

FOOD & NUTRITION SERVICE
STANDARD TERMS AND CONDITIONS

<< Introduction for Grants >>

All grant awards, as well as amendments to existing USDA Food and Nutrition grants, are subject to the following Standard Terms and Conditions.

The USDA Food and Nutrition Service (hereinafter referred to as “Agency”) awards funding to the Grantee (hereinafter referred to as “Recipient.”) By acceptance of this award, the Recipient agrees to comply with the terms and conditions of the award listed below.

The Recipient will conduct the project as described in its submission of the Standard Form 424, 424A, proposal, and budget narrative, including any subsequent revisions, amendments and/or clarifications.

Important information regarding the award, including the Agency contact and Assistance Listing Number (ALN), is contained on the Grant/Cooperative Agreement Form FNS-529.

<< Introduction for Cooperative Agreements >>

Funding for this project will be awarded in the form of a cooperative agreement. A cooperative agreement is a legal instrument reflecting a relationship between the Federal government and the Grantee. Cooperative agreements allow more FNS involvement and collaboration in the project compared to a typical grant and provide less direction of project activities than a contract. The roles and responsibilities of both the Grantee and FNS are stated in these Terms and Conditions below.

The USDA Food and Nutrition Service (hereinafter referred to as “Agency”) awards funding to the Grantee (hereinafter referred to as “Recipient.”) By acceptance of this award, the Recipient agrees to comply with the terms and conditions of the award listed below.

The Recipient will conduct the project as described in its submission of the Standard Form 424, 424A, proposal, and budget narrative, including any subsequent revisions, amendments and/or clarifications.

Important information regarding the award, including the Agency contact and Assistance Listing Number (ALN), is contained on the Grant/Cooperative Agreement Form FNS-529.

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PROGRAMMATIC SPECIFIC TERMS OF THE AWARD

<< *Programmatic terms and conditions* >>

STANDARD TERMS OF THE AWARD

- 1. USDA General Terms and Conditions:** In addition to the provisions specified in these FNS Standard Terms and Conditions, the Recipient agrees to comply with all provisions of the “USDA General Terms and Conditions for Federal Awards,” effective December 31, 2025, which are published on the [USDA website](#).
- 2. Funding:** The Agency will provide funds to the Recipient in the amount stated on the Grant/Cooperative Agreement Form FNS-529, Box 11, and as specified in the grant award letter, for use in accordance with this agreement. Funds will be provided at the Agency’s discretion through the Letter of Credit, reimbursement, or in advance of need, upon receipt of a properly executed Grant/Cooperative Agreement Form FNS-529.
- 3. Performance Period:** The period of performance for this project is listed on the Grant/Cooperative Agreement Form FNS-529, Boxes 20 and 21. The Recipient may only incur allowable costs during the period of performance. Any pre-award costs incurred prior to the period of performance must be approved in writing by the Agency. To maintain effective internal control over funds, the Recipient shall only withdraw funds for expenses incurred or anticipated within the period of performance. Should the Recipient need to withdraw funds earlier in anticipation of costs incurred in the first month of the period of performance they may do so as long as the draw is timely, i.e., minimal time elapses between the draw and expenditure.

All funds must be obligated and all program activities under the agreement (other than activities related to the close out of the agreement) must be completed by the Expiration Date listed on the Grant/Cooperative Agreement Form FNS-529, Box 21. The closeout of the agreement must occur within 120 days of the expiration date, and all obligations incurred under the agreement must be liquidated by this date.

- 4. Grant Amendments:** The Recipient may request an amendment, including extensions and revisions, to the agreement, including the proposal, in writing at any time during the duration of the agreement. Prior approval is required for any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision); changes in key personnel, such as the project director; disengagement from the project for

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more than three months (or a 25 percent reduction in time devoted to the project) by the project director; transfer of funds budgeted for participant support costs; the sub awarding, transferring or contracting of any work (unless approved in the submitted application package); or changes to budget line cost/expenditure. All amendments must be submitted in writing to the Agency Contact listed on the Grant/Cooperative Agreement Form FNS-529, box 7.

The Recipient may transfer costs within the approved direct cost categories to meet unanticipated requirements. However, the Agency requires that prior approval be obtained for any budget revision that involves a shift of funds among direct cost categories or programs, functions, or activities when the cumulative amount of a transfer exceeds or is expected to exceed 10 percent of the total budget, including cost share, as last approved by the Federal agency. Such revisions must be submitted in writing with a revised budget in the same format as the original budget. All other requirements within 2 CFR 200.308 shall also apply. If the purpose, time, and effort of the grant have already been met, the Agency will not approve amendments to the project solely for the purpose of utilizing unobligated funds.

The Recipient must include justification with any proposed amendment/revision and budget changes. All requests for changes must be made at least 30 calendar days before the end of the grant period of performance. Any request received after this time will not be considered. Timeliness of report submissions may be considered by the Agency when approving amendments.

5. Non-agreement funds: The Recipient may seek and apply for funds from other sources in support of the mission of the agreement.

6. Progress Reports:

<<Introductory Paragraph for Annual Progress Reports>>

Annual and Final Progress Reports: Unless otherwise approved, the OMB-approved FNS-908 Performance Progress reports must be received by Agency within 30 days following the end of each Federal fiscal annual period. These reports should cover the preceding annual period of activity. A final report identifying the accomplishments and results of the project is due no later than 120 calendar days after the period of performance end date.

<<Introductory Paragraph for Quarterly Progress Reports>>

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Quarterly and Final Progress Reports: Unless otherwise approved, the OMB-approved FNS-908 Performance Progress reports must be received by Agency within 30 days following the end of each Federal fiscal quarter period. These reports should cover the preceding quarterly period of activity. A final report identifying the accomplishments and results of the project is due no later than 120 calendar days after the period of performance end date.

<<Introductory Paragraph for Quarterly Progress Reports>>

Semi-Annual and Final Progress Reports: Unless otherwise approved, the OMB-approved FNS-908 Performance Progress reports must be received by Agency within 30 days following the end of each Federal fiscal semi-annual period. These reports should cover the preceding semi-annual period of activity. A final report identifying the accomplishments and results of the project is due no later than 120 calendar days after the period of performance end date.

As aforementioned, unless otherwise approved, the Recipient must use the standardized FNS-908 Performance Progress Report for all Progress Reports. FNS-908 Performance Progress Report Program Activities should include objectives, activities, and indicators which are specific to this grant. Please be sure to use the correct FNS-908 and associated Program Activities when reporting program performance for this grant. When reporting program performance, the Recipient should relate financial data and accomplishments to performance goals and objectives of the award. When completing the FNS-908 Performance Progress Report, the Recipient will be giving consideration to the following information:

- Goals/objectives and the activities performed in support of these goals/objectives;
- A narrative description of project progress comparing actual accomplishments to the objectives, tasks completed, and roadblocks or problems;
- Reasons why goals and objectives were not met, if appropriate, particularly at predefined go/no-go decision points, and justification of decision to proceed;
- Budget impact and/or cost information to demonstrate cost effective practices associated within the reporting period;
- Key activities planned for the next report period or a final accomplishment statement if the project has been completed;
- Findings or activities which may require changes in schedules, accomplishments, or costs, particularly those changes which may impact the Recipient's ability to utilize grant funds within the specified time period;

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- Other pertinent information including, when appropriate, analysis and explanation of cost overruns; and
- Any unique aspects that you would like to share.

The Recipient must immediately report any problems, delays, or adverse conditions that impair the Recipient's ability to meet the grant/cooperative agreement objectives. The notification must include information on action taken or contemplated in response to the problem and any assistance needed to resolve the situation.

All materials developed with funding from this agreement must be submitted in an electronic format (preferably Microsoft Word). The Recipient is strongly encouraged to submit Progress Reports via electronic mail to the Grants Officer listed on the FNS-529.

7. **Financial Status Reports:** The Recipient is required to electronically enter the quarterly and final financial status report (SF-425) into the FNS, Food Programs Reporting System (FPRS). Detailed FPRS enrollment instructions are provided on the [USDA website](#). This report must be entered within 30 days after the close of each Federal fiscal quarter period. The Final Financial Report must be entered into FPRS within 120 days of the expiration of this agreement. This report must also be certified by the Recipient's chief fiscal officer or an officer of comparable rank.
8. **Insurance Coverage:** The Recipient must provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds.
9. **Intangible Property:** The Agency may request copies of an award product for not-for-profit use. These copies will be provided at the cost of reproduction and shipping, and no royalties or other fees will be charged. In addition, in response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under an award that were used by the Federal Government in developing an agency action that has the force and effect of law, the Agency must request, and the recipient shall provide within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Agency obtains the research data solely in response to a FOIA request, the Agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Agency, the recipient, and applicable sub-recipients. This fee is in addition to any fees the agency may assess under the FOIA ([5 U.S.C. 552\(a\)\(4\)\(A\)](#)).
10. **Federally-owned and exempt property:** Title to federally-owned property remains vested in the Federal entity. The Recipient must submit annually an inventory listing of

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federally-owned property in its custody to the Agency. Upon completion of the project, or when the property is no longer needed, the recipient must contact the Agency for instruction on utilization or disposition ([2 CFR 200.312](#)).

- 11. Equipment:** Equipment is defined as tangible, nonexpendable personal property having a useful life of more than one year and an acquisition cost as defined by 2 CFR 200.313. The purchase of equipment not included in the approved project budget is allowable only if it is specifically approved beforehand by the Agency and there is documentation to support that the purchase is necessary and reasonable to carry out project activities.

A physical inventory of the equipment must be taken and the results reconciled with the equipment records every two years or at the grant close out, based on which of these occurs first. A Tangible Personal Property Report, SF-428, 428B, and 428S, must be submitted at award close-out to report the status of the equipment. The Recipient will follow the Agency’s equipment disposition guidance and procedures as defined in [2 CFR 200.312](#)

- 12. FNS’s Build America, Buy America Waiver Process:** If needed, a written request to waive the application of the domestic content procurement preference must be submitted to FNS at sm.fn.fm-grantpolicy@usda.gov and must include the following in the title of the email: “(Title of Grant) – Buy American Preference Waiver Request.” Please also use the following suggested format with the waiver exception request:

- Exception being requested (#1-#3 listed in waivers section above) along with a brief narrative explaining the need for the waiver request.
- Include a section with specific information that supports the exception being requested.
- Attach any supporting documentation such as estimates, invoices, receipts, letters of support, and/or any other documentation that would support the exception requested.

Waiver requests will be decided on a case-by-case basis. FNS will be responsible for seeking public comment of no less than 30 days on General Applicability waiver (#1 listed in waivers section above) requests, while all other waiver requests (#2-#3 listed in waivers section above) are subject to a minimum 15-day public comment period. All waiver requests will be posted for public comment on the [USDA BABA website](#). Additionally, all waivers must be reviewed by the Made in America Office before a final decision is provided. The Made in America Office will notify FNS of its determination. The decision provided is final and there is no further appeal process.

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There may be instances where an award qualifies, in whole or in part, for an existing approved USDA-wide waiver described on the [USDA BABA website](#). This website provides information on the currently approved Buy American for Infrastructure Waivers for De Minimis, Small Grants and Minor Components. These waivers are separate and distinct from the waivers and accompanying waiver request process listed above.

A general description of the existing waivers can be found below:

- 1) The De Minimis Waiver is a general applicability public interest waiver where a Federal agency sets a de minimis threshold for infrastructure project purchases. For example, if an agency establishes a de minimis threshold of 5% of applicable project costs up to a maximum of \$1,000,000, then up to \$50,000 in infrastructure costs would be exempt from the Buy American for Infrastructure requirements, where applicable project costs are defined as material costs subject to the Buy American preference.
- 2) The Small Grants Waiver applies to awards when (i) the total Federal award does not exceed the Simplified Acquisition Threshold, currently set at \$350,000; and (ii) the Federal award amount, inclusive of other funding sources for the infrastructure project, is not anticipated to exceed the Simplified Acquisition Threshold for the life of the Federal award.
- 3) The Minor Components Waiver allows for minor deviations for miscellaneous minor components within iron and steel products in a project when there is no domestic component available. This waiver allows recipients of USDA funds to use non-domestically produced miscellaneous minor component comprising no more than 5% of the total material cost of an otherwise domestically produced iron and steel product to be used. The recipient is expected to provide analysis that the awarding agency and staff office will need to verify and validate.

Prior to entering into any procurement transactions related to the grant award, grant recipients and sub-recipients must provide the awarding agency with advanced notification of their intent to utilize an existing USDA Buy American for Infrastructure Waiver. The grant recipient or sub-recipient must receive concurrence from their awarding agency prior to proceeding with utilizing the USDA Buy American for Infrastructure Waivers.

Notifications must be sent to sm.fn.fm-grantpolicy@usda.gov, and a final concurrence or denial will be provided within 15 days of receipt. The response provided is final and there is no further appeal process.

- 13. Liabilities:** The Recipient may not seek any financial recourse from the Agency as a result of any liabilities the Recipient may incur for bodily injury or personal property damage resulting from negligent acts, errors, or omissions of the Recipient, their

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officers, agents or employees, or if applicable its sub-Recipients or their officers, agents, or employees, in performing this agreement. Liabilities of the United States are governed by the Federal Tort Claims Act, [28 U.S.C. 2671 et seq.](#)

- 14. Privacy Act Policy:** The USDA Food and Nutrition Service does not collect any personal identifiable information without explicit consent. To view the Agency’s Privacy Act Statement, visit the [USDA website](#).
- 15. Program Income:** Program income is money that is earned or received by a Recipient or a sub-Recipient from the activities supported by award funds or from products resulting from award activities. It includes, but is not limited to, income from fees for services performed and from the sale of items produced under an award; usage or rental fees for equipment or property acquired under an award; admission fees; broadcast or distribution rights; and license fees and royalties on patents and copyrights. The Federal share of program income is determined by the percentage of total project costs that are supported by the Agency.

Income Earned During the Award Period: The Federal share of program income earned during the award period shall be retained by the Recipient and, unless the award specifies how such income will be used, the Recipient must use it in the following way:

It may be added to the existing project funding to cover increased costs of the project.

A report of program income earned during the award period must be submitted with the final Federal Financial Report whenever program income is earned during the award period or when the terms and conditions of the award specifically require such a report. The report shall indicate the total amount of program income that was earned and how it was used.

If income is to be returned to the Agency, the grantee should utilize the [ASAP.gov System](#). If a check must be submitted, the check should be made payable to the Food and Nutrition Service (FNS) and identified as program income must be submitted to the Accounting Division at the following address:

USDA Food and Nutrition Service
ATTN: Accounting Division
P.O. Box 979027
St. Louis, MO 61397-9000

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All checks must include: **Project Fiscal Year, Agency Name, and GAD Number.**
Checks lacking the above information will be returned to the grantee.

Whenever possible, the grantee will return any unobligated funding to the Agency via the ASAP.gov account. The grantee will minimize any transactions utilizing physical checks.

16. **Post-closeout Adjustments:** If the Recipient needs to return funds at the end of the grant period, the Recipient shall log in to their ASAP account and conduct a book adjustment to return the funds electronically. ASAP is only accessible to those with an ASAP login, so the Recipient will need to contact the ASAP help desk directly at [ASAP Help Desk](#) if assistance is needed.