

Section 7.1.7: Other Standard Requirements

PURPOSE AND POLICY

Grant agreements across all disciplines have many common elements. The standard items included in most grant agreements are:

Grant period (effective date and expiration date). The grant agreement will have an effective start date (usually when the grant agreement is signed and executed, but there are some variances to this rule). Likewise, the grant will have an expiration date at which time all funds must be expended and the work completed. Some grants may allow for extensions; this information would be included in the grant agreement.

Each parties' responsibilities. The grant agreement designates that the grantee will perform specific tasks and the grantor will compensate the grantee for the tasks performed. Details regarding these expectations are included in the grant agreement.

Terms and conditions of payment. The type of grant agreement will likely dictate the terms and conditions of payment. For example, an Interagency Service Agreement (ISA) between state agencies has a different set of payment terms than an award from the federal government to a state agency. The grant program manager must be cognizant of the differences among the various requirements and ensure the agency adheres to the terms and conditions for receiving payment. Grant program managers should engage their respective agencies' financial representative to ensure that the terms and conditions are reviewed and the agency can properly set up to receive payment.

Monitoring and audit requirements. The grantee will be required to file programmatic and financial reports; these reports, along with other grant program documentation, would be subject to audits from the grantor. The grant program manager should understand these requirements and actively participate in any monitoring activities required by the grantor to ensure compliance with the terms and conditions as well as transparency of the process.

Amendments and modifications. The grantor will establish a uniform policy for grant modifications that will apply to all grantees. Such modifications would include changes to the budget; changes to the scope of the award; change in administrative functions related to the grantee's administration of the grant (changes to the mailing address, authorized signing official, principal investigator or primary recipient); or a change to the project period (i.e., an extension).

References to applicable rules, regulations and laws. A grant agreement is a contract; the grantor (especially a government entity) should have their legal counsel (attorney) review the grant agreement prior to sending it to the grantee. As part of the legal review, the attorney should ensure that language is included pertaining to applicable rules, regulations and laws, with citations included in the grant agreement. At the very least, the grant program manager should be familiar with the flow-down requirements for the legal authority pertaining to the grant agreement, the funds and the program requirements. Grant program managers also should know whether they are required to have their own agencies' legal counsel review the grant agreement prior to the authorized official signing it (it's a good practice to have the grant agreement reviewed by legal counsel).

Liability. Boilerplate liability information will be included in the grant agreement. This language limits the liability (and indemnifies) each party. The grant agreement also may contain insurance requirements that the grantee must abide by to receive the funding.

Mediation and arbitration. Another legal consideration is how any disputes arising from failure to comply with the terms and conditions of the grant agreement will be resolved. It is understood that both parties enter into the agreement with good intentions; as such, good-faith efforts to comply with the terms and conditions of the grant agreement should govern the process. However, if all good-faith efforts have not yielded the necessary results, more formal processes must be engaged. The mediation and arbitration language will establish the formal process whereby the disagreement is.

Industry-related standard requirements. Various industries or types of grant-funded activity will have specific types of requirements in the grant agreement. This may include accreditation, licensing or other types of professional certification. For research grants, this would include protections for research subjects (human and animal); requirements related to intellectual property; how research data may be used or disseminated; and publishing requirements. Grant program managers should be cognizant of any industry-related requirements that would be pertinent to their grants and subsequently be included as a condition in the grant agreement. The solicitation would have included industry-specific requirements (i.e., Institutional Review Board approval) that would be included as a condition of receiving the grant funding.