



**U.S. Department  
of Transportation**

Pipeline and Hazardous  
Materials Safety  
Administration  
(PHMSA)

# **Request for Application (RFA)**

## **Pipeline Safety Research Competitive Academic Agreement Program (CAAP)**

**Fiscal Year 2013**

**Closing Date: June 13, 2013**

**Closing Time: 12:00pm Eastern Time**

**Catalog of Federal Domestic Assistance Number (CFDA)  
20.724**

**PHMSA Funding Opportunity Number  
DTPH56-13-SN-000002**

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**Program Summary**

Federal Agency Name: U.S. Department of Transportation (DOT)  
Pipeline and Hazardous Materials Safety Administration (PHMSA)

Federal Agency Contact: PHMSA  
Acquisition Services Division, PHA-30  
1200 New Jersey Avenue, SE  
Room E22-302  
Washington, DC 20590  
Attn: Jackie Naranjo

Funding Opportunity Title: “Pipeline Safety Research Competitive Academic Agreement Program (CAAP)”

Announcement Type: Initial Announcement

Funding Opportunity Number: DTPH56-13-SN-000002

CFDA Number: 20.724

Eligible Applicants: Applicants must be non-profit institutions of higher education located in the United States or a U.S. territory or possession.

Dates: RFA Issue Date: April 26, 2013  
Question Deadline: May 21, 2013  
Application Due Date: June 13, 2013 at 12:00pm ET

Agreement-Related Questions: Jackie Naranjo  
(202) 366-4429  
[jackie.naranjo@dot.gov](mailto:jackie.naranjo@dot.gov)

Grants.gov Questions: Grants.gov Contact Center  
(800) 518-4726  
[support@grants.gov](mailto:support@grants.gov)

## Article I. Funding Opportunity Description

### Section 1.01 Statement of Purpose

The Pipeline and Hazardous Materials Safety Administration (PHMSA), through the U.S. Department of Transportation (DOT), hereby requests applications from non-profit institutions of higher education to obtain funding for researching innovative solutions to pipeline corrosion and other known pipeline integrity challenges.

### Section 1.02 Program Authority

The authority for PHMSA's Pipeline Safety Research and Development Program comes from the Pipeline Safety Improvement Act of 2002 (P. L. 107-355, December 17, 2002). Further, the authority to enter into cooperative agreements under the CAAP initiative is codified at 49 U.S.C. §60117(k), Authority for Cooperative Agreements.

### Section 1.03 Background

#### *Section 1.03-1 Background on Pipelines*

The pipeline infrastructure in the United States (U.S.) is the primary means of transporting natural gas and the majority of hazardous liquids from production basins and ports to areas of consumption. The importance of energy pipelines to the U.S. economy and our standard of living requires that these assets be safely maintained and appropriately expanded to sustain demand.

Research must play a larger role in finding the solutions to national, regional and local pipeline operational safety and environmental challenges. Some of these challenges involve operators' having the best technology to efficiently and effectively meet or exceed Federal and State regulatory requirements on the safety and integrity of pipelines. Other challenges are in keeping critical industry consensus standards fresh with the latest knowledge and know-how so that people, property and the environment are protected.

PHMSA's core pipeline research program involves all stakeholders in a time-tested process for generating success. However, this program, whose modern inception was in 2002, is focused on the near-term with demonstrating and deploying technology development and commercialization. Additional information on the existing Pipeline Safety Research and Development (R&D) Program is available at: <https://primis.phmsa.dot.gov/rd/index.htm>.

This research enterprise is having a tangible impact toward developing technology, strengthening consensus standards and creating and promoting general knowledge to decision makers. More performance details are available at PHMSA's Pipeline Safety Research website <http://primis.phmsa.dot.gov/rd/performance.htm>.

#### *Section 1.03-2 Background on PHMSA's Pipeline R&D Program and the CAAP Initiative*

PHMSA's Pipeline Safety R&D Program was congressionally mandated by the Pipeline Safety Improvement act of 2002, which tasked DOT and other designated federal agencies with "carry[ing] out a program of research, development, demonstration and standardization to ensure the integrity of pipeline facilities." Specifically, the program's mission is to sponsor research and development projects focused on providing near-term solutions that will improve the safety, reduce the environmental impact, and enhance the reliability of the Nation's pipeline transportation system. The goals and objectives of the CAAP initiative, as discussed below,

directly support both the mission and the congressional mandate of PHMSA's Pipeline Safety R&D Program.

The CAAP program is intended to spur innovation by enabling an academic research focus on high-risk and high pay-off solutions for the many pipeline safety challenges. It will potentially deliver solutions that can be "hand-offs" to further research projects in the CAAP program or in PHMSA's core research program. The goal would be to validate proof of concept of a thesis or theory all the way to commercial penetration into the market.

Overall, the pipeline industry and federal/state regulators are experiencing low numbers of applicants to entry level positions that are technically focused. As such, another goal of the CAAP program is to expose graduate and PhD research students to subject matter that is common to pipeline safety challenges and to illustrate how their engineering or technical disciplines are highly needed in the field. The ultimate benefit would be to cultivate new talent in all aspects of pipelining, similar to how programs at other Federal Agencies and non-profit organizations have encouraged talent to consider a career in a certain field.

The goal for the CAAP program is to award up to five research agreements per year in a total amount not to exceed \$100,000 per award to non-profit institutions of higher education in the U.S. or a U.S. territories or possessions. The research to be conducted under the agreements will include a wide set of solutions for corrosion and other pipeline integrity challenges. PHMSA anticipates the period of performance of each agreement to be between 18 and 24 months.

#### **Section 1.04 Research Topics**

PHMSA is soliciting with four primary topics as shown below but is also entertaining topics from a recent public research forum where private and public pipeline safety research gaps were determined and in some cases road-mapped. Applicants can visit the event website for PHMSA's July 2012 Pipeline Research Forum to review presentation materials, working group summary and other reporting at [https://primis.phmsa.dot.gov/rd/mtg\\_071812.htm](https://primis.phmsa.dot.gov/rd/mtg_071812.htm) to determine if any of these topics resonate with the institutional interests.

Some of the below topics are intentionally ambitious and broad to allow for the acceptance of a wide spectrum of specific proposals that strategically support PHMSA's mission in pipeline safety. PHMSA will review any proposal that meets the proposal minimum and technical requirements and that proposes a scope that could lead to proving out a new process or technology solution relevant to a defined topic area.

##### *Topic #1 - Preventing and Mitigating Pipeline Corrosion*

Applications are sought addressing all corrosion threat mechanisms. The fundamentals of corrosion in metallic pipelines are well understood and corrosion management has improved with the advent of new technologies and management processes. However corrosion still impacts the pipeline sector and is a leading cause of failure in metallic transmission pipelines. Improper application of specific actions in design, materials and coatings or the failure to monitor changes in the parameters germane to corrosion prevention lead to the continued corrosion of individual components within the pipeline infrastructure. What innovative new solutions can be proposed in chemical treatments or in materials to prevent or inhibit or to mitigate and manage pipeline corrosion?

For more information on pipeline corrosion, please visit the NACE website at: <http://web.nace.org/Corrosion-101/> . For additional information on Pipeline Safety corrosion related R&D projects go to: <https://primis.phmsa.dot.gov/matrix/> and search on corrosion topics at the bottom of the page. Finally please find two informative files also canvassing pipeline corrosion at [http://primis.phmsa.dot.gov/gasimp/docs/FinalReport\\_PipelineCorrosion.pdf](http://primis.phmsa.dot.gov/gasimp/docs/FinalReport_PipelineCorrosion.pdf) and <http://primis.phmsa.dot.gov/gasimp/docs/CorrosionPoster.pdf> .

*Topic #2 - Innovative Application for Laws of Physics to Detect and or Shape Material Loss Defects in Pipelines*

Applications are sought on advanced sensor technology (employing law or laws of physics) to be developed for material loss detection in a range of pipeline materials. Various laws of physics have been applied to the detection of and or shape measurement of a material loss defect in pipeline steels, cast iron or plastics such as Polyamide (PA) and Polyethylene (PE). Electromagnetic and sonic based fundamental laws provide the basis for several current technology and tools now employed by many pipeline inline inspection and other technology vendors. The focus for this research area is on new advancements in sensor technologies or the re-application of technology from other economic sectors that will support the development of the next generation inspection tools. These tools would inspect pipelines internally and or externally both with contact and without contact to the coating or actual pipe surface.

*Topic #3 - Algorithms for Modeling Remaining Strength of Interactive and Complex Material Loss Defects and Loads in Pipelines*

Applications are sought in clarifying equations or algorithms that apply engineering fundamentals to the effect(s) of complex loading and soil features in addition to the hoop stress of pressure vessels. The current state of the art in modeling the remaining strength of a pressure vessel having a measurable loss of wall thickness does not factor complex loading or soil features. The use of safety factors provide for this uncertainty and allow for continued integrity by indicating a pressure reduction of that vessel is now required. In addition current knowledge does not include the effect of other localized defects on the modeling of such a defect.

For reference review ASME B31G (this document is intended solely for the purpose of providing guidance in the evaluation of metal loss in pressurized pipelines and piping systems <http://www.asme.org/products/codes---standards/manual-for-determining-the-remaining-strength-of-c> ) and Barlow's equations for calculating the internal pressure a pipe can withstand at: [http://en.wikipedia.org/wiki/Barlow's\\_formula](http://en.wikipedia.org/wiki/Barlow's_formula) . For additional information on Pipeline Safety R&D project relating to strain based designs go to: <https://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=361>.

Additional information is available from the public workshop on Assessment and Repair of Anomalies in Pipelines. The workshop was completed on October 22, 2008 and co-sponsored by PHMSA and the Interstate Natural Gas Association of America (INGAA). Report-outs along with presentation information are located at: <http://primis.phmsa.dot.gov/meetings/MtgHome.mtg?mtg=55>.

Additional PHMSA research projects information are available at:  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=171>;  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=172>;  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=173>;

<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=174>; and  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=175>.

Other references for RSTRENG and RSRENG Modified are found at:  
<http://www.ttoolbox.com/products/rstreng/rstreng-features.cfm>; and  
[http://www.amdataproducts.com/images/NDT\\_datasheets/Rstreng.pdf](http://www.amdataproducts.com/images/NDT_datasheets/Rstreng.pdf).

#### *Topic #4 - Algorithms of Modeling for Anomaly Assessment and Repair of Corroded Pipe*

Applications are sought toward modeling the equations or algorithms that apply engineering fundamentals found in R-STRENG and R-STRENG Modified for higher strength line pipe (X-65, X-70, and X-80 with considerations for X-100). PHMSA recognizes that there are gaps in the modeling for some grades of pipe, in particular high strength pipe with deep (>50% through wall) defects, and very long shallow defects. Recent investigations and research are generating questions about anomaly assessments and if criteria are being consistently applied, to provide adequate safety margins. Tool tolerances, corrosion growth rates, and external stresses are just some of the variables in determining remaining pipeline strength. The focus of this project is to evaluate the level of applicability, safety, and reliability within these models for predicting the failure pressure of corroded pipe.

Additional information is available from the public workshop on Assessment and Repair of Anomalies in Pipelines. The workshop was completed on October 22, 2008 and co-sponsored by PHMSA and the Interstate Natural Gas Association of America (INGAA). Report-outs along with presentation information are located at:  
<http://primis.phmsa.dot.gov/meetings/MtgHome.mtg?mtg=55>

Additional PHMSA research projects information are available at:  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=171>;  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=172>;  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=173>;  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=174>; and  
<http://primis.phmsa.dot.gov/matrix/PrjHome.rdm?prj=175>.

Other references for RSTRENG and RSRENG Modified are found at:  
<http://www.ttoolbox.com/products/rstreng/rstreng-features.cfm>; and  
[http://www.amdataproducts.com/images/NDT\\_datasheets/Rstreng.pdf](http://www.amdataproducts.com/images/NDT_datasheets/Rstreng.pdf).

#### **Section 1.05 Deliverables**

The following deliverables are required for all awarded agreements. Report templates and guidance will be provided when necessary.

- Kick Off Meeting (held in person at the institution)
- Brief Quarterly Status Reporting via email (categories will be conveyed)
- Mid-Term Summary (phone discussion categories will be conveyed)
- Draft Final Report (template will be provided)
- Public Final Report (once reviewed and comments incorporated)
- Internet Based Presentation (held remotely & template will be provided)

## Article II. Award Information

### Section 2.01 Funding

Subject to the availability of overall funding, the amount of PHMSA funding for any agreement may not exceed \$100,000 for a single recipient at award.

### Section 2.02 Cost Sharing

**There is a mandatory 30% cost-sharing requirement for this agreement.** Additional resource sharing above the mandatory 30% is strongly encouraged. The Federal Government will fund no more than 70% (up to \$100,000) of the total cost of each project. Firm letters of commitment for resource sharing should be provided with the proposal. *Awards will not be made to a recipient without having all commitment letters.*

See Section 4.02-2 for additional information regarding budget/cost proposals.

### Section 2.03 Period of Performance

PHMSA anticipates the period of performance to be between 18 and 24 months from the date of award for each agreement. Modifications within the scope of the cooperative agreement will be handled on a case-by-case basis with the prior agreement of all parties. PHMSA anticipates awarding the agreements during the fourth quarter of fiscal year 2013.

### Section 2.04 Type of Award

Subject to the availability of funds, PHMSA anticipates awarding up to five (5) agreements as a result of this solicitation; each agreement may not exceed PHMSA funding of \$100,000 at award.

## Article III. Eligibility Information

### Section 3.01 Eligible Applicants

Applicants must be non-profit institutions of higher education located in the United States or a U.S. territory or possession. PHMSA will consider an application from an eligible higher education institution that partners with other eligible recipients, pipeline industry and/or with any private organization, as long as the cost for the proposed partnership does not exceed 50% of the proposed amount of Federal contribution to the project (\$100,000). In other words, at least half of the Federal funding provided under the resulting cooperative agreement (\$50,000) must go toward the educational institution that is the primary party to the agreement.

### Section 3.02 Minimum Requirements

The following are minimum requirements that all applicants must meet to be considered. Failure to meet these requirements at any time pre- or post-award will result in either removing an application from further consideration or grounds for termination of the agreement. The application must include a letter on the submitting institution's letterhead that certifies these minimum requirements are understood and will be met. The letter must be signed by the Dean or equivalent level of that college, department or program and inserted as the first page of the appendix to the technical application.

1. Eligible applicants are non-profit institutions of higher education located in the United States or a U.S. territory or possession.

2. The academic research agreement will be with the institution and not with individual students.
3. The research scope must be executed by graduate students, PhD research students, and faculty.
4. Institution faculty, staff and students that are proposed to be involved with the research agreement must be U.S. citizens, permanent residents, or possess visas that will allow them to remain in the country long enough to complete the research project.
5. Federal funding is solely for allowable charges such as institution overhead and the procurement of expendables and any required labor necessary for executing the research scope. Furnishing of new or existing testing equipment will not be permitted with Federal funds. Also, Federal funding cannot be used toward construction of new facilities or refurbishing of existing facilities. Post-delivery financial audits may occur. See Section 6.08 for more information on the applicable federal cost principles.

#### Article IV. Registration and Application Submission Information

##### Section 4.01 Registration and Getting Started

To submit an application, applicants must be registered at [www.grants.gov](http://www.grants.gov). Failure to comply with the prescribed application requirements as described in this section will result in an application not being reviewed.

##### *Accessing Grants.gov:*

For new users, go to [http://www.grants.gov/applicants/get\\_registered.jsp](http://www.grants.gov/applicants/get_registered.jsp), or go to the main page at <http://www.grants.gov/> and click on “Get Registered.” **Please note that new user registrations for grants.gov can take up to two weeks to complete.** For additional questions on how to register, contact grants.gov support.

##### Section 4.02 Application Content & Format

##### *Section 4.02-1 Technical Proposal*

In preparing their technical proposal, applicants must utilize the technical application template attached to this opportunity (**Attachment A**). The attachment includes instructions regarding required content and information. Applicants must only apply for funding that can *reasonably* be spent within 18 to 24 months.

The following Technical Application requirements are summarized below but elaborated in the provided template. Failure to follow these requirements may result in removing your technical application from consideration.

1. All information supporting the evaluation criteria must be contained within 20 pages, which does not include the Cover Page, the Technical Application Information Page or the certification letter of minimum requirements (ref: Section 3.02).
2. The certification letter of minimum requirements must be the first page in the Appendix.
3. The Appendix may include additional information; however, this information will not be used by reviewers in evaluating the application (except to determine that each applicant has submitted a certification letter regarding minimum requirements; ref: Section 3.02).
4. Times New Roman font with 12pt font size for text body and utilizing 1.15 line and paragraph spacing.

**Technical proposals in the format prescribed by Attachment A must be uploaded to the “Project Narrative” section of the grants.gov application.**

*Section 4.02-2 Budget/Cost Proposal*

Applicants must use Standard Form (SF) 424A through grants.gov to submit their budget/cost proposal. Additional budgetary information, broken out as described in subparagraphs a. through g. below, must provide detailed information on each cost element, consistent with the applicant's cost accounting system. The amounts requested for each category must be justified on a budget explanation page uploaded to the “Budget Narrative” section of the application. Only critically needed hardware and equipment will be considered for funding from DOT funds. Travel budget items must be directly related to the performance of the project work. The budget should reflect the applicant’s best terms from a cost and technical standpoint to perform the work.

- a. Personnel: List individually all personnel and include for each, the requested hours to be funded and the respective compensation rates (salary, wages, and fringe benefits). In support of the proposed personnel costs, provide a supplemental schedule that identifies the labor hours, labor rates, and cost by labor classification for each budget year. Also indicate the basis of the labor classification, number of hours, and labor rates. An example of the basis for the labor classification and number of hours could be past experience, engineering estimate, etc. An example of the basis for the labor rates could be actual rates for the individuals who will perform the work or an average labor rate for the labor classification or a departmental average rate.
- b. Equipment/Supplies: Provide an itemized list of each piece of equipment/supplies, etc. Include individual costs for each item exceeding \$1,000 and the basis for estimating the cost; for example, vendor quotes, catalog prices, prior invoices, etc.
- c. Travel & Other Direct Costs: Provide an itemized list with costs for any other item proposed as a direct cost that are not included in other categories. State the basis for each proposed item. For travel, address the type and duration of travel and its relation to the project.
- d. Consultants: List the names of consultants and describe the activities to be performed, duration of the service, and the compensation involved. Provide the hourly or daily rate along with the basis for the rate. Furnish resumes or similar information regarding qualifications or experience. Provide at least two invoices reflecting hourly or daily rates charged to customers other than the Government. A statement signed by the consultant certifying his or her availability and salary must be provided. If travel or incidental expenses are to be charged, give the basis for these costs. Total cost of consultants and/or subcontractors should not exceed 50% of proposed amount of Federal contribution to project.
- e. Subcontractors: Provide the total cost per year for each subcontractor. Detail of subcontractor’s costs should appear in the subcontractor’s budget explanation.
- f. Fee/Profit: No fee or profit should be proposed. This is a resource sharing arrangement.

- g. **Resource Sharing, In House Contributions, and Joint Ventures:** Cost/budget applications must show the breakout between Federal and non-Federal sources. The non-federal share may include cash, personnel, services, equipment, and other resources. All resource sharing or matching contributions, including cash and third party contributions must meet the following criteria which can be found in 49 CFR §19.23 “Cost sharing or matching:”
- i. Are verifiable from the recipient's records,
  - ii. Are necessary and reasonable for proper and efficient accomplishment of project or program objectives,
  - iii. Are not included as contributions for any other federally-assisted project or program,
  - iv. Are allowable and allocable under the applicable cost principles,
  - v. Are not paid by the Federal Government under another award, except where authorized by Federal statute to be used for resource sharing or matching
  - vi. Are provided for in the approved budget when required by the Federal awarding agency.
  - vii. Conform to other provisions of this part, as applicable.

#### **Section 4.03 RFA Question Deadline**

All questions regarding this RFA must be e-mailed to Ms. Jackie Naranjo ([jackie.naranjo@dot.gov](mailto:jackie.naranjo@dot.gov)) with a copy to Mr. Warren Osterberg ([warren.osterberg@dot.gov](mailto:warren.osterberg@dot.gov)). Applicants may not contact any other PHMSA personnel during the solicitation phase. All questions must be received on or before **Tuesday, May 21, 2013** to be considered. Answers to all questions will be posted in grants.gov as a modification to the initial announcement.

#### **Section 4.04 Application Submission Deadline and Medium**

Complete applications must be received electronically through grants.gov by **12:00pm Eastern Time on Thursday, June 13, 2013**. Applicants will receive an automated receipt of the date and time of application submission.

### **Article V. Application Review Information**

#### **Section 5.01 Evaluation Criteria**

PHMSA will use the following evaluation criteria to rate and select among competing applications. These criteria are intended to identify projects that target high-risk areas; offer well-defined plans; and produce results that are measurable and transferable to further investigations in this or PHMSA’s core research program.

The technical evaluation criteria are as follows:

#### **Criterion 1: Relevance to PHMSA’s Pipeline Mission**

PHMSA's mission is to protect people and the environment from the risks inherent in transportation of hazardous materials - by pipeline and other modes of transportation <http://www.phmsa.dot.gov/about/mission>

1. How well does the proposed research describe its relevance to PHMSA’s Pipeline mission? (Identifying which goal areas are relevant and why)
  - *Safety:* To reduce the risk of harm to people due to the transportation of hazardous materials by pipelines and other modes.
  - *Environmental Stewardship:* To reduce the risk of harm to the environment due to the transportation of oil and hazardous materials by pipeline and other modes.

- *Reliability*: To help maintain and improve the reliability of systems that deliver energy products and other hazardous materials.
- *Global Connectivity*: To harmonize and standardize the requirements for pipeline and hazardous materials transportation internationally, to facilitate efficient and safe transportation through ports of entry and through the supply chain.
- *Preparedness and Response*: To reduce the consequences (harm to people, environment, and economy) after a pipeline or hazmat failure has occurred.

**Criterion 2: Scientific Merit and Quality**

1. To what extent does the proposed activity suggest and explore creative and original concepts and scientific/engineering principles?
2. To what extent does the proposed research describe how the output advances a potential solution toward an identified pipeline challenge(s)?
3. To what extent does the proposed research describe quality of results?

**Criterion 3: Feasibility of Management Plan, Budget & Schedule**

1. How well are the research goals or objectives defined?
2. How well are the scope of work, tasks and milestones defined?
3. Does the institution have appropriate facilities to conduct the proposed work?
4. How appropriate are costs to address objectives and deliver reporting within the proposed timeline?
5. How well is the project schedule defined and tied to the management plan?
6. Are the graduate or PhD students regularly overseen by academic organization staff having the relevant knowledge and experience in the proposed area?

**Criterion 4: Institution Rapport and Past Performance**

1. Does the submitting institution have a positive reputation on delivering quality and timely results as proposed?
2. As mentioned under Criterion 4 of Attachment A, applicants must provide three references – institution name/contact name, phone and email – on prior completed research of a similar/advanced nature to include the abstract of that work.

In addition, PHMSA expects the proposed results of the projects to be factual, unbiased, verifiable, and repeatable to the extent practicable. Applicants should also be aware that a cooperative agreement will not convey any authority to recipients to secure information or cooperation from pipeline operators.

**Section 5.02 Scoring Guideline**

<b>Scoring Guideline</b>	
<b>Exceptional</b>	The application demonstrates that the requirements of the request for application (RFA) are very well understood and the approach will likely result in very high quality performance. The application clearly addresses and exceeds requirements with no weaknesses or deficiencies noted. The application contains outstanding features that meet or exceed on multiple dimensions the expectations of the Government. <b>The risk of poor performance is low.</b>

<b>Acceptable</b>	The application demonstrates that the requirements of the request for application (RFA) are understood and the approach will likely result in satisfactory performance. The application addresses and meets most requirements with some minor but correctable weaknesses noted. The application demonstrates at least minimum requisite experience, qualifications, and performance capabilities. <b>The risk of poor performance is no more than moderate.</b>
<b>Unacceptable</b>	The application does not meet the requirements of the request for application (RFA). The application fails to address many requirements or, although it addresses and may partially satisfy some requirements, major weaknesses and/or deficiencies are noted. The application could not satisfy critical requirements without a major revision and/or a rewrite of the application or a major redirection effort. <b>The risk of poor performance is high.</b>

**Section 5.03 Review and Selection Process**

PHMSA will conduct an initial administrative review of each application to determine if it is complete and meets the minimum eligibility requirements per Article III, Eligibility Information. A panel composed of PHMSA program staff representatives and, potentially, industry experts will then conduct a technical review to evaluate and rate each application against the evaluation criteria (Section 5.01). Cooperative agreements will be awarded to applicants having the highest merit until the available funding is exhausted.

**Article VI. Award Terms and Conditions**

**Section 6.01 General**

Within the limit of funds available for such purpose, the awarding official of PHMSA must enter into agreements with those responsible, eligible applicants whose applications are judged most meritorious under the procedures set forth in this RFA. All funds provided by PHMSA under the resulting agreements must be expended solely for the purpose for which the funds are granted in accordance with the approved application and budget, regulations, terms and conditions of the award, applicable Federal cost principles, and the Department’s assistance regulations. Funds may not be used for lobbying or in direct support of litigation.

**Section 6.02 Award Notice**

The award document will provide pertinent instructions and information including, at a minimum, the following:

- 1) The Legal name and address of performing organization or institution;
- 2) Title of project;
- 3) Name(s) of key personnel chosen to direct and control approved activities;
- 4) Identifying award number assigned by the Department;
- 5) Project period, specifying the amount of time the Department intends to support the project;
- 6) Total amount of Departmental financial assistance approved for the project period;
- 7) Legal authority(ies) under which the award is issued;
- 8) Appropriate Catalog of Federal Domestic Assistance (CFDA) number;
- 9) Applicable award terms and conditions;

- 10) Approved budget plan for categorizing allocable project funds to accomplish the stated purpose of the award; and
- 11) Other information or provisions deemed necessary by PHMSA to carry out its respective awarding activities or to accomplish the purpose of a particular award.

### Section 6.03 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 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.

*Should an applicant be awarded a cooperative agreement, the following terms and conditions will be incorporated as part of the agreement. They are provided in advance solely for informational purposes.*

### Section 6.04 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.

### Section 6.05 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.

**Section 6.06 Order of Precedence**

Any inconsistency or conflict in the terms and conditions specified in this Cooperative Agreement 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 Cooperative Agreement.
- b) Terms and Conditions of this Cooperative Agreement.

**NOTE: OMB Circulars are available at: [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars).**

**Section 6.07 Uniform Administrative Requirements**

49 CFR 19, “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations” 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.

Non-profit organizations are subject to the “Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations,” codified in 49 CFR 19, which is incorporated by reference into this award.

49 CFR 19 is available at: <http://www.dot.gov/ost/m60/grant/49cfr19.htm>.

**Section 6.08 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.

Educational institutions are subject to the “Cost Principles for Educational Institutions,” codified in 2 CFR Part 220 which are incorporated by reference into this award.

2 CFR Part 220 (OMB Circular A-21) is available at: <http://www.whitehouse.gov/omb/circulars/index.html>

**Section 6.09 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.

OMB Circular A-133 is available at: <http://www.whitehouse.gov/omb/assets/omb/circulars/a133/a133.pdf>.

**Section 6.10 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.

49 CFR 20 is available at: <http://www.dot.gov/ost/m60/grant/regs.htm>.

### **Section 6.11 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.

49 CFR 21 is available at: <http://www.dot.gov/ost/m60/grant/regs.htm>.

### **Section 6.12 Government-wide 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: <http://www.epls.gov/> before entering into a sub-award.<sup>1</sup>

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

2 CFR Part 1200 is incorporated by reference into this award.

2 CFR Part 1200 is available at [www.gpoaccess.gov](http://www.gpoaccess.gov) by clicking on: [2 CFR Part 1200](#).

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

### **Section 6.13 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 32, “Government-wide Requirements for Drug Free Workplace (Financial Assistance).”

49 CFR 32 is incorporated by reference into this award.

49 CFR 32 is available at [www.gpoaccess.gov](http://www.gpoaccess.gov) by clicking on: [49 CFR Part 32](#).

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<sup>1</sup> The EPLS website now redirects visitors to the System for Award Management (SAM) website (<https://www.sam.gov/portal/public/SAM/>). All information previously contained in EPLS has been migrated to SAM.

**Section 6.14 Treasury Circular No. 1075, “Regulations Governing Withdrawal of Cash From the Treasury for Advances Under Federal Grant and Other Programs (31 CFR 205)”**

Treasury Circular No. 1075 is incorporated by reference into this award. This Circular can be found in Appendix 1 of Volume 1, Part 6, Chapter 2000 of the Treasury Financial Manual at: <http://fms.treas.gov/tfm/vol1/v1p6c200.txt>.

**Section 6.15 eInvoicing (PHMSA July 2012)**

Recipients of PHMSA grants, cooperative agreements, and other transaction agreements (OTA) will 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](mailto: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](mailto: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

#### **Section 6.16 Payments (PHMSA July 2012)**

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.<sup>2</sup> If the EFT information changes, the Recipient is responsible for providing the updated information to the CCR database.
- 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

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<sup>2</sup> The CCR database is now known as the System for Award Management (SAM), which is located at <https://www.sam.gov/portal/public/SAM/>. All information previously contained in CCR has been migrated to SAM.

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.

#### **Section 6.17 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.

#### **Section 6.18 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 AA 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.

#### **Section 6.19 Contracting with Small and Minority Firms, Women Business Enterprises, Veteran-Owned, and HubZone Area Firms**

- a) It is the Department of Transportation's (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.

### **Section 6.20 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](http://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](http://www.trafficsafety.org).

### **Section 6.21 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.

c) *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.

### **Section 6.22 Rights in Technical Data**

Rights to intangible property under this agreement are governed in accordance with 49 CFR 19, Sec. 19.36, "Intangible Property."

### **Section 6.23 Patents and Copyrights**

a) **Patent Rights.** The Recipient shall notify DOT promptly if any patentable invention(s), improvement(s), or discovery/discoveries are produced under this Agreement. The rights and responsibilities of the Recipient and the Federal government with respect to such patentable items will be determined in accordance with applicable Federal laws, regulations, policies, and any waiver thereof.

b) **Copyrights.**

i) The author or the Recipient organization may copyright any books, publications, or other copyrightable materials developed in the course of or under this Agreement, but DOT hereby reserves a royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use the work for government purposes.

ii) The Recipient shall not incorporate material copyrighted by others into any work product delivered under this Agreement unless it has acquired for DOT a royalty-free, nonexclusive and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use the work for government purposes.

iii) The Recipient may arrange for publication of initial reports of original research, supported in whole or in part by DOT funds, in primary scientific journals and copyright by the journal unless the journal's copyright policy would preclude an individual from making or having made by any means available, without regard to the copyright of the journal and without royalty, a single copy of any such article for the individual's own use.

iv) The Recipient shall be responsible for any losses that result from or arise out of the negligent use of or breach of provisions by its employees or agents under this Agreement regarding the publication, translation, reproduction, delivery, use, or disposition of any data or protected privacy information furnished under this Agreement provided that this provision shall not be deemed a waiver by Recipient of any immunities to which it may be entitled under applicable Federal, State, or Tribal law.

**Section 6.24 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.

**Section 6.25 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.

**Section 6.26 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:

OIG Fraud Hotline  
1200 New Jersey Ave SE  
West Bldg, 7th Floor  
Washington, DC 20590  
Phone: 800.424.9071  
Email: [hotline@oig.dot.gov](mailto:hotline@oig.dot.gov)

**Section 6.27 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 at <https://www.bpn.gov/ccr/default.aspx>

(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 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 at <http://www.ccr.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/execomp.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 <http://www.fsr.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)

## **Section 6.28 Administrative and National Policy Requirements**

Several Federal statutes and regulations apply to applications considered for review and agreements awarded under this program. These include, but are not limited to:

- 1) 49 CFR 19, “Uniform Administrative Requirements for Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations” (OMB Circular A-110)
- 2) 2 CFR, Part 220, “Cost Principles for Educational Institutions” (OMB Circular A-21)
- 3) 2 CFR 230, “Cost Principles for Non-Profit Organizations” (OMB Circular A-122)
- 4) OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”
- 5) 2 CFR Part 1200, “Governmentwide Debarment and Suspension (Non-Procurement)”
- 6) 49 CFR 20, “New Restrictions on Lobbying”
- 7) 49 CFR 21, “Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964”
- 8) 49 CFR 32, “Governmentwide Requirements for Drug Free Workplace (Financial Assistance)”
- 9) DOT Office of the Senior Procurement Executive (OSPE), Financial Assistance Guidance Manual (FAGM), March 2009. FAGM is available at: [http://www.dot.gov/ost/m60/Financial\\_Assistance\\_Management\\_Home/Financial\\_Assistance\\_Guidance\\_Manual.pdf](http://www.dot.gov/ost/m60/Financial_Assistance_Management_Home/Financial_Assistance_Guidance_Manual.pdf)
- 10) Treasury Circular No. 1075, “Regulations Governing Withdrawal of Cash From the Treasury for Advances Under Federal Grant and Other Programs (31 CFR 205)”. This Circular can be found in Appendix 1 of Volume 1, Part 6, Chapter 2000 of the Treasury Financial Manual at: <http://fms.treas.gov/tfm/vol1/v1p6c200.txt>
- 11) 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 Buckle Up America section on NHTSA’s website at [www.nhtsa.dot.gov](http://www.nhtsa.dot.gov)
- 12) Ban on Text Messaging While Driving, DOT Order 3902.10 and the E.O.

## Article VII. Agency Contact Information

### Agreement-Related Questions

#### *Primary Point of Contact:*

Jackie Naranjo, Agreement Administrator (AA)  
Pipeline & Hazardous Materials Safety Administration  
Acquisition Services Division (PHA-30)  
1200 New Jersey Avenue, SE  
Room E22-302  
Washington, DC 20590  
Phone: (202) 366-4429  
Email: [jackie.naranjo@dot.gov](mailto:jackie.naranjo@dot.gov)

#### *Secondary Point of Contact:*

Warren Osterberg, Agreement Officer (AO)  
Pipeline & Hazardous Materials Safety Administration  
Acquisition Services Division (PHA-30)  
1200 New Jersey Avenue, SE  
Room E22-317  
Washington, DC 20590  
Phone: (202) 366-6942  
Email: [warren.osterberg@dot.gov](mailto:warren.osterberg@dot.gov)

**Grants.gov Questions**

Grants.gov Contact Center

Phone: (800) 518-4726

Email: [support@grants.gov](mailto:support@grants.gov)