

U S NUCLEAR REGULATORY COMMISSION
NOTICE OF COOPERATIVE AGREEMENT AWARD

1. COOPERATIVE AGREEMENT NO NRC-04-02-079	2. MODIFICATION NO. NEW AWARD	3. COOPERATIVE AGR. PERIOD FROM: 08/23/02 TO: 08/22/05
4. AUTHORITY Pursuant to Section 31a and 141b of the Atomic Energy Act of 1954, as amended	5. TYPE OF AWARD COOPERATIVE AGREEMENT	6. COOPERATIVE TYPE EDUCATIONAL INSTITUTION
7. COOPERATOR NAME AND ADDRESS Mujid Kazimi, Director, CANES Massachusetts Institute of Technology 77 Massachusetts Avenue Cambridge, MA 02139-4307	8. PROJECT TITLE CANES Assessment of Innovations in Nuclear Technology to Maintain Up-to-Date Knowledge of the State-of-the-Art in Nuclear Technology	
9. PROJECT WILL BE CONDUCTED PER CONTRACTOR'S PROPOSAL DATED <u>05/23/02</u> AND APPENDIX A - PROJECT COOPERATIVE AGREEMENT PROV	10. TECHNICAL REPORTS ARE REQUIRED <input checked="" type="checkbox"/> PROGRESS AND FINAL <input type="checkbox"/> FINAL ONLY <input type="checkbox"/> OTHER	
11. PRINCIPAL INVESTIGATOR(S) NAME AND ADDRESS Mujid Kazimi, Director, CANES MIT 77 Massachusetts Avenue Cambridge, MA 02139-4307	12. NRC PROGRAM OFFICE (NAME & ADDRESS) U.S. Nuclear Regulatory Commission Office of Nuclear Regulatory Research Attn: N. Prasad Kadambi, MS T-10F13A Washington, DC 20555 Telephone No. (301) 415-5896	
13. ACCOUNTING & APPROPRIATION DATA APPN. NO.: 31X0200.260 B&R NO.: 26015120127 JOB CODE: K6703 BOC NO.: 4110 RES ID NO: RES-C02-047	14. METHOD OF PAYMENT <input type="checkbox"/> ADVANCE BY TREASURY CHECK <input type="checkbox"/> REIMBURSEMENT BY TREASURY CHECK <input type="checkbox"/> LETTER OF CREDIT <input checked="" type="checkbox"/> OTHER (See Attachment No. 30 in Appendix A - "Electronic Payment")	

15. NRC OBLIGATION OF FUNDS

THIS COOPERATIVE AGREEMENT ACTION	\$ <u>250,000.00</u>
PREVIOUS OBLIGATION	\$ <u>- 0 -</u>
 TOTAL	 \$ <u>250,000.00</u>

-2- Cooperative Agreement No. NRC-04-02-079

16. TOTAL FUNDING AGREEMENT
 NRC: \$1,500,000.00
 COOPERATOR: \$ - 0 -
 TOTAL \$1,500,000.00

17. NRC ISSUING OFFICE (NAME AND ADDRESS)

U.S. Nuclear Regulatory Commission
 Division of Contracts
 Office of Administration
 Washington, DC 20555

18. COOPERATOR

Julie T. Norris 8/23/02
 (Signature) (Date)

NAME (TYPED) Julie T. Norris
 TITLE Director, Office of Sponsored Programs
 TELEPHONE NO. (617) 253-2492

19. NRC CONTRACTING OFFICER

Robert Wehner 8/16/02
 (Signature) (Date)

NAME (TYPED) Mary H. Mace
 TITLE Contracting Officer
 TELEPHONE NO. (301) 415-7314

[Handwritten initials]
 APPROVED

20. COOPERATIVE AGREEMENT PAYMENT INFORMATION

Payment will be made within thirty (30) days after receipt of the billing unless the bill is improper or the cooperator has failed to comply with the program objectives, cooperative agreement award conditions, Federal Reporting requirements or other conditions specified in OMB Circular A-110.

Payment will be made by:
 U.S. Nuclear Regulatory Commission
 Division of Accounting and Finance
 ATTN: GOV/COM Accounts; MS T-9-H4
 Washington, DC 20555

Vouchers shall be submitted in an original and two (2) copies on Standard Form 270 to:

U.S. Nuclear Regulatory Commission
 Division of Contracts; MS T-7-I-2
 Washington, DC 20555

21. Attached is a copy of the "NRC General Provisions for Grants and Cooperative Agreements Awarded to Institutions of Higher Education and Other Nonprofit Organizations." Acceptance of these terms and conditions is acknowledged when Federal funds are used on this cooperative agreement project

22. ORDER OF PRECEDENCE

In the event of a conflict between the cooperator's proposal and this Notice of Cooperative Agreement Award, the terms of the Notice of Cooperative Agreement Award shall prevail.

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23. By this Cooperative Agreement Award, the Cooperator certifies that payment of any audit-related debt will not reduce the level of performance of any Federal Program.

APPENDIX A

3150-0107
(01/92)

NRC GENERAL PROVISIONS FOR
GRANTS AND COOPERATIVE AGREEMENTS AWARDED TO
INSTITUTIONS OF HIGHER EDUCATION
AND OTHER NONPROFIT ORGANIZATIONS

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c. Content of Performance Report

The report content shall be as follows:

- (1) A comparison of actual accomplishments with the goals established for the period, the findings of the investigator, or both. If the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.
- (2) Reasons why established goals were not met.
- (3) Other pertinent information including, when appropriate, analysis and explanation of anticipated cost overruns or high unit costs.
- (4) Between the required performance reporting dates, events may occur that have significant impact upon the project or program. In such instances, the recipient shall inform the Nuclear Regulatory Commission as soon as the following types of conditions become known:
 - (a) Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any Federal assistance needed to resolve the situation.
 - (b) Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.
 - (c) If any performance review conducted by the recipient discloses the need for change in the budget estimates in accordance with the criteria established in Circular A-110, the recipient shall submit a request for budget revision.

d. Publication of Results

The general conditions of the assistance instrument will specify the publications requirements of the award and a provision for the granting to the Government a royalty free, nonexclusive, irrevocable license to reproduce, translate, publish, use and dispose of all copyrightable material first produced or composed in the recipient's performance under the grant or cooperative agreement.

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e. Reprints of Publications

At such time as any article resulting from work under the award is published in a scientific technical or professional journal or publication, two reprints of the publication should be sent to the cognizant NRC Program Officer clearly labeled with the award number and other appropriate identifying information.

3. Suspension or Termination for Cause

- a. When in the opinion of NRC, a recipient has materially failed to comply with the terms and conditions of an award, NRC may (1) suspend the award or (2) terminate the award for cause.
- b. NRC prefers that deficiencies be corrected whenever practicable. When it is believed that a recipient has failed to comply with one or more of the terms and conditions of an award, the Grants Officer will advise the recipient by letter of the nature of the problem and that failure to correct the deficiency may result in suspension or termination of the award. The recipient will be requested to respond in writing within 30 days of receipt of such letter, describing the action taken or the plan designed to correct the deficiency. Copies of such correspondence will be furnished to the Principal Investigator (PI) and to the NRC Program Officer. If a satisfactory response is not received within 30 days of receipt of such a letter, the Grants Officer may issue a notice suspending authority to further obligate award funds, in whole or in part. The notice of suspension will be sent by certified mail (return receipt requested, to the recipient with a copy to the PI.) The notice will set forth the activities covered by the suspension and its effective date, and the corrective action required by the recipient in order to lift the suspension. However, this policy does not preclude immediate suspension or termination when such action is reasonable under the circumstances and necessary to protect the interests of the Government.
- c. If an award is suspended pursuant to this article, no obligations incurred by the recipient during the period of suspension will be allowable under the suspended award other than necessary and proper costs that the recipient could not reasonably avoid during the period of suspension; provided that such costs would otherwise be allowable under the applicable Federal cost principles.
- d. The suspension will remain in effect for a maximum of 90 days during which time the recipient will take corrective action to the satisfaction of NRC or give assurances satisfactory to NRC that corrective action will be taken. In that event, the Grants

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5. Dispute Review Procedure

- a. Any request for review of a notice of termination or other adverse decision should be addressed to the Grants Officer. It must be postmarked no later than 30 days after the postmarked date of such notice.
- b. The request for review must contain a full statement of the recipient's position and the pertinent facts and reasons in support of such position.
- c. The Grants Officer will promptly acknowledge receipt of the request for review and shall forward it to the Director, Office of Administration, who shall appoint a review committee consisting of a minimum of three persons.
- d. Pending resolution of the request for review, the NRC may withhold or defer payments under the award during the review proceedings.
- e. The termination review committee will request the Grants Officer who issued the notice of termination to provide copies of all relevant background materials and documents. It may, at its discretion, invite representatives of the recipient and the NRC program office to discuss pertinent issues and to submit such additional information as it deems appropriate. The chairman of the review committee will insure that all review activities or proceedings are adequately documented.
- f. Based on its review, the committee will prepare its recommendations to the Director, Office of Administration, who will advise the parties concerned of his/her decision.

6. Travel

Domestic travel is an appropriate charge to this award, and prior authorization for specific trips is not required. Foreign travel must be clearly essential to the award effort and must, to be charged against this award, have prior explicit approval of the Grants Officer regardless of its inclusion in the approved award budget.

All common carrier travel reimbursable hereunder shall be via the least expensive class rates consistent with achieving the objective of the travel. If not available, reimbursement vouchers will be annotated that economy class accommodations were not available. First-class air travel is not authorized.

7. Use of U.S. Flag Carriers

- a. The Comptroller General of the United States, by Decision B-138942 of June 17, 1975, as amended, provided guidelines for implementation of Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974.

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9. Retention and Custodial Requirements for Records

Recipients shall retain and permit examination of records as required by OMB Circular A-110. Recipients shall place appropriate requirements on sub-grantees as specified in the Circular.

10. Payment and Financial Reporting Requirements

Payments by NRC will be made by the method indicated on the face page. Recipient requests for payment, NRC payments, and recipient financial reporting requirements shall be made in accordance with OMB Circular A-110.

11. Property Management Standards

Property shall be accounted for and managed in accordance with OMB Circular A-110.

12. Copyright

Unless otherwise provided in the award instrument, the recipient may copyright any books, publications, films, or other copyrightable materials developed in the course of or under this award. However, any such copyrighted materials shall be subject to a royalty-free, irrevocable, worldwide, nonexclusive license in the United States Government to reproduce, perform, translate, and otherwise use and to authorize others to use such materials for Government purposes.

13. Patent Rights (Small Business Firms or Non-Profit Organizations, July, 1981)

a. Definitions

- (1) "Invention" means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code (USC).
- (2) "Subject Invention" means any invention of the recipient conceived or first actually reduced to practice in the performance of work under this award.
- (3) "Practical Application" means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are to the extent permitted by law or Government regulations, available to the public on reasonable terms.

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Trademarks to file foreign patent applications when
such filing was prohibited for security reasons.

- (2) Notwithstanding the requirements of subparagraph c(1) above:
- (i) Disclosure to the NRC shall be made immediately after recipient personnel responsible for the administration of patent matters become aware of any manuscript describing the invention accepted for publication, or any publication, on sale or public use of such invention; and
 - (ii) In any case where publication, or sale or public use has initiated the one year statutory period wherein valid patent protection can still be obtained in the United States, the period for election of title and filing of a United States patent application may be shortened by the NRC to a date that is no more than 45 days prior to the end of the statutory period.
- (3) Requests for extension of the time for disclosure to the NRC, election and filing, where reasonable, will normally be granted.
- (4) The disclosure to the NRC shall be in the form of a written report and shall identify the award under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding of the nature, purpose, operation, and, to the extent known, the physical, chemical, biological or electrical characteristics of the invention. The report shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention has been submitted for publication and accepted at the time of disclosure.

d. Forfeiture of Title

- (1) The recipient will convey to the NRC, upon written request, title to any subject invention:
- (i) If the recipient fails to disclose or elect the subject invention within the times specified in c above, or elects not to retain title.
 - (ii) In those countries in which the recipient fails to file patent applications within the times specified in c above; provided, however, that if the recipient has filed a patent application in a country after the times specified in c above, but prior to its receipt of the written request of the NRC, the recipient shall continue to retain title in that country; or

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

g. Subcontracts

- (1) The recipient will include this clause, suitably modified to identify the parties, in all subcontracts, regardless of tier, for experimental, developmental or research work to be performed in the United States by a small business firm or a non-profit organization. The subcontractor will retain all rights provided for the recipient in this clause, and the recipient will not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions.
- (2) The recipient will include in all other subcontracts, regardless of tier, for experimental, developmental or research work the patent rights clause required by Federal Procurement Regulation 1-9.107-5(a).

h. Reporting on Utilization of Subject Inventions

The recipient agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the recipient or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the recipient, and such other data and information as the NRC may reasonably specify. The recipient also agrees to provide additional reports as may be requested by the NRC in connection with any march-in proceeding undertaken by the NRC in accordance with paragraph j of this clause. To the extent data or information supplied under this section is considered by the recipient, its licensee or assignee to be privileged and confidential and is so marked, the NRC agrees that, to the extent permitted by 35 USC 202(c)(5), it will not disclose such information to persons outside the Government.

i. Preference for United States Industry

Notwithstanding any other provision of this clause, the recipient agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement

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embodiments of the invention (provided that such assignee will be subject to the same provisions as the recipient);

- (2) The recipient may not grant exclusive licenses under United States patents or patent application in subject inventions to persons other than small business firms for a period in excess of the earlier of:
 - (i) five years from first commercial sale or use of the invention; or
 - (ii) eight years from the date of the exclusive license excepting that time before regulatory agencies necessary to obtain premarket clearance, unless on a case-by-case basis, the Federal agency approves a longer exclusive license. If exclusive field of use licenses are granted, commercial sale of use in one field of use will not be deemed commercial sale or use as to other fields of use, and a first commercial sale or use with respect to a product of the invention will not be deemed to end the exclusive period to different subsequent products covered by the invention.
- (3) The recipient will share any royalties collected on a subject invention with the inventor; and
- (4) The balance of any royalties or income earned by the recipient with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, will be utilized for the support of scientific research or education.

14. Notice and Assistance Regarding Patent and Copyright Infringement

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

- a. The recipient shall report to the Grants Officer, promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this award of which the recipient has knowledge.
- b. In the event of any claim or suit against the Government on account of any alleged patent or copyright infringement arising out of the performance of this award or out of the use of any supplies furnished or work or services performed hereunder, the recipient shall furnish to the Government when requested by the Grants Officer, all evidence and information in possession of the recipient pertaining to such suit, or claim. Such evidence and information shall be furnished at the expense of the Government except where the recipient has agreed to indemnify the Government.
- c. This clause shall be included in all subcontracts.

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19. Statutory Requirements

a. Civil Rights

This award is subject to Title VI of the Civil Rights Act of 1964 (P.L. 88-352); Title IV, Sex Discrimination, of the Energy Reorganization Act of 1974, and Executive Order 11246, as amended, Parts II, III, and IV (for awards over \$10,000 within a twelve month period).

The recipient agrees that no person in the United States shall, on the ground of race, sex, color or national origin, be excluded from participation in, be deprived the benefits of, or be otherwise subjected to discrimination under any program or activity for which the recipient receives financial support from NRC.

b. Nondiscrimination Under Federal Grants and Cooperative Agreements

This award is subject to the provisions of the Rehabilitation Act of 1973, Public Law 93-112. The recipient therefore agrees that, "No otherwise qualified handicapped individual in the United States (as defined in Section 7(6) of the Act), shall solely by reason of his/her handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." Further, this award is subject to the provisions of the Age Discrimination Act of 1975 (42 U.S.C. 6101). The recipient therefore agrees that no age discrimination will occur under this Federally assisted program.

c. Clean Air - Clean Water

(Applicable only if the award exceeds \$100,000, or a facility to be used has been the subject of a conviction under the Clean Air Act (42 U.S.C. 1857c-8(c)(1)) or the Federal Water Pollution Control Act (33 U.S.C. 1319(c)), and is listed by EPA.)

(a) The Recipient agrees as follows:

- (1) To comply with all the requirements of section 114 of the Clean Air Act, as amended (42 U.S.C. 1857, et seq., as amended by Public Law 91-604) and section 308 of the Federal Water Pollution Control Act (33 U.S.C. 1251, et seq., as amended by Public Law 92-500), respectively, relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in section 114 and section 308 of the Clean Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder before the award of this award.

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by a court of competent jurisdiction, the Environmental Protection Agency or an air or water pollution control agency in accordance with the requirements of the Air Act or Water Act and regulations issued pursuant thereto.

- (6) The term "facility" means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by the recipient or subcontractor, to be utilized in the performance of work under an award or subcontract. Where a location or site of operations contains or includes more than one building, plant, installation, or structure, the entire location or site shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are collocated in one geographical area

20. Liability and Losses

NRC assumes no liability with respect to any damages or loss arising out of any activities undertaken by the grant recipient with the financial support of this award.

21. Changes in Principal Investigator or Technical Objectives

- a. The recipient shall be permitted to change the methods and procedures employed in performing the research without the need to make special reports on proposed actions or obtain NRC approval. Significant changes in methods or procedures shall be reported to NRC in status reports and final technical reports. However, in the event the methodology or experiment is proposed as a specific stated objective of the research work, it shall not be changed without approval of the Grants Officer.
- b. The stated objective of the research effort shall not be changed, except with the approval of the NRC Grants Officer.
- c. The phenomenon or phenomena under study, i.e., the broad category of research, shall not be changed except with the prior approval of the NRC Grants Officer.
- d. The recipient shall obtain the approval of the NRC Grants Officer to change the principal investigator, or to continue the research work during a continuous period in excess of three months without the participation of an approved principal investigator.
- e. The recipient shall consult with the NRC Grants Officer if the principal investigator plans to, or becomes aware that he will, devote substantially less effort to the work than that

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25. Retention and Custodial Requirements for Records

- a. Financial records, supporting documents, statistical records, and other records pertinent to this award shall be retained by the recipient for a period of 3 years from submission of the Final Report in accordance with _____ of OMB Circular A-110.
- (1) Records that relate to audits, appeals, litigation, or the settlement of claims arising out of the performance of the project shall be retained until such audits, appeals, litigation, or claims have been disposed of, but in any event not less than 3 years after final report submission.
- (2) Records relating to projects subject to special project team provisions shall be retained until 3 years from the end of the recipient's fiscal year in which the award instrument requirement for reporting income expires.
- b. The NRC and Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any pertinent books, documents, papers, and records of the recipient organization, and of the performing organization, if different, to make audits, examinations, excerpts and transcripts. Further, any contract in excess of \$10,000, made by the recipient shall include a provision to the effect that the recipient, NRC, the Comptroller General, or any of their duly authorized representatives, shall have access to pertinent records for similar purposes.

26. Standard for Financial Management Systems

NRC recipients shall have financial management systems that meet the requirements _____ to OMB Circular A-110.

27. Audits

NRC recipients shall be audited in accordance with OMB Circular A-133 which supersedes Attachment F, subparagraph 2h. of OMB Circular A-110.

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52.203.11 (continued...)

- (c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

(End of provision)

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52.203.12 (continued...)

- (b) A member of the uniformed services, as defined in subsection 101(3), title 37, United States Code.
- (c) A special Government employee, as defined in section 202, title 18, United States Code.
- (d) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, United States Code, appendix 2.

'Person,' as used in this clause, means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit, or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

'Reasonable compensation,' as used in this clause, means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

'Reasonable payment,' as used in this clause, means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

'Recipient,' as used in this clause, includes the Contractor and all subcontractors. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

'Regularly employed,' as used in this clause, means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

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52.203-12 (continued...)

(C) The following agency and legislative liaison activities are permitted at any time where they are not related to a specific solicitation for any covered Federal action:

- (1) Discussing with an agency the qualities and characteristics (including individual demonstrations) of the person's products or services, conditions or terms of sale, and service capabilities.
- (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(D) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action--

- (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
- (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
- (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Pub. L. 95-507, and subsequent amendments.

(E) Only those services expressly authorized by subdivision (b)(3)(i)(A) of this clause are permitted under this clause.
(ii) Professional and technical services.

(A) The prohibition on the use of appropriated funds, in subparagraph (b)(1) of this clause, does not apply in the case of--

- (1) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

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52.203-12 (continued...)

- (D) Only those services expressly authorized by subdivisions (b)(3)(ii)(A)(1) and (2) of this clause are permitted under this clause.
- (E) The reporting requirements of FAR 3.803(a) shall not apply with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(c) Disclosure.

- (1) The Contractor who requests or receives from an agency a Federal contract shall file with that agency a disclosure form, OMB standard form LLL, Disclosure of Lobbying Activities, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under subparagraph (b)(1) of this clause, if paid for with appropriated funds.
- (2) The Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under subparagraph (c)(1) of this clause. An event that materially affects the accuracy of the information reported includes--
 - (i) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
 - (ii) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or
 - (iii) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.
- (3) The Contractor shall require the submittal of a certification, and if required, a disclosure form by any person who requests or receives any subcontract exceeding \$100,000 under the Federal contract.
- (4) All subcontractor disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the prime Contractor. The prime Contractor shall submit all disclosures to the Contracting

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52.223-5 Certification Regarding A Drug-Free Workplace.
As prescribed in 23.505, insert the following provision:

CERTIFICATION REGARDING A DRUG-FREE WORKPLACE (JUL 1990)

(a) Definitions. As used in this provision,

'Controlled substance' means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 CFR 1308.11 - 1308.15.

'Conviction' means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

'Criminal drug statute' means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

'Drug-free workplace' means the site(s) for the performance of work done by the Contractor in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

'Employee' means an employee of a Contractor directly engaged in the performance of work under a Government contract 'Directly engaged' is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

'Individual' means an offeror/contractor that has no more than one employee including the offeror/contractor.

(b) By submission of its offer, the offeror, if other than an individual, who is making an offer that equals or exceeds \$25,000, certifies and agrees, that with respect to all employees of the offeror to be employed under a contract resulting from this solicitation, that, it will--no later than 30 calendar days after contract award (unless a longer period is agreed to in writing), for contracts of 30 calendar days or more performance duration; or as soon as possible for contracts of less than 30 calendar days performance duration, but in any case, by a date prior to when performance is expected to be completed--

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52.223-5 (continued...)

- (6) Within 30 calendar days after receiving notice under subdivision (b)(4)(ii) of this provision of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
- (i) Take appropriate personnel action against such employee, up to and including termination; or
 - (ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.
- (7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (b)(1) through (b)(6) of this provision
- (c) By submission of its offer, the offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of the contract resulting from this solicitation.
- (d) Failure of the offeror to provide the certification required by paragraphs (b) or (c) of this provision, renders the offeror unqualified and ineligible for award. (See FAR 9.104-1(g) and 19.602-1(a)(2)(i).)
- (e) In addition to other remedies available to the Government, the certification in paragraphs (b) or (c) of this provision concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

(End of provision)

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52.223-6 (continued...)

- (2) Establish an ongoing drug-free awareness program to inform such employees about--
 - (i) The dangers of drug abuse in the workplace;
 - (ii) The Contractor's policy of maintaining a drug-free workplace;
 - (iii) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (3) Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph (b)(1) of this clause;
- (4) Notify such employees in writing in the statement required by subparagraph (b)(1) of this clause that, as a condition of continued employment on this contract, the employee will--
 - (i) Abide by the terms of the statement; and
 - (ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 calendar days after such conviction.
- (5) Notify the Contracting Officer in writing within 10 calendar days after receiving notice under subdivision (b)(4)(ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;
- (6) Within 30 calendar days after receiving notice under subdivision (b)(4)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
 - (i) Taking appropriate personnel action against such employee, up to and including termination; or

"Use of Automated Clearing House (ACH) Electronic Payment

It is the policy of the Nuclear Regulatory Commission to pay government vendors by the Automated Clearing House (ACH) electronic funds transfer payment system in lieu of a U.S. Treasury check. The electronic system is known as Vendor Express. Payment shall be made in accordance with FAR 52.232-28, entitled "Electronic Funds Transfer Payment Methods".

To receive payment by Vendor Express, the contractor shall complete the "Company Information" portion of the Form SF 3881, entitled "Payment Information Form - ACH Vendor Payment System". The contractor shall take the form to the ACH Coordinator at the financial institution that maintains its company's bank account. The contractor shall discuss with the ACH Coordinator how the payment identification information (addendum record) will be passed to them once the payment is received by the financial institution. The contractor must ensure that the addendum record will not be stripped from the payment. The ACH Coordinator will fill out the "Financial Institution Information" portion of the form and return it to the Office of the Controller at the following address: Nuclear Regulatory Commission, Division of Accounting and Finance, Mailstop T-9-E-2, Washington, DC 20555, ATTN: ACH/Vendor Express. Once the Office of the Controller has processed the contractor's sign-up form, the contractor will begin to receive payments electronically via Vendor Express ACH.

If the offeror bidder has questions concerning ACH/Vendor Express, he/she may call the Commercial Payments staff at (301) 415-7520."