APPENDIX A

AMENDED GRANT CONDITIONS

Technology Workforce Development Grants Program
Grants TWD 2002, 2003, and 2005

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1. Terms of Agreement

The Technology Workforce Development (TWD) Grant Program Announcement and Grantee's proposal are incorporated into these grant conditions by reference for all necessary purposes and shall constitute the agreement of the parties. These grant conditions shall prevail in all cases of conflict arising from the terms of the TWD Grant Program Announcement, Grantee's proposal, the grant agreement, and these grant conditions.

2. Organizational accountability system

Each grantee institution shall have a system established in writing to ensure that appropriate officials provide necessary organizational reviews and approvals for the expenditure of funds and for monitoring project performance and adherence to grant terms and conditions. The grantee institution agrees to audit a project with its internal audit staff and to furnish a copy of audit conducted to the Coordinating Board.

3. Audit and records

Financial records, supporting documents, statistical records and other material pertinent to this grant shall be retained by the grantee for three years following submission of the final project report and shall be made available to the Coordinating Board upon request. This material, the organizational prior-approval system, and the internal project audits are subject to review by the State Auditor and by Coordinating Board staff. The acceptance of state funds acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Grantee institution shall cooperate fully with the State Auditor's Office or its successor in the conduct of the audit or investigation, including providing all records requested.

4. Allowable costs

All reasonable costs are allowable with the following specifications:

- No overhead (indirect cost recovery) may be charged to these funds.
- Public and independent institutions may include fringe benefits in project costs. (State program funds were appropriated from general revenue dedicated and not from general revenue funds.)
- Capital equipment will be defined by the grantee institution.
- Only capital equipment included in project costs, and specified and justified in the approved equipment list, may be purchased with grant funds.
- No equipment may be purchased later than three months before the end of the Coordinating Board approved grant period.
- No meal or drink expenses may be charged against State appropriated program funds coming from the Texas Comptroller of Public Accounts, regardless of whether they originated from State, industry, or federal sources.
- Over the life of the grant, no more than a cumulative total of $10,000 may be moved across budget categories (personnel, capital equipment, travel, other direct costs) without prior Coordinating Board approval.
- Foreign travel is an allowable charge against the grant only if it appears on the approved project budget.
- Additional budget changes will require completion of a Budget Change Request form and submission through the institution's Office of Sponsored Projects (or its equivalent) to the Coordinating Board for approval.

5. Standards for financial management systems

Institutions shall account for the receipt and disbursement of all monies by generally accepted accounting practices and the

State of Texas Uniform Grant Management Standards (UGMS), to the extent applicable. Grantee institution shall open to inspection all books and records reflecting transactions hereunder to Coordinating Board, its staff, or anyone authorized by the Coordinating Board to inspect such books and records.

6. Payments
The grantee institution shall receive State appropriated funds under this grant through the Office of the State Comptroller.

7. Title to equipment
Title to equipment purchased or fabricated with these funds shall vest in the grantee institution.

8. Site visits
The Coordinating Board and/or its representatives shall have the right to make site visits to review project accomplishments.

9. Notification of absence
The Coordinating Board shall be notified prior to a project leader's absence from campus for a period of more than six weeks.

10. Changes in project leader
If a project leader leaves the grantee institution or otherwise relinquishes active direction of the project, the institution must notify the Coordinating Board before the project leader leaves and submit the name of a new project leader for approval.

11. Progress reports
One copy of a progress report (annual report) shall be submitted to the Research Office of the Coordinating Board by July 1 of each year during which the grant is active. The progress report format is specified by the Board.

12. Final report
Within 30 days of the expiration of the grant, the grantee must file a final project report with the Coordinating Board in a format specified by the Board. Within 90 days of the expiration of the grant, the grantee institution must file a final financial report with the Coordinating Board that contains information on the final disbursement of funds. At the end of the grant period, unexpended funds shall be returned within 90 days of the final financial report.

13. Suspension or termination
This grant may be suspended or terminated if the grantee fails to comply with the terms and conditions of the grant.

14. Conflict of Interest
The grantee institution must notify the Coordinating Board of any potential conflicts of interest that arise prior to or during the grant period due to relationships between the project leaders or other members of the project team and any industrial collaborator(s).

15. Nondiscrimination
No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination under this grant on grounds of race, color, national origin, religious affiliation, handicap or gender.

16. Compliance with regulations
The project leader must abide by all state and federal regulations related to conduct of this grant.

17. Dissemination of project results
The grantee is expected to publish or otherwise make publicly available the results of the work conducted under the grant. Publication in popular media as well as scholarly journals is encouraged. One reprint of any publication should be made available to the Research Office of the Coordinating Board on request.

18. Acknowledgment of support
An acknowledgment of Coordinating Board support must appear in any publication of any material based on this project in terms such as the following:

> "This material is based in part upon work supported by the Texas Technology Workforce Development Program under Grant No. _____."

19. Technology workforce tracking
Grantee institution agrees to maintain accurate data on the Board's Technology Workforce Tracking System for the duration of the grant and four additional years.

20. Retention of Formula Funding
Grantee institution agrees to pass on to the appropriate college or department any increased formula funding that results from increased undergraduate enrollment in engineering or computer science programs.

21. Copyright or patent rights
The project leader shall abide by the intellectual property policy of his/her institution.

22. Liability
The Coordinating Board shall not be held liable for damages to people or property that may occur in the course of activities conducted as a result of this grant.

23. Dispute resolution process
The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used by the Coordinating Board and the grantee institution to attempt to resolve all disputes arising under these grants.

24. CFDA number
The Coordinating Board shall provide the CFDA number and title, award name and number, and the award year for the congressionally directed grant as provided by the federal agency overseeing this grant to all subrecipients.

25. Cash draw requirements and procedures
The grantee shall establish and adhere to separate budgets for state, donated, and federal funds. Payment of funds occurs through:

- monetary payments for State and donated funds prior to expenditures; and
- drawn down of federal funds on reimbursement basis after expenditures occurred.

26. Grant period
The Coordinating Board will determine the grant period, including no-cost extensions, for the State and industry funded portion of the grant. A different grant period may be set for the federally funded portion of the grant by the federal department overseeing the congressionally directed grant.

27. Federal reports
The recipient university of the congressionally directed grant, i.e. the current or former host institution of the Texas Engineering and Technical Consortium, will specify form and timing of fiscal and project reports required for the federal portion of the grant.

28. Federal audit
Any institution receiving in excess of $500,000 cumulative in federal awards per fiscal year must meet the federal audit requirements and must complete OMB circular A-133 within 9 months of year's end. The grantee institution shall permit the Coordinating Board and auditors access to records as necessary, including access through site visits.

29. Federal regulations
Grantee shall also be subject to and shall abide by all federal laws, rules, and regulations pertaining to the grant project, including but not limited to:

- Education Department General Administrative Regulations (EDGAR): 34 CFR 74, 76, 77, 79, 80, 81, 82, 85, 86, 97, and 98;
- the Family Educational Rights and Privacy Act (FERPA) of 1975, as amended, and the regulations effectuating its provisions contained in 34 C.F.R. Part 99.
- OMB Circular A-21, A-87, or A-122 (Cost Principles), OMB Circular A-133 (Audits), and OMB Circular A-110 (Uniform Administrative Requirements);
- Americans with Disabilities Act, P. L. 101-336, 42 U.S.C. sec. 12101, and the regulations effectuating its provisions contained in 28 CFR Parts 35 and 36, 29 CFR Part 1630, and 47 CFR Parts 0 and 64;

- Title VI of the Civil Rights Act of 1964, as amended (prohibition of discrimination by race, color, or national origin), and the regulations effectuating its provisions contained in 34 CFR Part 100;
- Title IX of the Education Amendments of 1972, as amended (prohibition of sex discrimination in educational institutions) and the regulations effectuating its provisions contained in 34 CFR Part 106;
- Section 504 of the Rehabilitation Act of 1973, as amended (nondiscrimination on the basis of handicapping condition), and the regulations effectuating its provisions contained in 34 CFR Part 104;
- Age Discrimination Act of 1975, as amended (prohibition of discrimination on basis of age), and any regulations issued thereunder, including the provisions contained in 34 CFR Part 110;
- Section 509 of H.R. 5233 as incorporated by reference in P. L. 99-500 and P. L.99-591 (prohibition against the use of federal project funds to influence legislation pending before Congress);
- Drug Free Workplace Act [PL100-690 Title V, Subtitle D]; and
- The Texas Worker's Compensation Act.

30. Funding restriction for federal portion of grant

Strategies supported by federal funds must involve post-secondary education only. However, strategies to recruit secondary students into a higher education institution are acceptable as are strategies that provide a stipend to post-secondary students even when the work performed involves secondary students.

31. Department of Education's General Education Provisions Act (GEPA), Section 427

The state of Texas has given the Texas Higher Education Coordinating Board the mandate to follow all requirements of GEPA Section 427 as evidenced by the Texas Labor Code, Chapter 21, Title 2; Subtitle; A.; Chapter 21.; Subchapter A.; § 21.001.

32. Grant Amendment

To the extent applicable laws, regulations, court orders, or official interpretations require the Coordinating Board to include additional language in its contracts, Grantee agrees to amend this grant agreement and to cooperate in the execution of any amendment to this grant agreement necessary to effectuate such laws, regulations, court orders, or official interpretations.

33. Availability of Funds

This grant is subject to the availability of funds and/or grant funds appropriated by legislative act for the purposes stated and to the availability of funds under the terms of the agreement between the State of Texas and the U.S. Department of Education. All amendments and/or extensions or subsequent grants are contingent upon the availability of funds. Notwithstanding any other provision in these grant conditions or any other document, this grant is void upon grant funds becoming unavailable.

34. Federal Certifications

By signing the amendment to the grant conditions grantee provides certifications entitled *Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion* and *Lobbying Certification* attached hereto and incorporated herein for all purposes.

35. Conformance with Federal and State Laws

Nothing in the Grant Program Announcement, Grantee's proposal, or these grant conditions shall be construed to violate any provision of the laws and/or regulations of he United States of America or the State of Texas, and all acts done shall be done in such manner as may conform to those laws. If any word, phrase, clause, paragraph, sentence, part, portion, or provision of the grant agreement or the application of those provisions to any person or circumstance is held to be invalid, the remainder shall nevertheless be valid.