



DATE: February 19, 2010  
TO: Dr. Francis S. Collins, NIH Director  
FROM: Dr. Michael M. Gottesman, DDIR  
SUBJECT: MOU Between the NIH and FAES

The Foundation for Advanced Education in the Sciences (FAES) was established to foster and encourage scientific research and education in support of the NIH. While the FAES engages in various activities under the oversight and with the cooperation of the FNIH, it was determined that establishment of a formal MOU between the FAES and the NIH that outlines the projects and activities, communications, and resource support would be a useful document. Attached is the general MOU, which will be supplemented with additional MOUs each of which will cover a specific activity (such as the Wednesday Afternoon Lecture Series). This MOU has been designed, reviewed, and approved by the OGC and is in keeping with principles outlined by the Deputy Director for Management. If you concur, please sign the FAES-NIH MOU.

  
Michael M. Gottesman, M.D.  
DDIR

**Memorandum of Understanding  
Between  
The National Institutes of Health  
And  
The Foundation for Advanced Education in the Sciences  
Regarding  
General Operations**

This Memorandum of Understanding (“MOU”) is entered into by and between the National Institutes of Health (“NIH”), an agency of the United States Government, and the Foundation for Advanced Education in the Sciences, Inc. (“FAES”), a Maryland corporation having its office at 1 Cloister Court, Suite 230, Bethesda, Maryland. NIH and FAES are referred to herein individually as a “Party” and collectively as the “Parties.”

WHEREAS, NIH is authorized by Section 401 of the Public Health Service Act to conduct and support research, training, health information dissemination, and other programs with respect to the cause, diagnosis, prevention, and treatment with respect to any particular disease or groups of diseases or any other aspect of human health; and

WHEREAS, FAES is a 501(c)(3) public charity incorporated on August 25, 1959, to foster and encourage scientific research and education; and

WHEREAS, FAES engages in various activities under the oversight and with the cooperation of the Foundation for the National Institutes of Health (FNIH), as agreed upon in an Memorandum of Understanding between FNIH and FAES originally executed on April 27, 2000 and amended on October 5, 2006 (as amended, the “FNIH MOU”);

NOW, THEREFORE, in consideration of the promises and covenants contained herein the Parties agree as follows:

**1. Projects and Activities**

- a. FAES supports NIH’s goal to foster and encourage scientific research and education through various projects and activities with the aim to improve the public health, and uphold the principles of transparency, fairness, inclusiveness, scientific rigor, and compliance with Federal laws and NIH policy. FAES projects and activities include the FAES graduate school, the bookstore, the health insurance program, conference and event management, fellowship and memorial fund administration, and cultural activities but may be expanded as appropriate.
- b. Both Parties agree that the projects and activities involving both FAES and NIH will be memorialized ONLY via a mutually signed memorandum of understanding (each, a “Project MOU”) that will describe the mutual interests of the Parties in each project or activity, the respective activities of the Parties, the

administrative aspects of the project or activity, and such other matters as are specific to each project or activity.

- c. Each Party agrees to engage the other at the earliest possible time regarding the conception and development of, and approval for, additional projects or activities of mutual interest. NIH will instruct its intramural, extramural and administrative employees to submit all requests for projects and activities with the FAES to the Office of Intramural Research (OIR). OIR will review such requests and, if the activity is determined to be appropriate, follow up with FAES as to whether it is interested in supporting the activity. If FAES expresses interest, OIR will provide FAES with an initial draft of a Project MOU. The Parties' commitment to a particular project or activity shall be as set forth in the executed Project MOU.
- d. Copies of signed Project MOUs will be provided to the Deputy Director for Management and to the Director, Office of Science Policy, NIH.

## 2. Communications

- a. *Publicity.* Both parties agree to share, in a reasonable time frame for review and comment, all public communications related to FAES-NIH programs or activities (e.g., websites, press releases, media packets or other communications).
- b. *Annual Meeting.* There will be an annual meeting of the NIH Deputy Director for Intramural Research ("DDIR"), the NIH Liaison to the FAES (if the DDIR has named a designee as Liaison), the FAES Executive Director and the President of FAES. This meeting will provide an opportunity for NIH to share with FAES the priorities of the NIH, to engage in strategic planning, and generally facilitate communications between the Parties. The Executive Director of FNIH will be invited to attend this meeting as part of the FNIH responsibility for oversight of FAES. Meetings may be held more frequently, as desired.
- c. *Annual Report to NIH.* FAES agrees to provide the NIH Director, the DDIR, the Deputy Director for Management, and the Director, Office of Science Policy, with an annual report regarding its prior year activities by June 1 of every year. FAES will also provide NIH information on its current NIH activities.
- d. *FAES Relationship with FNIH.* FAES carries out FAES activities under the oversight, and with the cooperation, of the FNIH, as detailed in the FNIH MOU. Under the terms of the FNIH MOU, FAES and FNIH regularly consult with and cooperate with each other to enable FAES to carry out FAES activities efficiently. FAES agrees to report to FNIH on FAES's conduct of the FAES activities no less frequently than annually and in at least as detailed a form as provided by FAES in its Annual Report to the NIH.

## 3. FAES Board and the Role of NIH Deputy Director for Intramural Research (DDIR) on FAES Board

- a. Both parties agree that the President, First Vice President, and Treasurer of FAES and a majority of the voting members of the FAES Board of Directors shall not be current NIH employees. At no time shall NIH employees serving on the FAES Board of Directors as part of their official duties be sufficient to constitute a quorum under the bylaws of the FAES. At all times, NIH employees serving or seeking to serve as members of the FAES Board or as officers of the FAES as part of their official duties must comply with agency approval and waiver requirements and applicable federal laws and regulations governing their conduct, including restrictions prohibiting lobbying, publicity and propaganda efforts designed to affect any decision regarding State or Federal legislation, fundraising, and involvement in the day-to-day operations of the FAES.
- b. NIH will designate the DDIR as the NIH Liaison to the FAES Board of Directors. As such, the DDIR or his/her designee shall serve as a central point of contact relating to this MOU and to the implementation of individual projects. As NIH Liaison to the FAES Board, neither the DDIR nor his/her designee shall participate in any vote of the FAES Board, but may attend a closed executive session of the FAES Board as an observer, at the discretion of FAES.

4. Resource Support

- a. *NIH Support of FAES.* NIH has provided, and expects to continue to provide, the FAES rent-free space, with associated utility coverage, on the NIH campus for its various activities. Details will be described in a separate agreement with the NIH Office of Research Facilities.
- b. *FAES Support of NIH*
  - (i) To the extent that specific activities of FAES involve direct monetary support to NIH or its Institutes and Centers ["ICs"], the funds shall be provided under the agency's gift acceptance authority at Section 231 of the Public Health Service Act and the NIH procedures in Manual Chapter 1135 on Gifts Administration. The FAES will not administer accounts containing NIH funds on behalf of NIH or its employees. It is understood that all funds accepted by NIH or its ICs from FAES become federal funds, and must be expended in accordance with federal requirements, and can only be used for activities that NIH is authorized to carry out.
  - (ii) It is understood that NIH employees (including Special Volunteers and Guest Researchers) should have no contact with FAES donors with respect to specific personnel or other needs. It is understood that NIH employees may not control, obligate or direct the dispersal of funds belonging to FAES.
  - (iii) It is understood that no NIH employee or individual participating in any NIH training program may accept a gift

(valued at more than \$20), award or other financial support without first receiving confirmation from an NIH ethics official that the individual(s) may accept such gift or other financial support under applicable rules.

- (iv) It is understood that FAES may not ask or invite Federal employees or individuals participating in NIH training programs to engage in lobbying or fundraising activities undertaken by or on behalf of FAES where the employee or training program participant would be asked to use any government resource or his/her government affiliation/association in the context of the lobbying or fundraising activity.

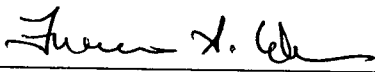
5. Miscellaneous

- a. *Conflict of Interest.* In all activities undertaken by the Parties, FAES and NIH will avoid actual and apparent conflicts of interest in carrying out their activities. Both Parties agree to apply with rigor their respective conflict of interest policies. It is further understood that neither Party shall be granted control or authority over the activities of the other Party. In carrying out their duties, federal employees must adhere to government-wide ethics requirements, set forth in Title 18 of the U.S. Code, the Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R Part 2635 and the Supplemental Standards of Ethical Conduct for HHS Employees, 5 C.F.R. Parts 5501 and 5502.
- b. *Modifications.* Either Party may modify this MOU by written amendment signed by both Parties.
- c. *Termination.* Either Party may terminate this MOU with not less than thirty (30) days prior written notice.
- d. *Entire Agreement.* This MOU contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior and/or contemporaneous agreements or understandings, written or oral, with respect to the subject matter of this MOU, and will be effective upon signature of the Parties, and shall remain in full force and effect until modified or terminated.
- e. *Contacts.* The NIH Deputy Director for Intramural Research is designated as the principal contact for NIH. The President and Executive Director of FAES are designated as the principal contacts for FAES.

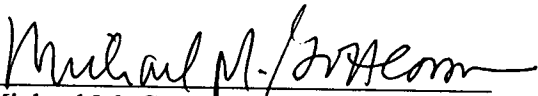
***SIGNATURES BEGIN ON NEXT PAGE***

In Witness Whereof, the parties have executed this MOU effective on the date of the signatures of the Parties below.

**Approved and Accepted for National Institutes of Health**

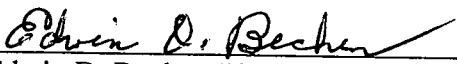
  
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Francis S. Collins, M.D., Ph.D.  
Director

2/26/10  
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Date

  
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Michael M. Gottesman, M.D.  
Deputy Director for Intramural Research

2/23/10  
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Date

**Approved and Accepted for Foundation for Advanced Education in the Sciences**

  
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Edwin D. Becker, Ph.D.  
President

February 22, 2010  
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Date