

CONDITIONS OF GRANT

Following are the conditions applying to grants made by The Robert Wood Johnson Foundation (“the Foundation”). You should read these conditions carefully prior to signing this form. Your signature on this form constitutes your acceptance in full of all conditions contained herein. To induce the Foundation to make the grant requested hereby, you (“the grantee”) accept and agree to comply with the following conditions in the event that such grant is awarded. As used throughout this form, the term “grant” shall include the income, if any, arising therefrom unless the context otherwise requires.

1. **PURPOSE AND ADMINISTRATION.** The grant shall be used exclusively for the purposes specified in the grantee’s proposal, dated _____, the Request for Project Support Form on page 1 hereof, and related documents, all as approved by the Foundation.

The grantee will directly administer the project or program being supported by the grant and agrees that no grant funds shall be disbursed to any organization or entity, whether or not formed by the grantee, other than as specifically set forth in the grant proposal referred to above.

2. **USE OF GRANT FUNDS.**

- A. No part of the grant shall be used to carry on propaganda or otherwise attempt to influence legislation [within the meaning of Section 4945(d)(1) of the Internal Revenue Code].
- B. No part of the grant shall be used to attempt to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive [within the meaning of Section 4945(d)(2) of the Internal Revenue Code].
- C. No part of the grant shall be used to provide a grant to an individual for travel, study, or similar purpose without complying with the requirements of Section 4945(g) of the Internal Revenue Code as if the grant were made by the Foundation and without prior written approval of the Foundation. Payments of salaries, other compensation, or expense reimbursement to employees of the grantee within the scope of their employment do not constitute “grants” for these purposes and are not subject to these restrictions.
- D. No part of the grant shall be used for a grant to another organization without complying with the requirements of Section 4945(d)(4) and, if applicable, Section 4945(h) of the Internal Revenue Code as if the grant were made by the Foundation and without prior written approval of the Foundation.
- E. No part of the grant shall be used for other than religious, charitable, scientific, literary, or educational purposes or the prevention of cruelty to children or animals [within the meaning of Section 170(c)(2)(B) of the Internal Revenue Code].
- F. The grantee promptly shall repay any portion of the grant which for any reason is not used exclusively for the purposes of the grant. The grantee shall repay to the Foundation any portion of the grant which is not used exclusively for the purposes described in Section 1 hereof within the time specified in the grantee’s proposal or within any approved extension of said time period within fifteen (15) days after such specified time or such extension. If the Foundation terminates the grant pursuant to Section 10 hereof, the grantee shall repay within thirty (30) days after written request by the Foundation all grant funds unexpended as of the effective date of termination and all grant funds expended for purposes or items allocable to the period of time subsequent to the effective date of termination. In the event that any portion of the grant is used for purposes other than those described in Section 170(c)(2)(B) of the Internal Revenue Code, the grantee shall repay to the Foundation that portion of the grant as well as any additional amount in excess of such portion necessary to effect a correction under Section 4945 of the Internal Revenue Code.
- G. If the grantee is directly or indirectly controlled by the Foundation or by one or more “disqualified persons” (within the meaning of Section 4946) with respect to the Foundation, the grantee agrees (i) to expend all of the grant prior to the grantee’s first annual accounting period following the taxable year in which the grantee receives a grant payment, thereby permitting the Foundation to count the grant as a qualifying distribution under Section 4942(g)(3) and (h); and (ii) to submit to the Foundation promptly after the close of the grantee’s annual accounting period a full and complete written report signed by an appropriate officer, director, or trustee, showing that the qualifying distribution has been made, the name and address of the recipient or recipients, the amounts received by each, and that all the distributions are treated as distributions out of corpus.

3. **BUDGET.** Expenditures of the grant funds must adhere to the specific line items in the grantee’s approved grant budget. Transfers among line items (increases and decreases) are permitted under the conditions and to the extent indicated in the Foundation’s Budget Preparation Guidelines in effect at the time of any such proposed transfer, and such Budget Preparation Guidelines in their entirety, and as they may be modified by the Foundation from time to time, are incorporated herein by this reference.
4. **ACCOUNTING AND AUDIT.** The grantee shall indicate the grant separately on its books of account. A systematic accounting record shall be kept by the grantee of the receipt and disbursement of funds and

expenditures incurred under the terms of the grant, and the substantiating documents such as bills, invoices, cancelled checks, and receipts, shall be retained in the grantee's files for a period of not less than four (4) years after expiration of the grant period. The grantee agrees promptly to furnish the Foundation with copies of such documents upon the Foundation's request.

The grantee agrees to make its books and records available to the Foundation at reasonable times.

The Foundation, at its expense, may audit or have audited the books and records of the grantee insofar as they relate to the disposition of the funds granted by the Foundation, and the grantee shall provide all necessary assistance in connection therewith.

5. **REPORTS.** Narrative and financial reports shall be furnished by the grantee to the Foundation for each budget period of the grant and upon expiration, repayment (pursuant to Section 2F hereof), or termination of the grant (pursuant to Section 10 hereof). Such reports shall be furnished to the Foundation within a reasonable period of time after the close of the period for which such reports are made. The narrative report shall include a report on the progress made by the grantee towards achieving the grant purposes and any problems or obstacles encountered in the effort to achieve the grant purposes. The financial report shall show actual expenditures reported as of the date of the report against the approved line item budget. Such reports shall be retained in the grantee's files for a period of not less than four (4) years after expiration of the grant period.

The Foundation may, at its expense, monitor and conduct an evaluation of operations under the grant, which may include visits by representatives of the Foundation to observe the grantee's program procedures and operations and to discuss the program with the grantee's personnel.

6. **COPYRIGHT, FOUNDATION USE OF DATA, AND PUBLIC USE DATA TAPES.** Except as may otherwise be provided in Section 12 hereof, all copyright interests in materials produced as a result of this grant are owned by the grantee. The grantee hereby grants to the Foundation a **nonexclusive**, irrevocable, perpetual, royalty-free license to reproduce, publish, copy, alter, or otherwise use and to license others to use any and all such materials, including any and all data collected in connection with the grant in any and all forms in which said data are fixed. If the box below is checked, the grantee shall, at no additional cost to the Foundation, cause public use data tape(s) to be constructed (with appropriate adjustments to assure individual privacy) in accordance with the specifications of the Inter-University Consortium for Political and Social Research, University of Michigan, including the full tape documentation outlined in the Consortium's current data preparation manual. Unless the Foundation shall otherwise specify, such public use data tape(s) shall include all data files used to conduct the analysis under the grant. The grantee shall transmit one computer-readable copy of such public use data tape(s) and the tape documentation to the Consortium upon expiration of the grant period.

Public use data tape(s) and full documentation required.

7. **PUBLIC REPORTING.** The Foundation will report this grant, if made, in its next Annual Report. The Foundation does not usually issue press releases on individual grants; however, should the Foundation elect to do so, it would discuss the press release with the grantee in advance of dissemination. The grantee may issue its own press announcement but shall seek approval of the announcement from the Foundation before distribution. In addition, the grantee will be asked to review and approve a Program Summary briefly describing the grantee's activity which will be used by the Foundation to respond to inquiries and for other public information purposes. The grantee's approval shall not be unreasonably withheld.

The grantee shall send to the Foundation copies of all papers, manuscripts, and other information materials which it produces that are related to the project supported by the Foundation.

In all public statements concerning the Foundation – press releases, annual reports, or other announcements – the grantee is specifically requested to refer to the Foundation by its full name: The Robert Wood Johnson Foundation.

8. **GRANTEE TAX STATUS.** The grantee represents that it is currently either (i) a tax-exempt entity described in Section 501(c)(3) of the Internal Revenue Code and either (a) is not a private foundation described in Section 509(a), or (b) is an exempt operating foundation described in Section 4940(d)(2); or (ii) an organization described in Section 170(c)(1) or Section 511(a)(2)(B). The grantee shall immediately give written notice to the Foundation if the grantee ceases to be exempt from federal income taxation as an organization described in Section 501(c)(3) or its status as not a private foundation under Section 509(a), as an exempt operating foundation described in Section 4940(d)(2), or as a Section 170(c)(1) or Section 511(a)(2)(B) organization is materially changed.
9. **CERTIFICATION REQUIRED WHEN GRANT MAY BE USED FOR RESEARCH INVOLVING HUMAN SUBJECTS.** If the grant is to be used in whole or in part for research involving human subjects, the grantee hereby certifies that the grantee, applying the ethical standards and the criteria for approval of grants set forth in Department of Health and Human Services policy for the protection of human research

subjects (45 CFR part 46, as amended from time to time), has determined that the human subjects involved in this grant will not experience risk over and above that involved in the normal process of care and are likely to benefit from the proposed research program.

- 10. GRANT TERMINATION. It is expressly agreed that any use by the grantee of the grant proceeds for any purpose other than those specified in Section 170(c)(2)(B) of the Internal Revenue Code will terminate the obligation of the Foundation to make further payments under the grant.

The Foundation, at its sole option, may terminate the grant at any time if (i) the grantee ceases to be exempt from federal income taxation as an organization described in Section 501 (c)(3) of the Internal Revenue Code; (ii) the grantee's status as not a private foundation under Section 509(a), its status as an exempt operating foundation under Section 4940(d)(2), or its status as a Section 170(c)(1) or Section 511 (a)(2)(B) organization is materially altered; or (iii) in the Foundation's judgment, the grantee becomes unable to carry out the purposes of the grant, ceases to be an appropriate means of accomplishing the purposes of the grant, or fails to comply with any of the conditions hereof.

If the grant is terminated prior to the scheduled completion date, the grantee shall, upon request by the Foundation, provide to the Foundation a full accounting of the receipt and disbursement of funds and expenditures incurred under the grant as of the effective date of termination.

- 11. LIMITATION; CHANGES. It is expressly understood that the Foundation by making this grant has no obligation to provide other or additional support to the grantee for purposes of this project or any other purposes. Any changes, additions, or deletions to the conditions of the grant must be made in writing only and must be jointly approved by the Foundation and the grantee.

- 12. SPECIAL CONDITIONS. The grantee accepts and agrees to comply with the following Special Conditions (if no Special Conditions are imposed, so state):

The foregoing conditions are hereby accepted and agreed to as of the date indicated.

Date: _____ Grantee Institution: _____

By: _____
(Signature of Authorized Official)

Title: _____

Date: _____

By: _____
(Signature of Project Director)

**ROBERT WOOD JOHNSON FOUNDATION
GRANT BUDGET REVISION GUIDELINES**

Revisions to your approved grant budget must be requested when changes in your grant project result in the need for additional line items, and/or you anticipate spending in excess of the approved budget categories by more than 5 percent. These categories include Personnel, Other Direct Costs, Equipment, and Consultant/Contractual Agreements. The guidelines that follow will assist you in preparing your budget revision. If you have any questions, please contact the Financial Monitoring Office at (609) 627-5851.

Your budget revision request should include a **NARRATIVE** describing those line items you are requesting to change. A **LINE-ITEM BUDGET** should be submitted in a format that displays your entire original budget for that period and your requested changes. Please be sure to identify the budget period and illustrate your reallocation as demonstrated below. In addition, you should include a narrative that explains how the revised budget item(s) relate to the project, why the changes are needed, and how the proposed amount(s) were determined. If any element of a contract has changed, including the dates, dollars, or deliverables from that previously approved, the following revised information is required: a copy of the contract amendment; or a fact sheet outlining and explaining what elements have changed.

**Grantee: Community Health Coalition Grant #12345
BUDGET PERIOD - January 1, 2001 through December 31, 2001**

<u>Line Items</u>	<u>Approved Amount</u>	<u>Revision Request</u>	<u>Proposed Budget</u>	<u>Expenses Incurred (to date)</u>
PERSONNEL				
Project Director	40,000	- 3,000	37,000	9,250
Case Manager	-0-	25,000	25,000	-0-
Secretary	25,000	-0-	25,000	3,000
OTHER DIRECT COSTS				
Duplicating	2,500	- 1,500	1,000	750
Supplies	1,000	-0-	1,000	250
Marketing	8,000	- 3,500	4,500	2,500
Travel	7,000	- 5,000	2,000	-0-
CONSULTANT/CONTRACTUAL AGREEMENTS				
XYZ Corp.	40,000	-12,000	28,000	28,000
Health Care Corp.	5,000	-0-	5,000	-0-
TOTAL	128,500	-0-	128,500	43,750

THE FOLLOWING POINTS WILL ASSIST YOU IN DEVELOPING YOUR REVISION.

1. Submit your revision in a format that displays your entire budget and your requested changes.
2. Line items for which expenses have been incurred cannot be deleted from your budget. The line item must state the actual expenses incurred as of the date of the revision.
3. Any addition or deletion of approved items should be explained in your budget narrative.
4. Budget revisions may require recalculation of the amount approved for indirect costs.
5. Revisions to personnel line items may change the approved amount for fringe benefits. The proposed fringe benefit amount should be recalculated and stated in the narrative section.
6. In some circumstances, a minor revision of your budget can be requested over the telephone. This method of approval is generally related to revisions in the "Other Direct Costs" category.

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