a public-private partnership headquartered in Washington, D.C. dedicated to improving the traffic safety practices of employers and employees. NETS is prepared to help with technical assistance, a simple, user-friendly program kit, and an award for achieving the President's goal of 85 percent seat belt use. NETS can be contacted at 1-888-221-0045 or visit its website at www.trafficsafety.org.

(End of provision)

23. Ban on Text Messaging While Driving

(a) *Definitions.* The following definitions are intended to be consistent with the definitions in DOT Order 3902.10 and the E.O. For clarification purposes, they may expand upon the definitions in the E.O.

“Driving”-

- (1) Means operating a motor vehicle on a roadway, including while temporarily stationary because of traffic, a traffic light, stop sign, or otherwise.
- (2) It does not include being in your vehicle (with or without the motor running) in a location off the roadway where it is safe and legal to remain stationary.

“Text messaging” --- means reading from or entering data into any handheld or other electronic device, including for the purpose of short message service texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication. The term does not include the use of a cell phone or other electronic device for the limited purpose of entering a telephone number to make an outgoing call or answer an incoming call, unless the practice is prohibited by State or local law.

(b) In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, financial assistance recipients and subrecipients of grants and cooperative agreements are encouraged to:

(1) Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving--

(i) Company-owned or -rented vehicles or Government-owned, leased or rented vehicles; or

(ii) Privately-owned vehicles when on official Government business or when performing any work for or on behalf of the Government.

(2) Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as-

(i) Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

(ii) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

(d) *Assistance Awards.* All recipients and subrecipients of financial assistance to include: grants, cooperative agreements, loans and other types of assistance, shall insert the substance of this clause, including this paragraph (c), in all assistance awards.

(End of provision)

24. Call Before You Dig Program (PHMSA SEP 2012)

Damage to pipelines during excavation is a leading cause of accidents resulting in serious injuries and fatalities, but these accidents are preventable, and you can help in preventing them.

811 is designated as the national call-before-you-dig number. Every state has a one-call law requiring excavators to have underground utilities marked before digging.

There are five steps to safer digging:

1. Make a free call to 811 a few days before digging.
2. Wait the required time – which is prescribed in state law but generally two to three days.
3. Locate/mark the utilities accurately. (This step applies to underground facility/utility owners.)

4. Respect the marks.
5. Dig with care.

The contractor is encouraged to adopt the “Call Before You Dig” program for its employees when digging on company-owned, leased, or personally-owned property. For information on how to implement such a program please visit the *811 – Call Before You Dig* section of Pipeline and Hazardous Materials Safety Administration’s (PHMSA’s) website at www.phmsa.dot.gov. The contractor is also encouraged to have its employees participate in a quick and easy safety initiative known as ‘The 811 Promise’ at <http://www.The811Promise.com> .

(End of provision)

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Note: The following is a sample reporting template for submitting progress reports. This format is suggested and preferred; however, the format of the report is within the grantee's discretion.

2013 State Damage Prevention Program Grants Progress Report
CFDA Number: 20.720

Award Number: *[From Article I, Section 1.03 of your agreement]*

Project Title: *[From Article I, Section 1.03 of your agreement]*

Date Submitted: *[Date of report submission]*

Submitted by: *[Who is submitting; can be more than one person]*

Specific Objective(s) of the Agreement

[Cut and paste from Article II, Section 2.03 of your agreement.]

Workscope

[Cut and paste from Article III. Workscope of your agreement.]

Accomplishments for this period (Item 1 under Article IX, Section 9.01 Progress Report: “A comparison of actual accomplishments to the objectives established for the period.”)

[How are you progressing on each of the items/elements provided in the “Specific Objectives” and “Workscope”? Start with an overall description followed by item-by-item or element-by-element detail if possible.]

Quantifiable Metrics/Measures of Effectiveness (Item 2 under Article IX, Section 9.01 Progress Report: “Where the output of the project can be quantified, a computation of the cost per unit of output.”)

[This is difficult to explain across the board, but we're trying to get a gauge for how effective this grant work is in improving your program. If your grant is more data oriented, you likely had some sort of metrics in mind to improve upon. If so, what were those metrics and how is the data looking now compared to when the program started? If you're doing something along the lines of enforcement that involves incident review, how many cases have you been able to review/close and/or fines collected compared to before the grant work? If you pitched something more along the lines of public awareness, to how many stakeholders have you been able to reach? Even if you don't have the metrics fully defined, put whatever you can here.]

Issues, Problems or Challenges (Item 3 under Article IX, Section 9.01 Progress Report: “The reasons for slippage if established objectives were not met. “)

[If the project is progressing on schedule, simply state that there are no issues, problems or challenge to report. If there have been delays for any reason, explain what they are and how that may impact the grant work. For instance, with some States, even after an agreement is in place, it has to be sent back to the Governor's office for approval, which takes more time than originally anticipated. Even if work begins right away after the agreement is in place, other delays can be

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caused by personnel changes or simply having a better understanding of the effort required once the work is underway.]

Mid-term Financial Status Report

[Per the instructions in Article IX, Section 9.03 of your agreement (included below), the financial status report should be submitted to the Agreement Administrator (AA) and the Agreement Officer's Representative (AOR). Please see instructions below and include supporting documentation such as invoices, receipts, spreadsheets, etc. However, if there are any issues with the Financial Status Report or additional explanation is needed, please provide that information here. If there are any delays for whatever reasons, these should be communicated to the AA and AOR in advance.

From Article IX, Section 9.03 of your agreement: "During the performance of the grant, the Grantee must submit a mid-term Federal Financial Report, Standard Form 425 (SF-425), to report the status of funds. In addition to SF-425, the Grantee should provide the breakdown of costs for each object class category (Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other, and Indirect Charges). The Mid-term Financial Status Report should cover all activities through March 31, 2014 and this report must be submitted to the AOR and the AA in electronic form, via e-mail, no later than April 30, 2014."]

Plans for Next Period (Remainder of Grant)

[In most cases, this section should just mention your plans for the remainder of the project. However, if you need to change the workscope at all for any reason, including whether you need to modify, remove, or add items, please explain.]

Requests of the AOR and/or PHMSA

[In most cases, any questions or actions requested of the AOR and PHMSA (such as grant modifications in anyway) should have been addressed in advance of filing the report. If this is the case, simply state "No actions requested at this time" or explain any actions that are currently in process. However, if something has come up recently, or if you haven't been able to discuss with the AOR yet, please describe here.]

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Note: The following is a sample reporting template for submitting final reports. This format is suggested and preferred; however, the format of the report is within the grantee's discretion.

2013 State Damage Prevention Program Grants Final Report
CFDA Number: 20.720

Award Number: *[From Article I, Section 1.03 of your agreement]*

Project Title: *[From Article I, Section 1.03 of your agreement]*

Date Submitted: *[Date of report submission]*

Submitted by: *[Who is submitting; can be more than one person]*

Specific Objective(s) of the Agreement

[Cut and paste from Article II, Section 2.03 of your agreement.]

Workscope

[Cut and paste from Article III. Workscope of your agreement.]

Accomplishments for the grant period (Item 1 under Agreement Article IX, Section 9.02 Final Report: “A comparison of actual accomplishments to the objectives established for the period.”)

[How did you progress on each of the items/elements provided in the “Specific Objectives” and “Workscope”? How did your progress compare with established objectives? Start with an overall description followed by item-by-item or element-by-element detail if possible.]

Quantifiable Metrics/Measures of Effectiveness (Item 2 under Article IX, Section 9.02 Final Report: “Where the output of the project can be quantified, a computation of the cost per unit of output.”)

[This may be difficult to explain for every grant project, but we're trying to get a sense of how effective this grant work has been in improving your damage prevention program. If your grant is more data oriented, you likely had some sort of metrics in mind to improve upon. If so, what were those metrics and how does the data look now compared to when the program started? If you're doing something along the lines of enforcement that involves incident review, how many cases have you been able to review/close and/or fines collected compared to before the grant work? If you are working on something more along the lines of public awareness, how many stakeholders have you been able to reach? Even if you don't have the metrics fully defined, put whatever you can here.]

Issues, Problems or Challenges (Item 3 under Article IX, Section 9.02 Final Report: “The reasons for slippage if established objectives were not met.”)

[If the project has successfully concluded on schedule, simply state that there are no issues, problems or challenge to report. If there have been delays for any reason, explain what they are]

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and how they have impacted the grant work. For instance, with some States, even after an agreement is in place, it has to be sent back to the Governor's office for approval, which takes more time than originally anticipated. Even if work began immediately after the agreement was in place, other delays could have been caused by personnel changes or issues that arose as the project progressed.]

Final Financial Status Report

[Per the instructions in Article IX, Section 9.04 of your agreement (included below), the financial status report should be submitted with this final report to the Agreement Administrator (AA) and the Agreement Officer's Representative (AOR). Please see instructions below and include supporting documentation such as invoices, receipts, spreadsheets, etc. However, if there are any issues with the Financial Status Report or additional explanation is needed, please provide that information here. If there are any delays for whatever reasons, these should be communicated to the AA and AOR in advance.

From Article IX, Section 9.04 of your agreement: "At the end of the grant period, the Grantee must submit a Final Federal Financial Report, Standard Form 425 (SF-425), to report the status of all funds. In addition to SF-425, the Grantee should provide the breakdown of costs for each object class category (Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other, and Indirect Charges). The Final Financial Status Report shall be submitted to the AOR and the AA in electronic form, via e-mail, no later than 90 days after the project period end date (see Section 1.03 of your agreement). If possible this report should be submitted, along with the Final Report, within 30 days of project completion."]

Requests of the AOR and/or PHMSA

[In most cases, any questions or actions requested of the AOR and PHMSA (such as grant modifications) should have been addressed in advance of filing the report. If this is the case, simply state "No actions requested at this time" or explain any actions that are currently in process. However, if something has come up recently, or if you haven't been able to discuss with the AOR yet, please describe here.]