SUBGRANT
BY
INTERNATIONAL RESEARCH & EXCHANGES BOARD
("IREX")
TO
Appalachian State University

DOS-ECA AWARD NO.:	**Agreement S-ECAAS-10-CA-048(JJ)** **Int'l Leaders in Education & Teaching Excellence & Achievement Programs**
IREX SUBGRANT NO.:	**SUBGRANT NO. FY10-TEA-ASU-01**
EFFECTIVE DATE:	**August 1, 2011**
EXPIRATION DATE:	**December 7, 2011**
OBLIGATION/CEILING AMOUNT:	**$ 184,000**
COST SHARE:	**$ 29,207**
CDFA NUMBER:	**19.408**
SUBGRANTEE TAX NO:	**56-1176030**
IREX AGREEMENT TYPE:	**Cost Reimbursable Subgrant/Cooperative Agreement**
IREX PROJECT MANAGER	**Christine Mueller** **Project Director** **IREX** **2121 K Street, NW** **Washington, DC 20037 USA** **(202) 628 - 8188 ext. 148 (telephone)** **(202) 628 - 8189 (facsimile)** **cmueller@irex.org**

DOS-ECA Agreement No. S-ECAAS-10-CA-048(JJ)
Subgrant No. FY10-TEA-ASU-01

This Subgrant is being executed in two separate counterparts, each of which, when so executed and delivered, shall be an original, but both counterparts together constitute one and the same instrument. The Subgrantee agrees to the terms of this agreement.

THE INTERNATIONAL RESEARCH & EXCHANGES BOARD (IREX)	APPALACHIAN STATE UNIVERSITY
SIGNATURE OF AUTHORIZED PERSON	SIGNATURE OF AUTHORIZED PERSON
Joyce Warner	
NAME	NAME
Vice President for Education Programs	
TITLE	TITLE
8/1/11	8/23/2011
DATE	DATE

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This SUBGRANT FY10-TEA-ASU-01 is made and entered into by and between the International Research & Exchanges Board ("IREX"), a non-profit 501(c)(3) corporation organized and existing under the laws of the State of New Jersey, in the United States of America, with its principal place of business at 2121 K Street, NW, Washington, DC 20037 (hereinafter referred to as "IREX" or "Recipient") and APPALACHIAN STATE UNIVERSITY, an educational institution organized and existing under the laws of the United States of America, with its principal place of business at ASU Box 32083, Boone, NC 28608-2083 (hereinafter referred to as "Subgrantee" or "Subrecipient"), each of which is referred to as a "party," and collectively as the "parties."

WHEREAS, IREX has entered into an Agreement (S-ECAAS-10-CA-048(JJ)) (hereinafter referred to as "Agreement") with the Educational and Cultural Affairs Bureau of the US Department of State (hereinafter referred to as "DOS-ECA") and has been authorized as a part of that Agreement to provide funding for the program specified in Article I below, and

NOW, THEREFORE, in consideration of the promises and mutual agreements and covenants stated in the Subgrant, the adequacy and enforceability of the consideration for which as to each of the parties being acknowledged, the parties hereby covenant and agree as follows:

ARTICLE I: THE SUBGRANT

The purpose of this Subgrant is for Subgrantee to design and host a professional development program for 22 international secondary-level teachers from September 23–November 7, 2011.

The Subgrantee shall carry out this Subgrant in accordance with the proposal (set out in Attachment I), and any revisions to which both parties agree in writing. It is noted that the Subgrant will prevail over any conflicts that may arise between the program description and the terms of this Subgrant.

The Subgrant budget shall be in accordance with the Subgrant Budget set out in Attachment II. The above-mentioned program description and budget are hereby incorporated by reference and made an integral part of this Subgrant.

ARTICLE II: PERIOD OF AGREEMENT

The period of this Subgrant (as shown on page 1 of this agreement) can only be amended in writing by the mutual agreement of IREX and the Subgrantee. All expenditures paid with funds provided by this Subgrant must be incurred for authorized activities which take place during this period unless otherwise stipulated.

All requests for extensions must be received in writing by the Grants and Compliance Office prior to the expiration date of this Subgrant. Preaward costs from July 1, 2011 are allowable under this grant.

ARTICLE III: AMOUNT AND PAYMENTS

A - Payment: The Subgrant makes available funding in an amount not to exceed $184,000 (One hundred and eighty-four thousand dollars). These funds will be disbursed to reimburse the Subgrantee for reasonable, allowable and verifiable direct and indirect costs incurred during the Subgrant term, or paid directly to vendors for equipment provided under this Subgrant. These funds will be paid to the Subgrantee to cover estimated expenses.

Payment shall be made to the Subgrantee no later than 30 days from receipt of an acceptable invoice in accordance with the applicable cost principles set forth in OMB A-110 Subpart 21 and 27. For commercial

organizations the provisions of the Federal Acquisition Regulation (FAR) at 48 CFR part 31 apply. The Subgrantee shall ensure that invoices are submitted no more than 21 days after the end of each month billed to this subgrant. The Subgrantee will submit a properly executed invoice in the amount of expenditures made during the period covered and in accordance with the line items agreed to in the budget summary in Attachment II to:

Lisa Weilminster
International Research and Exchanges Board
2121 K Street, NW
Washington, D.C. 20037

To constitute a proper invoice, invoices must include the following information and/or attached documentation.

(1) Name of the firm and invoice date;
(2) Subgrant number;
(3) Description, price, and quantity of property and services actually delivered or rendered reported against the approved line items from Attachment II.
(4) Shipping and payment terms;
(5) Name and title, phone number, and complete mailing address of responsible official to whom payment is to be sent.
(6) Any receipts and/or backup documentation required by IREX.

The fiscal report shall include a certification, signed by an authorized representative of the Subgrantee, as follows:

The undersigned hereby certifies that (i) the fiscal report and any attachments have been prepared from the books and records of the Subgrantee in accordance with the terms of this subgrant, and to the best of my knowledge and belief, that they are correct, that the sum claimed under this subgrant is proper and due, that all of the costs of performance (except as herewith reported in writing) have been paid or will be paid currently by the Subgrantee when due in the ordinary course of business, that the work reflected by the costs above has been performed, that the quantities and amounts involved are consistent with the requirements of this subgrant, that all required approvals have been obtained, and (ii) appropriate refund to IREX will be made promptly upon request in the event of disallowance of costs not reimbursable under the terms of this subgrant.

By
Title
Date

IREX shall pay the Subgrantee by check in United States Dollars.

Subgrantee agrees to administer the expenditure of funds in accordance with its standard accounting procedures, and shall maintain books, records and supporting documents sufficient to permit verification and financial audit in accordance with the federal requirements (OMB A-110 21-28).

B - Final Invoice: Not later than sixty (60) days after the completion of work on this Subgrant, Subgrantee shall submit to the IREX Project Director a final invoice in the same format as specified above. This invoice shall include all costs incurred under this Subgrant and shall formally close out this Subgrant, together with any other documentation that the IREX Agreement Officer shall required at closeout.

ARTICLE IV: BUDGET

Attachment II contains the full budget plan for this Subgrant.

A - Budget: The itemized budget in Attachment II represents the negotiated estimates for reimbursement of costs for individual line items. Transfers between budget categories shall not exceed twenty (20) percent of the total amount of provided funds and in no event shall Subgrantee exceed the total authorized amount without prior written authorization from IREX. The Subgrantee agrees to furnish data which IREX may request from time to time on costs expended or accrued under this subcontract. Revisions to the budget are subject to the prior approval requirements outlined in OMB A-110 (Revised) Subpart 25, Revision of Budget and program plans.

B - Cost Sharing: If applicable to this Subgrant, it is understood and agreed that the Subgrantee must provide the minimum amount of cost sharing as stipulated in the Subgrants budget approved by IREX. Cost sharing may be in the form of allowable direct or indirect costs. The Subgrantee must maintain written records to support all allowable costs which are claimed as being its contribution to cost participation, as well as costs to be paid by the IREX. Such records are subject to audit. The basis for determining the value of cash and in-kind contributions must be in accordance with OMB Circular A-110 (Revised) Subpart C.23.

C - Refunds: The Subgrantee agrees to promptly refund to IREX, even in the absence of a demand therefore, any portion of the Subgrant funds disbursed to it that is determined by the IREX, DOS-ECA, the Subgrantee itself, an auditor, or any representative or agent of the foregoing to have been expended in noncompliance with the Subgrant.

D - Taxes: Subgrantee will be responsible for the payment of all taxes and dues on this Subgrant and for compliance, at its sole cost without recourse to the Subgrant funds, with the laws in effect in United States and other countries it may work in as specified in this Subgrant.

E - Indirect Costs:

(1) Negotiated Indirect Cost Rates

Pending establishment of revised provisional or final indirect cost rates, allowable indirect costs shall be reimbursed on the basis of the following negotiated provisional or predetermined rates and the appropriate bases:

Type	Type	Rate (%)	Base	Period
Overhead	PROV	32.4% (a)		07-01-11 until amended
Fringe	see note (b) below	N/A		

Base of Application:

(a) Total direct costs excluding capital expenditures (building, individual items of equipment, alterations and renovations), and that portion of each subaward in excess of $25,000.
(b) Fringe benefits are specifically identified to each employee and are charged individually as direct costs.

(2**) Advance Understanding on Ceiling Indirect Cost Rates and Final Reimbursement for Indirect Costs**

Reimbursement for indirect costs shall be at final indirect cost rates but not in excess of the following ceiling rates:

Type	Ceiling Rate (%)
Overhead	32.4%

IREX shall not be obligated to pay any additional amount on account of indirect costs above the ceiling rates established herein. Final indirect costs exceeding the rate(s) applied to the base(s) shown herein shall be absorbed by the Subgrantee. In the event that final billing rates are lower than the actual billing rates established herein, IREX shall pay the lower rate.

This advance understanding shall not change any monetary ceiling, cost limitation or obligation established in the subgrant.

ARTICLE V: RESPONSIBILITIES

A - General Responsibilities: In carrying out the purposes of this Subgrant, Subgrantee shall be responsible for planning, organizing, and administering the program to conduct activities consistent with the purposes and program objectives stated in Article I and in compliance with all of the terms and conditions of this Subgrant and the requirements and rules referenced in it. Subgrantee shall undertake the same obligations to IREX, and IREX shall have the same rights vis-à-vis Subgrantee, as apply to the relationship between DOS-ECA and IREX under the CA.

B - Financial and Administrative Responsibilities: Subgrantee shall be subject to all relevant DOS-ECA requirements and regulations outlined in this Subgrant, and all references contained therein, as revised from time to time, to include:

Section I	IREX Terms and Conditions
Attachment I	Program Description
Attachment II	Program Budget
Attachment III	TEA Program Minimums and Best Practices
Attachment IV	Proposal and Revisions
Attachment V	Program Schedule and Syllabi
Attachment VI	Program Report Templates
Attachment VII	DOS-ECA Mandatory Terms and Conditions
Attachment VIII	DOS-ECA Certifications

C - Regulations Incorporated by Reference: The following regulations are applicable to this subgrant award (full text can be located at the identified websites):

(1) OMB A-122 and A-133, as applicable are incorporated into this Subgrant by reference. Please see the following website to find A-122 and A-133:
http://www.whitehouse.gov/omb/circulars/index.html

(2) OMB Circular A-110. Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations:
http://www.whitehouse.gov/omb/circulars/index.html

(3) 22 CFR 135. Department of State Uniform Administrative Requirement for Grants and Cooperative Agreements to State and Local Governments:
http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200422

(4) 22 CFR 137. Department of State Government-wide Debarment and Suspension (non-procurement) and Government-wide Requirements for Drug-Free Workplace (Grants):
http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200422

(5) 22 CFR 145. Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations:
http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200422

(6) 48 CFR Ch. 1, Part 31.2. Contracts with Commercial Organizations, Hospitals, and other Nonprofit Organizations: http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200422

D - Program Implementation: IREX shall maintain technical oversight of the Subgrantee's program. To this end, the Subgrantee shall submit progress and financial reports to IREX. The reports shall be submitted electronically. The reports shall focus on results as well as adequate description of activities to allow IREX to evaluate program progress. Further details on reporting are contained below in Article VI.

E - Notice of Conditions Interfering with Performance: Subgrantee shall notify IREX, in writing, within three (3) days of the date Subgrantee discovers the occurrence and potential effects of any condition(s) which interfere with, or which it is reasonable to believe will or may interfere with, complete and timely performance of this Subgrant (including, but not limited to, problems not previously foreseen, actual or threatened insolvency, or other default or problem). The notice shall describe the steps that are being or will be taken to correct or mitigate any such condition(s). Failure of the Subgrantee to take prudent steps to uncover barriers to implementation will be considered a violation of this provision.

ARTICLE VI: REPORTING

Subgrantee shall provide to IREX and retain in its permanent files the following written reports necessary to monitor the progress of program activity and ensure compliance with legislative requirements.

Programmatic Reports (Please refer to the templates on Attachment VI to assist you in completing the reporting requirements.)

- Subgrantee shall inform IREX whenever significant obstacles arise that impede the purpose in Attachment I and of any changes to the proposed program content and/or activities.
- Inform IREX immediately of any changes to the program schedule or internship schools/partners.
- Report to IREX immediately of any fellows' absences or other serious performance issues (any fellow that misses a total of three days of any academic portion of the program and/or the internship will be disqualified from the program)
- In general, periodic programmatic reports should describe project activities, progress towards program goals, implementation of best practices as well as challenges and suggested solutions.
- A pre-program report is due on September 1, 2011.
- A final programmatic report is due after the Fellows' departure from the university, no later than December 7, 2011.

Report	Report Due Dates	Information/Materials to Include
Pre- Program Report	September 1, 2011	Narrative report of program preparations, including but not limited to: • Overview of program administration at the host university level, including housing and transportation confirmation • Overview of customized academic program activities to date • Provision of final daily program schedule and final daily syllabi • Overview of internship program activities to date, including a list of internship schools, and contact information for each partner teacher, and confirmed date for U.S. partner teacher orientation

		• Innovations and best practices utilized • Feedback and lessons learned
Final Program Report	December 7, 2011	Narrative report reflection of the program, including but not limited to: • Overview of program components including academic program, internships, and management of the program implementation and logistics. • Impact of TEA Program on host university and internship schools • Innovations and best practices utilized • Feedback and lessons learned Additional materials to provide: • Final series of culminating lesson plans developed by the Fellows during the program • End of program evaluation forms and results including raw data • Completed internship logs from each partner teacher

Financial Reports

- The invoice as described in Article III will be used to report all expenditures of funds and shall be submitted quarterly within 30 days of the end of the reporting period. Reporting period are: January 1 to March 31, April 1 to June 30, July 1 to September 30, October 1 to December 31. The first report is due after the first complete quarter of the award. The invoice serves as the interim financial report and a final financial report will be prepared by line item

- Final Financial Report. The Subgrantee shall prepare and submit to IREX a final report by detailed line item of financial activities and expenditures related to this grant. The final financial report, along with the final invoice, will be due 60 days after the end of the Subgrant.

- Reports should be submitted to the IREX Project Manager listed in Article IX: Notices.

- IREX reserves the right to request any additional programmatic and/or financial information regarding this project from the Subgrantee during the Subgrant period.

ARTICLE VII: INSPECTION AND RETENTION OF RECORDS

IREX, DOS-ECA, Inspector General and the Comptroller General of the United States, or any of their duly authorized representatives, shall have the right of timely and unrestricted access to any books, documents, papers and any records of Subgrantee which are directly pertinent to the work being performed under this Subgrant in accordance with point 8, of Attachment III, Mandatory Terms and Conditions. If such an inspection/evaluation is performed, Subgrantee agrees (a) to make its premises, and those of any second-tier subcontractors or subrecipients, available and (b) to provide all reasonable facilities and assistance consistent with the convenience and safety of IREX representatives. All such inspections/evaluations shall be performed so as not to unduly delay work under this Subgrant.

Financial records, supporting documents, statistical records, and all other records pertinent to this Subgrant shall be retained for a period of three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as authorized by IREX.

ARTICLE VIII: COST PRINCPLES AND AUDIT REQUIREMENTS

Subgrantee will be reimbursed for costs reasonably incurred in accordance with Subgrantee's applicable cost principles (OMB A-110 subparts 21 and 27) and established policies and practices which are uniformly applied to federally financed and other activities of Subgrantee.

This Subgrant is funded under IREX's Prime Agreement No. S-ECAAS-10-CA-048(JJ) with the DOS-ECA. As such, IREX is a primary recipient of a Federal award and is subject to OMB Circular A-133 which established the audit requirements and responsibilities of recipients of Federal awards. Under OMB A-110 (revised) Subpart 26 and the provisions of the Circular, Subgrantee, a subcontractor/subrecipient to IREX, is defined as a sub-recipient of a Federal award and is subject to the same audit requirements and responsibilities outlined in OMB A-133. Should OMB Circular A-133 apply, Subgrantee shall be required to fulfill the audit requirements of the Circular including the reporting requirements stated in .320(e) by providing IREX with a copy of all A-133's for the length of this subaward. If OMB Circular A-133 does not apply, Subgrantee is required to have an independent audit made of the award received through this Subgrant and provide IREX with a copy of the auditor's report. The scope of the audit and audit objectives are stated in Item 12 of OMB Circular A-133. As an alternative to an award audit, Subgrantee may for each fiscal period submit its financial statement audited by an independent auditor, provided that it includes the auditor's findings.

ARTICLE IX: INTERNATIONAL TRAVEL

When authorized by IREX, the Subgrantee shall use United States flag carriers and economy accommodations for travel supported under this Subgrant. If travel will be on a foreign flag carrier, a statement justifying the use of a foreign flag carrier, which meets one of the exceptions cited in the Fly America Act must be included with the financial report. Travel on a foreign flag carrier which does not meet one of the exceptions of the act will be disallowed. See Attachment III, DOS-ECA Mandatory Terms and Conditions, Article XIV for additional details.

ARTICLE X: NON-EXPENDABLE EQUIPMENT, EXPENDABLE EQUIPMENT AND SUPPLIES

The following applies to the Subgrantee when the purchase of equipment is approved in this Subgrant. Equipment is defined as nonexpendable personal property charged directly to an award having a useful life of more than one year and an acquisition cost of $5,000 or more. All equipment will be tracked using the Inventory list provided in Attachment V to this Subgrant.

a. Upon receipt of equipment, title to equipment will vest with IREX;
b. IREX retains the right to remove any equipment purchased under this Subgrant by IREX or Subgrantee for any reason. IREX retains the right verify all equipment purchases in person;
c. Allow IREX access to periodically check that the equipment is being maintained and is being used for the stated purposes;
d. Subgrantee shall not encumber equipment without prior IREX approval;
e. Subgrantee shall maintain equipment records of purchases and shall include the following information to be reported and certified to IREX on an annual basis through IREX's prime Agreement closeout:

    1. A description of the equipment
    2. Manufacturer's serial number, model number or other identification number;
    3. Source of the equipment, including the award number;
    4. With whom title vests (recipient, IREX, U.S. Federal Government);
    5. Acquisition date and cost;
    6. Location and condition of equipment and date information was last reported;
    7. Unit acquisition cost;
    8. Ultimate disposition data.

Theft, loss or damage to equipment shall be reported to IREX immediately. Any loss, theft or damage shall be investigated and full documented. Adequate maintenance procedures shall be implemented to keep equipment in good condition.

Supplies and expendable equipment whose value is under $5,000: If Subgrantee has not received from IREX a notice of intent to remove supplies and expendable equipment purchased under this Subgrant within 60 days of Subgrant end date, Subgrantee may retain the supplies and expendable equipment. IREX retains title to supplies and expendable equipment whose total value is over $5,000. If Subgrantee wishes to keep these items IREX approval is required.

ARTICLE XI: NOTICES

All communication in connection with the Subgrant shall be directed as follows:

A. All communications by Subgrantee, including, without limitations, Subgrant format, progress reports, implementation plans, and budget revision requests shall be directed to:

Lisa Weilminster
IREX
2121 K Street, NW
Washington, DC 20037
202-628-8188
202-628-8189 (fax)
email: lweilminster@irex.org

B. Invoices and annual audit reports shall be directed to:

Lisa Weilminster
IREX
2121 K Street, NW
Washington, DC 20037
202-628-8188
202-628-8189 (fax)
email: lweilminster@irex.org

ARTICLE XII: COMMUNICATIONS CHANNELS

Coordination of communications with DOS-ECA staff is necessary to ensure effective and appropriate performance of the activities set forth in the Program Description. Accordingly, unless IREX agrees otherwise in writing, Subgrantee shall ensure that, it, its employees and consultants, contractors and lower-tier Subgrantees, Subcontractors, vendors or consultants channel all communications (including, without limitation, all request for approvals, reports, evaluation input, and suggestions) concerning, relating to, or affecting performance of any aspect of the Subgrant, the Agreement, and the project of which the Subgrant and Agreement form a part, solely through IREX.

ARTICLE XIII: INTEGRITY AND ETHICS

IREX is a registered nonprofit U.S. Private and Voluntary Organization with a long and proud history implementing international development programs supported by DOS-ECA and other official and private donors. Our organizational ethos and continued success require (1) avoidance, to the maximum extent practicable, of any corrupt, fraudulent, illegal, or otherwise improper or unseemly practices, or even the appearance of or potential for any such practice, and (2) immediate and complete dissociation from, and prompt and thorough corrective action regarding, any such practices that might nevertheless occur. Subgrantee hereby covenants and agrees to ensure that it, and its officers, directors, employees, agents, representatives, consultants, lower-tier Subgrantees, contractors and suppliers will at all times strictly follow a similar approach to all of their activities, whether or not funded under, directly affecting, or occurring during the Term of, this Subgrant.

Payment to the Subgrantee described in this Subgrant shall constitute the Subgrantee's sole payment in connection with the Services and, the Subgrantee shall not accept for their own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Subgrant. The Subgrantee agrees to disclose to IREX in a timely fashion any relationship, transaction or circumstances which could diminish or compromise its ability to render objective and impartial professional judgment concerning the Services.

ARTICLE XIV: INTERPRETATION

Governing Language and Law

The governing (applicable) language of this Subgrant shall be English, and all notices, reports, and other communications relating or pursuant to the provisions of the Subgrant (including, without limitation, those in connection with issues, Disagreements and Disputes) shall be in English.

Third Parties Not to Benefit

The provisions of this Subgrant are for the benefit of the Parties hereto, and are not intended to create any rights in, or on behalf of, or responsibilities of the Parties to, any other person, entity, or third party.

Mutuality

It is hereby expressly acknowledged and agreed by the Parties that this Subgrant shall be deemed to have been prepared and drafted jointly by the Parties, and that, therefore, the terms and conditions shall not be construed or interpreted either in favor of or against either Party on this basis.

Severability

Should any provision(s) of this Subgrant, or its/their application to any Party or circumstance, hereafter be determined by a court of competent jurisdiction to contravene any applicable law or mandatory public policy, or otherwise be restricted, prohibited, or unenforceable, such provision(s) shall, as to such jurisdiction, be ineffective, but only to the extent of such contravention, restriction, prohibition or unenforceability. The remaining provisions hereof shall continue and remain in full force and effect, and be construed to implement the intent of the Parties to the maximum extent practicable.

Waiver

(1) Failure of either Party, or both Parties, to invoke or enforce any of the terms or conditions of this Subgrant (including, without limitation, a delay, omission, or forbearance) shall not be deemed a waiver, relinquishment, modification, or Amendment thereof or of any prior or subsequent breach.

(2) No waiver, relinquishment, modification, or Amendment of any provision of this Subgrant, or of any right under or in connection with this Subgrant, shall be deemed to have occurred unless it is effected in a writing specifically designated as such and signed by the Party other than the Party seeking relief from the provision. Such waiver, relinquishment, modification, or Amendment shall be strictly limited to its terms, and shall not be deemed to waive, relinquish, modify, Amend, or otherwise affect or limit any other provision of this Subgrant, or the future exercise of the pertinent right.

Headings and Terms

The headings in this Subgrant are inserted solely to facilitate convenient reference, and are not intended, nor shall they be deemed, to define, limit, or describe the scope of the Subgrant or the meaning of any provision herein. In addition, in this Subgrant, unless the context clearly requires a different result, singular and plural words, and any words with an implication of gender, are interchangeable.

Exclusivity

This Subgrant is the exclusive agreement between the Parties pertaining to the subject matter hereof (including, without limitation, the Program Description), and supersedes all prior agreements, understandings, communications, negotiations, and discussions, whether oral, written, or electronic, involving the Parties and their representatives. No purported trade usage, custom, course of dealing between the Parties, or verbal statements of any kind in connection with the foregoing or subsequently, or any statements by or agreements with any third party (including, without limitation, DOS-ECA) shall be binding upon IREX.

ARTICLE XV: CONTINUING OBLIGATIONS

Notwithstanding the expiration or termination of the Subgrant, Subgrantee shall continue to comply with all of its responsibilities, including, without limitation,

(1) reporting, record-keeping, and audit requirements,

(2) cost disallowances and refunds, and

(3) property use and disposition requirements.

After expiration or termination of the Subgrant term, Subgrantee shall take all reasonable steps to help IREX close out the Subgrant.

ARTICLE XVI: AMENDMENTS AND MODIFICATIONS

No amendment or modification of this Subgrant shall have any force or effect unless it is in writing, specifically designated as such and signed by an authorized representative of IREX. Notices must be signed by the authorized representative of the Subgrantee unless the notice is to extend the award period by less than one year or to incrementally fund the award.

ARTICLE XVII: RIGHTS IN DATA AND CONFIDENTIALITY

All intellectual property rights in any copyrightable work (including but not limited to documents and materials) produced under this agreement shall vest in the subrecipient. Nothing in this Subgrant shall prevent Subgrantee researchers engaged in projects arising from this Subgrant from publishing the results of their research. They shall be permitted to present at symposia, national or regional professional meetings, and to publish in journals, theses or dissertations, or otherwise of their own choosing, methods and results of the project; provided, however, that prior to any such disclosure, IREX shall be notified in writing thereof, and shall be given not less than sixty (60) to review the disclosure for the sole purpose of determining whether it contains IREX proprietary or confidential information. If such information is identified by IREX, it shall be withheld from the disclosure. No restrictions in this part apply to any legally required disclosure.

Confidential or proprietary information shall be clearly identified as such by the disclosing Party at the time of disclosure. (However, all information relating to a Party's cost/price, cost/price management, or cost/price structure shall be considered confidential and proprietary whether or not identified as such.) Each Party hereby covenants and agrees that it shall use the other Party's confidential or proprietary information solely to perform its obligations under this Subgrant, and that it shall use reasonable efforts to protect such information from disclosure to third parties. Publications of Subgrantee and IREX collaborative research results shall appropriately acknowledge both Subgrantee and IREX in a manner consistent with generally accepted standards of author credit for such work.

Subgrantee shall state in any announcement or publicity, where it is not inappropriate, that these activities are assisted financially by the Bureau of Educational and Cultural Affairs of the United States Department of State under the authority of the Fulbright-Hays Act of 1961, as amended.

ARTICLE XVIII: DISPUTES

A - Resolving Dispute Between the Parties:

(1) The Parties shall exert their best efforts, in good faith, to consult together to resolve all issues between the Parties that may arise under or relate to this Subgrant, its formation and performance, and the facts and circumstances surrounding any of the foregoing, in an equitable and mutually satisfactory manner. An issue that cannot be resolved in this way after a reasonable time shall be treated as a Disagreement. Issues between the Parties that involve DOS-ECA as well as the Parties shall be handled in accordance with Article XVIII.B below.

(2) In the event of a Disagreement, either Party (the "Initiating Party") may submit to the other Party (the "Receiving Party") a written statement, specifically designated as a Notice of Disagreement, briefly describing the nature of the problem, the Initiating Party's position regarding the problem, the material facts and arguments in favor of such position, and a statement of actions or other relief requested.

(3) Within 30 days after receipt of a Notice of Disagreement, the Receiving Party shall issue a written decision (a "Decision"), specifically designated as such, with supporting findings and reasons, and promptly communicate it to the Initiating Party.

(4) Notwithstanding the existence of an issue, Disagreement or Dispute under this Article, the Subgrantee shall, unless otherwise mutually agreed between the Parties, continue to perform its obligations under the Subgrant.

B - Resolving Problems Between the Parties that also Involve DOS-ECA:

(1) Notwithstanding any other provision of this Subgrant, any decision of the DOS-ECA Agreement Officer under the Agreement that binds IREX shall also bind Subgrantee to the extent that it relates to or affects the Subgrant.

(2) If requested by the Subgrantee in writing, and if the "Disputes" clause of the Agreement permits (including, without limitation, IREX's agreement that such claim has a reasonable basis), IREX may at its discretion agree to file or appeal a claim with DOS-ECA for the Subgrantees benefit.

(3) Subgrantee agrees pay to IREX all costs and expenses, of whatever nature (including without limitation reasonable attorneys' fees), incurred by IREX in taking or considering any of the actions specified in Article XVIII.B.2 above at Subgrantees request. All such costs and expenses incurred by IREX shall be paid promptly by Subgrantee and shall not be reimbursable or compensable as a cost under the Subgrantee unless recovered by IREX under the Agreement or as part of an award of damages to IREX based on such claim or appeal.

(4) All actions by Subgrantee that require approval under this Subgrant shall be the subject of written requests for approval submitted to IREX. If the granting of approval requires that IREX in turn secure DOS-ECA's approval under the Agreement, IREX will take reasonable steps to assist Subgrantee to obtain expeditious consideration by DOS-ECA. Notwithstanding the foregoing, or any other provision of this subcontract, IREX accepts no responsibility or liability for any delays, costs, expenses, damages, losses, or harm of any nature that might occur to Subgrantee due to or as a result of any act, omission, decision, or delay by DOS-ECA.

ARTICLE XIX: TERMINATION AND ENFORCEMENT

This Subgrant may be terminated for any of the following reasons by providing prior written notice to the Subgrantee:

(a) Default: IREX may terminate this Subgrantee immediately if Subgrantee, for any reason whatsoever, fails, refuses, or is unable to perform the work or to make satisfactory progress within the time specified.

(b) Termination of Prime Award: IREX may terminate this Subgrant in the event its Agreement from DOS-ECA is terminated; in which case Subgrantee shall make every reasonable effort to comply with the directions of the IREX authorized Officer in preparing a claim for submission to IREX. This termination provision will also apply should funding from DOS-ECA to IREX, for this project be cancelled or insufficient for completion.

(c) For Convenience: IREX may terminate this Subgrant in whole or in part, including any approved activities hereunder, by providing ten (10) days advance written notice of the effective date of termination to the Subgrantee. IREX shall be responsible for satisfying all its outstanding debts and obligations properly and reasonably incurred by Subgrantee.

Enforcement of Subgrant compliance by IREX shall be subject to the DOS-ECA rules and procedures as set forth in this Subgrant.

ARTICLE XX: DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION

In accepting this Subgrant, the Subgrantee certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Subgrant by any U.S. Government department or agency.

Subgrantee agrees to maintain said status throughout the duration of the Subgrant and must ensure that all of its lower-tier recipients and contractors make the same certification.

ARTICLE XXI: FORCE MAJEURE

Subgrantee will not be responsible for any losses resulting from delay or failure in performance resulting from any cause beyond Subgrantee's control, including without limitation: war, strikes or labor disputes, civil disturbances, fires, natural disasters, and Acts of God.

ARTICLE XXII: INDEMINFICATION

The Subgrantee shall hold IREX and the U.S. Department of State harmless against losses or damages including those stemming from injuries, deaths, expenses, actions, proceedings, demands, costs and claims, including, but not limited to, legal fees and expenses, which may be suffered by the Subgrantee, its personnel, consultants, employees and agents or any third party, where such loss or damage is the result of an action, omission, negligence, breach of contract, or violation of law or regulation (including the violation of any intellectual property right) by the Subgrantee, its personnel or agents.

ARTICLE XXIII: INDEPENDENT STATUS

The relationship of the Subgrantee to IREX is that of an independent entity and nothing herein shall be construed as creating any other relationship. As such, the Subgrantee shall comply with all laws and assume all risks incident to its status as an independent entity. This includes, but is not limited to, responsibility for all applicable income taxes, associated payroll and business taxes, licenses and fees, and such insurance as is necessary for the Subgrantee's protection in connection with work performed under this Subgrant. Neither the Subgrantee nor anyone employed by it shall be, represent, act, purport to act, or be deemed to be agent, representative, or employee of IREX.

ARTICLE XXVI: COMPLIANCE WITH LOCAL LAWS

If work is performed in a foreign country, Subgrantee hereby covenants and agrees that, in performing each and all of its obligations, and exercising its rights, under or in connection with this Subgrant, Subgrantee shall ensure that it fully complies with all that country's applicable laws (including, without limitation, all statutes, decrees, ordinances, administrative orders, rules, regulations, and other directives, policies and instructions with mandatory legal effect). Subgrantee shall be solely responsible, without reimbursement under the Subgrant, for all costs, risks, delays, losses, damage, and other liability incurred by it as a result of any noncompliance with such laws. Furthermore, Subgrantee shall be solely responsible to obtain all licenses, permits, and other approvals necessary for successful performance of its obligations in a timely manner.

ARTICLE XXV: DRUG TRAFFICKING

IREX reserves the right to terminate this Subgrant or take other appropriate measures if the Subgrantee or a key individual of the Subgrantee is found to have been convicted of a narcotic offense or to have been engaged in drug trafficking as defined by 22CFR Part 140. Assistance provided to Subgrantee or through Subgrantee to an entity that is subsequently found to have been engaged in drug trafficking, as defined in this part, shall be subject to refund or recall of funds provided.

ARTICLE XXVI: SUPPLEMENTAL TERMS AND CONDITIONS

When applicable, the following supplemental terms and conditions also apply to this subgrant award:

N/A

ARTICLE XXVII: TERRORIST ORGANIZATIONS

This Subgrant is subject to Executive Order 13224, Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism. The Order designated 27 individuals and entities that commit to pose a significant risk of committing terrorist acts and authorized the Secretary of State to designate additional individuals and entities. The Order also authorized the Secretary of the Treasury to designate additional individuals and entities that provide support or services to, are owned or controlled by, act for or on the behalf of, or are “otherwise associated with,” and individual or entity who has been designated in or under the Order. All property and interest in property of the individual or entity in the United States or in the possession or control of U.S. persons are blocked. The Order prohibits all transaction and dealings in blocked property or interest in the U.S. or by U.S. persons, and also prohibits transaction with, and provision of support for, individuals or entities listed in or subject to the Order. As of November 22, 2002, the number of designated individuals and entities was in excess of 250.

Full text of this Executive Order is available in A/OPE Grants Policy Directive No. 19, which can be viewed at http://www.statebuy.state.gov under “Grants”.

The Subgrantee should be aware of Executive Order 132224 and the names of the individuals and entities designated there. A list of the names can be found at the website of the Office of Foreign Assets Control (OFAC) within the Department of Treasury: http://treasury.gov/ofac.

The Subgrantee is reminded that U.S. Executive Order and U.S. law prohibits transactions with, and the provision of support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Subgrantee, any second-tier recipient or any Contractor to ensure compliance with E.O. 13224 and other laws. This provision must be included in all Subawards or subcontracts issued under this Subgrant.