

ATTACHMENT B PAYMENT PROVISIONS

The State shall pay the University a sum not to exceed the maximum limiting amount specified in Paragraph 8 of this Agreement in accordance with the following provisions:

a. Administrative Coordinator. The following rates are intended to cover only the University's services as NETC Administrative Coordinator, and do not constitute grants or sub-grants for NETC Research Projects:

- i. **Flat Rate.** The State shall pay the University One Hundred Seventy-Nine Thousand Three Hundred Forty-Four Dollars and Forty-Nine Cents (\$179,344.49) per year, with the first year's payment due thirty (30) days after the date of execution of this Agreement and each additional year's payment due one year after the due date for the first payment. In the event this Agreement is extended by less than one year, payment for the extended period shall be prorated.
- ii. **Research-Project Rate.** In addition to the flat rate, the State shall pay the University Eight Thousand Six Hundred Twenty-Five Dollars (\$8,625.00) for each contract that the State and the University enter into with another research institution or agency as sub-grantee for the performance of a Research Project that NETC has awarded. The State shall pay the University fifty-percent (50%) of this sum within thirty (30) days after the execution of the grant assignment for the Research Project and fifty-percent (50%) within thirty (30) days after NETC has closed the completed Research Project. The State shall not pay the University any Research-Project rate for any contracts that the State and the University enter into with the University as grantee and Principal Investigator for the performance of a Research Project that NETC has awarded.
- iii. **Costs and Expenses.** The foregoing flat rate and Research-Project rates include all of the University's costs and expenses, and the State shall not be responsible for any of the University's expenses over and above these payments.

b. Grants and Sub-Grants for NETC Research Projects. The State will allocate the remaining funds up to the maximum amount to the University as Administrative Coordinator to pass through to the University as grantee and Principal Investigator or to pass through to other research institutions or agencies as sub-grantees and Principal Investigators that NETC has selected to perform Research Projects with NETC funds. This Agreement does not obligate the State or NETC to award any grants or sub-grants. The State shall allocate these pass-through funds, if any, for Research Project assignment on an annual basis. The Advisory and Policy Committees will select research proposals considered to

have the highest priority for funding within the amount of funds available. As set forth in Attachment A-1, the University shall be responsible for paying the Principal Investigator for all active Research Project assignments, and the State shall reimburse the University for all authorized expenses that the Principal Investigator incurs and documents in Research Project invoices.

c. Timely Completion of Research projects. The University acknowledges that the State will rely on the University to undertake its activities independently, professionally, and diligently. Among other safeguards to promote performance, this Agreement contains numerous provisions for periodic reporting to the State, as well as State monitoring, approval, modification, or termination of Research Projects. The University nevertheless acknowledges that the University shall be fully and solely responsible for the timely delivery of products that are consistent with the expectations for each Research Project. The written grant agreement or sub-grant agreement for each Research Project that the State assigns to the University shall contain a specific and detailed description of the expected deliverables. The University shall notify the State at once if it learns of a change or proposed change in the University or sub-grantee institution that may affect the scheduled delivery. If the University fails to complete a Research project in a timely manner, whether as the recipient of a grant to the University as Principal Investigator or as the sub-grantor to another institution, then the State reserves all of its rights and prerogatives to seek reimbursement, among other remedies.

End of Attachment B (Payment Provisions)