The Office of Economic Adjustment’s ‘Notice of Award’ consists of a 2-page form with numbered sections. Grantees should refer to the following section numbers to determine applicability: Section 3 for Award Type; Section 11 for Program Type; and Section 16 for CFDA Number and Title.

I. COMMUNITY INVESTMENT (Construction Grants)

CFDA 12.600, Community Investment includes four program areas:

- Public Schools on Military Installations
- Military Medical Center Access Improvement Program
- Civilian Infrastructure Investments on the Territory of Guam
- Projects that involve construction

The following program-specific terms and conditions are applicable to CFDA number 12.600, Community Investment:

A. The Grantee agrees to retain ownership of the new, expanded, or renovated facility and to insure, operate, and maintain or replace the facilities to the same standard and conditions as any other Grantee-owned property, to include scheduling and funding necessary maintenance, expansion, and/or replacement of the improved real property, on the same basis as any other Grantee-owned property and facilities.

B. Federal Interest

(1) (Property Trust Relationship) Real property, equipment, and intangible property that are acquired or improved through the use of OEA grant funding must be held in trust by the Grantee as trustee for the beneficiaries of the project or program under which the property was acquired or improved. With respect to real property, the trust shall remain in effect for the entire Federal Interest Period specified in section I.B.(3)a., (Federal Interest Period, Real Property) of these terms & conditions, unless otherwise stipulated in the grant agreement.

(2) (Notice of Federal Interest) A Grantee acquiring or improving real property through the use of OEA grant funding must record a Notice of Federal Interest (NFI) in the appropriate official records of the jurisdiction in which the property is located. NFI recordation must occur at the time the real property acquisition or improvement begins. The NFI shall remain in effect for the entire Federal Interest Period.
Period applicable to the subject real property as set forth by OEA in section I.B.(3)a., (Federal Interest Period, Real Property), unless otherwise stipulated in the grant agreement. A copy of the recorded NFI must be provided to the OEA Project Manager (PM) within 10 days following the date of recordation.

(3) Federal Interest Periods

a. (Real Property) The OEA Federal Interest Period shall be 30 years from the start date of construction unless otherwise specified by the grant agreement.

b. (Personal Property) All personal property (e.g., equipment and non-fixed asset machinery) conforming to 2 CFR § 200.33 definitions must be managed in accordance with 2 CFR § 200.311 and 2 CFR § 200.313. Management of personal property in accordance with local standards is acceptable, provided local standards meet 2 CFR 200 requirements. A list of all grant-purchased personal property must be submitted to OEA as a deliverable prior to grant closeout.

(4) Real Property Monitoring

a. (Real Property Status Report) Grantees are required to report on the status of real property acquired or improved through federal funding using the Office of Management and Budget (OMB) Standard Form 249 (SF 429). This reporting will occur at the time of grant closeout as part of the submission of the final performance report and at the time of disposal. The requirement to provide the real property status report at the time of grant closeout does not relieve the Grantee of its responsibility to provide a timely copy of the recorded NFI within the 10 days of the recordation as provided in sec. I.B.(2) above.

b. (Prior Approval for Changes/Renovations to Real Property) For real property subject to an OEA federal interest, before undertaking significant changes or renovations that have the potential to alter aspects of the property’s end use approved at the time of the grant award, Grantees must obtain written prior approval from the OEA Grants Management Officer. Grantees must use the SF 429 form to request written prior approval.

(5) Disposal

a. (Real Property) During the Federal Interest Period, Grantees must request in writing OEA instructions and written approval prior to disposing of real or personal property subject to an OEA federal interest. If an OMB form is current and available (e.g., the SF 429, Real Property Status Report), it must be used for the request.

b. (Personal Property) The completed equipment list required for any grant that includes funding for the purchase of personal property should identify (among other information) the warranty period and expected useful life (from the date of
(6) (Federal Interest Expiration) The OEA federal interest in real property acquired or improved through an OEA grant will expire at the end of the Federal Interest Period specified in sec. I.B.(3)a. of this policy, unless otherwise stipulated in the grant agreement.

C. (Site Control) Prior to the start of construction and any ground disturbing activity, the Grantee shall provide to the Grantor for prior approval evidence of adequate access and site control to permit necessary construction, renovation, repair, expansion, demolition and/or swing space activities as well as operation and maintenance of the completed facility. Generally, site control of not less than 25 years shall be evidenced.

D. (Davis-Bacon) Grantees should verify whether Federal prevailing wage rates under the Davis-Bacon Act (40 U.S.C. § 276a to 276a-7) are required if a project undertaken under this program expends any Federal funds beyond just those from the Grantor. Generally, the Davis-Bacon Act does not apply to construction activities funded solely with Grantor funding under this program. This does not affect the Grantee’s responsibility to comply with all other Federal laws, as well as state and local laws, which may, in some circumstances, require the application of state or locally mandated prevailing wage rates.

E. (Buy American Act) The “Buy American” Act (BAA) provisions apply to Office of Economic Adjustment construction grant projects. The BAA does not apply.

F. Grantee agrees to provide programs and services on the same basis as such programs are made available at any other Grantee-operated facility. The Grantee may not charge for the ordinary use of facilities, furnishing, or equipment purchased with Grant funds.

G. The Grantee shall administer and supervise implementation of the project, maintaining competent architectural supervision and inspection at the project site to ensure the work conforms to the approved drawings and specifications.

H. (Contingency) Project underrun amounts shall be added to the Contingencies line item. In the event the final project cost is less than the currently estimated total project cost, the amount of matching share funds shall be unchanged and the grant amount will be reduced, accordingly. Grantor prior approval is required before the Grantee may move any funding from the Contingencies budget category.

I. (Project Overruns) In the event the final project cost exceeds the currently estimated total project cost, the Grantee may be required to provide the additional funding needed to complete the project.
J. (Project Development Time Schedule) The Grantee will abide by the Project Development Time Schedule. Failure to meet the Project Development Time Schedule, as identified in the Notice of Award, is considered a violation of the Grant Agreement and may result in action by the Grantor to suspend and/or terminate the Grant. The Project Development Time Schedule may only be extended as a result of a written request from the Grantee and a written approval by the Grantor.

K. (NEPA) The Grantee understands that, as of the date of this Notice of Award, the Grantor has not satisfied the requirements of the National Environmental Policy Act. The Grantee consequently shall not proceed with construction or undertake any other ground-disturbing project activities prior to receiving written notice from the Grantor that the requirements of the National Environmental Policy Act have been met. This restriction does not apply to project design, development of environmental information, administrative activities, securing permits, or other activities that present no risk of irreparable injury to the environment.

L. Deliverables

(1) The Grantee will provide the Grantor with a copy of the certificate of occupancy for the completed project issued by the appropriate jurisdiction.

(2) The Grantee will provide the Grantor with a list of all grant-related personal property (e.g., equipment and non-fixed asset machinery—as conforming to 2 CFR § 200.33, § 200.313).

(3) The Grantee will provide the Grantor with final “as-built” construction plans as well as final inspection reports (including photo documentation).

(4) The Grantee will provide the Grantor with evidence a Notice of Federal Interest (NFI, see I.B.(2) above) has been recorded in the appropriate official records of the jurisdiction in which the property is located within 10 days of recordation.

II. FORCE REDUCTION (Non-Construction Grants)

CFDA 12.604, Community Economic Adjustment Assistance for Reductions in Defense Spending

A. The Grantee is restricted from using Office of Economic Adjustment grant funds on the following activities:

(1) Construction;
(2) International travel;
(3) Activities otherwise eligible for or funded through other Federal grant programs; and
(4) Activities that seek to reverse or oppose Defense spending reductions.
III. BASE REALIGNMENT AND CLOSURE (Non-Construction Grants)

The Base Realignment and Closure Grant Program consists of two (2) CFDA Numbers:

- CFDA 12.607, Community Economic Adjustment Assistance for Establishment, Expansion, Realignment, or Closure of a Military Installation; and

A. The Grantee is restricted from using Office of Economic Adjustment grant funds on the following activities:
   (1) Construction;
   (2) International travel;
   (3) Activities otherwise eligible for or funded through other Federal grant programs; and
   (4) Activities that seek to reverse or oppose Defense spending reductions.

B. Business Relocation Provision

Funds provided under this award may not be used to directly identify or assist a business, including a business expansion, in the relocation of a plant, facility, or operation from one Labor Market Area (LMA) to another if the relocation is likely to result in the loss of jobs in the LMA from which the relocation occurs.

IV. JOINT LAND USE STUDY (Non-Construction)

CFDA 12.610, Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies

A. The Grantee will adhere to the Terms & Conditions included in Section 20 of the Notice of Award.

V. DEFENSE AND INDUSTRY ADJUSTMENT (Non-Construction)

The Defense Industry Adjustment Grant Program consists of three (3) CFDA Numbers:

- 12.611, Community Economic Adjustment Assistance for Reductions in Defense Industry Employment;
• 12.614, Community Economic Adjustment Assistance for Advance Planning and Economic Diversification; and

• 12.617, Economic Adjustment Assistance for State Governments.

The following program-specific terms and conditions are applicable:

A. Unless otherwise specified by the grant agreement, the Grantee is restricted from using Office of Economic Adjustment grant funds on the following activities:
   (1) Construction;
   (2) Means of production;
   (3) Activities otherwise eligible for or funded through other Federal grant programs; and
   (4) Activities that seek to reverse or oppose Defense spending reductions.

B. (Business Relocation Provision) Funds provided under this award may not be used to directly identify or assist a business, including a business expansion, in the relocation of a plant, facility, or operation from one Labor Market Area (LMA) to another if the relocation is likely to result in the loss of jobs in the LMA from which the relocation occurs.

C. (Work and Information Produced Under the Grant) The Grantor reserves the right to reproduce, publish, use, and authorize others to use copyrighted works or other data developed under this assistance agreement for Federal purposes. Examples of a Federal purpose include but are not limited to: (1) Use by OEA and other Federal employees for official Government purposes; (2) Use by Federal contractors performing specific tasks for the Government; (3) Publication in DOD documents provided the document does not disclose trade secrets (e.g. software codes) and the work is properly attributed to the recipient through citation or otherwise; (4) Reproduction of documents for inclusion in Federal depositories; and (5) Limited use by other grantees to carry out Federal grants provided the use is consistent with the terms of OEA's authorization to the other grantee to use the copyrighted works or other data.

D. Federal Interest for Personal Property (e.g., equipment) Acquired Under the Grant

   (1) Terms and conditions specified under section I.B. of this document apply.

VI. RESEARCH AND TECHNICAL ASSISTANCE (Non-Construction)

CFDA 12.615, Research and Technical Assistance
A. The Grantee will adhere to the Terms & Conditions included in Section 20 of the Notice of Award.