Uniform Guidance for Federal Awards: Contracting and Procurement

Wednesday, December 2, Noon to 1:30pm
Curry Student Center, Room 348

Presenters:

Compliance: Lin Qin
General Counsel: Matt McIntyre
Office of Research Administration: John Counts, Dan Gilbert
Office of Research Finance: Carrie Main, Doris Schultz
Procurement: Mike McNamara
1. Overview – John Counts, Doris Schultz
2. Compliance – Lin Qin
3. International Collaboration – Carrie Main
4. Subrecipient or Contractor Determination – Dan Gilbert
5. Vendor Activities – Mike McNamara
6. Contract Activities – Matt McIntyre
7. Case Studies
1. Government regulation is increased - Uniform Guidance has changed the rules
2. Northeastern’s research $ are increasing
3. Government scrutiny is increasing
4. Research administration is increasingly complex
   • Increased administrative oversight
   • Increased interdepartmental collaboration

Require good business processes to support the demands of the above
1. Uniform guidance changes as they relate to contracting and procurement.
2. When to use a subcontract, a contract or a purchase order.
3. Who is responsible for price and cost analysis.
4. Who is responsible for compliance monitoring.
5. What to consider when engaging in international relationships.
6. Who to call at Northeastern for assistance.
Compliance

Compliance is everyone’s responsibility

Financial Stewardship
- Cost sharing
- Effort Reporting
- Accepted Accounting Practices
- Financial Reporting

Business Stewardship
- Purchasing
- Property management
- Subcontracting
- Subrecipient
- Monitoring
- Socio-economic

Research Compliance

Research Integrity
- Conflict of Interest
- Intellectual Property
- Export Controls
- Animal Welfare
- Biosafety

- Misconduct
- Data Management
- Human Participants
- Technical Reporting
- Radiation Safety
- Chemical Safety
Restricted Party Screening (RPS)

- Federal gov’t requires us to screen for national security reasons
- All parties with whom the university engages in a business relationship
- NU uses specialized software and a phased-in risk sensitive approach
- Compliance Department has been working with ORAF and Procurement/AP to conduct screening on all vendors, sponsors and subrecipients.
Compliance Objective
Goods and services purchased for the performance of a federal grant are obtained in a cost-effective manner and in compliance with federal regulations.

- Avoid purchasing unnecessary items
- Perform cost/price analysis
- Adhere to Code of Ethical Conduct/Conflicts of Interest Policies

Diagram:
- Faculty COIC
  - COIC Policy
  - Faculty Handbook
  - PHS Funded Research
Research Administration
Dan Gilbert, Subcontract Manager

Email: d.gilbert@neu.edu
Phone: x2127
Definitions

Federal Sponsor

Recipient
(Prime Awardee/Pass Through Entity (PTE))

Subrecipient
(formerly Subcontractor)

Contractor
(formerly Vendor)

or Consultant
(Independent Contractor)
A. Prepare & Submit Proposal: Abstract, SOW, Budget, Budget Justification, Compliance, Cost Share, Facilities, Equipment, etc.

B. Define Participating Entities: Subrecipient, Contractor, or Consultant:

<table>
<thead>
<tr>
<th>Subrecipient (Federal Assistance)</th>
<th>Contractor (Procurement)</th>
<th>Consultant (Procurement)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. NU PI Assesses Technical Adequacy and Appropriateness of Budget</td>
<td>2. Competitive Bid (Price Analysis) or Sole Source (Justification and Price Analysis)</td>
<td>2. Competitive Bid (Price Analysis) or Sole Source (Justification and Price Analysis)</td>
</tr>
</tbody>
</table>

Items 1 & 2 occur prior to proposal submission

Items 1 & 2 can occur prior to proposal submission or after award depending on the Sponsor Solicitation

Predetermination is Important...Documentation Needed on File...F&A Savings...
1. Performance measured by the Federal Program objectives;
2. Responsible for programmatic decision making;
3. Uses Federal Funds to carry out Program for public purpose;
4. Scholarly/scientific contribution of the Program;
5. Subject to compliance requirements of the Program;
6. Requires use of the discretion and unique expertise;
7. Sub PI may be co-author and my seek patent protection for inventions;
8. Title to Sub IP is normally retained by the Sub.
1. Provides goods and services within normal business operations;
2. Provides similar goods and services to many different purchasers;
3. Operates in a competitive environment;
4. Provides goods and services that are ancillary to Federal Program;
5. Not subject to compliance requirements of the Federal Program.
A Consultant is an expert advisor who is paid for time at a fixed rate of compensation (hourly or daily and includes travel, expenses and overhead) specified in the services agreement. A consultant can be an individual or company. Consultants must use their own equipment and materials.

Which contract should I use for a consultant working on a research award?

Responsible for programmatic decision making:

- Most likely a Subrecipient.
- Contact Grant Officer at ORAF.

Provide services w/o programmatic decision making:

- <$10,000 – Purchase Order Only
- >$10,000 – Professional Services Agreement and Purchase Order.
To Do’s for Subawards

1. Risk Assessment (ORAF); Single (A-133) Audits, History with NU, Type of Entity, Debarment/Suspension, FCOI
2. Monitoring (Everyone); Programmatic Performance, Invoices
3. Reporting (ORAF); FFATA
4. Verification (ORAF); IRB, IACUC, F&A Rate:
   1. If Sub does not have Federally Approved Rate:
      1. Then 10% de minimis rate can be used
      2. Always work with ORAF with F&A rates on a case by case basis especially for commercial/for-profit entities
**NU Risk Assessment Categories:**

“Evaluate each sub-recipient’s risk of noncompliance...”

<table>
<thead>
<tr>
<th>Low Risk:</th>
<th>1. No Audit Findings &amp; assessed as low risk by auditors</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>2. Minor Audit finding(s) &amp; assessed as low risk by auditors</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Medium Risk:</th>
<th>1. Organization without prior experience with Federal awards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Very Small Organization with sufficient accounting systems &amp; internal controls</td>
</tr>
</tbody>
</table>

| High Risk: | 1. Prior Audit finding(s) with major deficiencies/material weakness |
|           | 2. Organization without sufficient accounting systems & internal controls (often international) |
|           | 3. Prior or Current PI/Org Debarment or Suspension |
|           | 4. Prior Non-Performance with NU |
|           | 5. Prior or Current Conflict of Interest with NU (unmanaged) |
NU High Risk Subaward Requirements:

A. More Frequent Monitoring:
   1. Programmatic (Progress Reports)
   2. Invoices (Expenses align with sub-recipient’s budget and are Reasonable, Allowable, Allocable, and Consistent)

B. More Frequent Communication:
   1. PI and ORAF keep detailed records of communications regarding unsatisfactory performance by the sub-recipient
   2. PI reports any unsatisfactory performance to ORAF promptly

C. Site Visits

D. Stringent Review of Audits:
   1. “Auditees must review and respond to and address all audit findings as quickly as possible, and not wait until audit reports are submitted.” (Huron Education)
   2. Take prompt action when instances of noncompliance are identified

E. Corrective Action, Termination
1. Invoices:
   1. Subaward Office and Research Finance Collaborative Effort to:
      1. Ensure Prompt Payment; 30 Day UG Rule
      2. Ensure that Costs are in Compliance
         1. Reasonable, Allowable, Allocable, Consistent
         2. In Alignment with Budget on File

2. Programmatic Performance:
   1. PI informs ORAF immediately of any issues with sub’s performance
   2. College/Dept Research Administrators are part of the process
1. Can be used at NU when Subrecipient is High Risk:
   • Foreign Entity
   • Small Business
   • Past High Risk Performance
   • Payment for Tasks Successfully Completed Approach
     • Statement or Work and Budget is Task 1, Task 2, Task 3...

2. Subaward Amount < $150K
3. Must have prior approval from ORAF and Sponsor
ORAF
Carrie Main, Associate Director, Research Finance

email: c.main@neu.edu
phone: x8264
Foreign Subrecipients are considered **high risk**:  
- Foreign organizations do not have annual A-133 or single audit to rely on for assurances about internal controls  
- No approved indirect cost rate and/or indirect costs may not be allowed  
- Likely to be unfamiliar with Uniform Guidance and Federal Agency requirements  
- Foreign currency fluctuations  
- May not have adequate systems and controls in place (cost allocation, salary records, contracts, procurement, etc)  
- Distance and time differences make monitoring difficult
Responsibilities of the Prime PTE

• Funding requirements flow down from PTE to foreign subrecipient
  – Prime PTE must assess whether monitoring or training is required (questionnaire tool)
  – Ensure the subrecipient acknowledges and understands the subaward terms and conditions. Areas of concern should be specifically spelled out rather than relying on links to external websites. Example: prior approvals, IRB, capital equipment
Responsibilities of the Prime PTE

• Audit requirement
  – If the foreign entity receives more than $750k in annual federal dollars from all sources an audit is required
  – Prime recipient is responsible for providing audit report to sponsor, preparing and implementing corrective action plan if required, and returning funds for disallowed expenses

» TIP: Prepare program budget accordingly!
Responsibilities of the Prime Institution

• Closeout
  – Final Technical report received and obligations met in full
  – Financial Reporting marked “Final” received within closeout period
  – Capital equipment disposition plan submitted if required
Common compliance issues on foreign subawards:

- Salary budget & payments inconsistent with personnel base salary
- Petty cash expenses not properly documented or reconciled
- Rotating charges between donor funded projects
- Identification of indirect v. direct charges
- Late or inadequate financial/technical reporting
- Unavailability of unrestricted funds
- Non-compliance with local labor and tax laws
Foreign Subrecipient Profile

**How to use:** The questionnaire is used to help determine a subrecipient’s financial and management strength, which helps assess risk and dictates the monitoring plan for foreign subrecipients. The questionnaire can be completed by the department or the subrecipient at the department’s discretion during any phase of the award. Questions may be omitted or added to obtain information most useful for developing a monitoring plan. For additional support, contact Dan Gilbert at djgilbert@neu.edu.

### I. GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Type of organization: e.g., non-profit, non-governmental organization (NGO), commercial/for profit (corporation), university, academic research center, etc.</th>
<th>YES</th>
<th>NO</th>
<th>N/A</th>
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</table>

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<tr>
<th>Is organization incorporated or legally registered within the country of operations? If no, please explain. If yes, please supply a copy of registration certificate with this questionnaire.</th>
<th>YES</th>
<th>NO</th>
<th>N/A</th>
</tr>
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</table>

| Please provide copies of any materials that describe the organization, mission, and history. If this information is on a website, please provide the link. | | | |
|---|---|---|

| Please list the names of the chief executive officers. This may include, but is not limited to, the following positions: President/Director: | | | |
|---|---|---|

| Chief Financial Officer: | | | |
|---|---|---|

| Please list the number of employees your organization has (or provide a list of personnel): Full-time Employees: | | | |
|---|---|---|

| Part-time Employees: | | | |
|---|---|---|

<table>
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<tr>
<th>Does organization have other sources of U.S. Government funds (National Science Foundation or National Institutes of Health)? If yes, please provide the name of the U.S. Federal agency, the grant period, and the amount of funds.</th>
<th>YES</th>
<th>NO</th>
<th>N/A</th>
</tr>
</thead>
</table>

### II. INTERNAL CONTROLS

Internal controls are procedures, which ensure that: 1) financial transactions are approved by an authorized individual and adhere to laws, regulations and the organization’s policies, 2) assets are kept safely, and 3) accounting records are complete, accurate, and maintained on a regular basis. Please complete the following questions concerning organization’s internal controls:

<table>
<thead>
<tr>
<th>Are timesheets kept for each paid employee?</th>
<th>YES</th>
<th>NO</th>
<th>N/A</th>
</tr>
</thead>
</table>

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<tr>
<th>Is each employee’s salary stated in an employment letter or contract?</th>
<th>YES</th>
<th>NO</th>
<th>N/A</th>
</tr>
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<tr>
<th>How often are equipment inventories performed?</th>
<th></th>
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<th></th>
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Procurement
Mike McNamara, Director of Procurement

email: Mi.McNamara@neu.edu
phone: x5883
Northeastern’s Federal Government Research Volume is growing.

NU will be under a much higher level of scrutiny to make sure purchases are made in a competitive environment or that prices are justified via a price analysis.

Restricted Parties Screening is required by Federal Law
Two important tools for business transactions

• **Standard Contracts**: reviewed by the General Council’s office. Document which specifies the Terms and Conditions agreed to by both parties. Purchase order is issued most times to encumber funds and allow posting the expense against budget in Banner.

• **Purchase Orders**: issued by Procurement Services. A type of contract which includes NU standard terms and conditions. Also encumbers funds and allow posting the expense against budget.

• **Business rules:**

<table>
<thead>
<tr>
<th></th>
<th>&lt;$10,000</th>
<th>&gt;$10,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Services</strong></td>
<td>Purchase Order</td>
<td>Contract required; PO is then issued</td>
</tr>
<tr>
<td><strong>(Consulting)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Goods</strong></td>
<td>Purchase Order</td>
<td>Purchase Order</td>
</tr>
</tbody>
</table>
Federal Acquisition Regulations Review

In the Uniform Guidance Environment
§200.318 - General Procurement Standards

- Purchase must be necessary *(FAQ 320-1)*

- **Northeastern must use its own documented procedures** *(FAQ 320-1)*
  - Must reflect applicable State and local laws and regulations
  - But!... must conform to applicable Federal law and the 2 CFR 200 Procurement Standards

- Northeastern must maintain oversight to ensure suppliers perform (terms, conditions, specs)

- Northeastern must
  - Maintain written standards of conduct for:
    - Conflict of interest *(FAQ 320-1)*, and
    - Employee performance in selection, award, and administration of procurements
    - But Northeastern may set standards for insubstantial financial interest and nominal gifts
  - Maintain written standards of conduct covering organizational conflicts of interest (parent, affiliate, subsidiary)
Northeastern must have procedures to:

- Consider **consolidating** or breaking out procurements to get better price,
  - Strategic sourcing or bulk purchase (*FAQ 320-1 & 320-4*), and
- Do lease / purchase analyses, or
- Do any other analyses to get most economical purchase

Northeastern should consider state and local intergovernmental agreements or inter-entity agreements where appropriate for common or shared goods / services such as Mass State contracts, Educational and Institutional Coop., Mass Higher Educational Consortium

Northeastern should use Federal excess and surplus property in lieu of new when feasible and cheaper.
Northeastern must award only to able suppliers (who demonstrate all of the following)

- Integrity
- Compliance with public policy
- Record of past performance
- Financial resources
- Technical resources

Northeastern must maintain good records that detail procurement’s history (all of the following) *(FAQ 320-1)*

- Rationale for procurement method
- Selection of contract type
- Supplier selection or rejection
- Basis for price
Northeastern alone (i.e., not the awarding agency) is responsible for settlement of all contractual and administrative issues (awarding agency is responsible only if matter is of Federal concern; refer law violations to appropriate local, state, or Federal authority having jurisdiction) (any of the following)

- Source evaluation
- Protests
- Disputes
- Claims
§200.319 - **Competition**

- Full and open (to the extent required by each method) *(FAQ 320-1)*
- Objective > supplier performance
- Eliminate unfair supplier advantage
- Suppliers that develop specs cannot participate in the solicitation
- Examples of situations that restrict competition *(any of the following)*
  - Unreasonable requirements
  - Unnecessary supplier experience
  - Excessive bonding
  - Noncompetitive pricing practices between firms or affiliated companies
  - Noncompetitive contracts to consultants on retainer
  - Organizational conflicts of interest
  - Specifying “brand name” without allowing “or equal”
  - Any arbitrary action in the procurement process
Northeastern must have written procedures. Solicitations must:

- Incorporate clear and accurate description of technical requirements
  - **But** no features that unduly restrict competition
  - **May** include qualitative statements
  - When necessary, include minimum essential characteristics and standards
  - When necessary, OK to use “brand name or equivalent” **But** the specific features of the named brand must be clearly stated
- Identify ALL requirements that respondents must fulfill and all other factors that will be used in evaluation

Northeastern must ensure that all lists of prequalified sources are current and include enough of them to ensure maximum open and free competition. Potential sources must not be prevented from qualifying during the solicitation period.
§200.320 – Methods of Procurement to be Followed

- Procurement cards are OK for any method (*FAQ 320-5*)
- The methods apply only to direct costs, not indirect (*FAQ 320-6*)
- Micro-purchases (subset of small purchase procedures)
  - Expedite lowest-dollar small purchases; minimize associated administrative burden and cost
  - Do not require competitive quotations if Northeastern considers price reasonable
  - Northeastern must distribute equitably among qualified suppliers to the extent practicable
  - No cost or price analysis (*FAQ 320-1*)
Competitive Proposals (above the Simplified Acquisition Threshold)

- Normally, more than one source responding
- Normally, fixed price or cost-reimbursement type contract is awarded
- Used when conditions are not appropriate for sealed bids
- If used, below are the requirements (all of the following)
  - RFPs must be publicized
  - RFPs must identify all evaluation factors and their relative importance
  - Any response must be considered to the maximum extent practical
  - Proposals must be solicited from an adequate number of qualified sources
  - There must be a written method for conducting technical evaluations of responses and for selecting recipients
  - Contracts must be awarded to the responsible source whose proposal is most advantageous to the program, with price and other factors considered
  - When soliciting qualifications-based A&E professional services subject to negotiation, cannot solicit other types of services even though a firm may be able to provide them
Noncompetitive Proposals (any dollar amount, but – practically speaking - above the micro-purchase threshold)

- Solicited only from one source
- May only be used under any of the following conditions:
  - The item is available only from a single source
  - The public exigency or emergency will not permit the time required for competition
  - The awarding agency or pass-through entity expressly authorizes it in response to a written request from the non-Federal entity
  - After solicitation of a number of sources, competition is determined inadequate
  - Required for scientific reasons *(FAQ 320-2)*
§200.323 – Contract Cost and Price

- Must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold
  - Method and degree depends on facts surrounding the procurement
  - As a starting point, must make independent estimates before receiving bids or proposals

- Must negotiate profit as a separate element of price for each contract in which there is no price competition and in all cases where cost analysis is performed
  - Must consider (all of the following)
    - Complexity of the work to be performed
    - Risk borne by the contractor
    - Contractor’s investment
    - Amount of subcontracting
    - Quality of record of past performance
    - Industry profit rates in the geographical area for similar

- Costs or prices based on estimated costs are allowable only to the extent that costs incurred or cost estimated included in negotiated prices would be allowable under Cost Principles. Northeastern may reference its own cost principles that comply with Federal cost principles.

- Must not use cost plus percentage of cost and percentage of construction cost methods
PROCUREMENT/PAYMENT TOOLS
Procurement Review:

Northeastern’s Federal Government Research Volume is growing.

NU will be under a much higher level of scrutiny to make sure purchases are made in a competitive environment or that prices are justified via a price analysis.

It is crucial to not put the cart before the horse i.e. making a purchase and requesting a PO when the invoice is received:

- It is a very bad business process
- More important now that a Restricted Party Screening is required.
Office of the General Counsel
Matt McIntyre, Assistant General Counsel

email: M.McIntyre@neu.edu
phone: x2157
OGC Website provides contract information and resources:
- [http://www.northeastern.edu/general-counsel/transactional](http://www.northeastern.edu/general-counsel/transactional)
- Revised procedures effective October 1, 2015 include new checklists
- All agreements that do not use the online purchasing systems require review by a designated area contract gatekeeper
- A contract is required for all services

Services < $10,000 – require an e-contract (Purchase Order)
Services > $10,000 – require a Professional Services Agreement using the template found on the OGC website; a Purchase order would then be completed as the payment authorization mechanism

Consequences of not using a contract - examples
Case Studies
Two PI’s worked together on a Grant at Northeastern University. One PI transferred to a small College. A few years later, the NU PI submits a proposal and includes the PI to serve as a Consultant rather than a Subrecipient. The College PI will be working from her home office and will be accessing her College’s software online in order to complete her portion of the grant project.
A PI at Northeastern University owns a good portion of a private company. He plans to submit a research proposal, in which his wife will be the Co-PI at the company; She also works as an adjunct professor at NU. Can NU sub to this company?
The Lab needs to buy an expensive microscope
There are several units on the market
None of them have all of the exact same bells and whistles

How do I proceed??????
A PI at Northeastern University proposes to conduct certain environmental testing in a foreign country to determine whether a harmful and potential deadly pollutant is present in the local environment. This two-year research project is part of a larger research study being funded by the National Institutes of Health (NIH) and led by another university. Northeastern will conduct its research at its Boston campus and in the foreign land and will require wigits to conduct the research. After review of the case, recommend how the PI should have proceeded.
Professor Wise has received NIH funding for a 3 year Public Health Evaluation in Kenya. He has budgeted a $500k subaward to a university in Nairobi to conduct surveys at several clinics. The budget below has been proposed. What should Professor Wise and Northeastern University be aware of when preparing the subaward agreement to this university?

<table>
<thead>
<tr>
<th>Description</th>
<th>Duration</th>
<th>Percentage</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Investigator</td>
<td>36 mo</td>
<td>10%</td>
<td>$45,000</td>
</tr>
<tr>
<td>nurses (15)</td>
<td>36 mo</td>
<td>20%</td>
<td>$162,000</td>
</tr>
<tr>
<td>data entry analyst</td>
<td></td>
<td>50%</td>
<td>$12,000</td>
</tr>
<tr>
<td>meeting costs</td>
<td>12</td>
<td>1500</td>
<td>$18,000</td>
</tr>
<tr>
<td>training materials</td>
<td></td>
<td></td>
<td>$22,000</td>
</tr>
<tr>
<td>mobile phones</td>
<td>15</td>
<td>50%</td>
<td>$750</td>
</tr>
<tr>
<td>air time</td>
<td>15</td>
<td>1440</td>
<td>$21,600</td>
</tr>
<tr>
<td>supplies</td>
<td></td>
<td></td>
<td>$30,000</td>
</tr>
<tr>
<td>computers</td>
<td></td>
<td></td>
<td>$12,500</td>
</tr>
<tr>
<td>office space</td>
<td></td>
<td></td>
<td>$24,000</td>
</tr>
<tr>
<td>vehicle</td>
<td></td>
<td></td>
<td>$51,000</td>
</tr>
<tr>
<td>vehicle maintenance &amp; supplies</td>
<td>36 mo</td>
<td>1000</td>
<td>$36,000</td>
</tr>
<tr>
<td>total direct costs</td>
<td></td>
<td></td>
<td>$434,850</td>
</tr>
<tr>
<td>indirect cost</td>
<td></td>
<td>15%</td>
<td>$65,228</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$500,078</td>
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Reference slides
§200.22  Contract.
Contract means a legal instrument by which a non-Federal entity (NFE - Northeastern) purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (see §200.92 Subaward).

§200.74  Pass-through entity.
Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

§200.92  Subaward.
Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

§200.93  Subrecipient.
Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.
§200.317 Procurement by States

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with § 200.322 Procurement of recovered materials and ensure that every purchase order or other contract includes any clauses required by section § 200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow §§ 200.318 General procurement standards through 200.326 Contract provisions.
 Remedies for Violation or Breach of Contract. For contracts exceeding Simplified Acquisition Threshold must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate

 Termination for Cause or Convenience. All contracts exceeding $10,000 must address termination for cause and for convenience by Northeastern, including the manner by which it will be effected and the basis for settlement

Work Hours and Safety Standards. Contracts in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5).

Rights to Inventions. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, development, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Clean Air Act // Federal Water Pollution Control Act. Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the EPA.

Energy Efficiency / Conservation. Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).
Debarment / Suspension. A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide Excluded Parties List System in the System for Award Management (SAM), in accordance with OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), “Debarment and Suspension.” SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as partied declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Anti-Lobbying. Contractors that apply or bid for an award of $100,000 or more must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of an agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.