(2) Total in-house costs to the REE Agency. (Direct and indirect costs)
(3) Total in-house costs to the Cooperator. (Direct and indirect costs)

§ 550.17 Peer review.

Upon request of the REE Agency, cooperators may be requested to provide documentation in support of peer review activities and cooperator personnel may be requested to participate in peer review forums to assist the REE Agency in their reviews.

§ 550.18 Assurances/certifications.

(a) Governmentwide Debarment and Suspension (Non procurement)—7 CFR 3017;
(b) Governmentwide requirements for Drug-Free Workplace—7 CFR 3021;
(c) *Non-discrimination.* The Cooperator assures compliance with the following requirement: No person in the United States shall, on the grounds of race, color, national origin, sex, age, religion, political beliefs, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any project or activity under a non-assistance cooperative agreement.
(d) *Protection of human subjects requirements.* The Cooperator assures compliance with the following provisions regarding the rights and welfare of human subjects:
(1) The Cooperator is responsible for safeguarding the rights and welfare of any human subjects involved in research, development, and related activities supported by this Agreement. The Cooperator may conduct research involving human subjects only as prescribed in the statement of work and as approved by the Cooperator's Cognizant Institutional Review Board. Prior to conducting such research, the Cooperator shall obtain and document a legally sufficient informed consent from each human subject involved. No such informed consent shall include any exculpatory language through which the subject is made to waive, or to appear to waive, any of his or her legal rights, including any release of the Cooperator or its agents from liability for negligence.
(2) The Cooperator agrees to comply with U.S. Department of Health and Human Services' regulations regarding human subjects, appearing in 45 CFR part 46 (as amended).
(3) It will comply with REE policy, which is to assure that the risks do not outweigh either potential benefits to the subjects or the expected value of the knowledge sought.
(4) Selection of subject or groups of subjects shall be made without regard to sex, race, color, religion, or national origin unless these characteristics are factors to be studied.
(e) *Animal Welfare Act requirements.* The Cooperator assures compliance with the Animal Welfare Act, as amended, 7 U.S.C. 2131, et seq., and the regulations promulgated thereunder by the Secretary of Agriculture (9 CFR, subchapter A) pertaining to the care, handling, and treatment of warm-blooded animals held or used for research, teaching, or other activities supported by Federal funds. The Cooperator may request registration of facilities and a current listing of licensed dealers from the Regional Office of the Animal and Plant Health Inspection Service (APHIS), USDA, for the Region in which their facility is located. The location of the appropriate APHIS Regional Office, as well as information concerning this requirement, may be obtained by contacting the Senior Staff Officer, Animal Care Staff, USDA/APHIS,4700 River Road, Riverdale, Maryland 20737.
(f) *Recombinant DNA research requirements.* The Cooperator assures that it will assume primary responsibility for implementing proper conduct on recombinant DNA research and it will comply with the National Institute of Health Guidelines for Recombinant DNA Research, as revised.
(1) If the Cooperator wishes to send or receive registered recombinant DNA material which is subject to quarantine laws, permits to transfer this material into the U.S. or across state lines may be obtained by contacting USDA/APHIS/PPQ, Scientific Services—Biotechnology Permits, 4700 River Road, Unit 133, Riverdale, Maryland 20737. In the event that the Cooperator has not established the necessary biosafety committee, a request for guidance or assistance may be made to the USDA Recombinant DNA Research Officer.

(2) [Reserved]

(g) *Agriculture Bioterrorism Protection Act requirements.* The Cooperator assures compliance with the Agriculture Bioterrorism Protection Act of 2002, as implemented at 7 CFR part 331 and 9 CFR part 121, by agreeing that it will not possess, use, or transfer any select agent or toxin without a certificate of registration issued by the Agency.

Subpart C—Management of Agreements

FINANCIAL MANAGEMENT

§ 550.19 Purpose.

Sections 550.20 through 550.25 of this subpart prescribe standards for financial management systems and program management requirements.

§ 550.20 Standards for financial management systems.

(a) REE agencies shall require Cooperators to relate financial data to performance data.

(b) Cooperators' financial management systems shall provide for the following:

(1) Accurate, current, and complete disclosure of the financial results of each REE sponsored project or program in accordance with the reporting requirements set forth in §550.53 of this part. REE requires financial reporting on an accrual basis; however, the Cooperator shall not be required to establish an accrual accounting system. These Cooperators shall develop such accrual data through best estimate for their reports on the basis of an analysis of the documentation on hand.

(2) Records that identify the source and application of funds for federally sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.

(3) Effective control over and accountability for all funds, property and other assets. Cooperators shall adequately safeguard all such assets and assure they are used solely for authorized purposes.

(4) Comparison of outlays with budget amounts for each award. Whenever appropriate, financial information should be related to performance and unit cost data.

(5) Written procedures to minimize the time elapsing between the transfer of funds to the Cooperator from the U.S. Treasury and the issuance or redemption of a check, warrant or payment by other means for program purposes by the Cooperator. To the extent that the provisions of the Cash Management Improvement Act (CMIA) (Pub. L. 101–453) govern, payment methods of State agencies, instrumentalities, and fiscal agents shall be consistent with CMIA Treasury-State Agreements or the CMIA default procedures codified at 31 CFR part 205, ''Rules and procedures for efficient Federal State funds transfer.''

(6) Written procedures for determining the reasonableness, allocability and allowability of costs in accordance with the provisions of the applicable Federal cost principles and the terms and conditions of the award.

(7) Accounting records including cost accounting records that are supported by source documentation.

(c) Where bonds are required in the situations described above, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties, as prescribed in31 CFR part 223, ''Surety Companies Doing Business with the United States.''

§ 550.21 Funding availability.

The funding period will begin on the date of final signature, unless otherwise stated on the agreement, and continue for the project period specified on the cover page of the cooperative agreement.

§ 550.22 Payment.

(a) Payment methods shall minimize the time elapsing between the transfer of funds from the U.S. Treasury and the issuance or redemption of a check, warrant, or payment by other means by the Cooperators. Payment methods of State agencies or instrumentalities shall be consistent with Treasury-State CMIA agreements or default procedures codified at 31 CFR part 205.

(b) Reimbursement is the preferred method of payment. All payments to the Cooperator shall be made via EFT.