

U.S. Fish & Wildlife Service

# Basic Financial Assistance Management Course



*2015 Workbook*

THIS PAGE INTENTIONALLY LEFT BLANK

<b>Agenda</b>	<b>1</b>
<b>Goals and Objectives</b>	<b>2</b>
<b>Understanding Grants and Cooperative Agreements</b>	<b>3</b>
<b>Award Management Process</b>	<b>4</b>
<b>Compliance</b>	<b>5</b>
<b>Pre-Award</b>	<b>6</b>
<b>Award: Notice of Award</b>	<b>7</b>
<b>Post Award: Managing &amp; Monitoring</b>	<b>8</b>
<b>Post Award: Reporting Requirements</b>	<b>9</b>
<b>Award Closeout</b>	<b>10</b>
<b>Post Closeout: Ongoing Responsibilities</b>	<b>11</b>
<b>Handouts</b>	<b>12</b>

THIS PAGE INTENTIONALLY LEFT BLANK

1

## **Basic Financial Assistance Management Course**

US Fish and Wildlife Service

National Training Program

May 2015

### **TUESDAY**

#### **MORNING SESSION**

8:30 a.m. Welcome/Introductions/Getting Acquainted  
Review Agenda  
Course Goals and Objectives

#### **MORNING BREAK**

#### **MORNING SESSION (continued)**

Using iPads in Class  
Introduction to Grants and Cooperative Agreements

#### **LUNCH**

#### **AFTERNOON SESSION**

Award Management Process

#### **AFTERNOON BREAK**

#### **AFTERNOON SESSION (continued)**

Compliance  
Review Day 1/Preview Day 2/Wrap-up

5:00 p.m. Adjourn

### **WEDNESDAY**

#### **MORNING SESSION**

8:00 a.m. Review Day 1/Preview Day 2  
Pre-Award

#### **MORNING BREAK**

#### **MORNING SESSION (continued)**

Pre-Award (continued)

LUNCH

AFTERNOON SESSION

Award

AFTERNOON BREAK

AFTERNOON SESSION (continued)

Post-Award: Managing and Monitoring

5:00 p.m. Adjourn

**THURSDAY**

MORNING SESSION

8:00 a.m. Review Day 2/Preview Day 3

Post-Award: Managing and Monitoring (continued)

Post-Award: Reporting Requirements

MORNING BREAK

MORNING SESSION (continued)

Award Closure

Post Closure: Ongoing Responsibilities

LUNCH

AFTERNOON SESSION

BFA Quiz Bowl

AFTERNOON BREAK

AFTERNOON SESSION (continued)

Parking lot / Course evaluations

5:00 p.m. Adjourn

2

**Objectives:**

1. Understand goal and purpose of Servicewide financial assistance administration training.
2. Review the Service's financial assistance training policy requirements

**Handouts:**

- BFA 2-1 – 516 FW 1 Responsibilities for Grants and Cooperative Agreements
- BFA 2-2 – 516 FW 3 Signature Authority for Grant and Cooperative Agreement Awards
- BFA 2-3 – 232 FW 1 Mandatory Financial Assistance Training
- BFA 2-4 – Servicewide Financial Assistance Responsibilities Flowchart

## Goals and Purpose

### Training Program Goal

Provide a systematic and ongoing national training program to develop basic and specialized award management knowledge and skills that result in the consistent and sensible application of regulations, processes, and decisions for financial assistance awards.

The goal of the Training Program is to

The purpose of the Basic Financial Assistance Management Course is to provide a fundamental knowledge of Federal requirements in submitting, reviewing, approving, managing, and auditing USFWS financial assistance awards.

### Course Goal

More effective award management through

- partnering
- knowledge
- communication
- consistency

---

---

### Course Objectives

Upon completion of this course, the participant will be able to

- Describe the Financial Assistance Policy and Oversight (FAPO) Office organization and functions.
- Describe the award process.
- Describe the award management roles and responsibilities of USFWS and its partners.
- Use guidance and other information resources.



**Learning Points**

- ✓ The goal of financial assistance training within the Service is to build a knowledgeable and effective workforce to meet the increasing responsibilities involved in managing its grant and cooperative agreement programs.
- ✓ The purpose of the Basic Financial Assistance course is to work towards the Service's FA goal by providing initial training and resources for all personnel involved in managing grants and cooperative agreements.
- ✓ Established service policy mandates Service personnel working with grants and cooperative agreement awards successfully complete the Basic Financial Assistance course.

THIS PAGE INTENTIONALLY LEFT BLANK

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance****Part 515 Financial Assistance Management****Chapter 1 Responsibilities for Grants and Cooperative Agreements****515 FW 1**

**1.1 What is the purpose of this chapter?** This chapter describes the responsibilities of U.S. Fish and Wildlife Service (Service) officials for grant and cooperative agreement administration, policy, oversight, systems, and training.

**1.2 What is the scope of this chapter?** This chapter applies to all Service employees who work with grants and cooperative agreements.

**1.3 What are the authorities for this chapter?**

**A.** 505 DM 1 and 2, Grants Administration – Policy Development and Management, and Procurement Contracts, Grants and Cooperative Agreements.

**B.** 507 DM 1 and 2, Program Information and Data – Catalog of Federal Domestic Assistance, and Federal Assistance Communication Requirements.

**1.4 What are the overall responsibilities for managing grants and cooperative agreements?** See Table 1-1.

<b>Table 1-1 Overall Responsibilities for Managing Grants and Cooperative Agreements</b>	
<b>These employees...</b>	<b>Are responsible for...</b>
<b>A. The Director</b>	<p><b>(1)</b> Making sure that Service staff comply with Federal laws and Department of the Interior (Department) policies for managing grants and cooperative agreements;</p> <p><b>(2)</b> Making sure that we have national policy and guidance for managing grants and cooperative agreements;</p> <p><b>(3)</b> Providing the Department with reasonable assurance on an annual basis that the Service has developed and implemented processes to:</p> <p style="padding-left: 40px;"><b>(a)</b> Prevent or promptly detect unauthorized use or disposition of assets, and</p> <p style="padding-left: 40px;"><b>(b)</b> Implement and monitor corrective actions when we identify compliance or systemic weaknesses; and</p> <p><b>(4)</b> Ensuring programs respond to audits and reviews in a timely manner.</p>
<b>B. The Deputy Director, Operations</b>	Ensuring that Headquarters and Regional staff resolve any audit or review findings related to grants and cooperative agreements.
<b>C. The Assistant Director – Wildlife and Sport Fish Restoration Program (AD-WSFR)</b>	<p><b>(1)</b> Managing the national policy formulation and oversight, systems, and training for grants and cooperative agreements; and</p> <p><b>(2)</b> Providing administrative and financial support of grant and cooperative agreement awards for Headquarters programs, except for the Migratory Birds and International Affairs programs.</p>
<b>D. Other Directorate Members</b>	<p><b>(1)</b> Carrying out Servicewide policy and guidance for grants and cooperative agreements;</p> <p><b>(2)</b> Making sure their employees are aware of and follow grants and cooperative agreements policies and procedures;</p>

02/12/13  
New

**FEDERAL FINANCIAL ASSISTANCE**

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance**

**Part 515 Financial Assistance Management**

**Chapter 1 Responsibilities for Grants and Cooperative Agreements**

**515 FW 1**

<b>Table 1-1 Overall Responsibilities for Managing Grants and Cooperative Agreements</b>	
<b>These employees...</b>	<b>Are responsible for...</b>
	<p><b>(3)</b> Making sure employees who manage grants and cooperative agreements receive the required training;</p> <p><b>(4)</b> Providing support to the AD-WSFR for audits and reviews, and managing the resolution of any findings related to their programs and Regions;</p> <p><b>(5)</b> Providing annually to the AD-WSFR a list of staff responsible for grants and cooperative agreements as requested, so that the AD-WSFR can provide the information to the Department and other officials; and</p> <p><b>(6)</b> Working with the AD-WSFR to respond to information requests from Congress, the Department, and other Federal agencies that oversee the management of grant and cooperative agreement programs.</p>

**1.5 What are the responsibilities of the offices reporting to the AD-WSFR? See Table 1-2.**

<b>Table 1-2 Responsibilities of the Offices Reporting to the AD-WSFR</b>	
<b>Staff in this office...</b>	<b>Are responsible for...</b>
<b>A. Division of Administration and Information Management (AIM)</b>	<p><b>(1)</b> Communicating grant and cooperative agreement issues and concerns to the AD-WSFR;</p> <p><b>(2)</b> Reviewing, processing, and approving grants and cooperative agreements for Headquarters programs, except for the Migratory Birds and International Affairs programs;</p> <p><b>(3)</b> Developing training strategies, approaches, and materials for grant and cooperative agreement topics that have an impact Servicewide; and</p> <p><b>(4)</b> Delivering national training on grants and cooperative agreements.</p>
<b>B. Branch of Financial Assistance Policy and Oversight (FAPO)</b>	<p><b>(1)</b> Serving as the Financial Assistance Communications Liaison with the Department;</p> <p><b>(2)</b> Developing national policy and guidance;</p> <p><b>(3)</b> Overseeing program compliance with Federal administrative, financial, and systems requirements;</p> <p><b>(4)</b> Responding to Departmental data and policy review requests;</p> <p><b>(5)</b> Conducting internal control and other reviews of grants and cooperative agreements that support the Director's annual assurance statement to the Department;</p> <p><b>(6)</b> Assisting programs with the resolution of programmatic findings from audits and reviews;</p> <p><b>(7)</b> Coordinating the corrective action plans programs develop for findings related to Office of Management and Budget (OMB) Circular A-133 Single Audits, Office of the Inspector General (OIG) investigations, and the</p>

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance**

**Part 515 Financial Assistance Management**

**Chapter 1 Responsibilities for Grants and Cooperative Agreements**

**515 FW 1**

<b>Table 1-2 Responsibilities of the Offices Reporting to the AD-WSFR</b>	
<b>Staff in this office...</b>	<b>Are responsible for...</b>
	<p>Department's annual financial audit;</p> <p><b>(8)</b> Coordinating with programs on submission of Catalog of Federal Domestic Assistance (CFDA) profiles and Single Audit Compliance Supplements; and</p> <p><b>(9)</b> Coordinating with AIM to develop training topics, strategies, approaches, and materials related to Servicewide grant and cooperative agreement policies, procedures, and guidance.</p>
<b>C. Branch of Financial Assistance Systems (FAS)</b>	<p><b>(1)</b> Helping users to resolve issues with the Financial and Business Management System (FBMS) and the U.S. Treasury's Automated Standard Application for Payments (ASAP) system;</p> <p><b>(2)</b> Coordinating Service system issues with Service programs, the Department's Project Management Office (PMO), the Interior Business Center (IBC), and the U.S. Treasury;</p> <p><b>(3)</b> Analyzing, developing, and recommending approaches for Service programs to improve the overall efficiency and effectiveness of grant and cooperative agreement processes;</p> <p><b>(4)</b> Analyzing plans and processes to identify, document, or develop business rules pertaining to Service, Departmental, and Federal award and reporting systems including, but not limited to, the System for Award Management (SAM), CFDA, Grants.gov, FBMS, ASAP, and the Federal Assistance Award Data System (FAADS/FAADS Plus);</p> <p><b>(5)</b> Managing ASAP enrollment and waiver processes in coordination with Service programs;</p> <p><b>(6)</b> Managing Service users in ASAP and Grants.gov;</p> <p><b>(7)</b> Monitoring systems' reports and coordinating required system corrections with users to ensure data quality; and</p> <p><b>(8)</b> Coordinating with AIM to develop training topics, strategies, approaches, and materials related to grant and cooperative agreement systems.</p>

/sgd/ Rowan W. Gould  
DEPUTY DIRECTOR

Date: February 12, 2013

THIS PAGE INTENTIONALLY LEFT BLANK

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 3 Signature Authority for Grant and Cooperative Agreement Awards                      516 FW 3**

**3.1 What is the purpose of this chapter?** This chapter:

- A.** Clarifies which actions related to grant and cooperative agreement awards require the Director's signature (see section 3.4),
- B.** Describes who has the authority to sign grant and cooperative agreement award documents (see sections 3.5 and 3.6), and
- C.** Clarifies when a recipient accepts responsibility for the terms and conditions of the award (see section 3.9).

**3.2 What is the scope of this chapter?** This chapter:

- A.** Applies to all Service programs that issue grant and cooperative agreement awards to States, local and tribal governments, universities, non-profit organizations, small businesses, individuals, and other non-Federal entities;
- B.** Covers signature authority during the new award and amendment phases; and
- C.** Does not cover the selection process for awards.

**3.3 What are the authorities for this chapter?** The authority for this chapter is the Federal Grant and Cooperative Agreement Act of 1977 (31 U.S.C. 6301). See Exhibit 1 for an extensive list of our authorities for issuing grant and cooperative agreement awards.

**3.4 Which actions related to grant and cooperative agreement awards require the Director's signature and must not be redelegated to staff?** The following actions require the Director's signature and must not be redelegated to staff:

- A.** Apportioning funds provided under the Pittman-Robertson Wildlife and Dingell-Johnson Sport Fish Restoration Acts;
- B.** Allocating or reallocating funds provided under the:
  - (1)** Coastal Wetlands Planning, Protection and Restoration Act,
  - (2)** Anadromous Fish Conservation Act,
  - (3)** Endangered Species Act, and
  - (4)** Partnerships for Wildlife Act;
- C.** Issuing new awards and amendments for programs that the Assistant Director – Endangered Species (AD-ES) administers;
- D.** Declaring that a State is ineligible to receive Pittman-Robertson Wildlife and Dingell-Johnson Sport Fish Restoration Act funds because of diversion. Diversion means a State uses revenue from hunting and fishing licenses for something other than administration of the State's fish and wildlife agency; and
- E.** Approving State license certifications (such as for hunting and fishing licenses, stamps, etc.) following 50 CFR 80.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 3 Signature Authority for Grant and Cooperative Agreement Awards                      516 FW 3**

**3.5 Who may sign grant or cooperative agreement award documents?** Except for those items listed in section 3.4, Regional Directors (RDs), the Assistant Director – Wildlife and Sport Fish Restoration (AD-WSFR), the AD – International Affairs (AD-IA), and the AD – Migratory Birds (AD-MB) may award Federal funds by signing grant and cooperative agreement award documents.

**3.6 May the RDs, AD-WSFR, AD-IA, and AD-MB redelegate signature authority to senior staff specialists?**

**A.** Yes. The RDs, AD-WSFR, AD-IA, and AD-MB may redelegate signature authority in writing (see section 3.7) to senior staff specialists, but only if the staff member:

**(1)** Has received at least 24 hours of formal training on:

**(a)** The parts of the CFR related to the administration of grant and cooperative agreement awards, and

**(b)** Department and Service policies that apply to grant and cooperative agreement awards; and

**(2)** Is not the Service Project Officer/Coordinator/Leader/Manager assigned to manage and monitor the grant or cooperative agreement award being signed.

**B.** Training on basic administration and management concepts of financial assistance (i.e., grants and cooperative agreement awards) is available through WSFR, the Department's DOI Learn system, other Federal agencies, professional associations, and commercial entities.

**C.** Staff who are given authority to sign award documents must be able to provide evidence of their compliance with section 3.6(A)(1) during subsequent management reviews or audits.

**3.7 How must the re delegation of the signature authority be documented?**

**A.** The re delegation of signature authority must be documented in a memorandum that the RD, AD-WSFR, AD-IA, or AD-MB signs and dates. Following is suggested text for the re delegation memorandum:

*"In accordance with Service policy (see 516 FW 3), I redelegate the authority to sign grant and cooperative agreement awards in (insert Regional Office, Program Division) to the following individuals:*

- *Primary (insert name and title);*
- *Secondary (insert name and title).*

*Staff performing duties in an "acting" capacity for me or the people named in this memorandum may NOT sign grant and cooperative agreement awards."*

**B.** The memorandum must be maintained in Regional, AD-WSFR, AD-IA, or AD-MB office files for review and audit purposes.

**C.** As the sample language indicates, only staff members specifically named in the signature authority memorandum may sign award documents. Employees who are "acting" for an RD, the AD-WSFR, AD-IA, AD-MB, or an employee named in the signature authority memorandum may NOT sign grant or cooperative agreement awards.

**3.8 Does the person with the Grants Agreement Officer (FA\_AGO) role in the Financial and Business Management System (FBMS) have to be named in the re delegation of signature authority memo?** No. Programs must validate that authorized staff sign the Notice of Award document

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance** **Part 516 FWS Financial Assistance – Award Administration**

**Chapter 3 Signature Authority for Grant and Cooperative Agreement Awards** **516 FW 3**

before the FA\_AGO approves the award in FBMS. The signed Notice of Award letter must be uploaded as a supporting document to the FBMS-PRISM record.

**3.9 Must we require recipients to co-sign the Notice of Award document?**

**A.** No. Asking a recipient to co-sign the Notice of Award document adds an unnecessary burden and processing time to the grant or cooperative agreement award transaction.

**B.** The Department’s standard award terms and conditions specifically state that, “Acceptance of a Federal Financial Assistance award from the Department of the Interior carries with it the responsibility to be aware of and comply with the terms and conditions of award. Acceptance is defined as the start of work, drawing down funds, or accepting the award via electronic means.” It is not necessary to have the recipient sign a grant or cooperative agreement award document to consider it accepted.

/sgd/ Geoffrey S. Haskett  
ACTING DEPUTY DIRECTOR

Date: October 11, 2012

THIS PAGE INTENTIONALLY LEFT BLANK

**FISH AND WILDLIFE SERVICE  
EMPLOYEE DEVELOPMENT AND TRAINING**

**Employee Development and Training****Part 232 Training Operations****Chapter 1 Mandatory Financial Assistance Training****232 FW 1**

**1.1 What is the purpose of this chapter?** The purpose of this chapter is to promote effective and consistent administration of financial assistance awards through the delivery of U.S. Fish and Wildlife Service (Service)-specific financial assistance training.

**1.2 What are the objective and scope of this chapter?**

**A. Objective:** This chapter establishes the minimum training requirement and standards for Service employees who work with grant and cooperative agreement (financial assistance) awards.

**B. Scope:** This chapter covers all Service employees who work with financial assistance awards throughout the award life cycle, i.e., pre-award, award (project period), closeout, and post-closeout (see section 1.8 and Exhibit 1, *Financial Assistance Tasks List*).

**1.3 What are the authorities for this chapter?**

**A.** 370 DM 312.3, Departmental Personnel Program, Competencies.

**B.** 370 DM 410, Departmental Personnel Program, Human Capital Training and Development.

**1.4 Who is responsible for the Service's financial assistance training?** See Table 1-1.

<b>Table 1-1: Responsibilities for Financial Assistance Training</b>	
<b>These employees . . .</b>	<b>Are responsible for . . .</b>
<b>A. The Director</b>	<p><b>(1)</b> Ensuring that the training policy and standards in this chapter are implemented, and</p> <p><b>(2)</b> Ensuring there is a viable training program for employees who work with financial assistance awards, i.e., grants and cooperative agreements.</p>
<b>B. The Assistant Director – Wildlife and Sport Fish Restoration (WSFR) Program through the Division of Administration and Information Management (AIM), Branches of Information Management (IM), Financial Assistance Policy and Oversight (FAPO), and Financial Assistance Systems (FAS)</b>	<p><b>(1)</b> Developing training topics, strategies, approaches, and materials customized to meet the training needs of employees working with financial assistance awards; and</p> <p><b>(2)</b> Overseeing Servicewide implementation of this policy consistent with procedures established for the management, development, and approval of required training (see 231 FW 6).</p>
<b>C. Directorate members</b> in Headquarters and the Regions	Ensuring employees who work with financial assistance awards throughout the award life cycle—i.e., pre-award, award (project period), closeout, and post-closeout—are aware of and follow the requirements in this policy.
<b>D. Supervisors and Managers</b>	<p><b>(1)</b> Ensuring that employees are properly trained to perform their financial assistance work, and</p> <p><b>(2)</b> Implementing the continuous learning policy (see 231 FW 1).</p>

**FISH AND WILDLIFE SERVICE  
EMPLOYEE DEVELOPMENT AND TRAINING**

**Employee Development and Training**

**Part 232 Training Operations**

**Chapter 1 Mandatory Financial Assistance Training**

**232 FW 1**

**1.5 What is the training requirement for Service employees who work with financial assistance awards, and what is the timing for fulfilling it?**

**A. Training requirement:**

(1) Based on their work assignment, employees who work with financial assistance awards must complete one of two Service training courses that meet the minimum training requirement and the standards:

- (a) WSFR employees must take the *Basic Grants Management Course (WSFR-BGM)*.
- (b) All other Service employees who work with grants and cooperative agreements (see section 1.8) must take the *Servicewide Basic Financial Assistance Course*, also referred to as the *Basic Grants and Cooperative Agreements Course (FWS-BFA)*.

(2) Employees who completed either course before the date of this policy have fulfilled this requirement unless one or more of the circumstances in section 1.11 occur.

**B. Timing:** Employees who have not already taken one of the courses before the date of this policy and are currently assigned one or more tasks related to working with financial assistance awards (see Exhibit 1, *Financial Assistance Tasks List*) must complete the training requirement by the end of Fiscal Year (FY) 2017. After FY 2017, employees must complete the training requirement within 12 months of being assigned a task(s) related to working with financial assistance awards.

**1.6 How much of the employee's time does this requirement take?** The FWS-BFA training course is 3 days (i.e., 24 hours of an employee's time), and the WSFR-BGM training course is 4 days (i.e., 32 hours of an employee's time).

**1.7 Are there any other training courses besides those described in section 1.5A that will meet the training requirement?** No. Training offered by other entities is not specific to Service policies and procedures.

**1.8 To which employees does this policy apply?** This policy applies to all employees who work with financial assistance awards.

**A. These employees:**

- (1) Perform one or more of the tasks in Exhibit 1, *Financial Assistance Tasks List*, and
- (2) May include, but are not limited to, those with position titles like Administrative Officer (GS-0341), Budget and Fiscal Officer (GS-0561), Grants Management Specialist (GS-1109), Project Officer (GS-0301), Refuge Manager (GS-0485), and Wildlife Biologist (GS-0486).

**B.** The requirement applies to all approving officials, i.e., those authorized to sign awards, either directly or with delegated signature authority (see [516 FW 3](#)).

**1.9 How do employees register for the Service financial assistance training courses?** Registration is available through [DOI Learn](#).

**FISH AND WILDLIFE SERVICE  
EMPLOYEE DEVELOPMENT AND TRAINING**

**1.10 What are the basic Service standards these courses must cover?** See Table 1-2.

<b>Table 1-2: Service Standards for WSFR-BGM and FWS-BFA Courses</b>	
<b>Course Topics</b>	<b>Basic Standard</b>
<b>Fundamentals</b>	Understanding Grants and Cooperative Agreements
	Award Management Process
	Compliance
<b>Phases of Award Life Cycle</b>	
Pre-Award	Notice of Funding Availability (NOFA), Grants.gov Announcement, Application/Project/Budget Review, Indirect Cost Rate Agreements, Risk Assessment, Award Selection
Award (Project Period)	Award – Notice of Award
	Managing and Monitoring
	Reporting Requirements
Closeout	Closeout Process
Post-Closeout	Ongoing Responsibilities

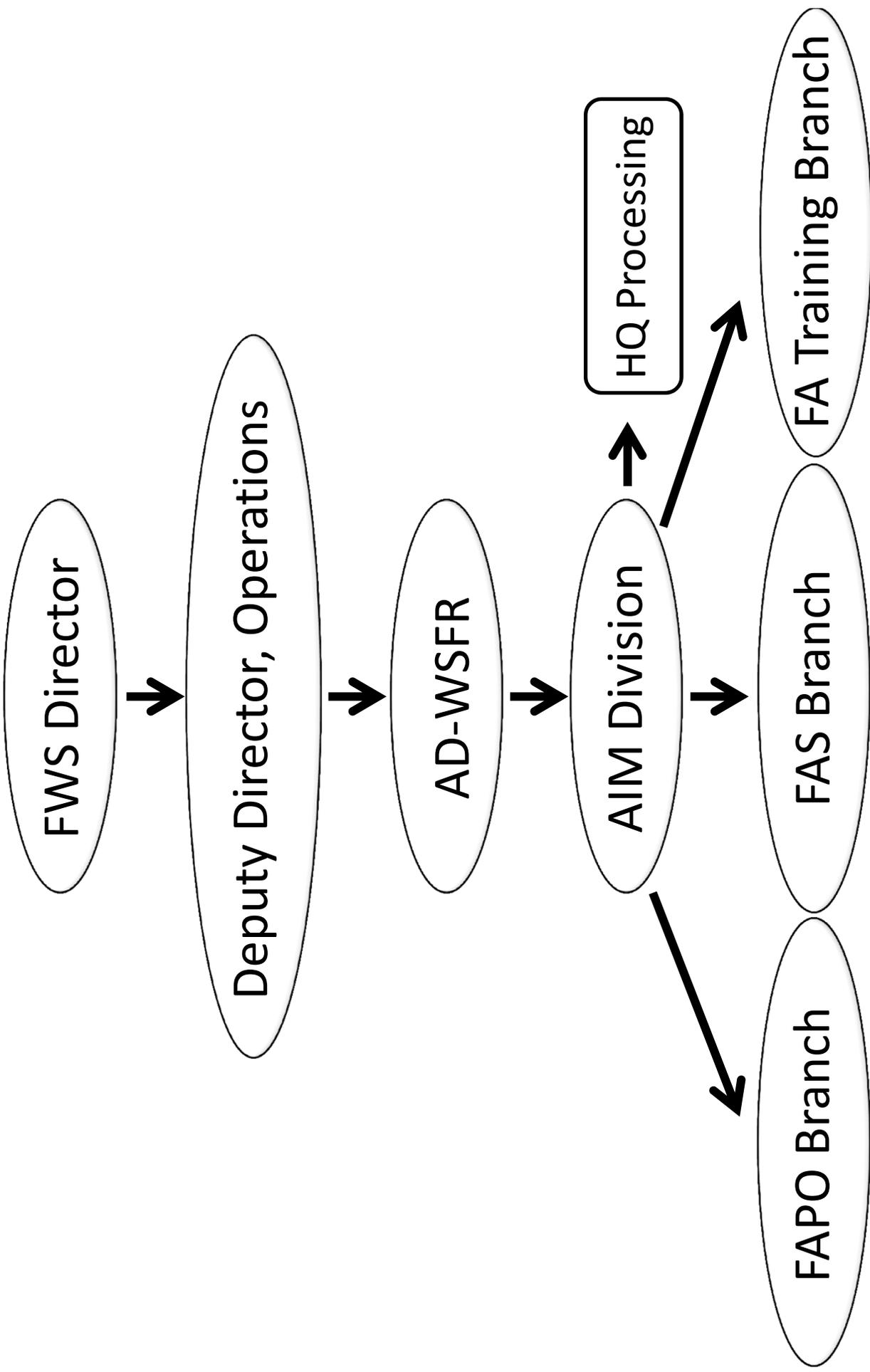
**1.11 When might an employee who works with financial assistance awards be required to take some other training in addition to the training required in this policy?** Additional training may become necessary to address new or changing circumstances, such as:

- A.** Governmentwide or Departmentwide financial assistance requirements;
- B.** Findings from an investigation, review (e.g., an Office of Management and Budget (OMB) A-123 Appendix A review), or an audit; or
- C.** If the Director requires it.

/sgd/ Stephen Guertin  
DEPUTY DIRECTOR

Date: October 17, 2014

THIS PAGE INTENTIONALLY LEFT BLANK



THIS PAGE INTENTIONALLY LEFT BLANK

3

**Objectives:**

1. Identify the proper award instrument.
2. Review new Uniform Guidance (2 CFR 200).

**Handouts:**

- BFA 3-1 – Selection of Funding Instrument Decision Diagram (Attachment 3)
- BFA 3-2 – Incorrect Selection of an Award Instrument Example



**Exercise: Choosing the Correct Award Instrument**

The first step when a federal agency decides to fund an activity is to determine the appropriate award instrument.

*The Federal awarding agency or pass-through entity must decide on the appropriate instrument for the Federal award (i.e., grant agreement, cooperative agreement, or contract) in accordance with the Federal Grant and Cooperative Agreement Act (31 U.S.C. 6301-08).*

2 CFR 200.201(a)

Please answer the following questions, using **505 DM 2 (DM)** and the **FAPO Issuing a New Financial Assistance Award Guidance (FAPO)**. Cite your references.

1. Name two funding tools used by program offices within the USFWS. (FAPO)

---

---

2. If the appropriate funding tool is something other than Financial Assistance, what is the required course of action? (FAPO)

---

---

3. Who determines the appropriate Financial Assistance award instrument? (FAPO)

---

---

4. What are the three legal award instruments used by the USFWS? What is the principal purpose of each? (DM)

---

---

---

---

---



**Exercise: Choosing the Correct Award Instrument**

5. What is the difference between a Grant Agreement and a Cooperative Agreement (FAPO)?

---

---

6. Read 505 DM 2.9B and give a description of Substantial Involvement. What is Substantial Involvement? What is not Substantial Involvement? Give two examples. (DM)

---

---

---

---

---

---

---

## Substantial Involvement

Substantial Involvement occurs when the recipient and the Service participate together in the management and/or performance of the activity/project. The scope of work is programmatic in nature and may provide benefits that otherwise would be unavailable to the recipient.

Substantial Involvement is not the same as the Service's standard Federal stewardship responsibilities and should not be used solely as a means of exercising greater control over the recipient.

Substantial Involvement is **NOT**:

- ✗ Preaward plan approval
- ✗ Site visits
- ✗ Reporting requirements
- ✗ Correction of recipient deficiencies
- ✗ Compliance oversight
- ✗ OMB administrative requirements



505 DM 2.9 B. | FAPO New Award Guidance (Step 1B)

## Defining an Award's Intended Purpose

A primary purpose of the Federal Grant and Cooperative Agreement Act of 1977 (which addresses federal agencies' proper use of procurement contracts, grants, and cooperative agreements) is to "*curb the misuse of financial assistance agreements in procurement situations.*" (DOI OIG Report # W-IN-MOA-0086-2004, p.5). Federal agencies **MUST** use proper procurement policies of the U.S. Government and not circumvent those policies through improper awarding of federal monies via grants or cooperative agreements.

The purposes of these award instruments are as follows:

- Financial Assistance awards support the recipient in its carrying out of a Public Purpose authorized by Federal Law.
- Procurement contract awards acquire goods or services for direct benefit to USFWS.

### Authorized by Public Law?

Federal agencies must have the specific legal authority, authorized by legislation (often called “program”, or “statutory” authority), to enter into grant or cooperative agreements. Without this legal authority, agencies cannot award funds through financial assistance. Legal reviews by FAPO and the Office of the Solicitor (SOL) are readily available<sup>1</sup> to assist Program Offices in making the correct determination.

Statutory authority is identified with the Program’s Catalog of Federal Domestic Assistance (CFDA) number. We’ll discuss this in Module Six.

*“If grant agreements or cooperative agreements are considered, DOI must have the legal authority to provide financial assistance, **because unlike procurement contracts, agencies must have express statutory authority to spend money using a grant or cooperative agreement.**”*

-OIG Advisory Report WR-EV-BIA-0017-2013 (July 2013)

Additionally, agencies are required to cite the correct legal authority used to award the grant or cooperative agreement.

---

---

---

---

---



31 U.S.C. § 6301-6308 | 505 DM 2.8 – 2.9

<sup>1</sup> 505 DM 2.8D states that SOL will normally provide legal reviews within seven workdays.



**Exercise: Administrative Regulations**

As of December 26, 2014, all new Federal financial assistance awards will be governed by 2 CFR 200—previously known as the Super-Circular or Omni-Circular, but now referred to as the **Uniform Guidance**. This rule incorporates eight OMB Circulars, to include administration, cost principles, and audit requirements

Using **2 CFR 200**, please answer questions 1 through 7.

1. The Uniform Guidance is formally known as what?

---

---

2. Where in the Uniform Guidance is the definition for ‘federal award’? What funding instrument types are considered federal awards? What instrument is not considered a federal award?

---

---

---

---

3. According to 200.100, can Federal awarding agencies impose upon recipients any requirements beyond the Uniform Guidance? If so, under what circumstances?

---

---

---

---

4. Briefly describe each of the Uniform Guidance’s subparts.

---

---

---

---



**Exercise: Administrative Regulations cont'd**

5. What section deals with risk assessment of financial assistance applicants? Does this section include suggested areas federal agencies should consider when assessing the risk of applicants? If so, briefly describe them.

---

---

---

---

6. What are the sections of Subpart D?

---

---

---

---

7. How many Appendices are in the Uniform Guidance?

---

---

8. Which Appendix addresses State and Local Government and Indian Tribe Indirect Cost Proposals?

---

---

9. From the BFA Toolkit, open up 48 CFR 31 and give its title below. What is the scope of this part?

---

---

---

---



### Learning Points

- ✓ Program Offices are responsible for determining and implementing the proper award instrument for their program's funding activities.
- ✓ Substantial Involvement differentiates grants from cooperative agreements.
- ✓ Federal agencies must have statutory authority to award money using financial assistance.
- ✓ All grants and cooperative agreements awarded after December 26, 2014 will adhere to 2 CFR 200, referred to as the Uniform Guidance.

U.S. Fish and Wildlife Service

SELECTION OF FUNDING INSTRUMENT DECISION DIAGRAM

For more information, see the Service's Issuing a New Financial Assistance Award Guidance posted on InsideFWS at https://inside.fws.gov/go/post/FAPO-NewAwards

What is the purpose of the action?

Is the award to:
1. Obtain goods or services from a vendor for the direct benefit or use by the Service?
OR
2. Transfer funds, services, or property from the Service to an eligible, non-Federal recipient to carry out a public purpose of support or stimulation as authorized by a law of the United States?

Use a Procurement Contract

- Examples of services that should be acquired through a procurement contract:
- Obtaining supplies, expendable materials or equipment from a vendor (i.e., dealer, distributor, business, or merchant) for Service use
- Service property maintenance and repairs
- Eradication of invasive species on Service property
- Leasing space for Service personnel
- Production or printing of publications primarily for Service use and distribution
- Service document translation
- Studies focused on management of Service resources
- Construction on Service lands

NOTE: An MOU, MOA, or Letter of Intent is not a mechanism to receive or provide financial assistance. See the Service's Issuing a New Financial Assistance Award Guidance for more information.

Use a Financial Assistance Award

NOTE: Federal entities, including other Service programs, may be eligible to compete for awards under some Service programs. When a Federal entity receives a financial assistance award, the award is not issued as a grant or cooperative agreement. Instead, financial assistance awards to Federal entities are issued following the standard business processes for:
- Program-to-program funds transfers, for awards to other Service programs
- Intra-agency awards, for awards to other Bureaus within DOI
- Inter-agency awards, for awards to all other (non-DOI) Federal entities

- Under a cooperative agreement, there is a participatory relationship between the Service and the recipient during the award, with shared performance responsibilities. Examples of activities qualifying as substantial Service involvement:
- Participate and collaborate jointly with the recipient in carrying out the scope of work, including training recipient personnel or detailing Federal personnel to work on the project effort
- Review and approve one stage of work before the next stage can begin
- Prior to award, review and approve proposed modifications or sub-awards
- Help select project staff or trainees
- Direct or redirect the work because of interrelationships with other projects
- Reserve the right to immediately halt an activity if detailed performance specifications are not met
- Limit recipient discretion with respect to scope of work, organizational structure, staffing, mode of operations and other management processes, coupled with close monitoring or operational involvement during performance under the award
Substantial Service involvement does NOT include: awarding funds, assigning a project officer, reviewing and approving reports, processing payments, monitoring to ensure project is completed on time, or performing any other routine administrative or monitoring activities.

Will Service staff be substantially involved in and/or responsible for the management, control, direction, or performance of the project?

Use a Cooperative Agreement

Use a Grant

- Under a grant, the recipient is responsible for determining the method and manner of performance and direction of the sponsored activity. The Service is essentially a "patron" of, i.e., financial contributor to, the recipient's project. The use of a grant award does NOT remove the Service's responsibility to perform routine administrative and monitoring activities, such as:
- Approve recipient project proposal and revisions
- Set reporting schedules
- Conduct desk audits/site visits
- Review and approve required reports
- Manage performance deficiencies or non-compliance issues
- Implement applicable OMB and program regulations
- Assess performance after project completion

THIS PAGE INTENTIONALLY LEFT BLANK

## Incorrect Selection of an Award Instrument

### I. Use of a Cooperative Agreement for Contractual Services

A State university was awarded a cooperative agreement by the USFWS via a program that partners with non-federal entities. The cooperative agreement awarded was for administrative support service provided to the Service program and its partners. These support services included office space, computer support, and other administrative activities.

During an OIG audit of the Service, the auditors questioned the use of a cooperative agreement for what was determined to be service-related activities. This resulted in an audit finding for the Service.

#### **For Discussion**

What issue may be a factor in determining if this award is a contract or cooperative agreement?

---



---



---

### 2. Improperly awarding a Cooperative Agreement instead of a Grant Agreement

The USFWS awarded a cooperative agreement for a project for habitat restoration work on tribal land in the Southwest. During a sample of notice of award letters, auditors reviewed this award and discovered it lacked substantial Federal involvement terms in the statement of work. It was determined that because of this the agreement would have been more appropriately funded as a grant.

#### **For Discussion**

What would be the correct action going forward for future awards?

---



---



---

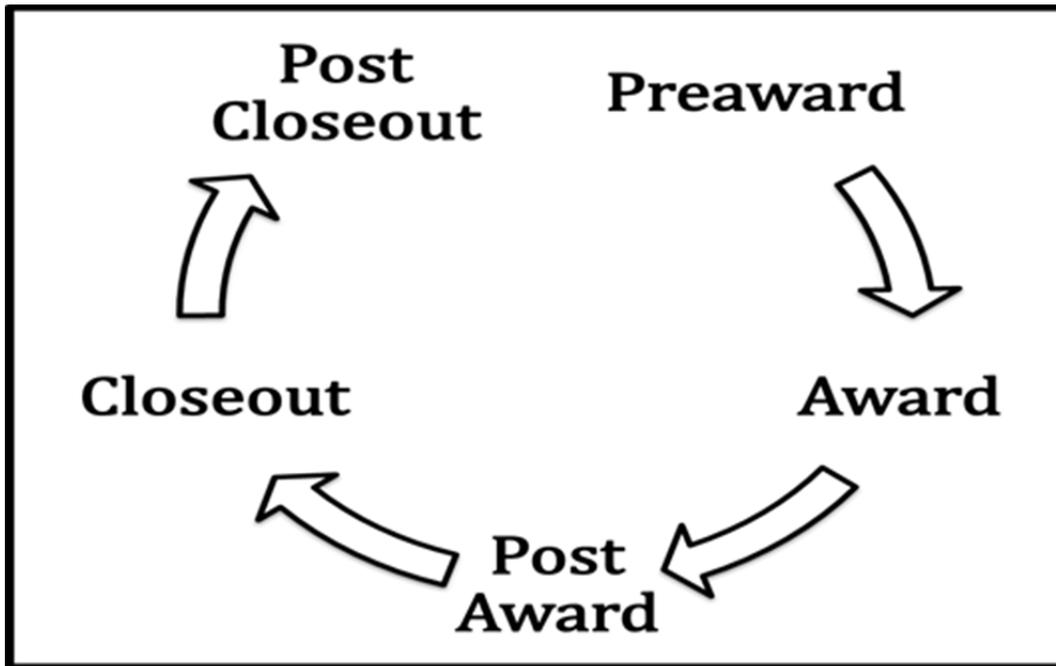
THIS PAGE INTENTIONALLY LEFT BLANK

4

**Objectives:**

1. Become familiar with the Award Management Process.
2. Understand the cooperation, communication, and coordination required to support the Award Management Process.
3. Describe the roles and responsibilities in award management.

## The Award Life Cycle



The award management process follows the life cycle of an award. Various activities are performed during each phase of the process.

Consider your roles and responsibilities in managing Federal awards throughout their life cycle. In addition, consider the people that you will interact and communicate with to effectively manage the award.

Notes:

---

---

---

---

---

## Award Life Cycle Phases

**Pre-Award:** The Program Office completes required prerequisites for the new award opportunity. Recipient develops and submits application package and addresses compliance requirements. The Program Office reviews application package and communicates with recipient to approve award.

**Award:** Once an award is approved the Program Office sends the official award letter to the recipient. Included in letter are: the authorized award amount, terms and conditions, and start and end dates of performance period. This is the legally binding document.

2 CFR 200 follows the Award Management Process in its content layout.

**Post-Award:** Recipient begins work and charges allowable costs, submits payment requests via ASAP, and manages and monitors activities. Award revisions are made if needed. Interim reporting requirements will vary depending on program/award period/recipient type. Compliance concerns may arise (e.g. species found not previously known to be present or artifacts/remains discovered). The Program Office monitors recipient's progress via performance and financial reporting. If a cooperative agreement is used, the Program Office conducts joint programmatic duties as outlined in the award letter.

An optional Closeout checklist is available for Programs to use (Handout in Tab 10)

**Close-Out:** Recipient finishes the work, processes the final payment request, prepares and submits the final performance and financial reports. The Program Office receives final reports, determines status of undisbursed funds, real property, equipment and inventory, and completes award file.

**Post Close-Out:** Address any compliance concerns. Monitor land and equipment use, if applicable. Records maintained.

Notes:

---

---

---

---



**Learning Points**

- ✓ The Award Management Process is a logically organized set of procedures to collect, evaluate, and document specific information for the award.
- ✓ The primary role/responsibility of the recipient is to initiate and implement the award.
- ✓ The Federal role is to review, approve, implement and provide oversight of the award.
- ✓ Many people, Federal and recipient, are involved in the Award Management Process.
- ✓ The Award Management Process requires communication and cooperation to effectively and efficiently manage awards.

5

**Objectives:**

1. Review and determine Federal compliance issues and general award administrative requirements.
2. Identify and discuss specific compliance documentation requirements.
3. Explain the purposes and general requirements of the Statement of Assurances.
4. Understand the NEPA documentation process.
5. Identify the issues that prevent using Categorical Exclusions.
6. Determine the information needed to evaluate the effect on Listed, Proposed to be listed, Candidate Species and/or Critical Habitat.
7. Discuss the importance of this information in the Section 7 evaluation process.
8. Review the National Historic Preservation Act compliance requirements.
9. Discuss various program/project compliance requirements.

**Handouts:**

- Hierarchy of Financial Assistance Diagram
- BFA 5-1 – OMB SF-424B Assurances (non-construction)
- BFA 5-2 – OMB SF-424D Assurances (construction)
- BFA 5-3 – NPS National Register Criteria for Evaluation

## Program Specific Compliance Requirements

Each federal financial assistance program has specific compliance and eligibility requirements in its enabling legislation or funding announcement.

- Purpose of the FA Programs
- Eligible Awardees
- Eligible / Ineligible Projects and Activities
- Spending Mandates, Matching requirements, Funding Limitations
- Special Conditions
- Governing Guidance (CFR, Rules, etc.)

Program-specified compliance may be found in the program's enabling legislation or funding announcement.

Notes:

---

---

---

---

---

---

---

---

---

---

**Exercise: Statement of Assurances**

The SF-424B and D are used to assure compliance with statutory requirements for nonconstruction (form B) or construction (form D) financial assistance programs. The Federal awarding agencies and OMB use information reported on this form for general management of Federal assistance awards programs.

Work as a group to review the Statement of Assurances. Use the Statement of Assurances forms (**SF424B, SF424D**) found in the back of **Tab 5**.

1. Read the Statement of Assurance that is assigned to your group and be prepared to give a one sentence summary.

---

---

---

2. Are all of these assurances applicable to financial assistance applicants?

---

---

3. What is the public reporting burden for this form? What is the OMB information collection clearance approval number? The approval number's expiration date?

---

---

---

4. What happens if the Awardee does not comply with the laws or regulations listed on the Statement of Assurances?

---

---

---

---

## National Environmental Policy Act

The purpose of the NEPA process is to consider detailed information concerning every significant environmental effect on the human environment. Additionally, the process ensures the public plays a role in both the decision-making process and the decision implementation.

Complying with the NEPA process is relatively simple and unimposing for the majority of work proposed under awards administered by USFWS. However, the process does require that specific steps be followed and documented to support conclusions about how the federal action will affect the human environment.

Working through the NEPA decision making process requires evaluating several factors before implementing federally-funded projects.

The Human Environment is the natural and physical environment and the relationship of people with that environment.

### NEPA Factors

- Project Scope
- Potential for Significant Impact on the Human Environment
- Public Interest and/or Controversy Generated

The effect of these factors determines which of the three documentation processes must be followed in complying with NEPA requirements.

### Methods of Documenting NEPA Compliance

- Categorical Exclusion (CE)
  - Extraordinary Circumstances addressed
- Environmental Assessment (EA)
  - Finding of No Significant Impact (FONSI)
- Environmental Impact Statement (EIS)
  - Record of Decision (ROD)



---

## Section 7 of the Endangered Species Act

Federally-funded actions involving listed, proposed, and candidate species will promote the conservation of those species to the greatest extent practical under Federal law.

- Section 7(a)(1): All Federal agencies must determine how to use their existing authorities to further the purposes of the ESA.
- Section 7(a)(2): All Federal agencies—using the best scientific and commercial data available—must insure that any action they authorize, fund, or carry out is not likely to
  - Jeopardize a listed, proposed, or candidate species.
  - Adversely modify designated critical habitat.

An Action includes activities or programs of any kind authorized, funded, or carried out, in whole or in part, by Federal agencies in the United States or upon the high seas.

**-50 CFR 402.02**

---

### How Does USFWS Comply with Section 7 of ESA?

Approve only awards that meet conditions.

- Identify species
  - Identify actions and location
  - Evaluation of effects: by FWS Ecological Services
    - No effect
    - May affect
      - Not likely to adversely affect
      - Is likely to adversely affect
- 
- 
- 
-

---

## Make a Recommendation/Determination

### No Species Present

- Nature of work not on the ground.
- There are no species in the location of groundwork; work is non-destructive. If work is destructive add caveat that work will stop if endangered species/habitat are discovered.

### Species Present:

Work in area with potential for Endangered Species.

- **No Effect:** Activity does not / will not interfere within particular time/season/habitat.
- **Is Not Likely to Adversely Affect:** A Take is unlikely. Describe possible effects, and ways to avoid take.
- **Is Likely to Adversely Affect:** A Take is likely. Formal consultation with ES required.

A **Take** is to “harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, collect, or to attempt to engage in any such conduct”.

### Dealing with a “Likely to Adversely Affect” Determination

- Modify the proposal by changing actions, locations, timing, etc.
- Description of how the Take will be avoided must be thoroughly documented in proposal.
- Elevate high-risk project to Ecological Services Field Office for review and possible formal consultation.

### Avoid Section 7 Pitfalls!

- Consider potential effects during the development of the proposal.
- Provide separate information for each different action and species where there are different recommendations.

---

---

---

---

## National Historic Preservation Act

Section 106 of the National Historic Preservation Act requires federal agencies to account for undertakings on historic properties listed or eligible for listing on the National Register of Historic Places (see Handout BFA 5-3).

The Section 106 process is

- Consultation with a State’s Historic Preservation Office (SHPO) and/or Tribal Historic Preservation Office (THPO).
- Required if the project/action is an undertaking with potential to cause effects on historic properties.

**Historic Property Examples**

- Prehistoric or historic district, site, building or structure.
- Artifacts, records, and remains related and located within such properties.

### What is an “Undertaking”?

Any project, activity, or program funded in whole or in part by a Federal agency, including those (1) carried out by or on behalf of a Federal agency, (2) carried out with Federal financial assistance, or (3) requiring a Federal permit, license, or approval.

### What is the Service’s Responsibility?

Program Offices consult with their Regional Historic Preservation Officer, who may, depending on the activity, work with the appropriate SHPO/THPO.

### What is SHPO/THPO’s Responsibility?

Provide to the Service a written response indicating (1) agreement with a finding of no historic properties present, **or** (2) no adverse effects on historic properties, **or** (3) determine actions that the agency can take to resolve adverse effects.

---



---



---



---

## **Additional Project Dependent Compliance**

The work being performed in the award or the project type may have specific project-dependent compliance that must be considered and documented.

- Permits
- Engineering Diagrams
- Appraisals
- Third Party Agreements
- State Single Point of Contact
  - Intergovernmental Review of Federal Programs (EO 12372)
  - [www.whitehouse.gov/omb/grants\\_spoc](http://www.whitehouse.gov/omb/grants_spoc)
- Lobbying
  - SF-LLL Disclosure of Lobbying Activities

Notes:

---

---

---

---

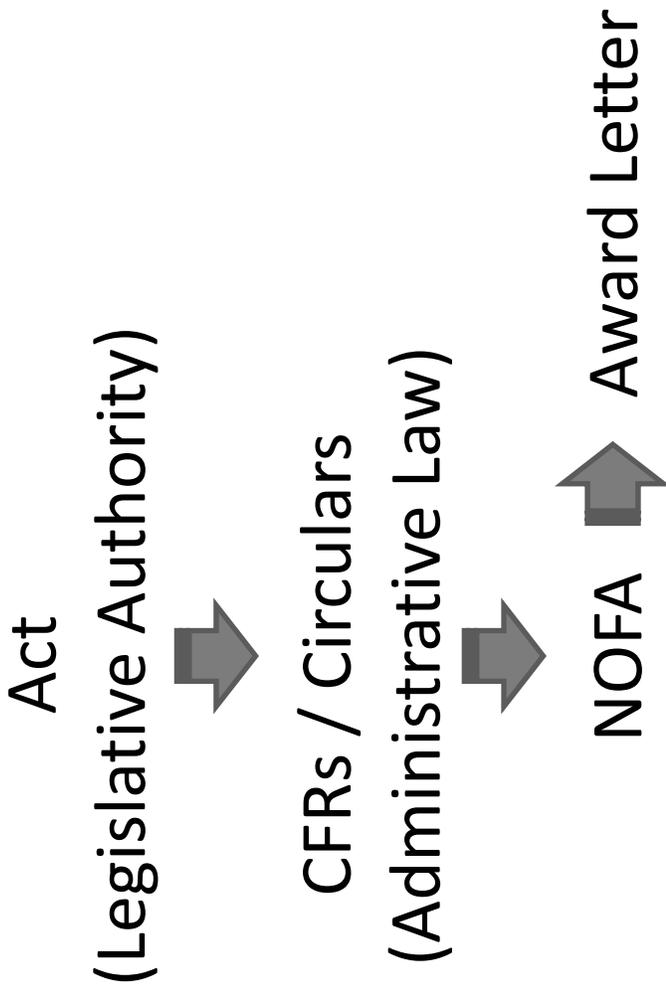


## Learning Points

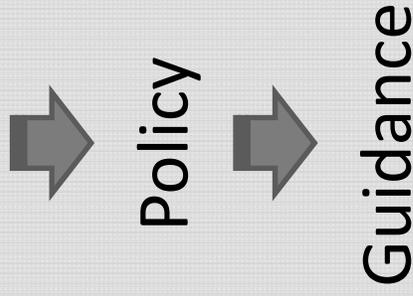
- ✓ Compliance requirements include administrative, environmental, historical, cultural and non-discrimination.
- ✓ Compliance requirements are found in the enabling legislation, governing program guidance, administrative requirements and the Service Manual Chapters.
- ✓ The Statement of Assurances documents the recipient's acceptance of the compliance requirements listed on the assurance form.
- ✓ Compliance requirements will vary depending upon the project type.
- ✓ The NEPA process assesses a project's impact on the human environment.
- ✓ The three types of NEPA documentation processes are Categorical Exclusion, Environmental Assessment, and Environmental Impact Statement.
- ✓ The scope, potential for significant impact on the human environment, and the public interest and/or controversy of a project will determine the NEPA documentation process.
- ✓ The NEPA process requires documenting the effect a project has on endangered species.
- ✓ The Section 7 process supports the NEPA decision.
- ✓ Section 106 of the National Historic Preservation Act considers potential negative impacts on the Nation's historic and cultural properties and artifacts.

THIS PAGE INTENTIONALLY LEFT BLANK

# Hierarchy of Financial Assistance



Applicable to All



Internal FWS Processes

THIS PAGE INTENTIONALLY LEFT BLANK

**ASSURANCES - NON-CONSTRUCTION PROGRAMS**

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL  <input type="text"/>	TITLE  <input type="text"/>
APPLICANT ORGANIZATION  <input type="text"/>	DATE SUBMITTED  <input type="text"/>

## ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009  
Expiration Date: 06/30/2014

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant:, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL  	TITLE  
APPLICANT ORGANIZATION  	DATE SUBMITTED  

**NATIONAL PARK SERVICE**  
**NATIONAL REGISTER CRITERIA FOR EVALUATION**

Criteria for Evaluation

The quality of significance in American history, architecture, archeology, engineering, and culture is present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling, and association, and:

- A. That are associated with events that have made a significant contribution to the broad patterns of our history; or
- B. That are associated with the lives of significant persons in or past; or
- C. That embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- D. That have yielded or may be likely to yield, information important in history or prehistory.

**Criteria Considerations:**

Ordinarily cemeteries, birthplaces, graves of historical figures, properties owned by religious institutions or used for religious purposes, structures that have been moved from their original locations, reconstructed historic buildings, properties primarily commemorative in nature, and properties that have achieved significance within the past 50 years shall not be considered eligible for the National Register. However, such properties will qualify if they are integral parts of districts that do meet the criteria or if they fall within the following categories:

- a. A religious property deriving primary significance from architectural or artistic distinction or historical importance; or
- b. A building or structure removed from its original location but which is primarily significant for architectural value, or which is the surviving structure most importantly associated with a historic person or event; or

c. A birthplace or grave of a historical figure of outstanding importance if there is no appropriate site or building associated with his or her productive life; or

d. A cemetery that derives its primary importance from graves of persons of transcendent importance, from age, from distinctive design features, or from association with historic events; or

e. A reconstructed building when accurately executed in a suitable environment and presented in a dignified manner as part of a restoration master plan, and when no other building or structure with the same association has survived; or

f. A property primarily commemorative in intent if design, age, tradition, or symbolic value has invested it with its own exceptional significance; or

g. A property achieving significance within the past 50 years if it is of exceptional importance.

- This exception is described further in NPS "How To" #2, entitled "How to Evaluate and Nominate Potential National Register Properties That Have Achieved Significance Within the Last 50 Years" which is available from the National Register of Historic Places Division, National Park Service, United States Department of the Interior, Washington, D.C. 20240.

6

**Objectives:**

1. Identify and explain the purpose of the components of the award proposal package.
2. Determine reason for compliance and other supporting documents in proposal package.
3. Determine applicant eligibility.
4. Describe the communication / personnel involved in developing, reviewing and approving the award proposal.

**Handouts:**

- BFA 6-1 – FWS Memo on CFDA Pseudo Codes
- BFA 6-2 – CFDA FAQ
- BFA 6-3 – New Award Checklist Form FWS 3-2460 (Attachment 4)
- BFA 6-4 – Notice of Funding Opportunity Template (Attachment 2)
- BFA 6-5 – DIG 2013-06 Cost Review Guidance
- BFA 6-6 – 516 FW 5 DUNS and SAM Registration Requirements
- BFA 6-7 – 516 FW 6 Issuing Discretionary Grant and Cooperative Agreement Awards without Competition
- BFA 6-8 – Determination for Issuing a Single Source Financial Assistance Award Form FWS 3-2452
- BFA 6-9 – Indirect Costs and Negotiated Indirect Cost Rate Agreements (Attachment 6)
- BFA 6-10 – Single Source Awards and the Appearance of Conflict of Interest Examples
- BFA 6-11 – Questioned Indirect Costs Examples

## Identifying the CFDA Number

The Program Office must identify the Catalog of Federal Domestic Assistance (CFDA) number under which the financial assistance award is being funded. Use of pseudo-CFDA numbers is prohibited (see handout **BFA 6-1**).

If the proposed funding activity **does not** have a CFDA number, select the most appropriate general USFWS CFDA number.

- 15.649 - Training and Technical Assistance projects
- 15.650 - Research Grants
- 15.664 - Congressionally mandated or directed awards and Fish and Wildlife Coordination and Assistance programs

How is the CFDA used?

- A-133 Single Audit
- Grants.gov
- FAADS
- USASpending.gov
- Recovery.gov

---

## Still unsure which CFDA number is applicable?

It may be necessary for a Program Office to reevaluate a proposed funding activity if no CFDA number can be identified. Two questions to ask are:

- Will the proposed activity accomplish a public purpose of support or stimulation authorized by federal statute?
- Will the primary beneficiary be the public, as opposed to the Federal Government?

If the answer to these questions is no, the Program Office should reconsider financial assistance as the intended award instrument. A procurement contract may be more appropriate.

If still unsure, ask FAPO for assistance.



[www.cfda.gov](http://www.cfda.gov) | 505 DM 2.6 | FAPO New Award Guidance (Step 8)

## Single Source Awards

A funding opportunity specifically awarded to an appropriate partner based on demonstrable criteria, e.g.

- Unsolicited proposal
- Continuation of activity
- Statutorily designated
- Unique Expertise
- Emergencies

Documentation of single source decisions must be included in the award file. Use **FWS Form 3-2452**

Single Source award documentation applies only to discretionary awards; this requirement is not applicable to mandatory formula award programs.

---

---

---

---

## Considerations when making Single Source Award determinations

- Does it withstand scrutiny?
- Does it protect the public interest?
- Is it consistent with
- Management priorities?
- Agency objectives?
- Statutory requirements?

The Program office **must** justify issuing an award without competition (single source award), regardless of award amount.

---

---

---

---

## Posting the Funding Opportunity

The program office must post a funding opportunity for all discretionary programs regardless of the funding amount.

This posting must include

- a synopsis
- a complete application package (to include instructions)

Mandatory Programs are not required to post funding opportunities, but may do so if desired.

Not sure if your Program is discretionary or mandatory? Go to [www.cfda.gov](http://www.cfda.gov), locate your program, and check under 'Section 060: Types of Assistance' to find out.

---

---

---

---

## Funding Opportunity Posting Exemptions

- Award is under \$25,000 and 100-percent of eligible applicants reside outside of the US.
- Single source award under \$25,000.
- Awards made under the Indian Self Determination and Education Assistance Act.
- An award for which there is insufficient time available (due to compelling and unusual urgency, or substantial danger to health and safety) for adequate competitive procedures to be followed.

See FAPO's New Award Guidance's Step 3 for specific instructions on posting funding opportunities.



---

## Reviewing and Approving the Application Package

Program Offices are responsible for (1) receiving, (2) reviewing, and (3) approving application packages. Included in the application package are proposal documents outlining in sufficient detail the scope of work, objectives, costs, and other required information for the proposed project(s). FAPO's Notice of Funding Availability and Application Instructions (BFA 6-4) provides guidance on the required elements for financial assistance applications.

### The Project Narrative – What are you evaluating?

- Statement of Need.
- Problem, Issue or Opportunity.
- Goals and Objectives.
  - SMART objectives (Specific, Measureable, Achievable, Relevant, Time-bound).
- Project Activities, Methods, Timetable (Scope of Work).
  - Who, What, When and Where?
- Costs - Consistent across all documents.
  - Cost effectiveness.
  - Applicable cost principles.
  - Approved indirect rate.
  - Pre-award costs.
- Compliance
  - Compliance documentation agrees with work described in proposal?
  - Project-dependent compliance?

Notes:

---

---

---

---

---



**Exercise: Reviewing the Application Package**

Using the FAPO New Award Guidance (**FAPO**), **516 FW 5**, and NOFA Application Instructions (**NOFA**), answer the following questions. Cite your references.

1. Which policy addresses DUNS and SAM registration? According to this policy, which FA applicants are exempt from DUNS and SAM registration? When can the DUNS and SAM requirement be waived?

---

---

---

---

2. From the NOFA, list the required documents for an application. Are NEPA, Section 7, and Section 106 documents required as well?

---

---

---

---

---

---

---

---

3. How does the New Award Guidance define pre-award costs? How does an applicant qualify for pre-award costs?

---

---

---

---

---



**Exercise: Reviewing the Application Package**

4. According to the New Award Guidance, when is an applicant required to have an A-133 Single Audit? How does the applicant disclose this? What are the Service’s documentation requirements?

---

---

---

---

---

---

---

5. Does the New Award Guidance allow review of applications from entities with active exclusions on the Excluded Parties list? What is the review process for these entities?

---

---

---

---

---

---

---

6. What is the New Award Guidance’s requirement for housing centralized subject-matter files for financial assistance awards?

---

---

---

---

---



## Learning Points

- ✓ Unless exempt, funding opportunities must be posted to Grants.gov.
- ✓ Awards cannot be approved without submission of appropriate documents.
- ✓ Unless exempt, all applicants must have a valid DUNS number and an active registration in System for Award Management (SAM).
- ✓ USFWS must verify with the Excluded Parties List (in SAM) that the recipient is not ineligible to receive Federal awards.
- ✓ Recipients expending \$750,000 or more in Federal funds in their fiscal year must submit an A-133 Single Audit report to the Federal Audit Clearinghouse. USFWS must verify submission.
- ✓ Cost information must be consistent across the award documentation.
- ✓ If charging indirect costs the recipient must have an approved indirect cost rate from their cognizant Federal agency.
- ✓ Award file documentation must be housed in the appropriate file locations.



# United States Department of the Interior

FISH AND WILDLIFE SERVICE  
Washington, D.C. 20240



In Reply Refer To:  
FWS/WSFR/AIM/ 044557

APR 07 2010

Memorandum

To: Service Directorate

From: **ACTING** Director

Subject: Conversion of Pseudo Codes to Catalog of Federal Domestic Assistance (CFDA) Numbers and Service Financial Assistance Programs Identifying or Obtaining CFDA Numbers  
**(Response due no later than July 31, 2010)**

## Summary of Required Actions

Effective immediately, do not issue financial assistance (FA) awards (grants and cooperative agreements) using pseudo codes or Temporary Program Numbers (TPNs).

In addition, all Service FA programs managing awards under pseudo codes or TPNs must convert to a current or newly assigned CFDA number no later than July 31, 2010. At the discretion of the awarding program Division, active awards may:

- a) Be amended to identify an appropriate Service CFDA number;
- b) Complete the close out process by July 31, 2010; or
- c) Complete an application\* for a new CFDA number  
*(\*Allow four weeks for the CFDA application process to be completed)*

For the Service, the CFDA is a 5-digit number (15.600s series) that uniquely ties an award to its source of funds and authorizing legislation. CFDA determinations must be documented and must be made in consultation with relevant national or regional offices of Program, Finance, Budget, and/or Contracting and General Services. These steps will ensure the exercise of internal management controls; accuracy in the use of appropriate accounts and activity codes identified in the legislative authority of each financial assistance program; and documentation of the official award file for audit purposes. For a guide to the relationship between CFDA's and Sub-activity Codes, please refer to the Chart provided at <http://wsfrprograms.fws.gov/Subpages/FACT/fact.html>.

Attachments

**TAKE PRIDE  
IN AMERICA**

## Background – Federal Information Distribution and Standardization Initiatives and Department Policy

The Federal Program Information Acts (P.L. 95-220 and P.L. 98-169) provide for the efficient and regular distribution of information about Federal domestic assistance programs. Under the requirements of revised Office of Management and Budget (OMB) Circular A-89 (<http://www.whitehouse.gov/omb/rewrite/circulars/a089/a089.html>), the General Services Administration (GSA), OMB, and executive branch agencies that administer domestic assistance programs are to carry out their statutory responsibilities. Federal standardization and transparency principles were enacted for the effective management of financial assistance awards in 1999 under the Federal Financial Assistance Management Improvement Act (P.L. 106-107) and reinforced in 2006 under the Federal Assistance Accountability and Transparency Act (P.L. 109-282).

The Department of the Interior's (DOI) Policy and Guidance, 507 DM 1, revised March 29, 2006, requires that:

- 1) All federally funded assistance programs administered by the Department obtain Catalog of Federal Domestic Assistance (CFDA) numbers, and
- 2) Any pseudo codes being used be converted to a CFDA number designated to the awarding Bureau.

In November 2009 the Department's Office of Inspector General (OIG) issued a report, Recovery Oversight Advisory – Concerns About Catalog of Federal Domestic Assistance Numbers, ROO-ROA-MOA-1013-2009. The report identified DOI's failure to use mandated CFDA numbers and the potential negative impact the lack of CFDA designation has on enforcement, notably recipient reporting under Section 1512 of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

### Why Is Elimination of Pseudo Codes Now A High Priority?

The elimination of pseudo codes is a critical step toward fulfilling the Service's compliance with DOI policy and Federal laws. Using the correct CFDA number is important because it uniquely identifies the source of funds for: a) funding opportunities announced on [www.Grants.gov](http://www.Grants.gov); b) the award document; c) recipient progress and financial reporting; d) audit reports (e.g., A-133); and e) related sub-awards. As a result, the CFDA number is perhaps the most essential component for identifying, reporting, tracking, and auditing Federal financial assistance funding and activities.

The need to make this a priority relates directly to the Service's accurate reporting of expenditures to the Federal Assistance Awards Data System (FAADS) and [www.USASpending.gov](http://www.USASpending.gov); as well as in preparation for deployment into the Department's on-

line Financial and Business Management System (FBMS) in FY11. The cleansing of FA data and conversion to valid CFDA numbers are essential features of the Service's transition into the grants management component of FBMS. Future awards and transactions will not be processed without a valid CFDA number.

### Service Requirements

Awards (grants, cooperative agreements, direct payments, and direct appropriations) using pseudo codes and FA programs without a CFDA number are required to identify an appropriate CFDA number or obtain a new program CFDA number regardless of program size or reoccurrence. The following timeline and attached tracking tool will help you meet the July 31, 2010 deadline:

	Action(s)
Apr -- May	Conduct an assessment to identify all active awards using pseudo codes or TPNs
May -- June	As necessary, 1) Amend active awards to reflect an appropriate CFDA number, <b>OR</b> 2) Begin the award closeout process, <b>OR</b> 3) Apply for a new program CFDA number
June -- July	Complete the closeout process of awards using pseudo codes or TPNs Issue awards under newly designated program CFDA numbers

Listed below are the pseudo codes previously used by the Service:

15.FFA	Fisheries
15.FFB	Fish and Wildlife Enhancement
15.FFC	Refuges and Wildlife
15.FFE	Research/Issues
15.FFF	Automated Data Processing Projects
00.000	Otherwise Not Listed
99.999	Unknown

Depending on the authorizing legislation, many of the awards issued under the pseudo codes identified above may be eligible to use one of two generic CFDA numbers designated to the Service in 2007 (see Controls and Monitoring Guidance for the Use of Service-wide, Generic CFDA Numbers, FWS/CFM/031763). The Service-wide generic CFDA numbers are:

- ✘ 15.649 – Training and Technical Assistance  
(<https://www.cfda.gov/index?s=program&mode=form&tab=step1&id=91772e830b0037323a790eba84cbb88d>), and
- ✘ 15.650 – Research  
(<https://www.cfda.gov/index?s=program&mode=form&tab=step1&id=2057228d8fd7655fa0d9e376d4db7d54>).

**Prior to selecting any CFDA number**, first, use the hyperlink to the Catalog of Federal Domestic Assistance for a list of the Service's financial assistance programs (<https://www.cfda.gov/index?s=agency&mode=form&tab=program&id=000710afb4d72c15f9fc20a8317319d0&cck=1&au=&cck=>). Review each Program Profile and determine whether

the program's activity is funded under the Authorization (040) and the Account Identification (121).

Second, if the FA activity is a one-time, project-unique, small dollar value (>\$500K), and of limited duration, consider whether it might qualify under one of the two Service-wide generic CFDA numbers (15.649 – Training/TA, 15.650 – Research) designated in 2007 (see FWS/CFM/031763).

### Resources to Help You With Conversion or CFDA Application Processes

To assist financial assistance programs with these processes, the Service makes the following resources available for your use:

- Service financial assistance programs with current CFDA numbers at:
  - <http://wsfrprograms.fws.gov/Subpages/FACT/fact.html>  
Click outreach materials – FA Reference Tools - Service CFDA's as of Nov09
  - GSA's webpage of Service CFDA numbers  
[https://www.cfda.gov/index? so list froma345e59a09d0aa1d5eef16228ddd7b4c=120& so list froma345e59a09d0aa1d5eef16228ddd7b4c\\_page=7&](https://www.cfda.gov/index?so_list_froma345e59a09d0aa1d5eef16228ddd7b4c=120&so_list_froma345e59a09d0aa1d5eef16228ddd7b4c_page=7&)

and

- Instructions and application form to complete for a new program CFDA number.  
*Allow 4 weeks for the CFDA application process to be completed.*
  - CFDA Application Toolkit at  
<http://wsfrprograms.fws.gov/Subpages/FACT/fact.html>  
Click outreach materials – CFDA Application Toolkit

Please consult with Lois Paul, Office of Financial Assistance Coordination at 703.358.2459 or [lois\\_paul@fws.gov](mailto:lois_paul@fws.gov) for further guidance in:

- ✓ Determining whether the use of one of the two generic CFDA numbers is appropriate for your program, and
- ✓ Completing an application for a new program CFDA number.

## **Catalog of Federal Domestic Assistance Frequently Asked Questions**

### **What is the Catalog of Federal Domestic Assistance (CFDA)?**

The Catalog of Federal Domestic Assistance is a government-wide compendium, managed by the General Services Administration (GSA), of Federal programs, projects, services, and activities that provide assistance or benefits to the American public. The CFDA contains financial and non-financial assistance programs administered by departments and establishments of the Federal government. The primary purpose of the CFDA is to help the public obtain general information about Federal assistance programs.

### **What is a CFDA Number?**

Based on an application process, GSA assigns each Federal assistance program a unique, 5-digit number by agency and program. The CFDA Number promotes transparency to the public of program data and funds tracking through the Federal assistance lifecycle. The CFDA Number is a required data element in a variety of government-wide financial assistance management and transparency reporting systems such as Grants.gov, Federal Assistance Award Data System (FAADS), FAADS Plus (USASpending.gov) and Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS.gov).

### **How do I find my assistance program's CFDA Number?**

Many CFDA programs are established based on their authorizing legislation. Other programs are established based on their unique purpose, goals and objectives. To find your program's CFDA number, start by reviewing the [U.S. Fish and Wildlife Service Program Profiles](#) document posted on InsideFWS at <https://inside.fws.gov/go/post/CFDA>. The first column of this document contains the CFDA Number for each of the Service's active CFDA programs. To view the full program posting for any of the Service's CFDA programs, go to <https://www.cfda.gov/> and search by the CFDA Number. If you have any questions about a particular CFDA program, contact your servicing office, the program point(s) of contact identified in the last column of the [U.S. Fish and Wildlife Service Program Profiles](#) document or the Service's CFDA Coordinator.

### **What if I am having trouble identifying my assistance program's CFDA Number?**

If you are having difficulty identifying your program's CFDA Number, please contact the Service's CFDA Coordinator for assistance. It is important that you do not randomly assign a CFDA Number to a Grants.gov Funding Opportunity or to a grant or cooperative agreement award.

### **What if my assistance program does not have a CFDA Number?**

All Service assistance programs that have existed for longer than one year must apply to be included in the CFDA and assigned a unique CFDA Number. To obtain a CFDA Number for your financial assistance program, complete the [New CFDA Requests-Program Profile Template](#) posted on InsideFWS at <https://inside.fws.gov/go/post/CFDA> and submit it to the Service's CFDA Coordinator.

New/emergent financial assistance programs may use one of Service's three general CFDA Numbers, as appropriate to the type of award, until the program's unique CFDA Number is applied for and assigned. The Service's general CFDA programs are:

- 15.649 for training and technical assistance projects
- 15.650 for research projects
- 15.664 for Congressionally mandated or directed (earmarked) awards

**Once my assistance program obtains a CFDA Number, how do we keep program information current on [www.cfda.gov](http://www.cfda.gov)?**

All CFDA Program profiles must be updated annually. Each year, typically in early December, the Service's CFDA Coordinator will issue a data call for CFDA Program profile updates under the Director's signature. The request will be accompanied by a profile update template and detailed instructions on how to complete the template. Annual CFDA updates are typically due to the Service's CFDA Coordinator between January and early February. Bureau annual CFDA updates are due to the Department on March 1<sup>st</sup>. Contact the Service's CFDA Coordinator with any questions on annual updates.

**What if my CFDA program is not expected to receive any new funding?**

CFDA programs that do not receive any new funding should be archived (deactivated) once all open awards associated with the CFDA are closed. CFDA programs become archived (deactivated) in two ways:

1. When the CFDA program contact requests that the program be archived, or
2. When a complete annual update is not submitted for the CFDA in a given year.

Although, CFDA programs may be archived by request at any time, by sending an e-mail request to the Service CFDA Coordinator, we recommend archive requests be submitted during the open period for updates, February through September 30.

**Can an archived CFDA program be reactivated?**

Yes. Archived CFDA programs can be reactivated at the program's request anytime. To request the reactivation of an archived CFDA, complete the [New CFDA Requests-Program Profile Template](#) posted on InsideFWS at <https://inside.fws.gov/go/post/CFDA> and submit it to the Service's CFDA Coordinator along with a justification on why the CFDA needs to be reactivated.

**What if my office does not have a formal financial assistance program but does occasionally award non-competitive (single source) grants and/or cooperative agreements?**

Programs issuing non-competitive (single source) awards should use one of the Service's three general CFDA Numbers, as appropriate to the type of award. The Service's general CFDA programs are:

- 15.649 for training and technical assistance projects
- 15.650 for research projects
- 15.664 for Congressionally mandated or directed (earmarked) awards

If the Service general CFDA programs do not address your non-competitive (single source) award, please contact the Service's CFDA Coordinator.

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. Fish and Wildlife Service  
**Checklist for a New Financial Assistance Award**

**Follow the instructions in the "Issuing a New Financial Assistance Award Guidance" posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> to complete this form. Maintain the completed form in the official award file.**

**Grants.gov Funding Opportunity #:** \_\_\_\_\_

**Program Application #:** \_\_\_\_\_  
 (Enter any program-generated application #)

**CFDA Number:** \_\_\_\_\_ **Program Title:** \_\_\_\_\_

The Service has authority to issue financial assistance awards under this program. See the Authorization section of the program's CFDA.gov profile for authorizing legislation.

**Recipient Name:** \_\_\_\_\_ **DUNS Number:** \_\_\_\_\_

**Recipient Type** (select from drop down): \_\_\_\_\_

**Project Title:** \_\_\_\_\_

**Perf. Period Start Date:** \_\_\_\_\_ **Perf. Period End Date:** \_\_\_\_\_  
 (In perf period start date field, enter "Signature date" or specific start date) (Enter date)

**For each checklist item, select a response from the drop down list provided in the Response box. Where provided, select related statements from the drop down lists and use the checkboxes to indicate the location of required file documentation.**

**CHECKLIST ITEM**

**RESPONSE**

- |  |                      |
|--|----------------------|
| <p><b>1. Funding tool evaluation:</b> The project to be funded is financial assistance and not a contract/acquisition. The primary purpose of the award is to support or stimulate activities that are not for the direct benefit/use by the Service.</p>  | <input type="text"/> |
| <p><b>2. Award instrument determination:</b> A determination was made. The financial assistance award instrument to be used is a (select from the drop down list):<br/>                 _____</p>  | <input type="text"/> |
| <p><b>3. Single source justification:</b> This is a discretionary single source award meeting one or more criterion under 516 FW 6. A signed FWS Form 3-2452 will be maintained in the official award file.</p>  | <input type="text"/> |
| <p><b>4. Grants.gov NOFO:</b><br/> <b>A. Not posted:</b> a NOFO was not posted on Grants.gov. The justification for not posting a NOFO to Grants.gov is that the award is (select from the drop down list):<br/>                 _____</p>   | <input type="text"/> |
| <p><b>B. Posted:</b> A complete NOFO for the program/single source award was posted on Grants.gov. The required print screens dated prior to award will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> centralized subject-matter file.</p>  | <input type="text"/> |
| <p><b>5. Complete and final application:</b> This award is made based on an approved application that: 1) includes complete and signed SF 424 Application (or OMB-approved alternate), SF 424 Assurances, and SF LLL Lobbying (if applicable) forms; 2) includes a complete SF 424, Budget form and a budget narrative (or OMB-approved alternates); 3) matches the award to be made in regards to funding amount and project scope; and 4) will be maintained in the official award file.</p>   | <input type="text"/> |
| <p><b>6. Conflict of interest certifications:</b> All staff and peer reviewers, evaluators, panel members, or advisors participating in the review of this discretionary award were provided a copy of DOI-AAAP-0008 and signed the required conflict of interest certification. Signed certifications related to this award will be maintained in the (check one):<br/> <input type="checkbox"/> official award file or <input type="checkbox"/> centralized subject-matter file.</p>   | <input type="text"/> |
| <p><b>7. Merit review:</b> A merit review of this project was conducted following the requirements in DOI-AAAP-0009. All merit review documentation related to this award will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> cen subject-matter file</p>  | <input type="text"/> |
| <p><b>8. Budget review:</b> A budget review was conducted and documented following the requirements in DIG 2013-06. All related documentation will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> centralized subject-matter file.</p>   | <input type="text"/> |
| <p><b>9. Indirect cost rate circumstance:</b> The applicant's indirect cost circumstance was determined and considered during the budget review. The final approved budget and notice of award reflect those considerations. The recipient is (select the applicable circumstance from the drop down list):<br/>                 _____<br/>                 All related documentation will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> centralized subject-matter file.</p> | <input type="text"/> |
| <p><b>10. Pre-award costs:</b> Pre-award costs are approved under this award. The recipient's written pre-award cost request will be maintained in the official award file.</p>  | <input type="text"/> |

U.S. Fish and Wildlife Service  
**Checklist for a New Financial Assistance Award**

**CHECKLIST ITEM**

**RESPONSE**

- |   |   |
|---|---|
| <p><b>11. Section 106 NHPA review:</b> A Section 106 NHPA review was conducted. The NHPA circumstance for this award is (select from the drop down list):<br/> <input style="width: 100%; height: 15px;" type="text"/></p> <p>All related documentation will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> centralized subject-matter file.</p>  | <input style="width: 100%; height: 20px;" type="text"/> |
| <p><b>12. NEPA review:</b> A NEPA review was conducted. The NEPA circumstance for this award is (select from the drop down list):<br/> <input style="width: 100%; height: 15px;" type="text"/></p> <p>All related documentation will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> centralized subject-matter file.</p>  | <input style="width: 100%; height: 20px;" type="text"/> |
| <p><b>13. Section 7 ESA review:</b> A Section 7 ESA review was conducted. The Section 7 ESA circumstance for this award is (select from the drop down list):<br/> <input style="width: 100%; height: 15px;" type="text"/></p> <p>All related documentation will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> centralized subject-matter file.</p>   | <input style="width: 100%; height: 20px;" type="text"/> |
| <p><b>14. Legal review:</b> An Office of the Solicitor review was requested. A copy of the request and any response received will be maintained in the official award file.</p>   | <input style="width: 100%; height: 20px;" type="text"/> |
| <p><b>15. Single Audit status:</b> The recipient's single audit status was reviewed. The entity is (select from the drop down list):<br/> <input style="width: 100%; height: 15px;" type="text"/></p> <p>For recipients who were required to submit a Single Audit in their most recently closed FY, the required Single Audit Database screen print dated prior to award will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> cen subject-matter file</p> | <input style="width: 100%; height: 20px;" type="text"/> |
| <p><b>16. Risk assessment:</b> FWS Form 3-2462 was completed. Monitoring activities will be incorporated into the notice of award following the requirements in the Service's "Recipient Risk Assessment Guidance". The completed form will be maintained in the (check one): <input type="checkbox"/> official award file or <input type="checkbox"/> centralized subject-matter file.</p>   | <input style="width: 100%; height: 20px;" type="text"/> |
| <p><b>17. SAM.gov registration status:</b> The recipient's SAM.gov registration status was reviewed. The entity (select from the drop down list):<br/> <input style="width: 100%; height: 15px;" type="text"/></p> <p>As applicable to the above circumstance, the required approved SAM waiver or SAM Entity Overview screen print dated prior to award showing an "Active" registration will be maintained in the official award file.</p>  | <input style="width: 100%; height: 20px;" type="text"/> |
| <p><b>18. SAM.gov exclusions search:</b> A search of the SAM Exclusions database was conducted for the intended recipient and key/principal project personnel. The results were that (select from the drop down list):<br/> <input style="width: 100%; height: 15px;" type="text"/></p> <p>Dated copies of the SAM Exclusions search/review results will be maintained in the official award file.</p>  | <input style="width: 100%; height: 20px;" type="text"/> |
| <p><b>19. Payment method establishment:</b> All steps required in the "Establishing a Recipient's Payment Method Guidance" are complete.</p>  | <input style="width: 100%; height: 20px;" type="text"/> |

*I, as the last point of review before this award is passed to the Agreements Officer for obligation, certify that all pre-award actions and documentation that the program is required to complete are complete.*


---

Program Representative Sign and Date

---

Printed Name of person signing

*I, as the last point of review before funds are obligated, certify that all required pre-award actions and documentation are complete.*


---

Agreements Officer Sign and Date

---

Printed Name of person signing

Last Updated: February 20, 2015

## U.S. Fish and Wildlife Service Financial Assistance Business Process Notice of Funding Opportunity Template

### Point of Contact

Send any questions about this document by email to the Chief, Branch of Financial Assistance Policy and Oversight (FAPO), Wildlife and Sport Fish Restoration Program (WSFR), Division of Administration and Information Management (AIM). See the FAPO About/Contact Us Intranet page at <https://inside.fws.gov/index.cfm/go/post/FAPO-About> for contact information.

### Document Change Log

FAPO will update this template over time to incorporate changes resulting from any new government-wide regulations, Department of the Interior or Service policy, or new/changed Financial and Business Management System (FBMS) functionality. We will post revised versions of this document on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> and will log updates made to this document in the following table:

Date Changed	Description of Change Made
2-20-2015	Incorporated requirements under new 2 CFR 200, including: <ul style="list-style-type: none"> <li>● Changed Notice of Funding Availability to Notice of Funding Opportunity (see 200.203);</li> <li>● Updated reference to applicable Federal cost principles;</li> <li>● Removed references to A-133 and replaced with 2 CFR 200-Subpart F. Changed single audit threshold from \$500K to \$750K (see 200.501); and</li> <li>● Inserted mandatory disclosure requirements as a new reporting requirement (see 200.113).</li> </ul>
2-20-2015	Incorporated requirements under recently issued Department policies, including: <ul style="list-style-type: none"> <li>● DIG 2011-03, Amendment 1, “Financial Assistance Monitoring Protocol” (see also “Service Recipient Risk Assessment Guidance”);</li> <li>● DOI-AAAP-0008, “Conflict of Interest and Mandatory Disclosures for Financial Assistance”; and</li> <li>● DOI-AAAP-0009, “Financial Assistance Application and Merit Review Process”.</li> </ul>
2-20-2015	Other revisions made: <ul style="list-style-type: none"> <li>● Section III, inserted new template text related to projects conducted outside the U.S.;</li> <li>● Section III.C., incorporated new requirement to extend active SAM Exclusions search to key project person(s);</li> <li>● Section III.D., inserted clarifying text related to applicant/recipient use of indirect cost as cost-share/matching;</li> </ul>

	<ul style="list-style-type: none"> <li>• Section IV.C., yellow highlighted items 4 and 5;</li> <li>• Section IV.E., inserted previously omitted text requiring a Federally-funded equipment list and replaced previous indirect cost rate statements table with simplified statements to be submitted by applicants; and</li> <li>• Added note above Section IX to instruct programs to remove the section for single source awards.</li> </ul>
--	---

### Instructions

Use the Notice of Funding Opportunity Template as a starting point for developing the full text of a program- or award-specific Notice of Funding Opportunity (NOFO). Programs that already have a NOFO in place must compare that document to this template at least annually to make sure it contains all required elements and content. For more information, see the [Issuing a New Financial Assistance Award Guidance](#) document posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards>.

The NOFO Template begins on page 3 of this document. Do not include this Instructions cover page on your customized NOFO. The table below provides editing instructions for generating the full text of a NOFO:

Text Characteristic	Represents
Times New Roman text with gray highlighting	Instructions for completing required elements that must be replaced with program-specific text
Times New Roman text with yellow highlighting	Sample content that programs may use, revise, or remove, as appropriate
Arial text with blue highlighting	Notes and additional instructions that must be removed
Times New Roman text, not highlighted	Required text that must not be removed

WSFR/AIM/Financial Assistance Policy and Oversight

**U.S. Fish and Wildlife Service**

**[Insert the specific funding office within the agency (e.g., Division name)]**

[Insert Program Title]

Catalog of Federal Domestic Assistance (CFDA) Number: [insert program's CFDA number]

**Notice of Funding Opportunity**

**I. Description of Funding Opportunity**

[Provide a full programmatic description of the funding opportunity. Make it as long as needed to adequately communicate to potential applicants the areas in which funding may be provided. Describe the program's funding priorities or the technical or focus areas in which the program intends to provide assistance. Include program authorizing statute citation(s). Statute citations must match those in the funding program's CFDA profile on CFDA.gov].

**II. Award Information**

[Provide sufficient information to help an applicant make an informed decision about whether to submit an application. Relevant information could include the total amount of funding the program expects to award through the announcement; the anticipated number of awards; the expected amounts of individual awards (which may be a range); the amount of funding per award, on average, experienced in previous years; and the anticipated start dates and project periods for new awards. This section should also address whether applications for renewal or supplementation of existing projects are eligible to compete with applications for new awards. Further, this section must indicate the type(s) of assistance instruments (i.e., grants, cooperative agreement awards, and/or other instruments) that may be awarded. If cooperative agreements

may be awarded, this section should describe the substantial involvement the Service expects to have in the performance of such agreements. For single source cooperative agreement awards, enter: “The U.S. Fish and Wildlife Service (Service) will be substantially involved in projects under this funding opportunity. In particular, the Service will be responsible for the following: [list the specific project-related activities to be performed by Service staff]”. If procurement contracts may also be awarded under this program, provide details on all related contract procedures and/or announcement(s) here]. If the program will award both competitive and single source awards under the same CFDA, the program has the option to include details on both aspects of the program in a single NOFO rather than posting separate NOFO(s) for the single source award(s). If the program chooses to include details on both aspects of the program, insert those details here. The NOFO must include all of the elements required in Section 6.9 of 516 FW 6, *Issuing Discretionary Grant and Cooperative Agreement Awards without Competition*].

### III. Basic Eligibility Requirements

#### Eligible Applicants:

[Clearly identify the types of entities that are eligible to apply. If there are no restrictions on eligibility, this section may simply indicate that all potential applicants are eligible. If there are restrictions on eligibility, be clear about the specific types of recipients that are eligible, not just the types that are ineligible. Notify applicants if they are required to submit documentation to support an eligibility requirement. Text for this section should reflect related content in the program’s CFDA profile and any authorizing legislation]. U.S. non-profit, non-governmental organizations must provide a copy of their Section 501(c)(3) or (4) status determination letter received from the Internal Revenue Service.

**NOTE:** The yellow-highlighted text below contain suggested text to be inserted by programs funding projects in foreign countries. Edit the suggested text as appropriate for the program. Remove yellow highlighting when highlighted text is retained. Remove this note.

Applicants must ensure that activities occurring outside the United States are coordinated as necessary with appropriate U.S. and foreign government authorities and that any necessary licenses, permits, or approvals are obtained prior to undertaking proposed activities. The Service does not assume responsibility for recipient compliance with the laws and regulations of the country in which the work is to be conducted.

Federal law mandates that all entities applying for Federal financial assistance must have a valid Dun & Bradstreet Data Universal Number System (DUNS) number and have a current registration in the System for Award Management (SAM). See Title 2 of the Code of Federal Regulations (CFR), Part 25 for more information. Exemptions: The SAM registration requirement does not apply to individuals submitting an application on their own behalf and not on behalf of a company or other for-profit entity, state, local or Tribal government, academia or other type of organization.

#### A. DUNS Registration

Request a DUNS number online at <http://fedgov.dnb.com/webform>. U.S.-based entities may also request a DUNS number by telephone by calling the Dun & Bradstreet Government Customer Response Center, Monday – Friday, 7 AM to 8 PM CST at the following numbers:

U.S. and U.S Virgin Islands: 1-866-705-5711

Alaska and Puerto Rico: 1-800-234-3867 (Select Option 2, then Option 1)

For Hearing Impaired Customers Only call: 1-877-807-1679 (TTY Line)

Once assigned a DUNS number, entities are responsible for maintaining up-to-date information with Dun & Bradstreet.

## **B. Entity Registration in SAM**

Register in SAM online at <http://www.sam.gov/>. Once registered in SAM, entities must renew and revalidate their SAM registration at least every 12 months from the date previously registered. Entities are strongly urged to revalidate their registration as often as needed to ensure that their information is up to date and in synch with changes that may have been made to DUNS and IRS information. Foreign entities who wish to be paid directly to a United States bank account must enter and maintain valid and current banking information in SAM.

## **C. Excluded Entities**

Applicant entities or their key project personnel identified in the SAM.gov Exclusions database as ineligible, prohibited/restricted or excluded from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits will not be considered for Federal funding, as applicable to the funding being requested under this Federal program.

## **D. Cost Sharing or Matching:**

[State if there is required cost sharing, matching, or cost participation without which an application would be ineligible. State clearly if cost sharing is not required. Include any restrictions on the types of costs (e.g., in-kind contributions) that are acceptable as cost sharing. Cost sharing as an eligibility criterion includes the requirements based in statute or regulation, as well as those imposed by administrative decision of the Service. Indicate if there are any pre-award requirements for submission of letters or other documentation to verify commitments to meet cost-sharing requirements if an award is made].

**NOTE:** The yellow-highlighted text below contain text to be inserted by programs that are not legislatively restricted from allowing recipients to use indirect costs as part of their cost-share or match. Edit the suggested text as appropriate for the program. Remove yellow highlighting when highlighted text is retained. Remove this note.

Applicants may attribute some or all of their allowable indirect costs as cost-share/match, however recipients may only charge to the Federal award the indirect costs calculated against the allowable direct costs charged to the Federal award. Recipients may not charge to the Federal award indirect costs calculated against: 1) any portion of the recipient's direct costs; or 2) any portion of the direct costs charged to any other Federal or non-Federal partner.

## **IV. Application Requirements**

To be considered for funding under this funding opportunity, an application must contain:

- A. A completed, signed and dated Application for Federal Assistance form. [At a minimum, all NOFOs must require applicants to submit the appropriate Standard Form (SF) 424, Application for Federal Assistance (i.e., SF 424, SF 424-Mandatory, or SF 424-Individual) form. The only exception to the SF 424 requirement is if the program has OMB approval to use an alternative application form. Insert form instructions based on your eligible applicant base. Individuals applying on their own (unrelated to any business or non-profit organization s/he may own or operate in her/his own name) must use the SF 424, Application for Federal Assistance-Individual form (<http://apply07.grants.gov/apply/FormLinks?family=12>). All other applicants to discretionary programs and for single source awards must use the SF 424, Application for Federal Assistance form (<http://apply07.grants.gov/apply/FormLinks?family=15>). Mandatory programs may require applicants to use the SF 424, Application for Federal Assistance-Mandatory form (<http://apply07.grants.gov/apply/FormLinks?family=16>)]. Do not include other Federal sources of funding, requested or approved, in the total entered in the “Federal” funding box on the Application for Federal Assistance form. Enter only the amount being requested under this program in the “Federal” funding box. Include any other Federal sources of funding in the total funding entered in the “Other” box.

**NOTE:** The yellow-highlighted text in Sections B and C below contain suggested text for what an applicant might need to include in a project narrative. Programs should edit the suggested text as appropriate for the program. Remove yellow highlighting when highlighted text is retained. The non-highlighted text represents required narrative sections. Remove this note.

## B. Project Summary

Briefly summarize the project, in one page or less. Include the title of the project, geographic location, and a brief overview of the need for the project. Goal(s), objectives, specific project activities, anticipated outputs and outcomes can also be included in this section.

## C. Project Narrative

- 1. Statement of Need:** Describe why this project is necessary (significance/value) and include supporting information. Summarize previous or on-going efforts (of you/your organization, and other organizations or individuals) that are relevant to the proposed work. Explain the successes or failures of past efforts and how your proposed project builds on them. If you have received funding previously (from the Service or any other donor) for this specific project work or site, provide a summary of the funding, associated activities and products/outcomes.
- 2. Project Goals and Objectives:** State the long-term, overarching goal(s) of the program/project. State the objectives of the project. Objectives are the specific outcomes to be accomplished in order to reach the stated goal(s). The project objectives must be specific, measurable, and realistic (attainable within the project’s proposed project period).

- 3. Project Activities, Methods and Timetable:** List the proposed project activities and describe how they relate to the stated objectives. Activities are the specific actions to be undertaken to fulfill the project objectives and reach the project goal(s). The proposed project activities narrative must be detailed enough for reviewers to make a clear connection between the activities and the proposed project costs. For projects being conducted within the United States, the narrative must provide enough detail so that reviewers are able to determine project compliance with the National Environmental Policy Act, Section 7 of the Endangered Species Act, and Section 106 of the National Historic Preservation Act. For projects being conducted on the high seas, the narrative should provide enough detail so that reviewers are able to determine project compliance with Section 7 of Endangered Species Act. Provide a detailed description of the method(s) to be used to carry out each activity. Provide a timetable indicating roughly when activities or project milestones are to be accomplished. Include any resulting tables, spreadsheets or flow charts within the body of the project narrative (do not include as separate attachments). The timetable should not propose specific dates but instead group activities by month for each month over the entire proposed project period.
- 4. Stakeholder Coordination/Involvement:** As applicable, describe how you/your organization has coordinated with and involved other relevant organizations or individuals in planning the project, and detail if/how they will be involved in conducting project activities, disseminating project results and/or incorporating your results/products into their activities.
- 5. Project Monitoring and Evaluation:** Detail the monitoring and evaluation plan for the project. Building on the stated project objectives, which must be specific and measurable, identify what you will measure (i.e., quantitative/quantifiable indicators) and how you will measure (i.e., methods, sample size, survey tools). Reference the stated project timetable (i.e., process indicators) and budget information (i.e., input indicators). Identify the products/services to be delivered and how/to whom they will be delivered (i.e., output indicators). Detail the expected direct effect(s) of the project on beneficiaries (i.e., outcome indicators). Include any available questionnaires, surveys, curricula, exams/tests or other assessment tools to be used for project evaluation. Describe the resources and organizational structure available for gathering, analyzing and reporting monitoring and evaluation data. If applicable, describe how project participants and beneficiaries will participate in monitoring and evaluation activities. Describe how findings will be fed back into decision making and project activities throughout the project period.
- 6. Description of Entities Undertaking the Project:** Provide a brief description of the applicant organization and all participating entities and/or individuals. Identify which of the proposed activities each agency, organization, group, or individual is responsible for conducting or managing. Provide complete contact information for the individual within the organization that will oversee/manage the project activities on a day-to-day basis. If eligibility for funding is based in whole or in part on the qualifications of key personnel,

provide for each key person a brief (**1-2 pages**) but descriptive overview of their education, experience and other skills that make them qualified to carry out the proposed project. To prevent unnecessary transmission of Personally Identifiable Information, ***do not include Social Security numbers, the names of family members, or any other personal or sensitive information including marital status, religion or physical characteristics on the description of key personnel qualifications.***

- 7. Sustainability:** As applicable, describe which project activities will continue beyond the proposed project period, who will continue the work or act on the results achieved, and how and at what level you expect these future activities will be funded.
- 8. Literature Cited**
- 9. Map of Project Area:** Map should clearly delineate the project area and be large enough to be legible. Label any sites referenced in the project narrative.

**NOTE:** All applicants are required to submit the standard budget form and budget justification (see Sections D and E below). The only exception to these requirements is if the program has an approved OMB Information Collection Clearance to request budget information in a different format. Remove this note.

#### **D. Budget Form**

Complete the Budget Information for Non-Construction Programs (SF 424A) or Budget Information for Construction Programs (SF 424C) form. Use the SF 424A if your project does not include construction and the SF 424C if the project includes construction or land acquisition. The budget forms are available on the Internet at <http://apply07.grants.gov/apply/FormLinks?family=15>. When developing your budget, keep in mind that financial assistance awards and subawards are subject to the Federal cost principles in Title 2 of the Code of Federal Regulations Part 200, as applicable to the recipient organization type. Links to the full text of the Federal cost principles are available on the Internet at <http://www.ecfr.gov/>.

**Multiple Federal Funding Sources:** If the project budget includes multiple Federal funding sources, you must show the funds being requested from this Federal program *separately* from any other requested/secured Federal sources of funding on the budget form. For example, enter the funds being requested from this Federal program in the first row of the Budget Summary section of the form and then enter funding related to other Federal programs in the subsequent row(s). Be sure to enter each Federal program's CFDA number in the corresponding fields on the form. The CFDA number for this Federal program appears on the first page of this funding opportunity.

#### **E. Budget Justification**

In a separate narrative titled "**Budget Justification**", explain and justify all requested budget items/costs. Detail how the SF 424 Budget Object Class Category totals were determined and demonstrate a clear connection between costs and the proposed project activities. For

personnel salary costs, include the base-line salary figures and the estimates of time (as percentages) to be directly charged to the project. Describe any item that under the applicable Federal cost principles requires the Service's approval and estimate its cost.

If Federally-funded equipment will be used for the project, provide a list of that equipment, including the Federal funding source. [Insert any other program-specific information for applicants to detail in their budget justifications].

**Required Indirect Cost Statement:** All applicants except individuals applying for funds separate from a business or non-profit organization he/she may operate must include in the budget justification narrative one of the following statements and attach to their application any required documentation identified in the applicable statement:

“We are:

1. A U.S. state or local government entity receiving more than \$35 million in direct Federal funding each year with an indirect cost rate of [insert rate]. We submit our indirect cost rate proposals to our cognizant agency. A copy of our most recently approved rate agreement/certification is attached.
2. A U.S. state or local government entity receiving less than \$35 million in direct Federal funding with an indirect cost rate of [insert rate]. We are required to prepare and retain for audit an indirect cost rate proposal and related documentation to support those costs.
3. A [insert your organization type; U.S. states and local governments, please use one of the statements above or below] that has previously negotiated or currently has an approved indirect cost rate with our cognizant agency. Our indirect cost rate is [insert rate]. A copy of our most recently approved rate agreement is attached.
4. A [insert your organization type] that has never submitted an indirect cost rate proposal to our cognizant agency. Our indirect cost rate is [insert rate]. In the event an award is made, we will submit an indirect cost rate proposal to our cognizant agency within 90 calendar days after the award is made.
5. A [insert your organization type] that has never submitted an indirect cost rate proposal to our cognizant agency. Our indirect cost rate is [insert rate]. However, in the event an award is made, we will not be able to meet the requirement to submit an indirect cost rate proposal to our cognizant agency within 90 calendar days after award. We request as a condition of award to charge a flat *de minimus* indirect cost rate of 10% of modified total direct costs as defined in [Title 2 of the Code of Federal Regulations Part 200, section 200.68](#). We understand that the 10% *de minimus* rate will apply for the life of the award, including any future extensions for time, and that the rate cannot be changed even if we do establish an approved rate with our cognizant agency at any point during the award period
6. A [insert your organization type] that is submitting this proposal for consideration under the [insert either “Cooperative Fish and Wildlife Research Unit Program” or

“Cooperative Ecosystem Studies Unit Network”], which has a Department of the Interior-approved indirect cost rate cap of [insert program rate]. If we have an approved indirect cost rate with our cognizant agency, we understand that we must apply this reduced rate against the same direct cost base as identified in our approved indirect cost rate agreement. If we do not have an approved indirect cost rate with our cognizant agency, we understand that the basis for direct costs will be the modified total direct cost base defined in 2 CFR 200.68 “Modified Total Direct Cost (MTDC)”. We understand that we must request prior approval from the Service to use the MTDC base instead of the base identified in our approved indirect cost rate agreement, and that Service approval of such a request will be based on: 1) a determination that our approved base is only a subset of the MTDC (such as salaries and wages); and 2) that use of the MTDC base will still result in a reduction of the total indirect costs to be charged to the award.

7. A [insert your organization type] that will charge all costs directly.

All applicants are hereby notified of the following:

- Recipients without an approved indirect cost rate are prohibited from charging indirect costs to a Federal award. Accepting the 10% *de minimus* rate as a condition of award is an approved rate.
- Failure to establish an approved rate during the award period renders all costs otherwise allocable as indirect costs unallowable under the award.
- Only the indirect costs calculated against the Federal portion of the total direct costs may be charged to the Federal award. Recipients may not charge to their Service award any indirect costs calculated against the portion of total direct costs charged to themselves or charged to any other project partner, Federal and non-Federal alike.
- Recipients must have prior written approval from the Service to transfer unallowable indirect costs to amounts budgeted for direct costs or to satisfy cost-sharing or matching requirements under the award.
- Recipients are prohibited from shifting unallowable indirect costs to another Federal award unless specifically authorized to do so by legislation.”

Applicants who are individuals applying for funds separate from a business or non-profit organization he/she may operate are not eligible to charge indirect costs to their award. If you are an individual applying for funding, do not include any indirect costs in your proposed budget.

For more information on indirect cost rates, see the Service’s **Indirect Costs and Negotiated Indirect Cost Rate Agreements** guidance document on the Internet at <http://www.fws.gov/grants/>.

**Negotiating an Indirect Cost Rate with the Department of the Interior:** Entities that do not have a NICRA must first have an open, active Federal award before they can submit an

indirect cost rate proposal to their cognizant agency. The Federal awarding agency that provides the largest amount of direct funding to your organization is your cognizant agency, unless otherwise assigned by the White House Office of Management and Budget (OMB). If the Department of the Interior is your cognizant agency, your indirect cost rate will be negotiated by the Interior Business Center (IBC). For more information, contact the IBC at:

Indirect Cost Services  
Acquisition Services Directorate, Interior Business Center  
U.S. Department of the Interior  
2180 Harvard Street, Suite 430  
Sacramento, CA 95815  
Phone: 916-566-7111  
Email: [ics@nbc.gov](mailto:ics@nbc.gov)  
Internet address: <http://www.aqd.nbc.gov/Services/ICS.aspx>

- F. Single Audit Reporting Statements:** As required in [Title 2 of the Code of Federal Regulations Part 200](#), Subpart F, all U.S. states, local governments, federally-recognized Indian tribal governments, and non-profit organizations expending \$750,000 USD or more in Federal award funds in a fiscal year must submit a Single Audit report for that year through the Federal Audit Clearinghouse's Internet Data Entry System. All U.S. state, local government, federally-recognized Indian tribal government and non-profit applicants must provide a statement regarding if your organization was/was not required to submit a Single Audit report for the organization's most recently closed fiscal year and, if so, state if that report is available on the Federal Audit Clearinghouse Single Audit Database website (<http://harvester.census.gov/sac/>) and provide the EIN under which that report was submitted. Include these statements at the end of the Project Narrative in a section titled "**Single Audit Reporting Statements**".
- G. Assurances:** Include the appropriate signed and dated Assurances form available online at <http://apply07.grants.gov/apply/FormLinks?family=15>. Use the **Assurances for Non-Construction Programs (SF 424B)** for construction and land acquisition projects. Use the **Assurances for Construction Programs (SF 424D)** for all other types of projects. Signing this form does not mean that all items on the form are applicable. The form contains language that states that some of the assurances may not be applicable to your organization and/or your project or program.
- H. Certification and Disclosure of Lobbying Activities:** Under Title 31 of the United States Code, Section 1352, an applicant or recipient must not use any federally appropriated funds (both annually appropriated and continuing appropriations) or matching funds under a grant or cooperative agreement award to pay any person for lobbying in connection with the award. Lobbying is defined as influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress connection with the award. Submission of an application also represents the applicant's certification of the statements in 43 CFR Part 18, Appendix A-Certification Regarding Lobbying. If you/your organization have/has made or agrees to make any payment using non-appropriated funds for lobbying in connection with this project

AND the project budget exceeds \$100,000, complete and submit the **SF LLL, Disclosure of Lobbying Activities** form. See 43 CFR, Subpart 18.100 for more information on when additional submission of this form is required. Submission of an application also represents the applicant's certification of the statements in 43 CFR Part 18, Appendix A-Certification Regarding Lobbying.

- I. Conflict of Interest Disclosures:** Applicants must notify the Service in writing of any actual or potential conflicts of interest that are known at the time of application or that may arise during the life of this award, in the event an award is made. Conflicts of interest include any relationship or matter which might place the recipient, the recipient's employees, or the recipient's subrecipients in a position of conflict, real or apparent, between their responsibilities under the award and any other outside interests. Conflicts of interest may also include, but are not limited to, direct or indirect financial interests, close personal relationships, positions of trust in outside organizations, consideration of future employment arrangements with a different organization, or decision-making affecting the award that would cause a reasonable person with knowledge of the relevant facts to question the impartiality of the applicant, the applicant's employees, or the applicant's future subrecipients in the matter. Upon receipt of such a notice, the Service Project Officer in consultation with their Ethics Counselor will determine if a conflict of interest exists and, if so, if there are any possible actions to be taken by the applicant to reduce or resolve the conflict. Failure to resolve conflicts of interest in a manner that satisfies the Service may result in the project not being select for funding.

**NOTE:** Revise application checklist below to match your program's application requirements, as needed. Do not remove any universally required items. Remove yellow highlighting when highlighted items are retained. Remove this note.

#### Application Checklist

- Evidence of non-profit status:** If a non-profit organization, a copy of their Section 501(c)(3) or (4) status determination letter received from the Internal Revenue Service.
- SF 424, Application for Federal Assistance:** A complete, signed and dated SF 424, SF 424-Mandatory, or SF 424-Individual form.
- Project summary**
- Project narrative**
- Timetable**
- Description of key personnel qualifications**
- Single Audit Reporting statement:** If a U.S. state, local government, federally-recognized Indian tribal government, or non-profit organization, statements regarding applicability of and compliance with Single Audit reporting requirements.
- SF 424 budget form:** A complete SF 424A or SF 424C Budget Information form.
- Budget justification**

- Federally-funded equipment list:** If Federally-funded equipment will be used for the project, a list of that equipment.
- NICRA:** When applicable, a copy of the organization's current Negotiated Indirect Cost Rate Agreement.
- SF 424 Assurances form:** Signed and dated SF 424B or SF 424D Assurances form.
- SF LLL form:** If applicable, completed SF-LLL Disclosure of Lobbying Activities form.

Failure to provide complete information may cause delays, postponement, or rejection of the application.

## V. Submission Instructions

**SUBMISSION DEADLINE:** [enter deadline date(s) or open period start and end dates].

**Intergovernmental Review:** Before submitting an application, U.S. state and local government applicants should visit the following website ([http://www.whitehouse.gov/omb/grants\\_spoc/](http://www.whitehouse.gov/omb/grants_spoc/)) to determine whether their application is subject to the state intergovernmental review process under Executive Order (E.O.) 12372 "Intergovernmental review of Federal Programs." E.O. 12372 was issued to foster the intergovernmental partnership and strengthen federalism by relying on state and local processes for the coordination and review of proposed Federal financial assistance and direct Federal development. The E.O. allows each state to designate an entity to perform this function. The official list of designated entities is posted on the website. Contact your state's designated entity for more information on the process the state requires to be followed when applying for assistance. States that do not have a designated entity listed on the website have chosen not to participate in the review process.

**NOTE:** Revise the application instructions highlighted in yellow below to reflect the application options/process for your program. Remove yellow highlighting when highlighted text is retained. Remove this note.

Download the Application Package linked to this Funding Opportunity on Grants.gov to begin the application process. Downloading and saving the Application Package to your computer makes the required government-wide standard forms fillable and printable. Completed applications may be submitted by mail, by email, electronically through Grants.gov, or as otherwise described in the Grants.gov funding opportunity. Please select **ONE** of the submission options:

***To submit an application by mail:***

Number all pages of your printed application. Mail one, single-sided, unbound copy (do not staple or otherwise permanently bind pages) of your complete application to the Service program point of contact identified in the Grants.gov funding opportunity.

The required SF 424 Application for Federal Assistance and Assurances forms and any other required standard forms **MUST** be signed by your organization's authorized official. The

Signature and Date fields on the standard forms downloaded from Grants.gov are pre-populated with the text “Completed by Grants.gov upon submission” or “Completed on submission to Grants.gov”. Remove this text (manually or digitally) before signing the forms.

***To submit an application by e-mail:***

Format all of your documents to print on Letter size (8 ½” x 11”) paper. Format all pages to display and print page numbers. Scanned documents should be scanned in Letter format, as black and white images only. Where possible, save scanned documents in .pdf format. E-mail your application to the Service program point of contact identified in the Grants.gov funding opportunity.

The required SF 424 Application for Federal Assistance and Assurances forms and any other required standard forms MUST be signed by your organization’s authorized official. The Signature and Date fields on the standard forms downloaded from Grants.gov are pre-populated with the text “Completed by Grants.gov upon submission” or “Completed on submission to Grants.gov”. Remove this text (manually or digitally) before signing the forms.

***To submit an application through Grants.gov:***

Go to the Grants.gov Apply for Grants page ([http://www07.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www07.grants.gov/applicants/apply_for_grants.jsp)) for an overview of the process to apply through Grants.gov. You/your organization must complete the Grants.gov registration process before submitting an application through Grants.gov. Registration can take between three to five business days, or as long as two weeks if all steps are not completed in a timely manner.

**Important note on Grants.gov application attachment file names:** Please do not assign application attachments file names longer than 20 characters, including spaces. Assigning file names longer than 20 characters will create issues in the automatic interface between Grants.gov and the Service’s financial assistance management system.

## **VI. Application Review**

**Criteria:** To be considered for funding, applications must [This section must address the criteria your program will use to evaluate applications. This includes merit and other review criteria that evaluators will use to judge and select applications, including any statutory, regulatory, or other preferences (e.g., minority status or Native American tribal preferences) that will be applied in the review process. These criteria are distinct from eligibility criteria.. The intent is to give applicants visibility into the evaluation process so that they can make informed decisions when preparing their applications and so that the process is as transparent, open, and equitable as possible. The announcement should clearly describe all criteria, including any sub-criteria. If criteria vary in importance, the announcement should specify the relative percentages, weights, or other means used to distinguish among them. For statutory, regulatory, or other preferences, the announcement should provide a detailed explanation of those preferences with an explicit indication of their effect (e.g., whether they result in additional points being assigned). If an applicant’s proposed cost sharing will be considered in the review process (as opposed to being an eligibility criterion) the announcement must specifically address how it will be considered

(e.g., to assign a certain number of additional points to applicants who offer cost sharing, or to break ties among applications with equivalent scores after evaluation against all other factors). If cost sharing will not be considered in the evaluation, state so here to avoid ambiguity for potential applicants. Vague statements that cost sharing is encouraged, without clarification as to what that means, are unhelpful to applicants.]

### **Review and Selection Process:**

[Discretionary programs issuing single source and/or competitive awards must establish a merit review and selection process following the requirements in Department policy DOI-AAAP-0009, *Financial Assistance Application and Merit Review Process*. This document and related attachment providing sample merit review criteria are available at <https://sites.google.com/a/ios.doi.gov/policydistribution/home-1>. Programs must ensure that: 1) applications are reviewed and evaluated by qualified reviewers; 2) applications are scored and selected based on announced criteria; 3) consideration is given to applicant risk and past performance; 4) competitive applications are ranked; and 5) funding determinations are made. Programs must establish an evaluation plan comprised of five basic elements: (1) merit review factors and sub-factors; (2) a rating system for competitive applications (e.g., adjectival, color coding, numerical, or ordinal); (3) evaluation standards or descriptions which explain the basis for assignment of the various rating system grades/scores; (4) program policy factors; and (5) the basis for selection. Include a description of the merit review and selection process. For example, this section may detail the type of evaluators to be used (e.g., peers external to the agency or Federal agency personnel) and who makes the final funding decisions. If you have a multi-phase review process (e.g., an external panel advising internal agency personnel who make final recommendations to the deciding official) you should describe the phases of the process. You should also detail: the number of people on an evaluation panel and how it operates, the way reviewers are selected, reviewer qualifications, and the way that conflicts of interest are avoided. Detail any program policy, or other factors in addition to the program's merit criteria that the selecting official may use to select applications for award (e.g., geographical dispersion, or project diversity). In addition, if you permit applicants to nominate suggested reviewers for their applications, or to identify reviewers that the applicants feel may be inappropriate due to a potential or actual conflict of interest, detail those processes here.]

Prior to participating in any review or evaluation process, all staff and peer reviewers, evaluators, panel members, and advisors must sign and return to the program office point of contact the "Department of the Interior Conflict of Interest Certification" form. For a copy of this form, contact the Service point of contact identified in the Agency Contacts section below.

Each fiscal year, for every entity receiving one or more awards in that fiscal year, the Service conducts a risk assessment based on eight risk categories. The result of this risk assessment is used to establish a monitoring plan for all awards to the entity in that fiscal year. The Service's risk assessment form is available on the Internet at <http://www.fws.gov/forms/3-2462.pdf>.

## **VII. Award Administration**

**Award Notices:** Following review, applicants may be requested to revise the project scope and/or budget before an award is made. Successful applicants will receive written notice in the

form of a notice of award document. Notices of award are typically sent to recipients by e-mail. If e-mail notification is unsuccessful, the documents will be sent by courier mail (e.g., FedEx, DHL or UPS). Award recipients are not required to sign/return the Notice of Award document. Acceptance of an award is defined as starting work, drawing down funds, or accepting the award via electronic means. Awards are based on the application submitted to, and as approved by, the Service. The notice of award document will include instructions specific to each recipient on how to request payment. If applicable, the instructions will detail any additional information/forms required and where to submit payment requests. Applicants whose projects are not selected for funding will receive written notice, most often by e-mail, within 30 days of the final review decision.

**Domestic Recipient Payments:** Prior to award, the Service program office will contact you/your organization to either enroll in the U.S. Treasury's Automated Standard Application for Payments (ASAP) system or, if eligible, obtain approval from the Department of the Interior to be waived from using ASAP.

**NOTE:** Remove the below section related to ASAP-waived domestic recipients if not applicable to your applicant base. Retain if applicable. Remove this note.

Domestic applicants subject to the SAM registration requirement (see Section III B.) who receive a waiver from receiving funds through ASAP must maintain current banking information in SAM. Domestic applicants exempt from the SAM registration requirement who receive a waiver from receiving funds through ASAP will be required to submit their banking information directly to the Service program. However, *do NOT submit any banking information to the Service until it is requested from you by the Service program!*

**NOTE:** Remove the foreign recipient payments section if not applicable to your applicant base. Remove yellow highlighting when highlighted text is retained. Remove this note.

**Foreign Recipient Payments:** Foreign recipients receiving funds to a bank outside of the United States will be paid electronically through U.S. Treasury's International Treasury Services (ITS) system.

Foreign recipients receiving funds electronically to a bank in the United States will be paid by Electronic Funds Transfer (EFT) through the Automated Clearing House network. Foreign recipients who wish to be paid to a bank account in the United States must enter and maintain current banking information in SAM (see Section III).

The Notice of Award document from the Service will include instructions specific to each recipient on how to request payment. If applicable, the instructions will detail any additional information/forms required and where to submit payment requests.

**Transmittal of Sensitive Data:** Recipients are responsible for ensuring any sensitive data being sent to the Service is protected during its transmission/delivery. The Service strongly recommends that recipients use the most secure transmission/delivery method available. The Service recommends the following digital transmission methods: secure digital faxing; encrypted

emails; emailing a password protected zipped/compressed file attachment in one email followed by the password in a second email; or emailing a zipped/compressed file attachment. The Service strongly encourages recipients sending sensitive data in paper copy to use a courier mail service. Recipients may also contact their Service Project Officer and provide any sensitive data over the telephone.

**Award Terms and Conditions:** Acceptance of a financial assistance award (i.e., grant or cooperative agreement) from the Service carries with it the responsibility to be aware of and comply with the terms and conditions applicable to the award. Acceptance is defined as the start of work, drawing down funds, or accepting the award via electronic means. Awards are based on the application submitted to and approved by the Service and are subject to the terms and conditions incorporated into the notice of award either by direct citation or by reference to the following: Federal regulations; program legislation or regulation; and special award terms and conditions. The Federal regulations applicable to Service awards are available on the Internet at <http://www.fws.gov/grants/>. If you do not have access to the Internet and require a full text copy of the award terms and conditions, contact the Service point of contact identified in the Agency Contacts section below.

**Recipient Reporting Requirements:**

**Financial and Performance Reports:** Interim financial reports and performance reports may be required. Interim reports will be required no more frequently than quarterly, and no less frequently than annually. A final financial report and a final performance report will be required and are due within 90 calendar days of the end date of the award. Performance reports must contain: 1) a comparison of actual accomplishments with the goals and objectives of the award as detailed in the approved scope of work; 2) a description of reasons why established goals were not met, if appropriate; and 3) any other pertinent information relevant to the project results.

**Significant Developments Reports:** Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, recipients are required to notify the Service in writing as soon as the following types of conditions become known:

- Problems, delays, or adverse conditions that will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of any corrective action(s) taken or contemplated, and any assistance needed to resolve the situation.
- Favorable developments that enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

The Service will specify in the notice of award document the reporting and reporting frequency applicable to the award.

**Conflict of Interest Disclosures:** Recipients are responsible for notifying the Service Project Officer in writing of any actual or potential conflicts of interest that may arise during the life of

this award. Conflicts of interest include any relationship or matter which might place the recipient, the recipient's employees, or the recipient's subrecipients in a position of conflict, real or apparent, between their responsibilities under this award and any other outside interests.

Conflicts of interest may also include, but are not limited to, direct or indirect financial interests, close personal relationships, positions of trust in outside organizations, consideration of future employment arrangements with a different organization, or decision-making affecting the award that would cause a reasonable person with knowledge of the relevant facts to question the impartiality of the Recipient, the Recipient's employees, or the Recipient's subrecipients in the matter. Upon receipt of such a notice, the Service Project Officer in consultation with their Ethics Counselor will determine if a conflict of interest exists and, if so, if there are any possible actions to be taken by the Recipient, the Recipient's employee(s), or the Recipient's Subrecipient(s) that could reduce or resolve the conflict. Failure to resolve conflicts of interest in a manner that satisfies the Service may result in any of the remedies described in 2 CFR 200.338, Remedies for Noncompliance, including termination of this award.

**Other Mandatory Disclosures:** Recipients and their subrecipients must disclose, in a timely manner and in writing, to the Service or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting this award. Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.338, Remedies for noncompliance, including suspension or debarment (See 2 CFR 200.113, 2 CFR Part 180, and 31 U.S.C. 3321).

### VIII. Agency Contacts

[Give potential applicants a point of contact for answering questions or helping with problems while the funding opportunity is open. If needed, provide different points of contact for distinct types of help.]

**NOTE:** For single source awards, remove section IX below. Remove this note.

**IX. Paperwork Reduction Act Statement:** The Paperwork Reduction Act requires us to tell you why we are collecting this information, how we will use it, and whether or not you have to respond. A response to this Notice of Funding Opportunity is required to receive funding. A Federal agency may not conduct or sponsor and you are not required to respond to a collection of information unless it displays a currently valid OMB control number. OMB has approved this collection and assigned OMB Control No. [insert control number], which expires on [insert expiration date]. The public reporting burden for this collection of information is estimated to average of [xx minutes or hours] per application and [xx minutes or hours] per performance report. These burden estimates include time for reviewing instructions and gathering data, but do not include the time needed to complete government-wide Standard Forms associated with the application and financial reporting. You may send comments regarding the burden estimate or any other aspect of this information collection to the Information Collection Clearance Officer, U.S. Fish and Wildlife Service, Division of Policy and Directives Management, 5275 Leesburg Pike, Falls Church, VA 22041.



# United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, DC 20240

JUL 16 2013



## Department of the Interior Guidance (DIG) Release 2013-06

**Subject:** Financial Assistance Cost Review Guidance

**References:** OMB Circular A-21, Cost Principles for Educational Institutions, relocated to 2 CFR, Part 220  
 OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, relocated to 2 CFR, Part 225  
 OMB Circular A-122, Cost Principles for Non-Profit Organizations, relocated to 2 CFR, Part 230  
 Federal Acquisition Regulation (FAR) Subpart 31.2, Contracts with Commercial Organizations, codified at 48 CFR 31.2

1. **Purpose:** The purpose of this document is to establish uniform procedures and guidance for reviewing and evaluating proposed costs included in financial assistance applicant budgets. This DIG provides procedures to be conducted in accordance with the applicable Office of Management and Budget Cost Principles. The DIG does not limit the flexibility of bureaus/organizations in conducting additional analysis; rather, it provides minimum procedures that should be undertaken in conducting a cost review.
2. **Effective Date:** Effective immediately upon release.
3. **Background and Explanation:** A cost review is defined as a review of a budget to ensure that costs are necessary, reasonable, allowable, allocable, and adequately supported. At the pre-award stage an applicant's budget request is reviewed for compliance with the governing cost principles and other requirements and policies applicable to the type of recipient and the type of award. Any resulting award will include a budget that is consistent with these requirements. Bureaus and offices have the discretion to create or adopt detailed budget formats for analyzing specific items of cost.
4. **Applicability:** It is the Department of the Interior policy that a cost review be conducted for every project selected for funding. The form and extent of the cost review will be based on the individual grantee and project. Details regarding the reviews conducted should be documented, regardless of the complexity and depth of the review.
  - A. Grants management specialists/contract specialists should do the following when documenting cost reviews:
    - Detail the extent and findings of cost reviews. Document all cost reviews performed even if the evaluation found no questionable areas.

- Indicate budget revisions and clearly label revised budgets to differentiate them from the initial budgets.
- B. The following are steps the grants management specialist/contract specialist and/or technical representatives should follow in performing a cost review:
- Verify that budget is in compliance with program statute or Funding Opportunity Announcement for budget criteria; and consistent with the limits on the types of expenses (e.g. no construction allowed), spending caps on certain expenses (e.g. travel limited to \$10,000), and overall funding limits (e.g. total costs cannot exceed \$300,000 per year).
  - Verify that budget detail agrees with the budget summary, and that figures add up correctly.
  - Ensure the budget information is complete and that costs are allowable and allocable in accordance with Federal cost principles.
  - Require revisions of budgets that include costs that are not reasonable, allowable, allocable, or necessary.
  - Compare the proposed budget to the narrative or work plan to determine whether the budget is reasonable from a programmatic perspective. Technical staff should review and provide input.
  - Examine staffing requirements (technical staff should review and provide input) for the project and determine whether the proposed number of personnel is appropriate to meet the project objectives.
  - Review personnel budget category to determine if the salary ranges proposed are reasonable.
  - Determine whether the amount budgeted for supplies is reasonable.
  - Review travel costs to ensure that the destination(s) and the number of trips planned are necessary to complete the scope of work, and that the number of travelers and nights per traveler per destination is allocable to the scope of activities and purposes of award.
  - Determine whether the project's objectives support equipment purchases or if other options should be considered, such as equipment rental or loan of government property. If purchasing equipment is the best option, the grants management specialist or contracts specialist must ensure during award close-out that the recipient requests and receives disposition instructions in accordance with 43 CFR 12.72 and 12.934.
  - Review the "other" cost category to determine whether these costs are consistent with the proposed work plan and are necessary to complete the program activities.
  - Review the purpose of proposed contracts and sub-awards under the grant to verify that
    - (a) the contract or sub-award support appears allocable to the objectives of the project/program; and
    - (b) the proposed costs appear reasonable.
  - Determine whether the awardee will generate program income under the award. If so, refer to 43 CFR 12.64 or 12.924, as appropriate, to determine how the recipient should handle program income. If the bureau/office wishes the recipient to handle program income differently than prescribed in 43 CFR 12.64 or 12.924, or wishes to authorize the program income alternatives, then the grants management/contract specialist should include the applicable term and condition to be included in the assistance agreement.

- Ensure that no unallowable costs, such as lobbying, entertainment expenses, etc., are included. Staff should develop a general list of allowable and unallowable costs to either publish in the Grants.gov application instructions or Federal Register announcement.

The negotiation process may be minimal or may involve negotiating all aspects of the grant award with the applicant. It may also involve explaining to the recipient that the budget must be changed to comply with regulations; or require a comprehensive give-and-take negotiation of all aspects of the award, including the scope of work, the budget and the terms and conditions.

**5. Additional Information:**

If you have any questions about this DIG, please contact Anita Hairston, Financial Assistance Program Manager, Office of Acquisition and Property Management, at (202) 513-0871.



Debra E. Sonderman, Director  
Office of Acquisition and Property Management and  
Senior Procurement Executive

THIS PAGE INTENTIONALLY LEFT BLANK

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 5 DUNS and SAM Registration Requirements**

**516 FW 5**

**5.1 What is the purpose of this chapter?** This chapter provides the information employees working with grant and cooperative agreement awards need to:

- A.** Monitor recipients for compliance with the Data Universal Numbering System (DUNS) and System for Award Management (SAM) registration requirements, and
- B.** Implement the Department of the Interior’s Guidance Release 2012-08: *DUNS and Central Contracting Registration (CCR) Requirements for Grants and Cooperative Agreements*.

**5.2 What are the objectives of this chapter?** Our objectives are to:

- A.** Ensure employees working with grants and cooperative agreements are aware of the DUNS and SAM registration requirements and of their responsibilities to communicate the requirements to applicants and recipients,
- B.** Establish and implement a process for waiving the DUNS and SAM registration requirements for qualified entities, and
- C.** Implement centralized Servicewide monitoring to ensure grant and cooperative agreement award recipients maintain active SAM registrations.

**5.3 What is the scope of this chapter?** This chapter:

- A.** Covers all programs that administer and manage grant and cooperative agreement awards, but
- B.** Does not apply to any individual applying for or receiving Federal funds under a grant or cooperative agreement award separate from a business or non-profit organization he/she may operate. The Office of Management and Budget (OMB) exempts these individuals from the DUNS and SAM registration requirements.

**5.4 What are the authorities for this chapter?**

- A.** Pre-Award Responsibilities, Universal Identifier and Central Contractor Registration (2 CFR Part 25).
- B.** U.S. Department of the Interior Guidance Release 2012-08: DUNS and CCR Requirements for Grants and Cooperative Agreements.

**5.5 Who is responsible for ensuring recipient compliance with the DUNS and SAM registration requirements?** See Table 5-1.

<b>Table 5-1: Responsibilities for Ensuring Recipient Compliance with the DUNS and SAM Registration Requirements</b>	
<b>These employees . . .</b>	<b>Are responsible for . . .</b>
<b>A. The Director</b>	Making sure the Service has policy in place for programs that administer grant and cooperative agreement awards to ensure recipient compliance with the DUNS and SAM registration requirements.
<b>B. The Assistant Director – Wildlife and Sport Fish Restoration Program (AD - WSFR), through the Division of Administration and Information Management, Branch of Financial</b>	(1) Developing policy on the DUNS and SAM registration requirements, and  (2) Overseeing Service implementation of the policy.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

<b>Table 5-1: Responsibilities for Ensuring Recipient Compliance with the DUNS and SAM Registration Requirements</b>	
<b>These employees . . .</b>	<b>Are responsible for . . .</b>
<b>Assistance Policy and Oversight (FAPO) and Financial Assistance Systems</b>	
<b>C. Directorate members in Headquarters and the Regions</b>	Making sure employees who issue, administer, and manage grant and cooperative agreement awards are aware of and follow the requirements in this policy.

**5.6 What is DUNS and its registration requirement?**

**A.** DUNS is a system developed and regulated by Dun & Bradstreet (D&B) that assigns a unique nine-digit number, referred to as a "DUNS number," for each of an entity's physical locations. The number is associated with key business information, such as name and address.

**B.** Regulations require entities that either apply for or receive Federal funds under grant and cooperative agreement awards, or receive subawards directly from entities that receive grant and cooperative agreement awards, to obtain a valid DUNS number, unless the entity is exempt (see [section 5.3B](#)) or the Service waives the requirement (see [section 5.8](#)).

**C.** Entities that have to register to get Federal contracts, grants, and cooperative agreement awards can get a DUNS number for free. Information about how to obtain a DUNS number is available on the [company's Web site](#).

**5.7 What is SAM and its registration requirement?**

**A.** SAM is a Federal procurement and financial assistance [Web site](#) that consolidates the functionality that was previously in such systems as the CCR, Federal Agency Registration (Fedreg), the Online Representations and Certifications Application (ORCA), and the Excluded Parties List System (EPLS).

**B.** Regulations require entities that apply for or receive Federal funds under grant and cooperative agreement awards to register and maintain current information in [SAM](#) unless the entity is exempt (see [section 5.3B](#)) or the Service waives the requirement (see [section 5.8](#)).

**C.** To maintain an active registration in SAM, recipients must review and update their SAM information at least annually after the initial registration, and more frequently when information changes.

**5.8 May the Service waive the DUNS and SAM registration requirements for an entity?**

**A.** Yes, but because we need to ensure transparency of Federal funding, we may only approve a waiver if one of the following criteria is met:

**(1)** We must protect information about the entity from disclosure to avoid compromising classified information or national security or jeopardizing the personal safety of the entity's clients, or

**(2)** A foreign entity is applying for or receiving an award for less than \$25,000, the project will be conducted outside of the United States, and we find it impractical for the entity to comply with the requirement (see [section 5.10](#) for information about what has to happen if the award reaches \$25,000 or more).

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 5 DUNS and SAM Registration Requirements**

**516 FW 5**

**B.** If one of the criteria above is met:

**(1)** We can waive the requirement for both the DUNS and SAM registration, or

**(2)** If the recipient has a DUNS number but cannot register in SAM, we can waive just the SAM registration requirement.

**5.9 What is the process to request a waiver?**

**A.** To request a waiver, the program must:

**(1)** Obtain from the entity a written justification supporting the criterion/criteria (see [section 5.8A](#)).

**(2)** Complete [FWS Form 3-2451](#), *Financial Assistance Recipient DUNS/SAM Registration Waiver*. The managing Directorate member must sign and date the waiver request form. Someone “Acting” for him/her may sign the form in his/her absence, but the signature cannot be delegated below the “Acting” level.

**(3)** Route the written justification and completed waiver request form in the Data Tracking System (DTS) to the AD-WSFR.

**B.** The AD-WSFR will send the request to the Branch Chief, FAPO. FAPO staff will:

**(1)** Recommend to the AD-WSFR whether or not to approve the waiver request based on the criteria in [section 5.8A](#), and

**(2)** Maintain a list of all approved and denied waivers.

**C.** The AD-WSFR or his/her Acting must approve or deny the waiver request by signing and dating the waiver form.

**D.** After the program receives the waiver decision from the AD-WSFR, program staff must:

**(1)** Maintain the form in the official award file, and

**(2)** Send the entity a copy of the form.

**5.10. What happens if a foreign entity receives a waiver, but the total Federal award amount is later increased to \$25,000 or more?** Once the cumulative total Federal award amount becomes equal to or greater than \$25,000, the waiver is automatically revoked, and the foreign entity must register in SAM. To ensure compliance with the funding limit, FAPO monitors all financial assistance awards to foreign recipients with waivers to ensure they do not reach or exceed the \$25,000 limit.

**A.** When such an award equals or exceeds the \$25,000 limit, FAPO must:

**(1)** Notify the Grants Specialist or other managing officer that the recipient’s waiver is revoked and that the recipient needs to register in SAM to continue receiving payments,

**(2)** In coordination with any other impacted Departmental bureau(s), request that the Financial and Business Management System (FBMS) Vendor Master Data Maintenance team place a payment block on the recipient’s vendor record in FBMS, and

**(3)** After the recipient registers in SAM, work with the FBMS Vendor Master Data Maintenance team to make necessary updates to the recipient’s FBMS vendor record and remove the payment blocks.





**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 5 DUNS and SAM Registration Requirements**

**516 FW 5**

**5.15 May the Service reinstate a terminated award?** No. Once we terminate an award, we may not reinstate it.

**5.16 If, during a period of suspension or termination, a recipient incurs costs authorized under an award, are the costs allowable and eligible for reimbursement?** We may reimburse the recipient for allowable and eligible costs during a suspension or termination, but only if:

- A.** The costs cannot be reasonably avoided;
- B.** The costs were from obligations the recipient made before the suspension or termination action and not in anticipation of either action. For terminations, the costs must be the type that the recipient could not cancel;
- C.** The costs would have been allowable if the award were not suspended or terminated; and
- D.** We notify the recipient (with appropriate return receipt) through mail, fax, or email that we authorize reimbursement of the costs.

/sgd/ Stephen Guertin  
DEPUTY DIRECTOR

Date: September 30, 2013

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 6 Issuing Discretionary Grant and Cooperative Agreement Awards without Competition    516 FW 6**

**6.1 What is the purpose of this chapter?** This policy provides the information necessary for employees working with grant and cooperative agreement awards to justify and document issuing discretionary awards without engaging in competition (i.e., single source awards) in accordance with Department of the Interior (Department) policy.

**6.2 What are the objective and scope of this chapter?**

**A. Objective:** Our objective is for employees who administer and manage grant and cooperative agreement awards to be aware of and follow the documentation and public notice requirements for issuing discretionary awards without engaging in competition (i.e., single source awards).

**B. Scope:** This chapter:

**(1)** Covers all Service programs that administer and manage discretionary grant and cooperative agreement awards. A discretionary award is a grant or cooperative agreement for which we may:

- (a)** Select the award recipient from among all eligible applicants,
- (b)** Decide to make or not to make an award based on the content of an application, and
- (c)** Decide the amount of funding to be awarded.

**(2)** Does not apply to awards made under mandatory programs. Under a mandatory program, the authorizing statute requires us to make an award to each eligible entity under the conditions and in the amount or based on the formula specified in the statute. Table 6-1 lists the Service's mandatory programs by Catalog of Federal Domestic Assistance (CFDA) number.

<b>Table 6-1: The Service's Mandatory Financial Assistance Programs</b>		
<b>CFDA Number</b>	<b>Program Title</b>	<b>Award Type</b>
15.605	Sport Fish Restoration Program	Formula Grants
15.611	Wildlife Restoration and Basic Hunter Education	Formula Grants
15.625	Wildlife Conservation and Restoration	Formula Grants
15.626	Enhanced Hunter Education and Safety Program	Formula Grants
15.634	State Wildlife Grants (this program also has a discretionary portion, to which this policy applies)	Formula Grants
15.659	National Wildlife Refuge Fund (Refuge Revenue Sharing)	Direct Payments with Unrestricted Use
15.663	National Fish and Wildlife Foundation	Project Grants
15.668	Coastal Impact Assistance Program	Formula Grants

**6.3 What is a single source award?** A single source award is a discretionary award we give to a known entity without engaging in competition because it is appropriate based on the entity or the project meeting at least one of the criteria in Table 6-3.

**6.4 What is the Service's policy on single source awards?** In general, we must give members of the public who meet the eligibility requirements the opportunity to compete for discretionary awards. We may issue single source awards only when at least one of the criteria in Table 6-3 is met.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 6 Issuing Discretionary Grant and Cooperative Agreement Awards without Competition    516 FW 6**

**6.5 What are the authorities for this chapter?**

- A. 505 Departmental Manual (DM) 2, Procurement Contracts, Grant and Cooperative Agreements.
- B. Privacy Act of 1974 (5 U.S.C .552a).

**6.6 Who is responsible for decisions related to issuing single source awards? See Table 6-2.**

<b>Table 6-2: Responsibilities for Single Source Awards</b>	
<b>These employees . . .</b>	<b>Are responsible for . . .</b>
<b>A. The Director</b>	Making sure the Service has effective policy in place for issuing discretionary grants and cooperative agreements without competition.
<b>B. The Assistant Director – Wildlife and Sport Fish Restoration Program (AD - WSFR), through the Division of Administration and Information Management, Branch of Financial Assistance Policy and Oversight (FAPO)</b>	<p><b>(1)</b> Developing policy to maximize transparency when issuing discretionary grants and cooperative agreements without competition, and</p> <p><b>(2)</b> Overseeing Service implementation of the policy.</p>
<b>C. Directorate members</b> in Headquarters and the Regions	<p><b>(1)</b> Making sure the programs for which they are responsible consistently follow the requirements in this policy, and</p> <p><b>(2)</b> Requesting a Solicitor’s review when necessary because of complexity, novelty, intellectual property issues, potential conflicts of interest, or other such concerns.</p>

**6.7 What criteria must programs use to determine if they can make a single source award?**

A. We must encourage competition when making grant and cooperative agreement awards, but we may issue single source awards when at least one of the criteria in Table 6-3 is met (also see 505 DM 2):

<b>Table 6-3: Criteria for Issuing a Single Source Award (from 505 DM 2)</b>	
<b>Criterion</b>	<b>Description</b>
Unsolicited proposal	The proposed award is the result of an unsolicited assistance application that represents a unique or innovative idea, method, or approach that is not the subject of a current or planned contract or assistance award, but is found to be advantageous to the program objectives.
Continuation	The activity to be funded is necessary for the satisfactory completion of, or is a continuation of, an activity presently being funded, and holding a competition would have a significant adverse effect on continuing or completing the activity.
Legislative intent	The language in the applicable authorizing legislation or legislative history clearly indicates the intent of Congress to restrict award to a particular recipient or purpose.
Unique qualifications	The applicant is uniquely qualified to perform the activity based on a variety of demonstrable factors such as location; property ownership; voluntary support capacity; cost-sharing ability, if applicable; technical expertise; or other such unique qualifications.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 6 Issuing Discretionary Grant and Cooperative Agreement Awards without Competition    516 FW 6**

**Table 6-3: Criteria for Issuing a Single Source Award (from 505 DM 2)**

<b>Criterion</b>	<b>Description</b>
Emergencies	Because of a compelling and unusual urgency, or substantial danger to health or safety, there is not enough time to follow adequate competitive procedures.

**B.** Decisions to award discretionary funds to a single source without engaging in competition:

- (1) Must withstand scrutiny,
- (2) Should protect the public interest, and
- (3) Should be in line with management priorities, objectives, and statutory requirements.

**6.8 What are the requirements when the Service issues a single source award?** For every single source award, regardless of the amount, we must:

**A.** Complete FWS Form 3-2452, Determination for Issuing a Single Source Financial Assistance Award. The form must be signed by both a program representative and the employee with signature authority for the award to be issued (see 516 FW 3, Signature Authority for Grant and Cooperative Agreement Awards to determine if you have signature authority); and

**B.** Maintain the signed form in the official award file.

**6.9 Do programs have to post information about single source awards on Grants.gov?**

**A.** Yes, depending on the amount of the award. If a single source award is for \$25,000 or more, we must post a funding opportunity on Grants.gov. The posting must be on Grants.gov for at least 5 business days before we issue the award.

**B.** The funding opportunity notification must include:

- (1) A synopsis,
- (2) The full text of the announcement in the form of a “Notice of Funding Availability” document attached to the synopsis (see the Office of Management and Budget (OMB)’s Policy Directive on Financial Assistance Program Announcements, Vol. 68, No. 120, June 23, 2003), and
- (3) An application package containing the required and optional Governmentwide standard application forms that the program requires the applicant to complete.

**C.** In the Contract/Financial Assistance Management System Funding Opportunity “Program Description” field, include, in addition to a description of the program or project to be funded, brief but descriptive text that:

- (1) Identifies the intended recipient,
- (2) Indicates the intent to award to that recipient without competition,
- (3) Cites one or more of the criteria the recipient met for the program to justify issuing a single source award (see Table 6-3 or 505 DM 2), and

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 6 Issuing Discretionary Grant and Cooperative Agreement Awards without Competition    516 FW 6**

**(4)** Explains why competition for the award is not practical.

**D.** The funding opportunity posting must not contain any Personally Identifiable Information (PII). PII is information that directly identifies an individual (e.g., full name, phone number, social security number, email address, fingerprints). PII may also consist of a combination of indirect data elements, such as gender, race, birth date, geographic location (e.g., zip code), that someone could use to identify specific individuals. Putting PII on a public Web site is a violation of the Privacy Act of 1974.

**6.10 What must programs do if they receive an application in response to a single source funding opportunity from an entity that is not the intended single source recipient?** It is possible that we would receive an application from other applicants qualified to perform the anticipated project. We must:

**A.** Evaluate all applications received, and

**B.** For each application not selected for funding, send the applicant a written response explaining why the application was not selected.

/sgd/ Stephen Guertin  
DEPUTY DIRECTOR

Date: January 16, 2014

**U.S. Fish and Wildlife Service  
 Determination for Issuing a Single Source Financial Assistance Award**

**Instructions:** In accordance with Service policy 516 FW 6, *Issuing Discretionary Grant and Cooperative Agreement Awards without Competition*, complete this form to document the justification for issuing a single source grant or cooperative agreement award. This form must be signed by both a program representative and the employee with signature authority for the award to be issued (see 516 FW 3, *Signature Authority for Grant and Cooperative Agreement Awards*). The completed and signed form must be maintained in the official award file.

**Recipient Name:** \_\_\_\_\_

**Project Title:** \_\_\_\_\_

**Program Contact:** \_\_\_\_\_

**Select all criteria that apply (from 505 DM 2):**

	(1) Unsolicited Proposal: The proposed award is the result of an unsolicited application that represents a unique or innovative idea, method, or approach that is not the subject of a current or planned award, but is found to be advantageous to program objectives.
	(2) Continuation: The activity to be funded is necessary for the satisfactory completion of, or is a continuation of, an activity we are funding and holding a competition would have a significant adverse effect on continuing or completing the activity.
	(3) Legislative Intent: The language in the applicable authorizing legislation or legislative history clearly indicates the intent of Congress to restrict the award to a particular recipient or purpose.
	(4) Unique Qualifications: The applicant is uniquely qualified to perform the activity based on a variety of demonstrable factors such as location; property ownership; voluntary support capacity; cost-sharing ability, if applicable; technical expertise; or other such unique qualifications.
	(5) Emergencies: Because of a compelling and unusual urgency, or substantial danger to health or safety, there is not enough time to follow adequate competitive procedures.

**Explain below why competition for this award is not practical. As applicable, summarize the program legislative history, unique capabilities of the proposed recipient, and any cost-sharing contribution offered by the proposed recipient. Be brief and specific:**

*I have determined that this project meets the requirements for a single source award and recommend that it be awarded to the recipient named above.*

*I, as the Service employee with signature authority for this award under 516 FW 3, have reviewed this program recommendation and find that it meets the requirements for a single source award.*

\_\_\_\_\_  
 Program Representative Sign and Date

\_\_\_\_\_  
 Authorized Signator Sign and Date

\_\_\_\_\_  
 Printed Name of Program Representative

\_\_\_\_\_  
 Printed Name of Signator

THIS PAGE INTENTIONALLY LEFT BLANK

Last Updated: February 20, 2015

**U.S. Fish and Wildlife Service**  
**Financial Assistance Business Process**  
**Indirect Costs and Negotiated Indirect Cost Rate Agreements**

**Point of Contact**

Send any questions about this guidance by email to the Chief, Wildlife and Sport Fish Restoration Program (WSFR), Division of Administration and Information Management (AIM), Financial Assistance Policy and Oversight (FAPO) Branch. See the FAPO About/Contact Us Intranet page at <https://inside.fws.gov/index.cfm/go/post/FAPO-About> for contact information.

**Document Change Log**

FAPO will update this document over time to incorporate changes resulting from any new government-wide regulations or new Department of the Interior or Service policy. We will post updated versions of this document on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> and will log updates made to this guidance in the following table:

Date Changed	Description of Change Made
2-20-2015	Updates made to: <ul style="list-style-type: none"> <li>• Incorporate new 2 CFR 200 and DOI-AAAP-0007 definitions, allowances, restrictions, and requirements;</li> <li>• Simplify the indirect cost statements to be submitted by applicants;</li> <li>• Reorganize questions to improve document flow; and</li> <li>• Revise some questions and answers to improve clarity.</li> </ul>

**Definitions**

Term	Definition
Cognizant agency for indirect costs	See also 2 CFR 200.19. Cognizant agency for indirect costs means the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under this part on behalf of all Federal agencies. For assignments of cognizant agencies see the following: <ul style="list-style-type: none"> <li>• Appendix III to Part 200—Indirect (F&amp;A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs), paragraph C.11.</li> <li>• Appendix IV to Part 200—Indirect (F&amp;A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations, paragraph C.12.</li> <li>• Appendix V to Part 200—State/Local Governmentwide Central Service Cost Allocation Plans, paragraph F.1.</li> <li>• Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposal, paragraph D.1.</li> <li>• 45 CFR Part 75, Appendix E—Principles for Determining Cost Applicable to Research and Development Under Grants and Contracts with Hospitals.</li> <li>• For-profits: Contact the National Interior Business Center (IBC), Indirect Cost Services at (916) 566-7111 or <a href="mailto:ics@ibc.doi.gov">ics@ibc.doi.gov</a>.</li> </ul>

Term	Definition
Direct costs	See also 2 CFR 200.413. Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (F&A) costs.
Indirect costs	See also 2 CFR 200.414. Indirect (facilities & administrative (F&A)) costs means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect (F&A) costs. Indirect (F&A) cost pools must be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.

**1. Can a grant or cooperative agreement award (award) recipient charge all costs directly?**

Yes. A recipient can use the direct cost allocation method if they have only a few funding sources. This method is not recommended if the recipient has more than three funding sources.

**2. What requirements must a recipient meet before charging indirect costs to an award?**

A recipient who receives an award as an individual, separate from a business or non-profit organization he/she may operate, is not eligible to charge indirect costs to their award. All other recipients must either:

- A. Show that the indirect amount they seek to charge is proper by submitting to their cognizant agency an indirect cost rate proposal that includes financial documentation and analysis showing that the desired rate is supported, accurate, and reasonable. Once the proposal is approved by the cognizant agency it is referred to as a negotiated indirect cost rate agreement; or
- B. If eligible, accept as a condition of award a flat 10% *de minimus* indirect cost rate to be charged to modified total direct costs as defined in 2 CFR 200.68. This option is available only to recipients who have never negotiated a rate with their cognizant agency and have indicated on their application that, in the event an award is made, they will not be able to meet the requirement to submit an indirect cost rate proposal to their cognizant agency within 90 calendar days after award. This option is available to all entities that have never negotiated a rate with their cognizant agency except U.S. state and local governments receiving more than \$35 million in direct Federal funding per year (see 2 CFR 200.414(f)).

**3. Does an applicant have to have a federally-negotiated indirect cost rate when they apply for funds?**

No. Applicants must have an active Federal award before they can submit an indirect cost rate proposal to their cognizant agency. An applicant who has never received Federal funds, or an applicant whose previously negotiated rate has expired, will not have a federally-negotiated indirect cost rate when they apply for funding.

#### 4. What indirect cost-related information must applicants submit to the Service?

All applicants except individuals applying for funds separate from a business or non-profit organization he/she may operate must include in their application one of the following statements, and attach to their application any required documentation identified in the applicable statement:

“We are:

- A U.S. state or local government entity receiving more than \$35 million in direct Federal funding each year with an indirect cost rate of [insert rate]. We submit our indirect cost rate proposals to our cognizant agency. A copy of our most recently approved rate agreement/certification is attached.
- A U.S. state or local government entity receiving less than \$35 million in direct Federal funding with an indirect cost rate of [insert rate]. We are required to prepare and retain for audit an indirect cost rate proposal and related documentation to support those costs.
- A [insert your organization type; U.S. states and local governments, please use one of the statements above or below] that has previously negotiated or currently has an approved indirect cost rate with our cognizant agency. Our indirect cost rate is [insert rate]. A copy of our most recently approved rate agreement is attached.
- A [insert your organization type] that has never submitted an indirect cost rate proposal to our cognizant agency. Our indirect cost rate is [insert rate]. In the event an award is made, we will submit an indirect cost rate proposal to our cognizant agency within 90 calendar days after the award is made.
- A [insert your organization type] that has never submitted an indirect cost rate proposal to our cognizant agency. Our indirect cost rate is [insert rate]. However, in the event an award is made, will not be able to meet the requirement to submit an indirect cost rate proposal to our cognizant agency within 90 calendar days after award. We request as a condition of award to charge a flat *de minimus* indirect cost rate of 10% of modified total direct costs as defined in 2 CFR 200.68, “Modified Total Direct Cost (MTDC)”. We understand that the 10% *de minimus* rate will apply for the life of the award, including any future extensions for time, and that the rate cannot be changed even if we establish an approved rate with our cognizant agency at any point during the award period.
- A [insert your organization type] that is submitting this proposal for consideration under the [insert either “Cooperative Fish and Wildlife Research Unit Program” or “Cooperative Ecosystem Studies Unit Network”], which has a Department of the Interior-approved indirect cost rate cap of [insert program rate]. If we have an approved indirect cost rate with our cognizant agency, we understand that we must apply this reduced rate against the same direct cost base as identified in our approved indirect cost rate agreement. If we do not have an approved indirect cost rate with our cognizant agency, we understand that the basis for direct costs will be the modified total direct cost base defined in 2 CFR 200.68, “Modified Total Direct Cost (MTDC)”. We understand that we must request prior approval from the Service to use the MTDC base instead of the base identified in our approved indirect cost rate agreement, and that Service approval of such a request will be based on: 1) a determination that our approved base is only a

subset of the MTDC (such as salaries and wages); and 2) that use of the MTDC base will still result in a reduction of the total indirect costs to be charged to the award.

- A [insert your organization type] that will charge all costs directly.”

**5. How do we approve a proposed budget from an entity that does not have a federally-negotiated indirect cost rate, but has indicated in their application that they will submit an indirect cost rate proposal after the award is made?**

For entities that do not have a federally-negotiated rate at the time of application, either because they never had one or their previously negotiated rate has expired, we can conditionally approve the organization's proposed budget for both direct and indirect costs. The program will obligate funds for all expected direct and indirect costs, but will include an award condition that prohibits the recipient from charging any indirect costs until they have established a rate. If the recipient does not establish a rate during the award period, all indirect costs will be unallowable and the program may either: 1) deobligate the Federal amount budgeted for indirect costs and, if not otherwise prohibited by legislation or regulation, allow the recipient to use costs otherwise allocable as indirect costs to satisfy cost-sharing or matching requirements; or 2) allow the recipient to transfer the amount otherwise allocable as indirect costs to direct costs. Service approval of such budget changes will depend on the particular award circumstance. The recipient may not shift the disallowed indirect costs to another Federal award, unless specifically authorized by legislation.

**6. Can an applicant/recipient apply their indirect cost rate to the cost-sharing portion of the project budget?**

Yes, unless otherwise prohibited under program legislation or regulation. However, recipients may only charge to the Federal award the indirect costs calculated against the direct costs charged to the Federal award. Recipients may not charge to Service awards any indirect costs calculated against: 1) any portion of the recipient's direct costs; or 2) any portion of the direct costs being charged to any other Federal or non-Federal project partner.

**7. When must recipients submit their indirect cost rate proposal?**

A recipient must submit an indirect cost rate proposal:

- A. Immediately after being advised in writing that a Federal award will be made, and no later than 90 calendar days of the date the award is made; and then
- B. Within six months of the end of the recipient's fiscal year on an annual basis for the life of the Federal award. For example, an organization receives an award with a three-year period of performance that begins August 1, 2013 and ends August 1, 2016. The organization's fiscal year ends on December 31st. The organization must submit rate proposals within six months of: Dec. 31, 2013; Dec. 31, 2014; Dec. 31, 2015; and Dec. 31, 2016.

**8. What if a recipient submitted their indirect cost rate proposal within the required timeframe but the cognizant agency delays approval of their proposal?**

The recipient must provide to the Service a copy of their submitted proposal, the name of their cognizant agency, and evidence of the proposal submission date in the form of either a copy of an emailed submission or written confirmation of the proposal receipt date from the

cognizant agency. The Service may, upon review of the documentation and consultation with the cognizant agency, give written approval to the recipient to charge indirect costs at their proposed rate until their proposal is approved. Service approval to charge indirect costs based on a proposed rate will depend on the circumstance; the Service will not approve a recipient to charge indirect costs based on a proposed rate if rate approval delays are due to the recipient having submitted a late, incomplete, or inaccurate proposal. The recipient must receive written prior approval from the Service before charging indirect costs based on a proposed rate. The award may be subject to further revision if the approved rate is higher or lower than the proposed rate.

**9. What information does an indirect cost rate proposal contain?**

The proposal identifies all activities carried out within the organization, classifies those activities as either indirect or direct, and then subtracts from the indirect costs those costs that are ineligible based on OMB guidance and agency regulation. The proposal also identifies the type of rate being requested. A recipient must develop their indirect cost rate proposal in accordance with the applicable cost principles and rate identification and assignment/determination procedures identified in the Service Financial Assistance Award Terms and Conditions posted on the Internet at <http://www.fws.gov/grants/>.

**10. What information does an approved indirect cost rate agreement contain?**

The document reflecting the cognizant agency's approval of a recipient's indirect cost rate will detail:

- A. The approved indirect cost rate(s), including the type of rate(s), the rate effective period, and distribution base to be used;
- B. Either an approved fringe benefit rate, or a determination that fringe benefits will be treated as direct and/or indirect costs;
- C. General terms and conditions; and
- D. Any special remarks (e.g., composition of the indirect cost pool).

**11. Must we honor a recipient's federally-negotiated indirect cost rate?**

Yes. The provisions of 2 CFR 200.414 and related Department policy [DOI-AAAP-0007](#) require programs to accept federally-negotiated indirect cost rates (Note: recipient acceptance of the 10% *de minimus* rate is considered a federally-negotiated rate). The only exceptions are:

- A. If the program is governed by legislation or regulation that otherwise prohibits or limits recipient indirect cost rates. In this case, when the amount otherwise allocable as indirect costs exceeds the amount allowable under the award, the excess amount may, if not otherwise prohibited by legislation or regulation, be used to satisfy cost-sharing or matching requirements. However, the difference may not be shifted to another Federal award unless specifically authorized by legislation.
- B. If the program has received approval from the Department of the Interior to deviate from recipient negotiated rates for a program or class of awards. The only Department programs with rate deviation approval are: the Cooperative Fish and Wildlife Research Unit Program and the Cooperative Ecosystem Studies Unit Network. Only those projects funded under/in support of these two programs qualify for the approved indirect cost rate deviation. All other Service awards to the same recipients must honor the recipients' approved indirect cost rates.

- C. If the recipient attributes some or all of their allowable indirect costs as voluntary cost-share or, when allowable, to satisfy cost-sharing or matching requirements.
- D. If the recipient voluntarily charges less than the full amount of indirect costs allowed under the award. The election must be voluntary; Service employees must not require or otherwise solicit such a reduction. To document the voluntary nature of the lower rate, the applicant/recipient must submit to the Service a written statement, signed by the official having the authority to negotiate indirect cost rates for the recipient organization, notifying us that they will assess a reduced indirect cost rate. This statement must also specify to which award(s)/project(s) the reduced rate applies. The Service will not use the reduced rate on any award/project not specified by the recipient in writing. A copy of the recipient's statement must be maintained in the official award file for every award to which the rate is applied.

For all deviations to the Federal negotiated indirect cost rate, including statutory, regulatory, programmatic, and voluntary, the basis of direct costs against which the indirect cost rate is applied must be either:

- 1) The same base identified in the recipient's negotiated indirect cost rate agreement, if the recipient has a federally-negotiated indirect cost rate agreement; or
- 2) The Modified Total Direct Cost (MTDC) base, in cases where the recipient does not have a federally-negotiated indirect cost rate agreement or, with prior approval of the Awarding Agency, when the recipient's federally-negotiated indirect cost rate agreement base is only a subset of the MTDC (such as salaries and wages) and the use of the MTDC still results in an overall reduction in the total indirect cost recovered. MTDC is the base defined by 2 CFR 200.68, "Modified Total Direct Cost (MTDC)."

In cases where the recipient does not have a federally-negotiated indirect cost rate agreement, under no circumstances will the Service use a modified rate based upon Total Direct Cost or other base not identified in the federally-negotiated indirect cost rate agreement or defined within 2 CFR 200.68. See [DOI-AAAP-0007](#) for more information.

## **12. What if an applicant does not budget for or a recipient does not charge to the award some or all of their allowable indirect costs?**

Applicants are responsible for submitting a complete proposed project budget. Applicants that inadvertently fail to include some or all of their allowable indirect costs on their proposed budget run the risk that the funding program may not have additional funds available at a later date to cover those costs. Further, under discretionary competitive programs, recipients that did not include some or all of their allowable indirect costs in their application in order to be more competitive may not be authorized, at the discretion of the funding program, to request reimbursement after an award is issued for any indirect costs not included on their approved application.

Recipients are responsible for requesting funds for allowable costs and submitting to the program a final financial report summarizing their expenditures under the award. The Service is not obligated to ensure that a recipient charges to the award all of their allowable indirect costs.

## **13. If the Department of the Interior is their cognizant agency, what office does a recipient contact for more information on indirect cost rate proposals?**

An organization that has not previously established an indirect cost rate and has received, or expects to receive, the greatest amount of Federal funding in direct awards from the Department of the Interior, should contact the Interior Business Center at:

Indirect Cost Services  
Acquisition Services Directorate, National Interior Business Center  
U.S. Department of the Interior  
2180 Harvard Street, Suite 430  
Sacramento, CA 95815  
Phone: 916.566.7111  
Email: [ics@nbc.gov](mailto:ics@nbc.gov)  
Website: [http://www.doi.gov/ibc/services/Indirect\\_Cost\\_Services/index.cfm](http://www.doi.gov/ibc/services/Indirect_Cost_Services/index.cfm)

THIS PAGE INTENTIONALLY LEFT BLANK

## Single Source Awards and the Appearance of Conflict of Interest

### Audit Finding

A FWS program awarded grants to four state natural resource agencies without proper competition, and without single source justification.

Auditors discovered these four state agencies regularly partner with this FWS program and hold positions on the program’s steering committee. Members of this steering committee also have responsibility for recommending awards. This creates the appearance of a conflict of interest since the agencies represented by these steering committee members received Federal grant funds without competition and without public posting of a single-source justification. Auditor interviews indicated that the grants officer was unaware that the four agreements had been awarded without competition. These awards to State agencies, which support the agencies’ participation with the Service, should have been appropriately justified and documented as single-source awards.

### FWS Response

FWS partially concurred with the recommendation. In its response, FWS indicated that in some instances, single-source awards are the only option for recipients in this program (e.g., awards to States). Therefore, FWS does not concur with the portion of the recommendation to limit the use of single-source awards.

### OIG Followup Comment

OIG’s recommendation stood as written since they believed the recommendation did allow FWS discretion in the use of single-source awards: “We recognize that circumstances exist when the use of sole-source agreements is necessary; therefore we consider this recommendation resolved but not implemented.”

---

---

---

---

---

THIS PAGE INTENTIONALLY LEFT BLANK

## OIG Audit Examples of Questioned Indirect Costs

### Audit Finding:

FWS entered into a \$1 million cooperative agreement with a nonprofit organization to support conservation efforts for the the USFWS. During an OIG audit, an auditor discovered the recipient had charged an indirect, overhead cost rate of 15-percent of its direct costs. However, the recipient's approved provisional indirect cost rate agreement (by DOI's Interior Business Center as the cognizant or financially responsible agency) for the relevant period was 54-percent of direct salaries and fringe benefits only. Direct salaries were **not** included in the approved budget, nor were charged on the project, so there should have been no indirect costs charged.

Because of this, The auditors questioned all indirect costs charged to the award by the recipient.

---



---



---

### Audit Finding:

A State Department of Natural Resources, with a properly negotiated indirect cost rate agreement for direct costs less capital expenditures and pass-through funds, was found to be charging its indirect cost rate to the administration of its subawards. The auditors determined this to be in violation of the NICRA, since they consider subawards to be passthrough funds. The auditors outlined their rationale for considering subawards as passthrough funds using 2 CFR 225 and A-133, as well as to DOI's Interior Business Center policy, which states that pass-through funds are "major subcontracts, payments to participants, and subgrants which require minimal administrative effort."

The Department did not concur with the finding, stating they did not have any passthrough funds that required 'minimal administrative effort.'

---



---



---

THIS PAGE INTENTIONALLY LEFT BLANK

7

**Objectives:**

1. Identify and explain the purpose of the Notice of Award (NOA) and its elements.
2. Describe the NOA's terms of acceptance, provisions and special conditions.

**Handouts:**

- BFA 7-1 – Notice of Award Letter Template (Attachment 9)
- BFA 7-2 – Modifying the PRISM Grant and Cooperative Agreement Cover Page (Attachment 11)
- BFA 7-3 – Financial Assistance Award Terms and Conditions
- BFA 7-4 – Setting Performance Period Dates for Grant and Cooperative Agreement Awards (Attachment 7)
- BFA 7-5 – Sample Financial Assistance Award Special Terms and Conditions (Attachment 10)

## Notice of Award

The notice of award is the legal document authorizing the recipient to expend funds and sets the award-specific terms, conditions and provisions. It also acts as the basis for all future monitoring and evaluation activities conducted by the program and the recipient.

Based on the Service's and the Department's standard award terms and conditions, a recipient's acceptance of an award constitutes their agreement to comply with all the award terms and conditions. Acceptance is defined as the start of work, drawing down funds, or accepting the award via electronic means.

Asking a recipient to co-sign the Notice of Award document adds an unnecessary burden and processing time to the grant or cooperative agreement award transaction.

If Program Offices elect to use the Prism-generated Grant or Cooperative Agreement Cover Page form, they **MUST** follow the guidance in the FAPO New Award Guidance #8.

### Key Elements of the notice of award

- Award cover letter
- Terms and conditions (general and special)
- Program specific information
- Federal Identifier and/or revision number
- Project contacts
- CFDA and primary authorizing legislation
- Federal Share Authorized
- Dates
- Scope of work (substantial involvement?)
- Reporting requirements
- Signature of Authorized Official





**Exercise: Notice of Award**

Use the **FAPO New Award Guidance**, the handouts in back of this module, and **516 FW 3** (located in Tab 2 and on the iPad) to answer the questions below. Cite your references.

- 1. According to the FAPO New Award Guidance, how is the award’s period of performance start date established? Where is it documented?

---

---

---

---

---

- 2. The FAPO New Award Guidance states that expenditures must occur during which period to be eligible for reimbursement?

---

---

---

---

- 3. Which attachment in the FAPO New Award guidance provides USFWS financial assistance award terms and conditions? List a few examples.

---

---

---

---

---

---

---

---



**Exercise: Notice of Award (cont'd)**

4. Which attachment in the FAPO New Award guidance provides USFWS special terms and conditions? List a few examples.

---

---

---

---

---

---

---

---

---

---

5. In what ways does a Recipient accept a Federal Financial Assistance award?

---

---

---

6. Are Recipients required to sign the NOA?

---

---



## Learning Points

- ✓ The Notice of Award is the legal awarding document for financial assistance.
- ✓ The NOA: (1) states the terms and conditions of the grant, (2) obligates the Federal share of estimated project costs by program (if available); and (3) provides information to monitor uses of funds.
- ✓ Only costs incurred during the performance period are eligible for reimbursement, unless pre-award costs have specifically been approved, as stated in the NOA.
- ✓ Conditional statements clarify the terms and conditions of the award.

THIS PAGE INTENTIONALLY LEFT BLANK

Last Updated: February 20, 2015

**U.S. Fish and Wildlife Service  
Financial Assistance Business Process  
Notice of Award Letter Template**

**Point of Contact**

Send any questions about this document by email to the Chief, Branch of Financial Assistance Policy and Oversight (FAPO), Wildlife and Sport Fish Restoration Program (WSFR), Division of Administration and Information Management (AIM). See the FAPO About/Contact Us Intranet page at <https://inside.fws.gov/index.cfm/go/post/FAPO-About> for contact information.

**Document Change Log**

We will post updated versions of this document on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> and will log updates made to this document in the following table:

Date Changed	Description of Change Made
	Incorporated requirements under new 2 CFR 200, including: <ul style="list-style-type: none"> <li>● 200.113, inserted mandatory disclosure requirements as a new reporting requirement;</li> <li>● 200.210 (d), inserted language related to incorporating award performance goals, when appropriate;</li> <li>● 200.308 and 200.407, updated language related to waiving prior approvals to make more general and to add reference to incorporating restrictions, as allowed in 2 CFR 200.</li> </ul>
	Incorporated requirements under recently issued Department policies, including: <ul style="list-style-type: none"> <li>● DIG 2011-03, Amendment 1, “Financial Assistance Monitoring Protocol” and related “Service FA Recipient Risk Assessment Guidance”;</li> <li>● DOI-AAAP-0007, DOI Policy, Procedures, and General Decision-Making Criteria for Deviations from Negotiated Indirect Cost Rates under Federal Financial Assistance Programs and Agreements; and</li> <li>DOI-AAAP-0008, “Conflict of Interest and Mandatory Disclosures for Financial Assistance”.</li> </ul>
	Other changes: <ul style="list-style-type: none"> <li>● Added instructions on when to include DUNS+4 &amp; CAGE code;</li> <li>● Changed “project period” to “performance period”;</li> <li>● Clarified when to include Recipient match/cost-share on notice of award; and</li> <li>● Added additional options for detailing pre-award cost period.</li> </ul>

## Instructions

Use the Notice of Award Letter Template as a starting point for developing an award-specific notice of award letter. Programs must review this template at least annually to make sure any program-specific templates that are developed based on this template remain up to date. FAPO will update this template over time to incorporate changes resulting from any new government-wide regulations, Department of the Interior or Service policy, or new/changed Financial and Business Management System (FBMS) functionality. For more information, see the [Issuing a New Financial Assistance Award Guidance](https://inside.fws.gov/go/post/FAPO-NewAwards) document posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards>.

The Notice of Award Letter Template begins on page 3 of this document. Do not send this Instructions cover page to your recipient. This Instructions cover page does not need be maintained in the official award file. The table below provides editing instructions for completing an award-specific Notice of Award Letter:

Text Characteristic	Represents
Times New Roman text with gray highlighting	Instructions for completing required elements that must be replaced with program-specific text
Times New Roman text with yellow highlighting	Instructions for customizing the letter with program-, project-, and/or recipient-specific content
Arial text with blue highlighting	Notes and additional instructions that must be removed
Times New Roman text, not highlighted	Text that either: 1) must not be removed or 2) can only be removed if it is determined that, based on yellow highlighted instructions above the text, the text does not apply to the award

To save completion time and to shorten the template document, programs are invited to develop program- and/or recipient-specific notice of award letter templates based on this template. Deciding which sections apply to your program and/or recipients will be the most time-consuming step. Contact FAPO if you need assistance in determining which sections apply to your awards.



WSFR/AIM/Branch of Financial Assistance Policy and Oversight

# United States Department of the Interior

## FISH AND WILDLIFE SERVICE

[Insert city, state and zip code]



In Reply Refer To:

FWS/[Insert program-specific acronyms/insert DTS number, when applicable]

[Recipient contact name and title]

[Recipient organization name]

[Recipient address]

DUNS: [insert recipient DUNS number, or, if recipient has more than one DUNS, enter their DUNS-Plus 4 and the corresponding CAGE code for the award. Remove text if award is to an individual.]

Subject: Notice of [enter Grant or Cooperative Agreement] Award [enter FBMS award number]

Dear Mr. /Ms. [recipient contact name]:

**NOTE: Change the text highlighted in yellow in the paragraph below as needed to identify the proposal, or version of, in the event one or more revisions were submitted, on which this award is based. Remove yellow highlighting when highlighted text is retained. Remove this note.**

Your organization's application for Federal financial assistance titled "[enter project title]" submitted to the U.S. Fish and Wildlife Service (Service)'s CFDA Program [enter program's CFDA number] is approved. This award is made under the authority of: [insert program's *primary* authorizing legislation]. For a complete list of this program's authorizing legislation, go to <https://www.cfda.gov/> and search by the CFDA Program number. This award is made based on Service approval of your organization's proposal signed on [insert date], hereby incorporated by reference into this award. Funds under this award are to be used to [Enter a BRIEF one to two sentence statement of the purpose and/or objectives of the award. You do not need to re-write the approved proposal, which is already incorporated by reference, but rather provide enough of a description so that the recipient is clear as to the project/activity being funded. If deliverables/products OTHER than the standard financial and performance reports are expected, describe those deliverables/products here and detail when each of those deliverables/products are to be delivered to the Service. When appropriate, include any specific performance goals, indicators, milestones, or expected outcomes with an expected timeline for accomplishment (see 2 CFR 200.210 (d)). For awards issued under mandatory programs, if the award purpose/objectives cannot easily be summarized in one or two sentences, skip this section].

[If the award is for a cooperative agreement, include a detailed and project-specific description of the substantial activities to be carried out by Service staff under the award ("The Service will..." and "the Recipient will..." statements). Substantial involvement does NOT include: awarding funds, assigning a project officer, reviewing and approving standard financial and performance reports, processing

payments, monitoring to ensure project is completed on time, or performing any other routine administrative and monitoring activities. These responsibilities are inherent to every financial assistance award and do NOT justify issuing a cooperative agreement! Do not include these types of activities in the “The Service will...” substantial involvement statement. See the [Selection of Funding Instrument Decision Diagram](#) posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> for more information on what types of activities are/are not considered substantial involvement].

**NOTE:** The notice of award must include the performance period start and end dates. Some awards may also require information on funding period(s) start and end date(s). Select one of the two options provided below for stating the project and funding periods for the award. Remove the yellow highlighted Option 1 and Option 2 section headers. Remove the text under the option that is not applicable to the award. Update the text for the option that is applicable to the award following the instructions provided. Remove yellow highlighting when highlighted text is retained. See the [Setting Performance Period Dates for Grant and Cooperative Agreement Awards](#) document posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> for more information on setting performance period start and end dates for both standard and incrementally funded awards. Remove this note.

#### **Performance Period Option 1-Standard (not incrementally funded)**

**Note:** the yellow highlighted text in the last sentence of the paragraph below is optional ONLY if program legislation specifically provides a different timeframe for the recipient to liquidate all obligations. Otherwise, the text must not be changed. Remove yellow highlighting when highlighted text is retained. Remove this note.

The performance period of this award [enter “is” or “begins on”] [enter start date or “the signature date on this letter”] through [enter end date]. Only allowable costs resulting from obligations incurred during the performance period [enter “and any authorized pre-award costs”, if pre-award costs are approved] may be charged to this award. All obligations incurred under the award must be liquidated no later than 90 calendar days after the end of the performance period. You must submit a written request to the Service Project Officer identified in the Project Contacts section below before the end of the stated performance period if you need more time to liquidate all obligations.

#### **Performance Period Option 2-Incrementally funded project**

**Note:** The yellow highlighted text in the third paragraph below is optional ONLY if program legislation specifically provides a different time frame for the recipient to liquidate all obligations. Otherwise, the text must not be changed. Remove yellow highlighting when highlighted text is retained. Remove this note.

The performance period of this award [enter “is” or “begins on”] [enter start date or “the signature date on this letter”] through [enter end date]. This is the period of Federal sponsorship. This project will be funded incrementally over time [Insert detailed description of how the incremental funding will work (e.g., anticipated timing of subsequent increments? How much for each increment? How much total expected over the entire performance period? What documentation does the recipient have to provide to receive next increment- deliverables from previous segment, SF 424, budget, other?)].

The funding period for the first segment of this project is [enter “is” or “begins on”] [enter a specific start date or “the signature date on this letter”] through [enter end date]. The total amount of Service funding available for the first segment of this project is [enter total Service amount for first segment]. Only allowable costs resulting from obligations incurred during this funding period and [enter “and any authorized pre-award costs”, if pre-award costs are approved] may be charged to this award.

The Service will revise this award over time to add new funding for each subsequent project segment. Each project segment will be assigned a specific funding period, during which only allowable costs resulting from obligations incurred during the specified funding period may be charged to this award. All obligations incurred during a funding period must be liquidated no later than 90 calendar days after the funding period end date. You must submit a written request to the Service Project Officer before the end of the stated period if you need more time to liquidate all obligations.

The Service's obligation to provide incremental funding up to the total anticipated award amount is contingent on: 1) satisfactory Recipient performance and 2) the availability of funds. No legal liability on the part of the Service exists unless and until the Service obligates funds and notifies the Recipient in writing that funds are available for the purposes of this award.

**End option 2**

**NOTE:** If the award includes post performance period real property retention and/or maintenance requirements, the retention/maintenance period (e.g., habitat retention period) must be identified SEPARATELY from the performance period and must NOT be referred to as a performance period, budget period, or funding period. Remove this note.

This [insert “award” or “project”] is funded as follows:

**NOTE:** The award funding details below are presented in a TABLE format. This table can and should be changed to reflect any special circumstance. Change/add table column headers to convey recipient share, matching funds, other Federal sources, and/or Federal funding identifiers, as needed. Change row titles or insert new rows as needed to: 1) identify all future expected-to-be-funded periods and anticipated award total, for incrementally funded projects or, 2) identify obligations allocated for different purposes or programs, if recipient needs to maintain separation of funds across purposes or programs. “Recipient” column included for use when incorporating recipient mandatory or voluntary committed cost-share or matching funds as a binding requirement of the award (see 2 CFR 200.99). Remove the “Recipient” column if recipient is not contributing mandatory/voluntary committed funds. Remove this note.

	<u>Service</u>	<u>Recipient</u>
This obligation:	\$0.00	\$0.00
<b>Award Total:</b>	<b>\$0.00</b>	<b>\$0.00</b>

If you authorized the recipient to be reimbursed for some or all pre-award costs, or waived the prior approval requirement as allowed under 2 CFR 200.308(d)(1), include and update the following text and remove these yellow highlighted instructions. If pre-award costs are not authorized, remove the following text and these yellow highlighted instructions:

**Pre-award Costs:** [Enter either: “Your organization [“is” or “was”] authorized to be reimbursed for [insert description of expenses, e.g., all direct and indirect pre-award expenses] incurred [insert either “X” calendar days prior to the award period of performance start date”, “starting on [insert date]”, or “incurred between [insert date] and the award period of performance start date”] of this award and necessary to comply with the proposed project schedule/period of performance.” OR “Your organization [“is” or “was”] authorized to incur project costs 90 calendar days before this award was made without further prior approval.”]

If the award is subject to mandated Federal share/recipient match or cost-share requirements, describe those requirements here and remove these yellow highlighted instructions. If the award is not subject to such requirements, remove the following text and these yellow highlighted instructions:

**Federal Share/Match Requirements:** [Insert description of the Federal share and/or recipient cost-share or match requirements and/or restrictions here].

If the program wants to waive any other prior approval requirements or restrictions in 2 CFR 200 (see 2 CFR 200.407), detail those here. If not applicable, remove these yellow highlighted instructions.

**NOTE:** Review the four indirect cost-related conditions provided below and include/remove condition text as appropriate to the award. If more than one condition is included, remove the “Indirect Costs:” section identifier on all but the condition appearing first. Remove this note.

**Indirect Costs-Condition 1:** For recipients other than individuals, if the funding program is governed by legislation or regulation that prohibits or limits recipient indirect cost rates AND the program does not have any legislative or regulatory restriction on using unallowable indirect costs to satisfy cost-sharing or matching under the award, include and update the following text and remove these yellow highlighted instructions. If this condition does not apply, remove the following text and these yellow highlighted instructions:

**Indirect Costs:** In accordance with [insert citation of legislation/regulation], indirect costs under this Federal program are [enter either “limited to [insert description of limit]” or “not allowed”]. The amount otherwise allowable as indirect costs based on your organization’s approved indirect cost rate with the Federal government may be used to satisfy cost-sharing or matching requirements. Indirect costs otherwise allocable to this award may not be shifted to another Federal award unless specifically authorized by legislation.

**Indirect Costs-Condition 2:** For eligible recipients other than U.S. states and local governments receiving more than \$35 million in Federal funding in a year, that have chosen to accept as a condition of award a flat indirect cost rate of 10% of modified total direct costs, include the following text and remove these yellow highlighted instructions. If this condition does not apply, remove the following text and these yellow highlighted instructions:

**Indirect Costs:** Recipient is authorized to charge only a flat indirect cost rate of 10% of the Modified Total Direct Costs (MTDC) for the life of this award, including any subsequent revisions and extensions for time, regardless of any indirect cost rate the Recipient may establish with the Federal government during the award period. MTDC is defined in 2 CFR 200.68.

**Indirect Costs-Condition 3:** If the recipient will submit an indirect cost rate proposal after the award is made, and the program has conditionally approved a budget that includes total estimated indirect costs,

include the following text and remove these yellow highlighted instructions. If this condition does not apply, remove the following text and these yellow highlighted instructions:

**Indirect Costs:** Indirect costs under this award are approved on the condition that the Recipient will submit an indirect cost rate proposal to their cognizant agency immediately after the award is made and no later than 90 calendar days past the award performance period start date. The Recipient is not authorized to charge indirect costs under this award until the Recipient has received, and provided a copy to the Service Project Officer, an approved Negotiated Indirect Cost Rate Agreement (NICRA) from the Federal government. In the event the Recipient fails to establish an approved rate before the end of the award performance period, the Service may either: 1) deobligate the Federal amount budgeted for indirect costs and, if not otherwise prohibited by legislation or regulation, allow the Recipient to use costs otherwise allocable as indirect costs to satisfy cost-sharing or matching requirements; or 2) allow the Recipient to transfer the amount otherwise allocable as indirect costs to direct costs. Service approval of such budget changes will depend on the particular award circumstance. Indirect costs otherwise allocable to this award may not be shifted to another Federal award unless specifically authorized by legislation.

If the Recipient has submitted an indirect cost rate proposal to the cognizant agency within the required timeframe but the cognizant agency has delayed approval of the proposal, the Recipient must provide to the Service Project Officer a copy of the submitted proposal, the name of the cognizant agency, and evidence of the proposal submission date in the form of either a copy of an emailed submission or written confirmation of the proposal receipt date from the cognizant agency. The Service may, upon review of the documentation and consultation with the cognizant agency, give written approval to the Recipient to charge indirect costs at their proposed rate until their proposal is approved. Service approval to charge indirect costs based on a proposed rate will depend on the circumstance; the Service will not approve a Recipient to charge indirect costs based on a proposed rate if rate approval delays are due to the Recipient having submitted a late, incomplete or inaccurate proposal. The Recipient must receive written prior approval from the Service before charging indirect costs based on a proposed rate. The award may be subject to further revision if the approved rate is higher or lower than the proposed rate.

**Indirect Costs-Condition 4:** If the award is made under either the Cooperative Fish and Wildlife Research Unit Program or Cooperative Ecosystem Studies Unit Network, insert the below text and remove these yellow highlighted instructions. If this condition does not apply, remove the following text and these yellow highlighted instructions:

**Indirect Costs:**

This award is made under the [insert either “Cooperative Fish and Wildlife Research Unit Program” or “Cooperative Ecosystem Studies Unit Network”], which has a Department of the Interior-approved indirect cost rate cap of [insert program rate]%. Recipient must apply this rate against the same indirect cost rate base as identified in their Federally-approved indirect cost rate agreement. If the Recipient does not have a Federally-approved indirect cost rate, the basis for direct costs is the modified total direct cost base defined in 2 CFR 200.68 “Modified Total Direct Cost (MTDC)”. The Recipient must request prior approval from the Service Project Officer to use the MTDC base instead of the base identified in their Federally-approved indirect cost rate agreement. The Service’s approval of such a request will be based on a determination that: 1) the Recipient’s approved based is only a subset of the

MTDC (such as salaries and wages), and 2) the use of the MTDC base will still result in a reduction of the total indirect costs to be charged to the award.

Recipients are to use the “Deduction” method for using program income unless otherwise specified in the notice of award (see 2 CFR 200.307). If the project includes generation of program income and the program wants the recipient to use something other than the “Deduction” method, specify the method to be used below and then remove these yellow highlighted instructions. If this condition does not apply, remove the following text and these yellow highlighted instructions:

**Program Income:** The approved project includes activities that will generate program income. Income earned during the period of performance of this award shall be [insert instructions and a citation to the regulation section detailing how the Recipient must handle program income]. Recipient must report program income generated through the performance of this project on the Standard Form (SF) 425, Federal Financial Report form (see Reporting Requirements section below).

**System for Award Management (SAM) Registration:** Under the terms and conditions of this award, your organization must maintain an active SAM registration at <https://www.sam.gov/portal/public/SAM/> until the final financial report is submitted or final payment is received, whichever is later. If your organization’s SAM registration expires during the required period, the Service will suspend payment under this and all other Service awards to your organization until you update your organization’s SAM registration.

**Terms of Acceptance:**

Acceptance of a financial assistance award (i.e., grant or cooperative agreement) from the Service carries with it the responsibility to be aware of and comply with the terms and conditions applicable to the award. Acceptance is defined as the start of work, drawing down funds, or accepting the award via electronic means. Awards are based on the application submitted to and approved by the Service. Awards are subject to the terms and conditions incorporated into the notice of award either by direct citation or by reference to the following: Federal regulations; program legislation or regulation; and special award terms and conditions. The terms and conditions of Service awards flow down to subrecipients and contractors, unless a particular award term or condition specifically indicates otherwise. The Federal regulations applicable to Service recipients and their subrecipients and contractors are listed by recipient type in the **Service Financial Assistance Award Terms and Conditions** posted on the Internet at <http://www.fws.gov/grants/>. If you do not have access to the Internet and require a printed copy of the award terms and conditions, contact the Service Project Officer identified below.

**Special Conditions and Provisions:**

**NOTE:** It is very important that for every award you always review the **Sample Special Award Terms and Conditions** document posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> to determine which conditions apply to the award. If one or more of the special award terms and conditions regularly apply to your awards, we strongly recommend you permanently re-insert the text for those items into a modified template for program use. When special award terms and conditions are needed, insert them here and remove the yellow highlighting on the section title above. Not all the sample special terms and conditions provided will apply to every award, nor is the sample list

meant to address all possible special award terms and conditions. If the award does not require any special terms and conditions, remove the Special Conditions and Provisions section title highlighted in yellow above. Remove this note.

[Detail any special terms and conditions here. Do not include special terms/conditions that do not apply].

### **Payments:**

**NOTE:** Select the applicable standard text regarding payments from the choices highlighted in yellow below. Retain and update the text below the selected section. Delete the yellow highlighted text above the applicable section and delete all of the other payment option sections. See the **Establishing a Recipient's Payment Method before Obligating Funds for a New Grant or Cooperative Agreement Award in FBMS** guidance document posted on the Intranet at <https://inside.fws.gov/go/post/Payments-New> for more information on payments. Remove this note.

### **For domestic recipient enrolled in ASAP:**

Your organization has completed enrollment in U.S. Treasury's Automated Standard Application for Payment (ASAP) system. When requesting payment in ASAP, your Payment Requestor will be required to enter an Account ID. The number assigned to this award is the partial Account ID in ASAP. When entering the Account ID in ASAP, the Payment Requestor should enter the award number identified in the subject line on letter followed by a percent sign (%). Refer to the ASAP.gov Help menu for detailed instructions on requesting payments in ASAP. [If the recipient is required to manage funds across purposes or programs (i.e., funding accounts) insert any related information/instructions here].

### **For domestic recipient waived from ASAP or non-domestic paid EFT to U.S. bank:**

Use the Standard Form (SF) [enter either: "270, Request for Advance or Reimbursement (Non-Construction)" or "271, Outlay Report and Request for Reimbursement (Construction)"] to request payments and advances. [Enter either "This form is available on the Internet at [http://www.whitehouse.gov/omb/grants\\_forms/](http://www.whitehouse.gov/omb/grants_forms/)" or "This form is attached"]. Send all payment requests to the Service Project Officer.

### **For non-domestic recipient paid through ITS who submit requests directly to Service program (don't forget to send the Recipient the required ITS payment cover sheet as an attachment to the award!):**

Use the Standard Form (SF) [enter either: "270, Request for Advance or Reimbursement (Non-Construction)" or "271, Outlay Report and Request for Reimbursement (Construction)"] to request payments and advances. This form is available on the Internet at [http://www.whitehouse.gov/omb/grants\\_forms/](http://www.whitehouse.gov/omb/grants_forms/). Payments to non-domestic Recipients to a bank outside the United States are transferred electronically through the U.S. Treasury's International Treasury Services (ITS) system. Your organization must also complete the attached ITS Payment Cover Sheet and send it together with each signed payment request to the Service Project Officer.

Recipients are responsible for ensuring any sensitive data being sent to the Service is protected during its transmission/delivery. The Service strongly recommends Recipients use the most secure transmission/delivery method available. The Service recommends the following digital transmission methods: secure digital faxing; encrypted emails; emailing a password protected zipped/compressed file attachment in one email followed by the password in a second email; or emailing a zipped/compressed file attachment. The Service strongly encourages Recipients sending sensitive data in paper copy to use a courier mail service. Recipients may also contact the Service Project Officer and provide any sensitive data over the telephone.

**For non-domestic recipients paid through ITS who submit requests directly to NBC (don't forget to send the recipient the required ITS payment cover sheet as an attachment to the notice of award!):**

Your organization must use the Standard Form (SF) [enter either: "270, Request for Advance or Reimbursement (Non-Construction)" or "271, Outlay Report and Request for Reimbursement (Construction)"] to request payments and advances. This form is available on the Internet at [http://www.whitehouse.gov/omb/grants\\_forms/](http://www.whitehouse.gov/omb/grants_forms/). Payments to non-domestic Recipients receiving funds to a bank outside the United States are transferred electronically through the U.S. Treasury's International Treasury Services (ITS) system. Your organization must also complete the attached ITS Payment Cover Sheet and send it together with your signed payment request form to our Interior Business Center (IBC) by fax to 303-969-7281 or by email to [fbmsfwspayments@nbc.gov](mailto:fbmsfwspayments@nbc.gov).

Recipients are responsible for ensuring any sensitive data being sent to the IBC is protected during its transmission/delivery. The Service strongly recommends Recipients use the most secure transmission/delivery method available. The Service recommends the following digital transmission methods: secure digital faxing; encrypted emails; emailing a password protected zipped/compressed file attachment in one email followed by the password in a second email; or emailing a zipped/compressed file attachment.

**Reporting Requirements:**

**NOTE:** Select either Option 1 or Option 2 below. Delete yellow highlighted option section headers and text for option not selected. Refer to Service policies [516 FW 1](#), [516 FW 2](#), and the Service's "Financial Assistance Recipient Risk Assessment Guidance" posted at <https://inside.fws.gov/go/post/FAPO-NewAwards> to complete reporting period and due date tables. Add or delete table rows as needed. For construction projects, describe in detail any on-site technical inspections and certified percentage of completion data that will be used to assess performance in lieu of/in addition to performance reporting. If the award is a cooperative agreement to an individual (this option is not allowed for any other recipient type) and the program will replace some or all of the required performance reports with site visit reports, replace the performance reporting schedule with an expected site visit schedule. The site visit reports must be done at least annually and are to be completed on the same schedule as the replaced recipient performance reports would have been due. The "Significant Development Reports", "Conflict of Interest Disclosures", and "Other Mandatory Disclosures" sections following the end of Option 2 are required in all awards and must not be removed. Remove this note.

**OPTION 1-If the recipient is waived from ASAP and the program wishes to waive interim SF 425, Federal financial reports, retain and update the following text:**

**Financial Reports:** No interim Standard Form (SF) 425, *Federal Financial Reports* are required. Submission of payment requests using the SF 270 or SF 271 satisfies interim financial reporting requirements. A final SF 425, *Federal Financial Report* is required within 90 calendar days of the end date of the award. These forms are available on the Internet at [http://www.whitehouse.gov/omb/grants\\_forms/](http://www.whitehouse.gov/omb/grants_forms/). For additional information regarding financial reporting requirements and sanctions for noncompliance, please reference <http://www.fws.gov/policy/516fw1.html>.

**Performance Reports:**

[Insert Quarterly, Semi-annual, or Annual] interim performance reports and a final performance report are required under this award. The performance report periods and report due dates under this award are:

<b>Report:</b>	<b>Report Period:</b>	<b>Report Due Date:</b>
Interim Performance	[insert start of period-end of period dates]	[insert corresponding due date]
Interim Performance	[insert start of period-end of period dates]	[insert corresponding due date]
Final Performance	[insert start of period-end of period dates]	[insert corresponding due date]

Performance reports must contain: 1) a comparison of actual accomplishments with the goals and objectives of the award as detailed in the approved scope of work; 2) a description of reasons why established goals were not met, if appropriate; and 3) any other pertinent information relevant to the project results. [Enter any program- or project-specific performance reporting content requirements here]. Please include the award number provided in the subject line of this letter on all reports.

Financial and performance reporting due dates may be extended by the Service Project Officer upon receipt of a written request identifying the type of report to be extended, the requested revised due date, and a justification for the extension. The Service Project Officer may approve an additional extension if justified by a catastrophe that significantly impairs the award Recipient's operations. Requests for reporting due date extensions must be received in writing by the Service Project Officer no later than one day before the original reporting due date.

**OPTION 2-If the recipient is to be paid in ASAP, or the recipient is waived from ASAP but the program does not want to waive interim financial reports, retain and update the following text: Financial and Performance Reporting Requirements:**

[Insert Quarterly, Semi-annual, or Annual] interim financial and performance reports and final financial and performance reports are required under this award. The report periods and due dates under this award are:

<b>Report:</b>	<b>Report Period:</b>	<b>Report Due Date:</b>
----------------	-----------------------	-------------------------

Interim financial & performance	[insert start of period-end of period dates]	[insert corresponding due date]
Interim financial & performance	[insert start of period-end of period dates]	[insert corresponding due date]
Final financial	[insert start of period-end of period dates]	[insert corresponding due date]
Final performance	[insert start of period-end of period dates]	[insert corresponding due date]

Recipients must use the Standard Form (SF) 425, *Federal Financial Report* form for all financial reporting. This form is available at [http://www.whitehouse.gov/omb/grants\\_forms/](http://www.whitehouse.gov/omb/grants_forms/).

Performance reports must contain: 1) a comparison of actual accomplishments with the goals and objectives of the award as detailed in the approved scope of work; 2) a description of reasons why established goals were not met, if appropriate; and 3) any other pertinent information relevant to the project results. [Enter any program- or project-specific performance reporting content requirements here]. Please include the Service award number provided in the subject line of this letter on all reports.

Financial and performance reporting due dates may be extended by the Service upon receipt of a written request addressed to the Service Project Officer identifying the type of report to be extended, the requested revised due date, and a justification for the extension. The Service Project Officer may approve an additional extension if justified by a catastrophe that significantly impairs the Recipient’s operations. Requests for reporting due date extensions must be received by the Service Project Officer no later than one day before the original reporting due date.

**End Option 2**

**Significant Developments Reports** (see 2 CFR 200.328(d)):

Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, notify the Service Project Officer in writing as soon as the following types of conditions become known:

- Problems, delays, or adverse conditions that will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of any corrective action(s) taken or contemplated, and any assistance needed to resolve the situation.
- Favorable developments that enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

**Conflict of Interest Disclosures:**

Recipients are responsible for notifying the Service Project Officer in writing of any actual or potential conflicts of interest that may arise during the life of this award. Conflicts of interest include any relationship or matter which might place the Recipient, the Recipient’s employees, or the Recipient’s subrecipients in a position of conflict, real or apparent, between their responsibilities under this award and any other outside interests. Conflicts of interest may also include, but are not limited to, direct or indirect financial interests, close personal relationships, positions of trust in outside organizations,

consideration of future employment arrangements with a different organization, or decision-making affecting the award that would cause a reasonable person with knowledge of the relevant facts to question the impartiality of the Recipient, the Recipient's employees, or the Recipient's subrecipients in the matter. Upon receipt of such a notice, the Service Project Officer in consultation with their Ethics Counselor will determine if a conflict of interest exists and, if so, if there are any possible actions to be taken by the Recipient, the Recipient's employee(s), or the Recipient's subrecipient(s) that could reduce or resolve the conflict. Failure to resolve conflicts of interest in a manner that satisfies the Service may result in any of the remedies described in 2 CFR 200.338, Remedies for Noncompliance, including termination of this award.

**Other Mandatory Disclosures:**

Recipients and their subrecipients must disclose, in a timely manner, in writing to the Service or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting this award. Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.338, Remedies for noncompliance, including suspension or debarment (See 2 CFR 200.113, 2 CFR Part 180, and 31 U.S.C. 3321).

**Other Reports or Deliverables:**

**NOTE:** If any other reports or deliverables are expected, remove yellow highlighting on section header above and update gray highlighted text below. If section does not apply, remove section header and related text below. Remove this note.

[Identify any other reports or deliverables expected/required from the recipient such as products, research reports, invention disclosures, Standard Form (SF) 428, Tangible Personal Property Report, SF 429, Real Property Status Report, and land purchase/title documentation here].

All reports [if applicable, enter "and other deliverables identified above"] must be sent to the Service Project Officer.

**Project/Program Plan and Budget Revisions:**

Recipients are required to report deviations from budget or project scope or objective, and request prior approvals for budget and program plan revisions in accordance with 2 CFR 200.308 unless otherwise specifically waived in this award. [If program wants to waive any of the prior approval requirements or restrictions allowed under 200.308 "Revision of budget and program plans", insert text detailing the waiver/restriction and include a citation to the applicable section(s) in 2 CFR 200.308].

**Period of Performance Extensions:**

Program may want to waive prior approval requirement for period of performance extension requests (see 2 CFR 200.328(d)(2)). If program DOES want to waive the prior approval requirement, insert the first option provided below. If program DOES NOT want to waive the prior approval requirement, insert the section option provided below. Remove text for option not selected and these yellow highlighted instructions:

[Insert either "Recipient is authorized without further approval to initiate a one-time extension of the period of performance by up to 12 months unless or more of the conditions outlined in paragraphs (d)(2)(i) through (iii) of 2 CFR 200.328(d)(2) apply. For one-time extensions, the Recipient must notify the Federal awarding agency in writing with the supporting reasons and revised period of performance at

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. Fish and Wildlife Service  
Financial Assistance Business Process  
Modifying the PRISM Grant and Cooperative Agreement Cover Page

For every award, we must provide a notice of award to the recipient. The notice of award must include the following elements:

- A. Either the PRISM Grant and Cooperative Agreement Cover Page or a customized notice of award letter,
- B. USFWS Financial Assistance Award Terms and Conditions, either cited in the award cover sheet/letter or provided as an attachment (see <http://www.fws.gov/grants/>),
- C. Any special program or project-specific terms and conditions (see the **Sample Financial Assistance Award Special Terms and Conditions** document posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards>).

Programs choosing to use the PRISM Grant and Cooperative Agreement Cover Page must modify it before sending it to a recipient. To modify the cover page, either save the completed document to your desktop and then either use Adobe Acrobat Professional to make the following changes to the form or print the form in paper copy and make the following changes by hand:

- 1. From Box 12. Period of Performance, remove the text “(Approximately)”.

12. PERIOD OF PERFORMANCE (Approximately)
02/02/2012 through 11/30/2012

- 2. If the award is a Grant, remove from Box 18 the text “Cooperative Agreement”.

18. APPLICABLE ENCLOSURE(S), IF CHECKED:	
<input checked="" type="checkbox"/> PROVISIONS	<input type="checkbox"/> SPECIAL CONDITIONS
<input type="checkbox"/> REQUIRED PUBLICATIONS AND REPORTS	
COOPERATIVE AGREEMENT RECIPIENT	
AUTHORIZED REPRESENTATIVE	DATE

- 3. In the Recipient “Authorized Representative” signature field under Box 18, enter “Signature not required”. Recipients are not required to sign the Notice of Financial Assistance Award document.

18. APPLICABLE ENCLOSURE(S), IF CHECKED:	
<input checked="" type="checkbox"/> PROVISIONS	<input type="checkbox"/> SPECIAL CONDITIONS
<input type="checkbox"/> REQUIRED PUBLICATIONS AND REPORTS	
COOPERATIVE AGREEMENT RECIPIENT	
AUTHORIZED REPRESENTATIVE	DATE
Signature not required	

Programs sending the PRISM Grant and Cooperative Agreement Cover Page to a recipient must make sure the recipient also receives:

- Complete Service project officer contact information,
- Detailed payment instructions, and
- Detailed financial and performance reporting requirements, including reporting periods, due dates and submission instructions.

THIS PAGE INTENTIONALLY LEFT BLANK

## U.S. Fish and Wildlife Service Financial Assistance Award Terms and Conditions

Acceptance of a financial assistance award (i.e., grant or cooperative agreement) from the U.S. Fish and Wildlife Service (Service), Department of the Interior (Interior) carries with it the responsibility to be aware of and comply with the terms and conditions of award. Acceptance is defined as the start of work, drawing down funds, or accepting the award via electronic means. Awards are based on the application submitted to and approved by the Service. Awards from the Service are subject to the terms and conditions incorporated into the award either by direct citation or by reference to the following: Federal regulations; program legislation or regulation; and special award terms and conditions. The terms and conditions of Service awards flow down to subrecipients and contractors, unless a particular award term or condition specifically indicates otherwise. The Federal regulations applicable to Service grant and cooperative agreement award recipients, and their subrecipients and contractors, are:

### **For-Profit Entities**

For for-profit entities, the regulations and requirements listed under the “Administrative Requirements”, “Cost Principles”, and “Indirect Costs Identification and Assignment/Rate Determination Procedures” sections below apply only when they are specifically incorporated by reference in the Service award. The regulations and requirements listed under the “Other Requirements” section below always apply.

#### **Administrative Requirements**

2 CFR Part 200, Subparts A through D

#### **Cost Principles**

48 CFR 1, Subpart 31.2—Contracts with Commercial Organizations

#### **Indirect Costs Identification and Assignment/Rate Determination Procedures**

Contact the National Interior Business Center (IBC), Indirect Cost Services by telephone at (916) 566-7111 or by e-mail at: [ics@ibc.doi.gov](mailto:ics@ibc.doi.gov). Visit the IBC’s Indirect Cost Services website at [http://www.doi.gov/ibc/services/Indirect\\_Cost\\_Services/index.cfm](http://www.doi.gov/ibc/services/Indirect_Cost_Services/index.cfm) for more information.

#### **Other Requirements**

2 CFR Part 25, Universal Identifier and Central Contractor Registration

2 CFR Part 170, Reporting Subawards and Executive Compensation

2 CFR Part 175, Award Term for Trafficking in Persons

2 CFR Part 1400, Government-wide Debarment and Suspension (Non-procurement)

2 CFR Part 1401, Requirements for Drug-Free Workplace (Financial Assistance)

43 CFR 18, New Restrictions on Lobbying: Submission of an application also represents the applicant's certification of the statements in 43 CFR Part 18, Appendix A, Certification Regarding Lobbying.

41 USC §4712, Pilot Program for Enhancement of Recipient and Subrecipient Employee Whistleblower Protection: This requirement applies to all awards issued after July 1, 2013 and shall be in effect until January 1, 2017.

- (a) This award, related subawards, and related contracts over the simplified acquisition threshold and all employees working on this award, related subawards, and related contracts over the simplified acquisition threshold are subject to the whistleblower rights and remedies in the pilot program on award recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (P.L. 112-239).
- (b) Recipients, their subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 U.S.C. 4712.
- (c) The recipient shall insert this clause, including this paragraph (c), in all subawards and in contracts over the simplified acquisition threshold related to this award.

41 USC §6306, Prohibition on Members of Congress Making Contracts with Federal Government: No member of or delegate to the United States Congress or Resident Commissioner shall be admitted to any share or part of this award, or to any benefit that may arise therefrom; this provision shall not be construed to extend to an award made to a corporation for the public's general benefit.

Executive Order 13513, Federal Leadership on Reducing Text Messaging while Driving: Recipients are encouraged to adopt and enforce policies that ban text messaging while driving, including conducting initiatives of the type described in section 3(a) of the Order.

## **Foreign Entities**

Foreign entities include foreign public entities (see definition in 2 CFR 200.46) and foreign organizations (see definition in 2 CFR 200.47). For foreign entities, the regulations and requirements listed under the "Administrative Requirements", "Cost Principles", and "Indirect Costs Identification and Assignment/Rate Determination Procedures" sections below apply only when they are specifically incorporated by reference in the Service award. The regulations and requirements listed under the "Other Requirements" section below always apply.

### **Administrative Requirements**

*Institutions of Higher Education (IHEs):* 2 CFR Part 200, Subparts A through D, including the requirements specific to IHEs.

*Non-profit organizations:* 2 CFR Part 200, Subparts A through D, including the requirements specific to non-profit organizations.

*Public entities:* 2 CFR Part 200, Subparts A through D, including the requirements specific to states, with the following exceptions:

- The state payment procedures in 200.305(a) do not apply. Foreign public entities must follow the payment procedures in 200.305(b).
- The requirements in 200.321 "Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms" do not apply.
- The requirements in 200.322 "Procurement of recovered materials" do not apply.

*All other entities:* 2 CFR Part 200, Subparts A through D

### **Cost Principles**

*For-profit entities:* 48 CFR 1, Subpart 31.2

*Hospitals:* 45 CFR Part 74, Appendix E

*Public entities:* 2 CFR Part 200, Subpart E, including the requirements specific to states.

*All other entities:* 2 CFR Part 200, Subpart E

### **Indirect Costs Identification and Assignment/Rate Determination Procedures**

*For-profit entities:* Contact the National Interior Business Center (IBC), Indirect Cost Services by telephone at (916) 566-7111 or by e-mail at: [ics@ibc.doi.gov](mailto:ics@ibc.doi.gov). Visit the IBC's Indirect Cost Services website at [http://www.doi.gov/ibc/services/Indirect\\_Cost\\_Services/index.cfm](http://www.doi.gov/ibc/services/Indirect_Cost_Services/index.cfm) for more information.

*Hospitals:* 45 CFR Part 74, Appendix E—Principles for Determining Cost Applicable to Research and Development Under Grants and Contracts with Hospitals. The U.S. Department of Health and Human Services (HHS) is the cognizant agency for indirect costs for foreign hospitals. Visit HHS' Cost Allocation Services website at <https://rates.psc.gov/> for more information.

*IHEs:* Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for IHEs. HHS is the cognizant agency for indirect costs for foreign IHEs. Visit HHS' Cost Allocation Services website at <https://rates.psc.gov/> for more information.

*Non-profit organizations:* Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations.

*Public entities:* Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals.

### **Other Requirements**

2 CFR Part 25, Universal Identifier and Central Contractor Registration

2 CFR Part 170, Reporting Subawards and Executive Compensation

2 CFR Part 175, Award Term for Trafficking in Persons (Term is applicable to private entity subrecipients of foreign public entities)

2 CFR Part 1401, Requirements for Drug-Free Workplace (Financial Assistance)

43 CFR 18, New Restrictions on Lobbying: Submission of an application also represents the applicant's certification of the statements in 43 CFR Part 18, Appendix A, Certification Regarding Lobbying.

41 USC §6306, Prohibition on Members of Congress Making Contracts with Federal Government: No member of or delegate to the United States Congress or Resident Commissioner shall be admitted to any share or part of this award, or to any benefit that may arise therefrom; this provision shall not be construed to extend to an award made to a corporation for the public's general benefit.

Executive Order 13513, Federal Leadership on Reducing Text Messaging while Driving: Recipients are encouraged to adopt and enforce policies that ban text messaging while driving, including conducting initiatives of the type described in section 3(a) of the Order.

## **Individuals**

An individual is any person applying for or receiving Federal funds under a grant or cooperative agreement award separate from any business or non-profit organization he/she may operate. For individuals, the notice of award document will detail all administrative and cost-related requirements and restrictions.

### **Other Requirements**

2 CFR Part 175, Award Term for Trafficking in Persons

2 CFR Part 1400, Government-wide Debarment and Suspension (Non-procurement)

2 CFR Part 1401, Requirements for Drug-Free Workplace (Financial Assistance)

43 CFR 18, New Restrictions on Lobbying: Submission of an application also represents the applicant's certification of the statements in 43 CFR Part 18, Appendix A, Certification Regarding Lobbying.

41 USC §6306, Prohibition on Members of Congress Making Contracts with Federal Government: No member of or delegate to Congress or Resident Commissioner shall be admitted to any share or part of this award, or to any benefit that may arise therefrom; this provision shall not be construed to extend to an award made to a corporation for the public's general benefit.

Executive Order 13513, Federal Leadership on Reducing Text Messaging while Driving: Recipients are encouraged to not engage in text messaging when driving a vehicle while conducting activities funded under this award.

## **Institutions of Higher Education, Hospitals and other Non-Profit Organizations**

For domestic Institutions of Higher Education (IHEs), hospitals and non-profit organizations, the below terms and conditions always apply.

### **Administrative Requirements**

2 CFR Part 200, Subparts A through D

### **Cost Principles**

*Hospitals:* 45 CFR Part 74, Appendix E

*IHEs* (see definition in 20 US.C. 1001): 2 CFR Part 200, Subpart E

*Non-profit organizations exempted from 2 CFR Part 200, Subpart C* (see [Appendix VIII to Part 200](#)): [48 CFR 1, Subpart 31.2—Contracts with Commercial Organizations](#)

*All other non-profit organizations*: [2 CFR Part 200, Subpart E](#)

### **Indirect Costs Identification and Assignment/Rate Determination Procedures**

*Hospitals*: [45 CFR Part 74, Appendix E—Principles for Determining Cost Applicable to Research and Development Under Grants and Contracts with Hospitals](#). The U.S. Department of Health and Human Services (HHS) is the cognizant agency for indirect costs for foreign hospitals. Visit HHS' Cost Allocation Services website at <https://rates.psc.gov/> for more information.

*IHEs*: [Appendix III to Part 200—Indirect \(F&A\) Costs Identification and Assignment, and Rate Determination for IHEs](#). The U.S. Department of Health and Human Services (HHS) is the cognizant agency for indirect costs for foreign IHEs. Visit HHS' Cost Allocation Services website at <https://rates.psc.gov/> for more information.

*Non-profit organizations exempted from 2 CFR Part 200, Subpart C*: Contact the National Interior Business Center (IBC), Indirect Cost Services by telephone at (916) 566-7111 or by e-mail at: [ics@ibc.doi.gov](mailto:ics@ibc.doi.gov). Visit the IBC's Indirect Cost Services website at [http://www.doi.gov/ibc/services/Indirect\\_Cost\\_Services/index.cfm](http://www.doi.gov/ibc/services/Indirect_Cost_Services/index.cfm) for more information.

*All other non-profit organizations*: [Appendix IV to Part 200—Indirect \(F&A\) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations](#)

### **Audit Requirements**

*Non-profit organizations*: [2 CFR Part 200, Subpart F](#)

### **Other Requirements**

[2 CFR Part 25](#), Universal Identifier and Central Contractor Registration

[2 CFR Part 170](#), Reporting Subawards and Executive Compensation

[2 CFR Part 175](#), Award Term for Trafficking in Persons

[2 CFR Part 1400](#), Government-wide Debarment and Suspension (Non-procurement)

[2 CFR Part 1401](#), Requirements for Drug-Free Workplace (Financial Assistance)

[43 CFR 18](#), New Restrictions on Lobbying: Submission of an application also represents the applicant's certification of the statements in [43 CFR Part 18, Appendix A](#), Certification Regarding Lobbying.

[41 USC §4712](#), Pilot Program for Enhancement of Recipient and Subrecipient Employee Whistleblower Protection: This requirement applies to all awards issued after July 1, 2013 and shall be in effect until January 1, 2017.

- (a) This award, related subawards, and related contracts over the simplified acquisition threshold and all employees working on this award, related subawards, and related contracts over the simplified acquisition threshold are subject to the whistleblower rights and remedies in the pilot program on award recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (P.L. 112-239).
- (b) Recipients, their subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 U.S.C. 4712.
- (c) The recipient shall insert this clause, including this paragraph (c), in all subawards and in contracts over the simplified acquisition threshold related to this award.

[41 USC §6306](#), Prohibition on Members of Congress Making Contracts with Federal Government: No member of or delegate to Congress or Resident Commissioner shall be admitted to any share or part of this award, or to any benefit that may arise therefrom; this provision shall not be construed to extend to an award made to a corporation for the public's general benefit.

[Executive Order 13513](#), Federal Leadership on Reducing Text Messaging while Driving: Recipients are encouraged to adopt and enforce policies that ban text messaging while driving, including conducting initiatives of the type described in section 3(a) of the Order.

## **State, Local and Federally-recognized Indian Tribal Governments**

For U.S. state, local and federally-recognized Indian tribal governments, the below terms and conditions always apply.

### **Administrative Requirements**

2 CFR Part 200, Subparts A through D

### **Cost Principles**

2 CFR Part 200, Subpart E

### **Central Service Cost Allocation Plans and Indirect Cost Proposals**

Appendix V to Part 200—State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans

Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals

### **Audit Requirements**

2 CFR Part 200, Subpart F

### **Other Requirements**

2 CFR Part 25, Universal Identifier and Central Contractor Registration

2 CFR Part 170, Reporting Subawards and Executive Compensation

2 CFR Part 175, Award Term for Trafficking in Persons (Term is applicable to private entity subrecipients)

2 CFR Part 1400, Government-wide Debarment and Suspension (Non-procurement)

2 CFR Part 1401, Requirements for Drug-Free Workplace (Financial Assistance)

43 CFR 18, New Restrictions on Lobbying: Submission of an application also represents the applicant's certification of the statements in 43 CFR Part 18, Appendix A, Certification Regarding Lobbying.

41 USC §4712, Pilot Program for Enhancement of Recipient and Subrecipient Employee Whistleblower Protection: This requirement applies to all awards issued after July 1, 2013 and shall be in effect until January 1, 2017.

- (a) This award, related subawards, and related contracts over the simplified acquisition threshold and all employees working on this award, related subawards, and related contracts over the simplified acquisition threshold are subject to the whistleblower rights and remedies in the pilot program on award recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (P.L. 112-239).
- (b) Recipients, their subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 U.S.C. 4712.
- (c) The recipient shall insert this clause, including this paragraph (c), in all subawards and in contracts over the simplified acquisition threshold related to this award.

41 USC §6306, Prohibition on Members of Congress Making Contracts with Federal Government: No member of or delegate to Congress or Resident Commissioner shall be admitted to any share or part of this award, or to any benefit that may arise therefrom; this provision shall not be construed to extend to an award made to a corporation for the public's general benefit.

Executive Order 13513, Federal Leadership on Reducing Text Messaging while Driving: Recipients are encouraged to adopt and enforce policies that ban text messaging while driving, including conducting initiatives of the type described in section 3(a) of the Order.

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. Fish and Wildlife Service  
**Financial Assistance Business Process**  
**Setting Performance Period Dates for Grant and Cooperative Agreement Awards**

### Point of Contact

Send any questions about this guidance by email to the Chief, Wildlife and Sport Fish Restoration Program (WSFR), Division of Administration and Information Management (AIM), Financial Assistance Policy and Oversight (FAPO) Branch. See the FAPO About/Contact Us Intranet page at <https://inside.fws.gov/index.cfm/go/post/FAPO-About> for contact information.

### Document Change Log

FAPO will update this document over time to incorporate changes resulting from any new government-wide regulations or new Department of the Interior or Service policy. We will post updated versions of this document on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> and will log updates made to this guidance in the following table:

Date Changed	Description of Change Made
2-20-2015	Updates made to: reflect 2 CFR 200 definitions for Period of Performance and Pre-award costs; remove use of "project period" throughout; clarify pre-award costs and incremental funding guidance.

### Definitions

Term	Definition
Award Period of Performance	See also 2 CFR 200.77. The time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award.
Pre-award costs	See also 2 CFR 200.458. Costs incurred prior to the effective date of the Federal award directly pursuant to the negotiation and in anticipation of the Federal award where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the Federal award and only with the written approval of the Federal awarding agency.
Funding or Budget Period of Performance	For incrementally funded awards, each new line of funding may have a unique "funding" or "budget" period of performance within the longer award period of performance. When a period of performance for an increment of funding is specified, a recipient may charge only the allowable costs resulting from obligations incurred during that period plus any authorized pre-award costs. The recipient may not carry over unspent balances of funds to the next funding/budget period without prior written approval from the Service.
Real property maintenance and/or retention period	The period during which a recipient must maintain and/or retain real property that was restored or purchased with Federal funds during the award period or performance. The real property maintenance/retention period begins on the day AFTER the period of performance ends, and <u>must not</u> be identified in a notice of award as being part of the period of performance.

**1. What are the standards for establishing a period of performance start date?**

Unless otherwise legally prescribed, the standards for establishing a period of performance start date are as follows:

- If the program completes review, approval and obligation of funds for a project *before* the start date requested by the applicant on their **SF 424, *Application for Federal Assistance***, the start date should be the requested start date.
- If the program is unable to complete review, approval, and obligation of funds for a project until *after* the start date requested by the applicant, the start date may be back-dated to start on either the date the program received a complete application package or the start date requested by the applicant, whichever is later (i.e., whichever event occurred closest to today's date). Back-dating an award start date under these circumstances is not equivalent to approving pre-award costs. Pre-award costs, by definition, are incurred as a result of activities performed BEFORE either the date the applicant submits their application or the future start date requested in their application.
- If the applicant does not request a specific start date in their application, the start date will typically be either the same date as the date funds are obligated or the date the notice of award is signed by the authorized Service official. We recommend that competitive discretionary programs specify in their Notice of Funding Opportunity that applicants should not request a specific start date on their application.
- In the event we must obligate funds before all legal compliance reviews are complete (i.e., National Environmental Policy Act, Section 106 of the National Historic Preservation Act, and Section 7 of the Endangered Species Act reviews), programs have the option to set the start date for a date in the future to allow time for all required compliance reviews to be completed before the recipient begins any activities under the award.

**2. What should the period of performance start date be if we are authorizing pre-award costs?**

Follow the standards in the response to Question 1. The start date should not be back-dated to incorporate pre-award costs. Pre-award costs, by definition, are incurred as a result of activities performed BEFORE the start of the period of performance. Pre-award costs and associated pre-award cost time frame (must occur prior to the start of the award or start of next budget period) must be specifically authorized in the notice of award. See the **Issuing a New Financial Assistance Award Guidance** posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> for more information.

**3. On incrementally funded projects, what are the standards for establishing funding or budget periods of performance?**

Unless otherwise legally prescribed, each funding/budget period of performance start and end date should reflect the start and end dates of each project segment (see NOTE below). Funding/budget periods of performance should not overlap. The last funding period must end on the same date as the award period of performance end date. When a funding/budget period is specified, a recipient may charge only the allowable costs resulting from obligations incurred during that period, plus any pre-award costs or carry-forward funding we have authorized in advance. All funding/budget periods of performance must fall within the award period of performance.

**NOTE:** Not all projects qualify to be funded incrementally. Providing funds year after year to support the same project as previously funded (i.e., project scope of work, objectives, and expected outcomes are the same each year) does not meet the standards for being incrementally funded. For such continuation projects, a new award should be issued each year.

**4. What are the standards for establishing a period of performance end date?**

The end date should be set no later than the date when we expect the recipient to complete all project activities. The end date must not be extended to incorporate any required post-award reporting period or real property maintenance/retention period. The end of the performance period and subsequent award closeout do NOT affect the recipient's continued responsibilities for real property maintenance, retention, or disposition (see 2 CFR, 200.344 Post-closeout adjustments and continuing responsibilities).

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. Fish and Wildlife Service  
**Financial Assistance Business Process**  
**Sample Financial Assistance Award Special Terms and Conditions**

BFA 7-4

**Point of Contact**

Send any questions about this guidance by email to the Chief, Wildlife and Sport Fish Restoration Program (WSFR), Division of Administration and Information Management (AIM), Financial Assistance Policy and Oversight (FAPO) Branch. See the FAPO About/Contact Us Intranet page at <https://inside.fws.gov/index.cfm/go/post/FAPO-About> for contact information.

**Document Change Log**

FAPO will update this document over time to incorporate changes resulting from any new government-wide regulations or new Department of the Interior or Service policy. We will post updated versions of this document on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> and will log updates made to this guidance in the following table:

Date Changed	Description of Change Made
2-20-2015	Inserted new item to incorporate Davis-Bacon Act requirements (Item 3).
	Inserted new item to incorporate DOI-AAAP-0005, Minimum Wage Guidance requirements (Item 5).
	Inserted new item for projects with potential to inadvertently discover archeological or historical materials (Item 7).
	Inserted new item to incorporate DIG 2014-01, Financial Assistance Liability and Insurance guidance requirements (Item 9).
	Removed references to 43 CFR 12 and updated with references to 2 CFR 200, where applicable.

**Instructions**

Use this document as a starting point for developing a project-, program-, and recipient-specific set of special award terms and conditions. All applicable special award terms and conditions must be included in the notice of award. The award must *not* include reference or direct citation to special terms or conditions that do not apply to the award.

For each sample circumstance, this document provides: 1) a complete description of the circumstance and 2) either corresponding Standard Award Condition (SAC) text to be inserted into the award or instructions for developing a circumstance-specific award condition. Copy and insert into the award under the Special Award Terms and Conditions header all applicable award conditions (see the Notice of Award Letter Template posted on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards>).

**NOTE:** This document does not include *all* possible special award terms and conditions, only a sample of some of the more frequently applicable conditions.

## Sample Financial Assistance Award Special Terms and Conditions

### Contents

1. Acknowledgement of Support in Publications
2. Acknowledgement of Support on Facilities or Equipment
3. Davis-Bacon Act
4. Environmental Compliance Reviews
5. Executive Order 13658, Establishing a Minimum Wage for Contractors
6. High Risk Recipient
7. Inadvertent Archeological or Historical Discoveries
8. Individuals Hiring Contractors
9. Liability and Insurance
10. National Technical Information Service
11. Natural Resource Library
12. Promotional Partnership with a Non-Governmental Entity
13. Purchases by Governmental Entities
14. Purchases by Non-Governmental Entities
15. Requiring Use of the Service Logo
16. Scientific and Scholarly Activities
17. Transferring Title of Equipment to Federal Government or Third Party

**NOTE:** Buy American Requirements and Service policy 301 FW 7, Green Procurement **DO NOT APPLY** to Service grants and cooperative agreements.

### 1. Acknowledgement of Support in Publications

<b>Circumstance:</b>	When the program wants the recipient to acknowledge program, Service and/or Departmental support on formally published (on Internet or printed) documents, insert the first paragraph of the text provided in the standard award condition below and update as instructed in the gray highlighted text. When the program wants the recipient to also insert a <i>program</i> symbol (i.e., a symbol that is <u>not</u> the Service's logo), insert the second paragraph of the standard award condition (SAC) below and update as instructed.
<b>SAC:</b>	The [insert description of the items to be produced] produced under this award must include the following statement acknowledging support from the [insert any combination of Department of the Interior, Service and program title]: “[insert program-specific statement]”.  All of these materials must also include the [insert program name] symbol. A print-ready symbol is available electronically upon request from the Service Project Officer.

### 2. Acknowledgement of Support on Facilities or Equipment

<b>Circumstance</b> :	When the program wants to ask or encourage the recipient to display the <i>program</i> symbol (i.e., a program-specific icon that is <u>not</u> the Service's logo) on facilities or equipment acquired, developed, operated or maintained with Service award funds, insert the standard award text provided below and update as instructed in the gray highlighted text.
<b>SAC:</b>	[Insert either “We encourage you to” or “Please”] display the [insert program name] symbol on [insert description of facilities or equipment]. A print-ready symbol is available electronically upon request from the Service Project Officer.

### 3. Davis-Bacon Act

<b>Circumstance</b> :	For grants and cooperative agreements, the Davis-Bacon Act requirements only apply if the program's authorizing statute/legislation specifically incorporates the requirements. For example, the American Recovery and Reinvestment Act (ARRA) incorporated the requirements of the Davis-Bacon Act. See the U.S. Department of Labor's website at <a href="http://www.dol.gov/whd/programs/dbra/whatdbra.htm">http://www.dol.gov/whd/programs/dbra/whatdbra.htm</a> for more information. Do not include the Davis-Bacon Act provision in notices of award if the funding program's authorizing legislation does not specifically incorporate the requirements. If Davis-Bacon applies, insert the SAC into the award.
<b>SAC:</b>	Davis-Bacon Act requirements apply to this award. All construction contracts in excess of \$2,000 awarded by the recipient and all subrecipients under this award must include the Davis-Bacon Act provision in the contract provisions required in 2 CFR 200, <i>Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards</i> .

#### 4. Environmental Compliance Reviews

<b>Circumstance</b>	When an award will be released in PRISM and funds obligated in FBMS before all environmental compliance reviews (i.e., NEPA, Section 7 of the ESA, Section 106 of the NHPA) are complete, insert the standard award text provided below and update as instructed in the gray highlighted text.
<b>SAC:</b>	[Insert a detailed description of the work that can be started and the work that must not be started until all compliance reviews are complete]. As a condition of award, the Recipient and any sub-recipient(s) must not begin any potentially impactful work related to this award until the Service has notified you in writing that such work can begin. Recipients and sub-recipients of Federal grants and cooperative agreement awards must comply with the requirements of the National Environmental Policy Act (NEPA), Section 7 of Endangered Species Act (ESA), and Section 106 of the National Historic Preservation Act (NHPA).

#### 5. Executive Order 13658, Establishing a Minimum Wage for Contractors

<b>Circumstance</b>	For cooperative agreements subject to the Davis-Bacon Act, the Service Contract Act, or the Fair Labor Standards Act, the requirements under E.O. 13658 may also apply. Program must determine if the cooperative agreement meets the definition in DOI-AAAP-0005, <i>Minimum Wage Guidance</i> of a “contract-like instrument”. If it does, insert the SAC into the award and attach to the award (or otherwise provide a copy to the recipient) the <u>Contract Clause</u> required under DOI-AAAP-0005, as it is not currently posted publicly.
<b>SAC:</b>	Executive Order 13658, <i>Establishing a Minimum Wage for Contractors</i> (see DOI-AAAP-0005, <i>Minimum Wage Guidance</i> ) requirements apply to this award. All construction contracts in excess of \$2,000 awarded by the recipient and all subrecipients under this award must include the Minimum Wage Contract Clause that is attached to this award.

#### 6. High Risk Recipient

<b>Circumstance</b>	When a recipient has been determined to be high risk, we must provide justification for placing them on high risk status, and detail the additional conditions applicable to them (e.g., payment restrictions or increased reporting frequency requirements). Since such restrictions and/or additional requirements will vary by circumstance, standard award condition text is not provided for this situation. Refer to 2 CFR 200.207 to develop specific award conditions for the recipient.
<b>SAC:</b>	Program must develop circumstance-specific condition text to insert into the award.

### 7. Inadvertent Archeological or Historical Discoveries

<b>Circumstance</b> :	Any award that has the potential for inadvertent discovery of archaeological or historic materials.
<b>SAC:</b>	<p>In the event any archaeological or historic materials are encountered during project activity, work in the immediate area must stop and the following actions taken:</p> <ol style="list-style-type: none"> <li>1. Implement reasonable measures to protect the discovery site, including any appropriate stabilization or covering;</li> <li>2. Take reasonable steps to ensure the confidentiality of the discovery sites; and</li> <li>3. Take reasonable steps to restrict access to the site of discovery.</li> </ol> <p>The recipient will notify the concerned Tribes and all appropriate county, state and federal agencies, including the State Historic Preservation Office. Agencies and the Tribe(s) will discuss the possible measures to remove or avoid cultural material, and will reach an agreement with the recipient regarding actions to be taken and disposition of material. If Human remains are uncovered, appropriate law enforcement agencies shall be notified first, and the above steps followed. If the remains are determined to be Native, consultation with the affected Tribe(s) will take place in order to mitigate the final disposition of said remains.</p>

### 8. Individuals Hiring Contractors

<b>Circumstance</b> :	<p>When the award is a <i>grant</i> to an individual who will hire a contractor to perform work activities approved under the award on privately-owned property, insert the standard award condition (SAC) text provided below into the award. When the award is a <i>cooperative agreement</i> to an individual who will hire a contractor to perform work activities approved under the award on privately-owned property, the Service may share in the responsibilities described in the standard award condition provided in the next column. If the Service will perform any of these responsibilities, insert the SAC text provided below into the award and then update it to specify which party will perform each of the required responsibilities.</p>
<b>SAC:</b>	<p>Recipient has an obligation to protect themselves from potential liability when hiring any contractor to perform work activities approved under this award on their private property by checking references and ensuring that any contractor hired is licensed, bonded, and has valid employee insurance coverage for events of injury or bodily harm. Recipient may not make a sub-award to a contractor unless the contractor has provided its Data Universal Numbering System (DUNS) number to the Recipient. A DUNS number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. to uniquely identify business entities. A DUNS number may be obtained by telephone (866-705-5711) or on the Internet (at <a href="http://fedgov.dnb.com/webform">http://fedgov.dnb.com/webform</a>). Before hiring any contractor, Recipient must confirm that the contractor is not suspended or debarred from receiving Federal funds. Recipient must go on the Internet to <a href="http://sam.gov">http://sam.gov</a> and on the Home Page or Search Records tab, type the contractor's DUNS number in the search bar, and click on the Search icon. If no exclusion record is found, the contractor is not suspended or debarred from receiving Federal funds. Recipient may proceed with hiring the contractor. If an exclusion record is found, Recipient must not proceed with hiring the contractor. Contact the Service Project Officer with any questions.</p>

**9. Liability and Insurance**

<b>Circumstance</b> :	The recipient or its subrecipients will use equipment, vehicles, hazardous materials, or otherwise engage in high-risk activities during performance of the award that have the potential for claims to be brought by third parties for death, bodily injury, property damage, or other loss.
<b>SAC:</b>	Program must develop circumstance-specific condition text to insert into the award based on the sample provided in <a href="#">DIG 2014-01, Financial Assistance Liability and Insurance</a> .

**10. National Technical Information Service**

<b>Circumstance</b> :	Per 15 U.S.C. Section 3704B-2, if funding under this award will be used to produce unclassified scientific, technical, or engineering information <i>resulting from research and development activities</i> (defined as basic and applied research that results from the efforts of scientists and engineers in any medium or information <i>that bears on business and industry in general</i> ) that is to be published or made available by either the recipient or the Service for public dissemination to the private sector, academia, State and local governments, and Federal agencies (go to <a href="http://www.ntis.gov/products/publications.aspx">http://www.ntis.gov/products/publications.aspx</a> to view examples), insert the standard award condition (SAC) text provided below into the award.
<b>SAC:</b>	The regulation is very specific as to which types of documents qualify for transmittal to NITS. Programs are responsible for making a determination if this condition actually applies to the award. Do not include this condition if it does not apply!  Funding under this award will be used to produce [insert description of expected scientific, technical, or engineering publication to be produced]. Your organization is required to send one copy of the final published report to:  National Technical Information Service 5301 Shawnee Road Alexandria, Virginia 22312  Please include a cover letter that identifies you/your organization and states: “This publication is intended for deposit in the NTIS. This publication was produced under U.S. Fish and Wildlife Service Award Number [insert Award Number]”. Do not send financial or performance reports to this address. See the Reporting Requirements section below for where to send financial and performance reports.

**11. Natural Resource Library**

<b>Circumstance</b> :	481 DM 4 states that the <u>Service shall determine</u> whether a publication is suitable for the library by applying the following criteria: 1) the publication IS of value for: public information and awareness; educational use; scientific, technical or research use; and 2) the publication is NOT: limited to official use only; classified for reasons of national security; for administrative, operational or proprietary use only; issued periodically and regularly compiled totally at a later date; a preliminary draft, working paper, press release, open file or other ephemera; a map, chart, poster, booklet or pamphlet; of local interest only; or otherwise readily available (e.g., publicly accessible on the
-----------------------	--

	<p>Internet). If a final publication qualifying for transmittal to the library is expected to be produced under the award insert the standard award condition (SAC) text provided below into the award and update as instructed in the gray highlighted text. Do not include this condition if it does not apply!</p> <p>NOTE: For Service staff sending publications to the library, the library accepts publications in hard copy and on compact disc. However, all items <u>must be sent by courier mail</u>. Hard copy publications sent by regular USPS delivery are often damaged and CDs are always destroyed by the Department's mail irradiation system. Do not send documents to the library that do not qualify under the 481 DM 4 criteria!</p> <p>Funding under this award will be used to produce [insert description of publication(s) to be produced]. Your organization is required to send one copy of the final published document (s) to:</p> <p style="padding-left: 40px;">U.S. Department of the Interior          Natural Resource Library          Division of Information and Library Services-Gifts and Exchanges Section          1849 C Street NW          Washington, D.C. 20240</p> <p>The copy can be a paper copy or saved to a compact disc. Do not send by regular U.S. Postal Service! Send all publications using your preferred courier mail service (e.g., FedEx, UPS and DHL). Expedited delivery is not required. Please include a cover letter that identifies you/your organization and states: "This publication is intended for deposit in the Natural Resource Library. This report was produced under U.S. Fish and Wildlife Service Award Number [insert Award Number]". Do not send financial or performance reports to this address. See the Reporting Requirements section below for where to send financial and performance reports.</p>
<b>SAC:</b>	

**12. Promotional Partnership with a Non-Governmental Entity**

<b>Circumstance</b> :	<p>If the award is made to an entity <i>OTHER THAN</i> a State, local, or Federally-recognized Indian tribal government <b>AND</b> the <u>principal purpose of the award</u> is a partnership where the recipient/partner contributes resources to promote Service programs or activities, publicizes Service activities, assists in fundraising, or provides assistance to the Service and the project includes joint dissemination of information and promotion of activities being supported, insert the standard award condition (SAC) text provided below into the award.</p> <p>Recipient shall not publicize or otherwise circulate promotional material (such as advertisements, sales brochures, press releases, speeches, still and motion pictures, articles, manuscripts or other publications) which states or implies governmental, Departmental, bureau, or government employee endorsement of a product, service, or position that the recipient represents. No release of information relating to this award may state or imply that the Government approves of the recipient's work products, or considers the recipient's work product to be superior to other products or services.</p>
<b>SAC:</b>	<p>All information submitted for publication or public releases of information regarding this project shall carry the following disclaimer: "The views and conclusions contained in this document are those of the authors and should</p>

not be interpreted as representing the opinions or policies of the U.S. Government. Mention of trade names or commercial products does not constitute their endorsement by the U.S. Government.” Recipient must obtain prior Government approval for any public information releases concerning this award which refer to the Department of the Interior or any bureau or employee (by name or title). The specific text, layout photographs, etc. of the proposed release must be submitted with the request for approval.

Recipient must include this provision in subawards made under this award to any recipient other than a state, local, or Federally-recognized Indian tribal government.

**13. Purchases by Governmental Entities**

<b>Circumstance</b>	In accordance with 505 DM 3, for awards to states, local governments and federally recognized Indian tribal governments that will afford opportunities for purchases from the business community, insert the standard award condition (SAC) text provided below into the award.
<b>SAC:</b>	It is a national policy to award a fair share of contracts to small and minority business firms. The Department of the Interior is strongly committed to the objectives of this policy and encourages all recipients of its grants and cooperative agreements to take affirmative steps to ensure such fairness. As a condition of award, the Recipient and sub-recipients shall take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps shall include: (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises; (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; (5) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce as appropriate, and (6) Requiring prime contractors, if subcontracts are to be let, to take the affirmative steps listed in (1) through (5) above.

**14. Purchases by Non-Governmental Entities**

<b>Circumstance</b>	In accordance with 505 DM 5, for awards to institutions of higher education, hospitals and other nonprofit organizations that will afford opportunities for purchases from the business community, insert the standard award condition (SAC) text provided below into the award.
<b>SAC:</b>	It is a national policy to place a fair share of purchases with minority business firms. The Department of the Interior is strongly committed to the objectives of this policy and encourages all recipients of its grants and cooperative agreements to take affirmative steps to ensure such fairness. Positive efforts shall be made by recipients to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible. Recipients of Federal awards shall take all of the following steps to further this goal: (1) Ensure that small

businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable; (2) Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises; (3) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises; (4) Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually; and (5) Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

**15. Requiring Use of the Service Logo**

<b>Circumstance</b> :	Per Service policy 041 FW 2, all programs not specifically excepted in the policy must obtain Director's approval prior to requiring a recipient to use the Service logo in any manner (e.g., inserting it on formally published products, using it on meeting materials, displaying it on facilities or equipment). Text must be circumstance specific. If the program has received Director's approval for the recipient to use the Service logo, the notice of award must: 1) explicitly authorize them to use the logo; 2) clearly outline the specific authorized use(s) of the logo; 3) explicitly state that the Service is waived from liability for any misuse; and 4) cite the consequences of violating 18 U.S.C. 701. Coordinate the text of the award condition with External Affairs.
<b>SAC:</b>	Program must develop circumstance-specific condition text to insert into the award.

**16. Scientific and Scholarly Activities**

<b>Circumstance</b> :	305 DM 3 defines scientific and scholarly activities as: 1) inventorying, monitoring, experimentation, study, research, modeling or scientific and scholarly assessments that are conducted in a manner specified by documented protocols and procedures and include any of the biological, cultural or social sciences as well as landscape architecture, engineering, mathematics and statistics that employ the scientific method; <b>AND</b> 2) the results of which include the analysis, synthesis, compilation or translation of information and data into formats intended for use in the Service's and/or the Department's decision-making processes or publications. If the award will fund scientific and scholarly activities insert the standard award condition (SAC) text provided below.
<b>SAC:</b>	The Recipient will conduct scientific and scholarly activities as defined in Department of the Interior policy 305 DM 3, <i>Integrity of Scientific and Scholarly Activities</i> that are intended for use in Service decision-making processes and/or publications. Acceptance of this award carries with it the responsibility to be aware of and follow the Code of Scientific and Scholarly Conduct described in 305 DM 3, Section 3.7 to the best of your ability.

**17. Transferring Title of Equipment to Federal Government or Third Party**

<b>Circumstance</b> :	Typically equipment purchased by a recipient will vest with the recipient. However, 2 CFR 200.311(c)(3) and 200.313(e)(3) gives the Service the right to require the transfer the title of real property or equipment purchased by a recipient to the Federal Government or a third party. T If real property or equipment purchased by a recipient will
-----------------------	--

be transferred to either the Federal Government or another party, include a circumstance-specific award condition that identifies the property or equipment to be transferred, provides disposition instructions, and, identifies the compensation due to the recipient for its attributable percentage of the current fair market value of the property or equipment.

Program must develop circumstance-specific condition text to insert into the award.

**SAC:**

8

**Objectives:**

1. Identify and explain activities involved in implementing, managing and monitoring awards.
2. Describe the communication needed and people involved during award implementation and management.
3. Determine when an award needs to be revised and what documentation to provide.

**Handouts:**

- BFA 8-1 – FAPO Award Amendment Checklist
- BFA 8-2 – Notice of Amendment Letter Template
- BFA 8-3 – Program Income Examples
- BFA 8-4 – 516 FW 4 Payment Management for Grant and Cooperative Agreement Awards

## Award Implementation

Upon receipt of the NOA:

The Recipient

- Reviews the NOA elements / disseminates information.
- Establish accounting to manage and monitor award.
- Establish measures to manage and monitor grant performance.
- Implements award activities.

---

---

---

---

---

---

---

The Program Office

- Tracks Recipient activity primarily via financial and performance reports.
- Participates in award activities as outlined in award and program requirements (e.g. substantial programmatic involvement if cooperative agreement, additional administrative requirements for high risk awardees, etc.).

---

---

---

---

---

---

---

## Federal Funding And Transparency Act (FFATA) of 2006

Federal agencies are required to report new awards and prime award recipients are required to report new first-tier subawards (both mandatory and discretionary) greater than or equal to \$25,000. This applies to the following scenarios:

- Initial awards that meet or exceed \$25,000.
- Award revisions that increase the initial award to \$25,000 or greater.
- Awards initially meeting or exceeding \$25,000 but are later reduced below \$25,000.

Reporting must be done by the end of the month **following** the month of award obligation.

FFATA requires that prime recipients report the names and total compensation of the five most highly compensated officers of a prime **or** sub-awardee entity *if*

1. Executives received 80% or more of the entity's annual gross revenues in Federal awards and
2. Annual gross revenues meet or exceeded \$25,000,000 from Federal awards, and
3. The public does not have access to this information via the SEC.

Reporting exemptions apply to the following

- Individuals unrelated to any business or nonprofit organization.<sup>1</sup>
- Any entity with less than \$300K from previous tax year's gross income.
- Reporting that would disclose classified information.
- Awards under the Recovery Act.



2 CFR 200.211 & 300(b) | [www.USASpending.gov](http://www.USASpending.gov) | [www.fsrs.gov](http://www.fsrs.gov)

<sup>1</sup> OMB M-09-19 (June 1, 2009) encourages reporting of awards (1) less than \$25K, or (2) to individuals, be aggregated, but still reported.

## Accounting for and Using Program Income

### Determining Program Income

Program Income Criteria.

1. Gross income received by Recipient or Subrecipient.
2. Directly generated by award-supported activities.
3. Earned during the award period.

Program income **may be net** of incidental costs if authorized by Federal regulation or NOA.



2 CFR 200.80 | 2 CFR 200.307

### Disposition of Program Income

Program income is retained by the Recipient/Subrecipient and may be used in one of three ways, depending on Federal regulation or NOA requirements.

- **Addition** – Add to award obligation.
- **Deduction** – Subtract from award obligation.
- **Cost Sharing** – Use as non-federal match.

Education institutions and non-profits use the **additive** method for research awards *by default*.



2 CFR 200.307(e) 'Uses of Program Income'

### Declaring and Reporting Program Income

- Anticipated program income must be estimated in the award application.
  - Must be reported on the Federal Financial Report (SF-425).
- 
- 

### Income after the Award period

Recipient/Subrecipient has no further obligation to the awarding agency *unless* specified in program legislation or award condition.

---

---



2 CFR 200.307

Notes:

---

---

---

---

---

---

---

---

## Payment Requests and Processing

### Automated Standard Application for Payments (ASAP)

ASAP is a U.S. Treasury electronic payment information system utilized by DOI to pay its domestic financial assistance award recipients via pre-authorized accounts. Unless formally requested, recipients must use ASAP to draw down award funds.

Recipients who use ASAP cannot be required to submit additional documentation supporting the expenditure of allowable costs, unless:

1. The Program receives OMB Information Collection Clearance (516 FW 4.8)
  2. The recipient is identified as 'high risk' (516 FW 4.10 and 4.11).
- 
- 



516 FW 4

### Foreign Recipients<sup>2</sup>

The U.S. Treasury does not permit foreign recipients to receive payment in ASAP. All foreign recipients must request payment using the SF-270 or 271.

Foreign recipients can be paid in one of two ways (processed by IBC):

- Electronic Funds Transfer (EFT) through the Automated Clearing House (ACH) network, if receiving funds to a bank in the United States.
  - Through U.S. Treasury's International Treasury Services (ITS) system, if receiving funds to a bank outside of the United States.
- 
- 

<sup>2</sup> See *Payments to ASAP-Waived Financial Assistance Recipients* on the FA Systems Wiki (<http://fawiki.fws.gov/display/ASAP/Payments+to+ASAP-Waived+Financial+Assistance+Recipients>).

## Revising an Award

For non-construction FA awards, recipients **must**<sup>3</sup> request prior approval from the Service for any of following reasons

- Change in a project objective or scope.
- Change in key personnel.
- Reduction or disengagement in project activities
- Outsourcing of work under the FA award (subaward, contract, etc).
- Extension of the period of performance (with restrictions).
- Changes in recipient cost share or matching.
- Transfer of participant support costs budget items
- Costs requiring prior approval per the Cost Principles (unless specifically waived by the Service).

When revising an award for an addition or modification of a project, compliance may need to be addressed.

For construction awards, recipients **must** request prior approval for the following reasons:

- Changes in scope or objective(s) of project that affect budget
- Additional federal funds
- Costs requiring prior approval per the Cost Principles (unless specifically waived by the Service).

For FA awards comprised of both construction and non-construction work, the Service may require prior approval for any budget transfers between the two types of work.



2 CFR 200.308

<sup>3</sup> The Service may, at its discretion, waive all prior approvals except changes to scope or objectives.



**Exercise: Managing and Monitoring the Award**

Answer the questions below using **2 CFR 200** and **516 FW 4**. Cite your references.

1. The Uniform Guidance states that recipients must establish and maintain internal controls in order to provide what?

---

---

---

2. According to the Uniform Guidance, which party in the FA award (recipient or Federal agency) takes primary responsibility for application of sound management practices and allowable cost determination for FA awards? Who is responsible for oversight of operations of the FA award's activities?

---

---

3. According to 516 FW 4, what is the Service's monitoring requirement for recipient payments?

---

---

---

4. In the Uniform Guidance, what tools are identified for use by the federal agency to monitor project improvements and productivity? How about Financial information?

---

---

---



**Exercise: Cost Principles**

Answer the questions below using **2 CFR200 - Subpart E—Cost Principles, Basic Considerations**. Cite your references.

1. In which section is the Factors Affecting Allowability of Costs? In your own words, list these factors (Try keeping each factor to eight words or less).

---

---

---

---

---

---

---

---

---

---

2. What does Reasonable mean? Allocable? Applicable Credits?

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---



**Exercise: Cost Principles cont'd**

Answer the questions below using **2 CFR200 - Subpart E—Cost Principles, General Provisions for Selected Items of Cost**. Cite your references.

3. Can a university charge to a federal financial assistance award the cost of posting a job position on a job recruitment website?

---

---

---

4. Can state agencies match federal financial assistance awards with salaries and wages of its employees? If so, what are the requirements?

---

---

---

5. How may a non-profit recipient charge travel costs to their federal financial assistance award?

---

---

---

6. A non-profit research vessel routinely spends several weeks out at sea conducting research funded by an FA award. The non-profit purchases board games and blue ray movies for the crew, charging them to the FA award. Is this allowable? Why or why not?

---

---

---

---

---

## Compliance Requirements for the Subrecipient

### Subaward or Contract?

Recipients, when in the role of a pass-through entity, must properly determine if they are awarding contracts or subaward agreements with their federal financial assistance award.

Federal regulations differ for subaward and contract administration, and a recipient who incorrectly determines an award instrument may, during an audit, review, or legal inquiry, be required to pay back disallowed costs, or even be subject to litigation.

Subrecipients are also subject to the Single Audit Act if they meet the criteria.

The Uniform Guidance provides requirements for pass-through entities to follow in determining the proper agreement instrument for Federal financial assistance awards.

---

---

---

### Requirements for Pass-Through Entities

Recipients are required to clearly identify specified information in their subaward agreements. Additionally, the pass-through entity must evaluate each subrecipient's risk of non-compliance with Federal laws, regulations, and terms and conditions of the FA award. The result of this evaluation may result in increased subrecipient monitoring activities by the pass-through entity.

The Uniform Guidance provides possible monitoring strategies pass-through entities may use for their subaward activities.  
-2 CFR 200.331

---

---

---



### Learning Points

- ✓ Awards require managing and monitoring of fiscal, program and compliance concerns throughout the award period.
- ✓ Anticipated changes as a result of managing and monitoring awards may require revising the award.
- ✓ Cost principles establish allowability of costs and may vary depending on type of recipient.
- ✓ Subrecipient monitoring is the responsibility of the pass-through entity.

### FAPO Award Amendment Checklist

Fill in all fields. If field is not applicable, enter "0" (numerical/currency fields) or "N/A" (text fields).

Award Number (DCN): _____	Current Amendment #: _____	Current Award Total: _____
New Award Num (DCN): _____	Assign new number only if (de) obligating funds in FFS	Change Amount (use +/-): _____
Outstanding Balance (not paid to Recipient): _____		Amended Award Total: _____
Cost Code-ABC for funds to be (de) obligated by Pgm in FFS: _____		
Award Start Date: _____	Current Award End Date: _____	New Award End Date: _____
Recipient Name: _____		DUNS Number: _____
Project Title: _____		
CFDA Number: _____	CFDA Program Name: _____	
Program Contact: _____		Telephone: _____

\_\_\_\_\_  
Signature of Program Approver/Date

\_\_\_\_\_  
Signature of Funds Certifier/Date  
(required only when increasing/decreasing funding)

Indicate the type of amendment to be made:	YES	N/A	NOTES
1. Extend period of performance ONLY.	<input type="checkbox"/>	<input type="checkbox"/>	
2. Increase funding (with or without time extension and/or scope of work supplementation/augmentation). If yes, complete the following:	<input type="checkbox"/>	<input type="checkbox"/>	
A. Select the request type category <u>                    </u> [select from list] <small>(See <i>FAPO Award Amendment Instructions</i> for definitions)</small>	<input type="checkbox"/>	<input type="checkbox"/>	
B. If outstanding balance is > \$0, was the original obligation made in IDEAS?	<input type="checkbox"/>	<input type="checkbox"/>	
C. If outstanding balance is > \$0, has the period of availability expired?	<input type="checkbox"/>	<input type="checkbox"/>	
3. Decrease funding (not a closeout action).	<input type="checkbox"/>	<input type="checkbox"/>	

Checklist items for amendment to increase/decrease funding ONLY:	YES	N/A	NOTES
Confirm if indirect costs were included on the proposed amendment budget.	<input type="checkbox"/>	<input type="checkbox"/>	
If yes, confirm that a copy of their submitted/approved indirect cost rate agreement proposal is attached.	<input type="checkbox"/>	<input type="checkbox"/>	

Checklist items for ALL amendments	YES	N/A	NOTES
1. Confirm if recipient is exempt from DUNS registration due to being either is an individual/a natural person, OR a foreign entity that does not already have a DUNS number and receiving funds in an amount less than \$25,000 for activities performed outside the United States.	<input type="checkbox"/>	<input type="checkbox"/>	
2. Confirm if recipient is exempt from CCR registration due to being either an individual/natural person, OR a foreign entity not already registered in CCR and receiving funds in an amount less than \$25,000 for activities performed outside the United States.	<input type="checkbox"/>	<input type="checkbox"/>	
3. Confirm that all required documentation as described in the <i>FAPO Award Amendment Instructions</i> is included in the award amendment package to be sent to FAPO Branch Chief.	<input type="checkbox"/>	<input type="checkbox"/>	

**Approved :**

\_\_\_\_\_  
Signature of FAPO Grants Management Analyst/Date

THIS PAGE INTENTIONALLY LEFT BLANK



# United States Department of the Interior

FISH AND WILDLIFE SERVICE  
Washington, D.C. 20240



In Reply Refer To:  
WSFR/AIM

[Recipient contact name and title]

[Recipient organization name]

[Recipient address]

Subject: Notice of Amendment [insert next sequential amendment #] to Financial Assistance Award  
[enter original award DCN]

Dear Mr. /Ms. [recipient contact name],

Your organization's request for award amendment to U.S. Fish and Wildlife Service (USFWS) Award  
[enter DCN] under CFDA # [enter CFDA and Title] is approved effective [enter date]. This award is  
amended as follows:

[Enter specific details on the approved amendment(s):

If to extend the period of performance end date, sample text: The original performance and budget  
period of this award has been changed to extend the end date from [insert current award end date] to  
[insert new end date]. The new performance and budget period of this award is [enter award start date]  
through [enter new end date].

If amendment is to supplement/augment, or otherwise modify the original scope of work, provide  
specific details on the supplemental activities or on the modifications being made to the original  
activities.

If amendment is to add funding, include details on how funds are to be used. Specify all new goals,  
objectives, and/or activities to be conducted using the new funds.

If amendment does not include adding new funds, include the statement: this amendment is made at no  
additional cost to the U.S. Government.]

This award is funded as follows: [Retain this section even if no new funds are added. Update as  
appropriate to reflect new funding or change in Federal/Share recipient match. Break out award  
amounts by amendment number. Insert new rows as needed to represent each previously made  
amendment to add funds].

USFWS

Recipient

Amendment [insert #]:	\$0.00	\$0.00
Original Award:	\$0.00	\$0.00
<b>Award Total:</b>	<b>\$0.00</b>	<b>\$0.00</b>

[Revise or re-insert here any Federal share/recipient match requirements from original award.]

[Revise or re-insert here any program income use and reporting requirements from original award.]

**Terms of Acceptance:**

[If no changes are being made to the original award terms, conditions or provisions, insert the following text: All terms of acceptance and all standard or special conditions or provisions applicable to the original award are also applicable to, and are hereby incorporated by reference into, this amendment.]  
 The default terms and conditions statement [edit as needed]:

Acceptance of a Federal Financial Assistance award from the Department of the Interior (DOI) carries with it the responsibility to be aware of and to comply with the terms and conditions of award per <http://www.doi.gov/pam/TermsandConditions.html>. Acceptance is defined as starting work, drawing down funds, or accepting the award via electronic means. Awards are based on the application submitted to and approved by the USFWS. Awards are subject to the terms and conditions incorporated either directly or by reference in the following:

- Program legislation, regulation, and provisions.
- Special terms and conditions
- Code of Federal Regulations(CFR)/Regulatory Requirements:
  - 2 CFR Part 25, Central Contractor Registration and Data Universal Numbering System
  - 2 CFR Part 170, Reporting Subawards and Executive Compensation
  - 2 CFR Part 1400, Government-wide Debarment and Suspension (Nonprocurement)
  - 2 CFR Part 175, Trafficking Victims Protection Act of 2000
  - 43 CFR 12(A), Administrative and Audit Requirements and Cost Principles for Assistance Programs
  - 43 CFR 12(C), Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Government
  - 43 CFR 12(F), Uniform Administrative Requirements for Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals, other Non-Profit and Commercial Organizations (includes foreign recipients)
  - 43 CFR 43, Government-wide Requirements for a Drug-Free Workplace
  - 43 CFR 18, New Restrictions on Lobbying
  - 305 DM 3, Integrity of Scientific and Scholarly Activities

[If changes are being made to the original award terms, conditions or provisions, include details of the new or changed terms, conditions, provisions and then insert the following text: All other terms of acceptance and all standard or special conditions or provisions applicable to the original award remain unchanged and are also applicable to, and are hereby incorporated by reference into, this amendment.]

**Special Conditions and Provisions:**

Update or remove section, as needed.

**Reporting Requirements:**

[Enter any changes to the original award reporting requirements resulting from this amendment. Extensions of period of performance end date may change the reporting requirements provided in the original award. If so, complete this table:

<b>Financial and Performance Report Periods:</b>	<b>Financial and Performance Report Due Dates:</b>
Award signature date- [insert end of period]	[insert corresponding due date]

If none of the original reporting requirements have changed as a result of the amendment, enter: All reporting requirements as detailed in the original notice of award are also applicable to and are hereby incorporated by reference into this amendment].

Send all required reports to the USFWS Project Officer, identified below.

<b>The USFWS Project Officer for this award is:</b>	<b>The Recipient Project Officer for this award is:</b>
[Enter program PO name and title]	[Enter Recipient PO name and title]
[Enter complete mailing address]	[Enter complete mailing address]
Telephone: [enter phone number]	Telephone: [enter phone number]
Email: [enter email address]	Email: [enter email address]

Contact [insert USFWS Project Officer name] with any questions. Please include the USFWS document number assigned to this award in all written communications.

Sincerely,

Lori Bennett, Program Analyst  
 Division of Administration and Information Management  
 Wildlife and Sport Fish Restoration Program

THIS PAGE INTENTIONALLY LEFT BLANK

### Post-Award The Deductive Method

Application (SF-424)		Financial Report (SF-425)	
Federal	\$ 90,000	Total Expenditures	\$ 120,000
Applicant	30,000	Less: Program Income	(4,000)
Program Income	4,000	Adjusted Total Outlays	\$ 116,000
Total	\$ 120,000	Federal (75%)	\$ 87,000
		Recipient (25%)	\$ 29,000

**Amount Obligated: \$90,000**

**Notice that \$3,000 of the obligation remains unliquidated**

---

---

---

---

---

---

---

---

---

---

---

---

### Post-Award The Additive Method

Application (SF-424)		Financial Report (SF-425)	
Federal	\$ 90,000	Total Expenditures	\$ 124,000
Applicant	30,000	Less: Program Income	(4,000)
Program Income	4,000	Adjusted Total Outlays	\$ 120,000
Total	\$ 124,000	Federal (75%)	\$ 90,000
		Recipient (25%)	\$ 30,000

**Amount Obligated: \$90,000**

**All obligated funds are liquidated**

---

---

---

---

---

---

---

---

---

---

---

---

### Post-Award Deductive - Misapplied Overmatch

Application (SF-424)		Financial Report (SF-425)	
Federal	\$ 90,000	Total Expenditures	\$ 160,000
Applicant	30,000	Less: Program Income	(4,000)
Program Income	4,000	Adjusted Total Outlays	\$ 156,000
Total	\$ 120,000	Federal (75%)	\$ 90,000
		Recipient (25%)	\$ 30,000
		Overmatch	\$ 36,000

**Amount Obligated: \$90,000**

---

---

---

---

---

---

---

---

---

---

---

---

## Post-Award Deductive - Properly Applied Overmatch

Application (SF-424)		Financial Report (SF-425)	
Federal	\$ 90,000	Total Expenditures	\$ 160,000
Applicant	30,000	Less: Excess Allowable	<u>(40,000)</u>
Program Income	<u>4,000</u>	Adjusted Total Outlays	\$ 120,000
Total	\$ 120,000	Less: Program Income	<u>(4,000)</u>
		Adjusted Total Outlays	\$ 116,000
<b>Amount Obligated: \$90,000</b>		Federal (75%)	\$ 87,000
		Recipient (25%)	\$ 29,000
		Overmatch	\$ 40,000

---



---



---



---



---



---



---



---

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 4 Payment Management for Grant and Cooperative Agreement Awards                      516 FW 4**

**4.1 What is the purpose of this chapter?** This chapter provides the information U.S. Fish and Wildlife Service (Service) employees working with grant and cooperative agreement awards need to:

- A.** Follow Governmentwide and Departmental requirements related to payment management for grant and cooperative agreement awards;
- B.** Make sure recipients either enroll in the U.S. Treasury's Automated Standard Application for Payment (ASAP) system or, based on a formal request, the Department of the Interior (Department) waives the ASAP enrollment requirement (see sections 4.12 and 4.13);
- C.** Inform recipients about how they will be paid and of any special award condition or circumstance that changes the payment method on their award(s); and
- D.** Make sure recipients comply with their award terms and conditions and take appropriate action when a recipient is out of compliance.

**4.2 What are the objective and scope of this chapter?**

**A. Objective:** Our objective is for Service employees to follow:

- (1)** The payment methods required in the Code of Federal Regulations (CFR) so that recipients are treated appropriately and consistently with respect to payment, and
- (2)** The payment procedures required by the Department.

**B. Scope:** This chapter covers all Service programs that administer and manage grant and cooperative agreement awards.

**4.3 What are the authorities for this chapter?**

- A.** Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments ([43 CFR 12, Subpart C](#)).
- B.** Uniform Administrative Requirements for Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations ([43 CFR 12, Subpart F](#)).
- C.** Controlling Paperwork Burdens on the Public ([5 CFR 1320](#)).
- D.** Rules and Procedures for Efficient Federal-State Fund Transfers ([31 CFR Part 205](#)).
- E.** Department of the Interior Acquisition Guidance (DIG) [2008-5](#), Automated Standard Application for Payments System.
- F.** Department of the Interior Guidance Release (DIG) [2011-03, Amendment 1](#), Financial Assistance Monitoring Protocol.

**4.4 Who is responsible for grant and cooperative agreement award payment management?** Table 4-1 describes Service employees' responsibilities for payment management.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

<b>Table 4-1: Responsibilities for Grant and Cooperative Agreement Award Payment Management</b>	
<b>These employees . . .</b>	<b>Are responsible for . . .</b>
<b>A. The Director</b>	Making sure the Service has policy in place regarding grant and cooperative agreement award payment management.
<b>B. The Assistant Director – Wildlife and Sport Fish Restoration Program through the Division of Administration and Information Management, Branches of Financial Assistance Policy and Oversight and Financial Assistance Systems</b>	<p><b>(1)</b> Developing policy regarding grant and cooperative agreement award payment management,</p> <p><b>(2)</b> Overseeing Service implementation of the policy, and</p> <p><b>(3)</b> Assisting Service users in resolving issues with the Financial Business Management System (FBMS) and the U.S. Treasury’s ASAP system.</p>
<b>C. Directorate members</b> in Headquarters and the Regions	Making sure employees who issue, administer, and manage grant and cooperative agreement awards are aware of and follow the requirements in this policy.

**4.5 What actions related to payments must the Service take prior to releasing an award and obligating funds in FBMS?** We must complete all steps of the *Establishing an Intended Recipient’s Payment Method before Obligating Funds for a New Grant or Cooperative Agreement Award in the Financial and Business Management System* guidance document before releasing an award and obligating funds in FBMS.

**4.6 What are the payment methods the Service can use for grants and cooperative agreements?**

**A. Advances.** We must pay recipients in advance if they have procedures that minimize the time between when we transfer funds to them and when they disburse the funds. Advance payment mechanisms are subject to 31 CFR Part 205 and 43 CFR 12, Subparts C and F.

**B. Reimbursement.** If a recipient cannot meet the requirements for advance payment, we may restrict the recipient to requesting reimbursements. We may also use this method on construction awards. When using the reimbursement method, we have to allow recipients to submit requests for reimbursement as often as they like as long as they’re paid electronically. In the rare circumstance that a recipient receives payment in the form of a check from the U.S. Treasury, the recipient may not request payment more frequently than monthly.

**C. Working capital advance.** If a recipient cannot meet the requirements for advance payments, and we determine that reimbursement is not feasible because the recipient doesn’t have enough working capital to carry out the approved project activities, we may provide cash to the recipient on a working capital advance basis. We may only arrange for these advances for a limited time after award. After the initial period, the recipient is restricted to requesting reimbursements.

**4.7 What is ASAP and why do grant and cooperative agreement award recipients have to use it?** ASAP is the U.S. Treasury’s electronic payment and information system that allows domestic recipients of Federal grant and cooperative agreement awards to draw down funds from pre-authorized accounts. The

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 4 Payment Management for Grant and Cooperative Agreement Awards                      516 FW 4**

Department requires that we pay domestic financial assistance award recipients using the ASAP system, unless a recipient qualifies for a waiver from the process (see section 4.12).

**4.8 Can the Service require recipients drawing down funds in ASAP to also submit a Standard Form (SF) 270, Request for Advance or Reimbursement or an SF 271, Outlay Report and Request for Reimbursement for Construction Programs?** No. ASAP accounts are pre-authorized so that recipients may draw down funds as needed in accordance with the award terms and conditions. We cannot require recipients who are paid in ASAP to also submit standard payment request forms, any other payment-related form, or additional documentation. The only exception to this restriction is if the program has received Office of Management and Budget (OMB) approval for the routine collection of additional payment-related information (see 281 FW 4 and 5). We can impose additional requirements (see section 4.11) if a recipient meets one or more of the conditions in section 4.10A.

**4.9 Do employees need to review and approve recipient payment requests in ASAP?** No. The only exception is when both circumstances below are met:

- A. The recipient meets one or more of the criteria in section 4.10A, and
- B. We included conditions in the award that require prior Service approval of payment requests.

**4.10 When may the Service impose additional requirements and how must we communicate them to the recipient?**

A. We may impose additional requirements at any point during the award process if the applicant or recipient:

- (1) Has a history of poor performance,
- (2) Is not financially stable,
- (3) Has a management system that does not meet the standards that the regulations applicable to the award require,
- (4) Has not conformed to the terms and conditions of a previous or existing award, or
- (5) Is not otherwise responsible.

B. Before we may impose additional requirements, we must notify the applicant or recipient in writing and explain the:

- (1) Nature of the additional requirements,
- (2) Reason(s) why we are imposing the additional requirements,
- (3) Nature of the corrective action needed,
- (4) Time allowed for completing the corrective action, and
- (5) Procedure for requesting reconsideration of the additional requirements imposed.

C. Depending on the nature of the circumstance, additional requirements may be imposed for a portion of a single project period, for the entire project period of an award, or for part or all of the project periods on consecutive awards.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 4 Payment Management for Grant and Cooperative Agreement Awards                      516 FW 4**

D. When a recipient corrects the circumstance(s) that resulted in our imposing additional requirements, we must remove the requirements and notify the recipient in writing.

**4.11 What payment-related additional requirements may the Service impose on recipients who meet the criteria in section 4.10A?** If at any point in the award process an applicant or recipient meets one or more of the criteria in section 4.10A, we may:

A. Require a recipient to obtain approval before spending or requesting funds,

B. Require a recipient to complete work in stages and withhold or otherwise limit funding for the next stage until the current stage is complete,

C. Restrict a recipient from receiving funds in advance, requiring them to be reimbursed for allowable project expenditures (see section 4.6),

D. Require a recipient to submit receipts or other payment-related documentation with their payment requests or financial reports, or

E. Require a recipient to increase the frequency of their financial reporting, but no more frequently than quarterly (see [516 FW 1](#)). Never require a recipient to submit a final SF 425, *Federal Financial Report* before we release their final payment. See [516 FW 1](#) for actions we can take when a recipient is out of compliance with financial reporting requirements.

**4.12 May the Department waive the requirement for a recipient to enroll in and request funds through ASAP?** Yes. The Department may approve a waiver of the ASAP enrollment requirement in any of the following situations:

A. An individual, including sole proprietors, with or without an account with a financial institution, determines that using ASAP would impose a hardship due to a physical or mental disability; geographic, language, or literacy barrier; or that it would impose a financial hardship.

B. An individual does not have an account with a financial institution and is not eligible to open an electronic transfer account (ETA) under the Federal Financial Assistance Management Improvement Act. The Department will revoke the waiver once an ETA is available to the recipient.

C. The recipient is a foreign entity. We must request waivers for foreign recipients because the U.S. Treasury does not allow them to enroll in ASAP.

D. The recipient is in an area that the President or an authorized agency administrator has designated as a disaster area. This waiver is limited to payments made within 120 days after the disaster is declared.

E. The award is made in response to contingency operations conducted by or in support of the Department of Defense.

F. Where using ASAP may pose a threat to national security, the life or physical safety of an individual may be endangered, or a law enforcement action may be compromised.

G. Where the need to deliver funding is so unusual and compellingly urgent that the public or the Government would be seriously injured unless the program pays the recipient by a method other than ASAP.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 4 Payment Management for Grant and Cooperative Agreement Awards                      516 FW 4**

**4.13 How does the Service request an ASAP waiver for a recipient?** See the *Establishing an Intended Recipient's Payment Method before Obligating Funds for a New Grant or Cooperative Agreement Award in the Financial and Business Management System* guidance document for instructions on how to request an ASAP waiver.

**4.14 How do recipients with an ASAP waiver request payment?** Recipients with an ASAP waiver must send us either an SF 270 or an SF 271 standard payment request form. We may waive interim financial reporting for recipients using these standard forms (see 516 FW 1). No other forms or formats may be used to process manual payments (see section 4.15 and 281 FW 4 and 5).

**4.15 Can the Service require recipients who have an ASAP waiver to submit any other payment-related form or additional documentation with or in place of the standard payment request forms?** No. We must not require recipients who have ASAP waivers to submit any other payment-related form or additional documentation with or in place of the standard payment request forms unless:

**A.** The program received OMB approval to routinely collect additional payment-related information from recipients (see 281 FW 4 and 5), or

**B.** A recipient meets one or more of the criteria detailed in section 4.10A.

**4.16 What actions are required when the Service receives an SF 270 or SF 271 payment request?**

**A.** We must:

**(1)** Review the document to make sure the recipient has accurately completed all the fields and signed and dated the form,

**(2)** Communicate with recipients to correct inaccurate and incomplete SF 270 or SF 271 information, and

**(3)** Withhold payment until the standard form is complete and accurate.

**B.** We must submit recipient payment requests to the Interior Business Center (IBC) within 5 business days of receipt.

**C.** We do not need to sign or otherwise indicate approval of an SF 270 or SF 271 payment request before funds are transferred to the recipient unless:

**(1)** The recipient meets one or more of the criteria in section 4.10A, and

**(2)** The program adds conditions to the award to require prior Service approval of payment requests (see section 4.11).

**4.17 What information related to payments must the Service include in notices of award and subsequent amendments?** The notice of award and subsequent amendments must include the following information related to payments:

**A.** How to request funds. If the Department waives the requirement for the recipient to use ASAP, the notice of award and any subsequent amendments must:

**(1)** Identify which payment form the recipient must use (SF 270 or SF 271), and

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 4 Payment Management for Grant and Cooperative Agreement Awards                      516 FW 4**

(2) Provide payment request submission instructions.

B. Details regarding any changes in the allowable payment method or any other payment-related additional requirements (see section 4.11).

**4.18 Do Service employees have to monitor recipient payment activity? Yes.**

A. We must regularly monitor recipient requests for payment and funds draw down activity to compare their frequency with the approved project activities and schedule. This monitoring activity gives us a general picture of project progress and allows us to identify and follow up with the recipient on any potential funds management issues. The frequency for payment activity review and followup will vary and depends on each award circumstance. We can use the reporting features of FBMS and the ASAP system to monitor activity when recipients use that payment method.

B. On occasion, we may also review recipient's source documentation (e.g., purchase orders, invoices, cancelled checks, payroll, and time and attendance records) for random transactions under each award to determine the nature of the expenditure and verify it is an allowable cost under the award terms and conditions.

**4.19 What must Service employees do if they suspect that a recipient requested or expended funds in a manner that does not comply with the terms and conditions of award? We must:**

A. Contact the recipient to discuss the issue and gather additional information, including a complete accounting of paid and unpaid award expenditures to date, if necessary; and

B. Consider all information and documentation received from the recipient.

**4.20 What do employees do if they find that a recipient requested or expended funds in a manner that does not comply with the terms and conditions of award? We must:**

A. Determine the total amount of those funds;

B. Determine if the recipient must return funds to the Service. A recipient must return funds to the Service when the amount in section 4.20A is more than the recipient's current balance of allowable unpaid award expenditures;

C. Determine what corrective action(s) we will take, or require the recipient to take, on the affected award, other awards to the recipient, or pending awards to the recipient;

D. Brief and obtain approval from the appropriate Directorate member on the planned corrective action(s); and

E. Maintain copies of all documentation related to how the funds were used and problems resolved in the official award file.

**4.21 What action must the Service take to recover funds if a recipient has to return them? We must notify the recipient in writing by letter, fax, or email with appropriate return receipt that we have determined that they must return funds to the Service.**

A. The notice must:

(1) State that we have determined that the recipient requested or expended funds in a manner that does not comply with the award terms and conditions;

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 4 Payment Management for Grant and Cooperative Agreement Awards                      516 FW 4**

- (2) Cite the specific regulation(s) and term(s) or condition(s) violated;
- (3) Specify the amount of funds that they must return and provide instructions for returning those funds;
- (4) Inform the recipient that we have suspended the affected award and provide an effective date for the suspension;
- (5) Inform the recipient that costs are allowable if they result from obligations incurred before the effective date of suspension and would have been allowable if the award were not suspended, and that costs resulting from obligations incurred during the suspension are not allowable unless expressly authorized in advance in the notice or subsequently (see [43 CFR 12.83](#) and [12.962](#));
- (6) Provide specific authorization for any recipient costs related to obligations that will be incurred during the suspension when the program determines such costs allowable;
- (7) Inform the recipient that we have suspended other open awards, are withholding any pending or new awards to the recipient, or both, if applicable;
- (8) Inform the recipient that any and all suspended awards will remain suspended until we receive the funds due;
- (9) Inform the recipient that we reserve the right, without further notice, to convert any suspension to a termination of the award if we do not receive the funds within 30 calendar days of the recipient's receipt of the notice;
- (10) Cite any statute or the applicable hearing/appeals section of the CFR that provides the recipient an opportunity for a hearing, appeal, or other administrative proceeding applicable to any action we have or may take as a result of this finding, if applicable; and
- (11) Be signed by the supervising Directorate member or his/her designee.

**B.** When the recipient returns the funds due, we must remove the restriction(s) and condition(s) imposed under this section and notify the recipient of their removal in writing by letter, fax, or email.

**4.22 What must the Service do if the recipient is not responsive to the notice sent as described in section 4.21?**

- A.** If the recipient does not submit repayment within 30 calendar days of receipt of the notice, we must complete a Form [DI-1040](#), *Bill for Collection*, and submit the completed form along with supporting documentation to the Division of Financial Management, Cost Accounting Section.
- B.** The Division of Financial Management will send the *Bill of Collection*, including a Notification of Actions to be taken in case of non-payment and a Notice of Rights, to the recipient.
- C.** If the recipient is not responsive to the DI-1040 action, the Division of Financial Management, Debt Collection Section may take one or more of the following actions, as necessary:

- (1) Refer the debt to the U.S. Treasury to initiate additional action, including possible investigation of assets,
- (2) Offset other payments from the U.S. Government,

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 4 Payment Management for Grant and Cooperative Agreement Awards                      516 FW 4**

- (3) Refer the debt to a private collection agency,
- (4) Refer the debt to the Department of the Interior, Office of the Solicitor or to the Department of Justice to initiate legal action,
- (5) Report the debt to national credit bureaus, or
- (6) Report the debt to the Internal Revenue Service as income on which taxes will be owed.

**D.** If the recipient is not responsive to the DI-1040 action, we may take one or more of the following actions using the procedures in 43 CFR, as necessary:

- (1) Withhold payment for other open Service awards to the recipient,
- (2) Withhold further Service awards to the recipient,
- (3) Terminate the affected award,
- (4) Consider termination of other open Service awards to the recipient, or
- (5) Determine if we need to initiate a formal Governmentwide suspension or debarment action against the recipient, in accordance with [DIG 2011-01](#), *Action Official Referrals of Covered Transaction Award Termination for Noncompliance or Material Failure to Perform Determinations to the Department of the Interior Suspending and Debarring Official*.

**E.** We must notify the recipient in writing with appropriate return receipt of any further action(s) we take.

**4.23 May the Service waive the termination of an award?** No. We may not waive a termination. Once we terminate an award, we may not reinstate it.

/sgd/ Stephen Guertin  
DEPUTY DIRECTOR

Date: May 15, 2014

9

**Objectives:**

1. Identify reporting requirements.
2. Explain the ramifications of late reports.

**Handouts:**

- BFA 9-1 – 516 FW 1 Financial Reporting for Grant and Cooperative Agreement Awards
- BFA 9-2 – 516 FW 2 Performance Reporting for Grant and Cooperative Agreement Awards

## Required Reports

### Federal Financial Report (SF 425)

The SF-425 is the OMB-approved governmentwide form for soliciting financial information from FA recipients. It may be submitted by mail or electronic means. Unless the Federal awarding agency has OMB information collection approval, it cannot require additional financial information from its recipients.

The SF-425 must be signed by the recipient's authorized recipient representative (may be electronic).



### Performance Report

There is no OMB-approved governmentwide performance report form. However, there are standard OMB approved data elements for collection of performance information. Broadly, performance reports must include

- Comparison of actual accomplishments to the award's objectives for the appropriate period.
- The reasons why established goals were not met, if appropriate.
- Analysis and explanation of cost overruns, if appropriate.
- High unit costs, if appropriate.
- Any other information as reflected in the Federal awarding agency's approved OMB information collection request.

Programs must have OMB Information Clearance approval to require recipients to submit performance reports.

-516 FW 2.8A



## Reporting Frequency

Service policy requires Program Offices to require recipients to submit interim and final reports (financial and performance). For interim reports, we may require annual, semi-annual or quarterly submissions. Final reports are required within 90 calendar days of the end of the award period or termination of the award, which ever comes first.

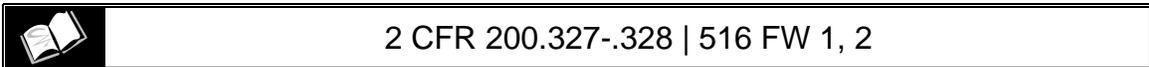
Recipients may request a report due date extension of up to 90 days with proper justification.

---

---

---

---



## Remedies for Non-Compliance

### No report received by due date?

- Notify recipient within 30 calendar days that due date has passed.
- Inform recipient of non-compliance and sanctions.
- Request immediate receipt of report within 10 calendar days, or award will be suspended, with a possible termination of award if no report is received 30 days from suspension, and
- Further withholding of any other pending awards in affected Service program until all reports are received.

---

---

---

---

**No report received by end of 10 calendar days?**

- Suspend payments and obligations of affected award for 30 calendar days.
- Send notification to recipient of suspension.

---

---

---

---

**Report or explanation is not received after 30 day suspension?**

- Convert suspension to termination.
- Withhold other pending awards
- Send notification to recipient of termination and suspension of future award obligations.

The USFWS must immediately lift any suspensions upon receipt and approval of delinquent reports. Terminations, however, are final and cannot be reinstated.

-516 FW 1.14 and 1.16

---

---

---

---

---



516 FW 1,2

---

## Conditionally Required Reports

There are other types of reports that may be required based on specific award conditions.

### Significant Development Reports

Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. Recipients must submit significant developments reports notifying the Service project officer when problems, delays, or adverse conditions that will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of any corrective action(s) taken or contemplated, and any assistance needed to resolve the situation.

---

---

---

### Program- or Project-specific Reports

Depending on the program or the type of project, other reporting may be required such as invention disclosures and Federally-owned property reports.

---

---

---





**Exercise: Reporting Requirements**

Using 516 FW 1 and 2, answer the following questions. Cite your references.

1. Which recipient types can be exempted from performance reporting?

---

---

---

2. Can Program Offices waive interim financial report requirements? If so, under what circumstances?

---

---

3. Can Program Offices waive final reports?

---

---

4. What can the Program Offices do to better align their recipients' interim performance reporting due dates with seasonal/research constraints?

---

---

---

5. Who is responsible for preparing and submitting the performance and financial reports?

---

---

6. What are the ramifications to the USFWS if we fail to enforce the reporting requirements?

---

---



### Learning Points

- ✓ Financial and Performance reports have specific, required reporting periods.
- ✓ Performance reports have specific information requirements.
- ✓ There are consequences for not complying with reporting requirements.

THIS PAGE INTENTIONALLY LEFT BLANK

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 1 Financial Reporting for Grant and Cooperative Agreement Awards                      516 FW 1**

**1.1 What is the purpose of this chapter?**

**A.** This chapter provides the information U.S. Fish and Wildlife Service (Service) employees working with grant and cooperative agreement awards need so that we can:

- (1)** Record related expenses in the proper period,
- (2)** Monitor costs and progress in accomplishing goals and objectives of approved awards through recipients' timely submission of accurate and complete reports, and
- (3)** Close awards after receipt of accurate and complete reports.

**B.** The chapter also helps us to carry out:

- (1)** The Department of the Interior's (Department) Guidance Release 2009-04: Policy Regarding Financial Status Reporting Requirements Related to Grants and Cooperative Agreements, and
- (2)** The Office of Management and Budget's (OMB) 2008 requirement that all Federal awarding agencies use the *Federal Financial Report*, Standard Form (SF) 425. (Previously we used SF 269/269A and the *Report of Federal Cash Transactions*, SF 272/272A.)

**1.2 What are the objectives and scope of this chapter?**

**A. Objectives:** Our objectives are for Service staff to consistently communicate fiscal reporting requirements to applicants and award recipients and to make sure that these requirements are met.

**B. Scope:** This chapter covers all Service programs that award grants and cooperative agreements.

**1.3 What are the authorities for this chapter?**

**A.** Administrative and Audit Requirements and Cost Principles for Assistance Programs (43 CFR 12, specifically Subparts A, C, and F).

**B.** Cost Principles for Education Institutions (2 CFR 220).

**C.** Cost Principles for State, Local, and Indian Tribal Governments (2 CFR 225).

**D.** Cost Principles for Non-Profit Organizations (2 CFR 230).

**E.** Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (2 CFR 215).

**F.** Financial Reporting for Grants and Cooperative Agreements: Federal Financial Report (Federal Register, Vol. 72, No. 235, December 7, 2007).

**G.** U.S. Department of the Interior Guidance Release 2009-04, Financial Status Reporting Requirements Related to Grants and Cooperative Agreements.

**H.** Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*).

**I.** Controlling Paperwork Burdens on the Public (5 CFR Part 1320).

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 1 Financial Reporting for Grant and Cooperative Agreement Awards                      516 FW 1**

**1.4 Who is responsible for financial reporting for Service grant and cooperative agreement awards?**

Table 1 1: Responsibilities for Financial Reporting for Grant and Cooperative Agreement Awards	
These employees...	Are responsible for...
<b>A. The Director</b>	Making sure that the Service has effective policy in place for administering the Servicewide grant and cooperative agreement programs.
<b>B. The Assistant Director – Wildlife and Sport Fish Restoration Program</b>	<p>(1) Developing policy for the financial reporting requirements for programs that administer grant and cooperative agreement awards, and</p> <p>(2) Making sure that the program offices in the Regions and Headquarters have the information needed to manage the grants and cooperative agreements that they award.</p>
<b>C. Directorate Members</b>	<p>Making sure that the Service programs that award funds through grants and cooperative agreements comply with the this policy by:</p> <p>(1) Clearly stating financial reporting requirements in all applicable award notices and communications,</p> <p>(2) Monitoring those awards to track progress in accomplishing goals and objectives and compliance with the terms and conditions of the awards,</p> <p>(3) Making sure that recipients correct any noncompliance in a timely manner,</p> <p>(4) Deobligating any remaining funds and closing the award after receipt of final reports,</p> <p>(5) Properly documenting and maintaining award files, and</p> <p>(6) Complying with the OMB regulation to receive and maintain current information collection approval for all applicant and recipient documentation.</p>

**1.5 Who must monitor recipients' financial reporting, and what does monitoring involve?**

**A.** The Service program responsible for the administration of the awards must monitor the recipients' financial reporting.

**B.** Monitoring includes, but is not limited to:

(1) Tracking report due dates and report receipt dates in the Financial and Business Management System (FBMS) PRISM system through a Milestone Plan for each award,

(2) Reviewing reports for completeness and accuracy,

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 1 Financial Reporting for Grant and Cooperative Agreement Awards                      516 FW 1**

- (3) Returning incomplete or inaccurate reports to the recipient within 30 calendar days of receipt with a clear written description of why the report is being returned,
- (4) Providing timely notice about and obtaining overdue reports with due concern for recipient rights and program needs (see section 1.13).
- (5) Maintaining documentation generated while monitoring submission of financial reports in the official award file, and
- (6) Using complete and accurate reports to determine whether or not the recipient met award requirements.

**1.6 Does the Service require recipients to pass the reporting requirements in this chapter to sub-recipients?** We do **not** require recipients to pass the reporting requirements in this chapter to sub-recipients. We do require the recipient to have a process to manage and track funds that pass to sub-recipients since the recipient must report these funds in the financial report.

**1.7 What notice must the Service give applicants and recipients on financial reporting requirements?** We must clearly state Federal financial reporting requirements in pre-award, award, and post-award notices. These notices must identify the required report formats, reporting frequency, and due dates and describe sanctions for noncompliance. We must obtain prior approval from OMB to:

- A. Collect information or documentation in addition to what is required on OMB-approved Standard Forms, or
- B. Use project- or program-specific reporting forms/formats.

**1.8 What form does the Service require recipients to use for reporting the status of funds under an award?**

A. We require recipients to report on the status of funds using:

- (1) A printed SF 425, *Federal Financial Report*, with the date and signature of the recipient's authorized representative;
- (2) A printed SF 425 with the representative's signature and date affixed by stamp or other mechanical means if the instrument used is:

- (a) In the signer's general possession and control,
- (b) Applied by the signer or by another with the signer's authority, and
- (c) Intended by the signer to constitute his/her signature.

(3) An electronically submitted scanned or faxed copy of (1) or (2), or

(4) An electronically completed SF 425 with an electronic date and signature of the recipient's authorized representative.

B. We may require recipients to report additional financial information specific to the awarding program as long as OMB has approved the requirements.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**1.9 What are the requirements for the frequency of financial reporting?**

**A.** We require recipients to send us final reports for all awards no later than 90 calendar days after the award period or termination of award support, whichever comes first (see section 1.11 for information about waivers of these requirements).

**B.** We also require recipients to send us interim financial reports for awards that last longer than four full quarters (12 months). We may require recipients to submit these reports annually, semiannually, or quarterly (see below).

**(1) Annually:** The annual reporting period is dependent on the award’s performance start date. We must receive annual interim financial reports no later than 90 calendar days after the annual interim report end date. Table 1-2 shows the schedule:

<b>Table 1 2: Schedule for Annual Interim Financial Reports</b>		
<b>Award Performance Start Date</b>	<b>Annual Interim Report End Date</b>	<b>Annual Interim Report Due Date (90 days after report end date)</b>
January 1	December 31	March 31
January 2- March 31	March 31	June 29
April 1	March 31	June 29
April 2- June 30	June 30	September 28
July 1	June 30	September 28
July 2- September 30	September 30	December 29
October 1	September 30	December 29
October 2 – December 31	December 31	March 31

**(2) Semiannually:** The semiannual interim reporting period always ends December 31, March 31, June 30, or September 30. We must receive semiannual interim financial reports no later than 30 calendar days after the last day of each semiannual interim reporting period. Table 1-3 shows the schedule:

<b>Table 1 3: Schedule for Semiannual Interim Financial Reports</b>		
<b>Award Performance Start Date</b>	<b>Semiannual Interim Report End Date</b>	<b>Semiannual Interim Report Due Date (30 days after report end date)</b>
January 1	June 30	July 30

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 1 Financial Reporting for Grant and Cooperative Agreement Awards**

**516 FW 1**

<b>Table 1 3: Schedule for Semiannual Interim Financial Reports</b>		
<b>Award Performance Start Date</b>	<b>Semiannual Interim Report End Date</b>	<b>Semiannual Interim Report Due Date (30 days after report end date)</b>
January 2- March 31	September 30	October 30
April 1	September 30	October 30
April 2- June 30	December 31	January 30
July 1	December 31	January 30
July 2- September 30	March 31	April 30
October 1	March 31	April 30
October 2 – December 31	June 30	July 30

**(3) Quarterly:** The quarterly interim reporting period always ends December 31, March 31, June 30, or September 30. We must receive quarterly interim reports no later than 30 calendar days after the last day of each quarterly interim reporting period. Table 1-4 shows the schedule:

<b>Table 1 4: Schedule for Quarterly Interim Financial Reports</b>		
<b>Award Performance Start Date</b>	<b>Quarterly Interim Report End Date</b>	<b>Quarterly Interim Report Due Date (30 days after report end date)</b>
January 1	March 31	April 30
January 2- March 31	June 30	July 30
April 1	June 30	July 30
April 2- June 30	September 30	October 30
July 1	September 30	October 30
July 2- September 30	December 31	January 30
October 1	December 31	January 30
October 2 – December 31	March 31	April 30

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**  
**Chapter 1 Financial Reporting for Grant and Cooperative Agreement Awards                      516 FW 1**

**1.10 May the Service require interim financial reports more frequently than quarterly?**

**A.** Yes. We may require reports more frequently than quarterly if the recipient:

- (1) Has a history of poor performance,
- (2) Is not financially stable,
- (3) Has a management system that does not meet the standards that the regulations applicable to the award require,
- (4) Has not conformed to the terms and conditions of a previous award,
- (5) Is not otherwise responsible, or
- (6) Receives advances totaling \$1 million or more each year. This condition is only applicable to the submission of financial reports by State, tribal, and local governments.

**B.** Before we may require more frequent reports, we must notify the recipient by letter, fax, or email and explain the:

- (1) Nature of the additional requirements,
- (2) Reason for the additional requirements,
- (3) Nature of the corrective action needed,
- (4) Time allowed for completing the corrective action, and
- (5) Procedure for requesting reconsideration of the additional requirements.

**C.** As soon as a recipient corrects any condition(s) that require additional reporting, we must immediately remove the additional requirements and notify the recipient by letter, fax, or email.

**1.11 What reporting requirements may the Service waive and what are the procedures for waiving them?**

**A. Final reports:** We may not waive final reports.

**B. Annual interim financial reports:** We may waive annual interim financial reports from a recipient who is exempt or waived from using the U.S. Treasury's Automated Standard Application for Payments (ASAP) system because they submit an SF 270, *Request for Advance or Reimbursement*, or an SF 271, *Outlay Report and Request for Reimbursement for Construction Programs* when requesting payments.

**1.12 May the Service extend the due date of financial reports?**

**A.** We may extend the due date of a financial report if we receive a request through a letter, fax, or email **no later than 1 day before** the original due date of the report. The request must identify:

- (1) The type of report for which the recipient requests an extension,
- (2) The requested revised due date, and

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 1 Financial Reporting for Grant and Cooperative Agreement Awards**

**516 FW 1**

(3) A justification for the extension.

**B.** The maximum extension we may approve is 90 days, unless a longer period is justified by a catastrophe that significantly impairs the recipient's operations.

**C.** We must notify the recipient by letter, fax, or email if we approve a request for extension of the due date of a report.

**D.** We must also keep extension requests and the final decision on these requests on file.

**1.13 What happens if the Service does not receive a required financial report by the due date or agreed-upon extension date?**

**A.** If we do not receive a required financial report by the due date or agreed-upon extension date, we must issue a letter, fax, or email notice of noncompliance (with appropriate return receipt) as soon as practical, but no later than 30 calendar days after the due date or agreed-upon extension date has passed. The noncompliance notice must state:

(1) The recipient is noncompliant with the Federal financial reporting terms of the award;

(2) Unless we receive the required report within the next 10 calendar days of the recipient's receipt of the overdue report notice, we will make no further obligations and payments on the award and we will suspend the award until we receive all reports;

(3) We reserve the right, without further notice, to convert the suspension to a termination of the award if we do not receive the required report within 30 calendar days of the recipient's receipt of the suspension notice; and

(4) We will withhold any other pending awards that the affected Service program would make to the recipient until we receive the overdue report.

**B.** If within 10 calendar days of the recipient's receipt of the overdue report notice we still do not receive the financial report or an acceptable explanation for its tardiness, we must:

(1) Suspend payments and additional obligations for the financial assistance award for 30 calendar days, and

(2) Send a suspension notice to the recipient of this action.

**C.** If within 30 calendar days of the recipient's receipt of the suspension notice we still do not receive the financial report or an acceptable explanation for its tardiness, we must:

(1) Convert the suspension or sanction(s) to a termination,

(2) Withhold any other pending awards that the affected Service program would make to the recipient until we receive all required reports, and

(3) Send a termination notice to the recipient of this action.

**1.14 May the Service waive the termination of an award?** No. We may not waive a termination. Once we terminate an award, we may not reinstate it.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**  
**Chapter 1 Financial Reporting for Grant and Cooperative Agreement Awards                      516 FW 1**

**1.15 If, during a period of suspension or termination, a recipient incurs costs authorized under an award, are the costs allowable and eligible for reimbursement?** We may, after careful consideration, allow reimbursement of allowable and eligible costs during a suspension or termination only if:

- A.** The costs cannot be reasonably avoided;
- B.** The costs were from obligations made by the recipient before the suspension or termination action and not in anticipation of either action. For terminations, the costs must be the type that the recipient could not cancel;
- C.** The costs would have been allowable if the award were not suspended or terminated; and
- D.** We notify the recipient (with appropriate return receipt) through mail, fax, or email that we authorize reimbursement of those costs.

**1.16 What happens when the Service receives and approves a required report from a recipient who was suspended?**

- A.** Once we receive the required financial report and verify that it is complete and accurate, we must immediately lift all suspensions we imposed on the recipient.
- B.** We must notify the recipient (with appropriate return receipt) through mail, fax, or email that we have lifted the suspension.

/sgd/ Rowan W. Gould  
DEPUTY DIRECTOR

Date: March 18, 2013

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 2 Performance Reporting for Grant and Cooperative Agreement Awards                      516 FW 2**

**2.1 What is the purpose of this chapter?** This chapter provides the information U.S. Fish and Wildlife Service (Service) employees working with grant and cooperative agreement awards need so that we can:

- A. Monitor progress in accomplishing goals and objectives of approved awards through recipients' timely submission of accurate and complete performance reports, and
- B. Close awards after receipt of accurate and complete performance reports.

**2.2 What are the objectives and scope of this chapter?**

- A. **Objectives:** Our objectives are for Service staff to consistently communicate performance reporting requirements to applicants and award recipients and to make sure that these requirements are met.
- B. **Scope:** This chapter covers all Service programs that award grants and cooperative agreements.

**2.3 What are the authorities for this chapter?**

- A. Administrative and Audit Requirements and Cost Principles for Assistance Programs (43 CFR 12, specifically Subparts A, C, and F).
- B. Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*).
- C. Controlling Paperwork Burdens on the Public (5 CFR Part 1320).

**2.4 Who is responsible for performance reporting for Service grant and cooperative agreement awards?**

<b>Table 2 1: Responsibilities for Performance Reporting for Grant and Cooperative Agreement Awards</b>	
<b>These employees...</b>	<b>Are responsible for...</b>
<b>A. The Director</b>	Making sure that the Service has effective policy in place for administering the Servicewide grant and cooperative agreement programs.
<b>B. The Assistant Director – Wildlife and Sport Fish Restoration Program</b>	<p>(1) Developing policy for performance reporting requirements for programs that administer grant and cooperative agreement awards, and</p> <p>(2) Making sure that the program offices in the Regions and Headquarters have the information needed to manage the grants and cooperative agreements that they award.</p>
<b>C. Directorate Members</b>	<p>Making sure that the Service programs that award funds through grants and cooperative agreements comply with this policy by:</p> <p>(1) Clearly stating performance reporting requirements in all applicable award notices and communication,</p> <p>(2) Monitoring those awards to track progress in accomplishing goals and objectives and compliance with the terms and conditions of the awards,</p> <p>(3) Making sure that recipients correct any noncompliance in a timely</p>

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 2 Performance Reporting for Grant and Cooperative Agreement Awards                      516 FW 2**

<b>Table 2 1: Responsibilities for Performance Reporting for Grant and Cooperative Agreement Awards</b>	
<b>These employees...</b>	<b>Are responsible for...</b>
	manner,  <b>(4)</b> Deobligating any remaining funds and closing the award after receipt of final reports,  <b>(5)</b> Properly documenting and maintaining award files, and  <b>(6)</b> Complying with the Office of Management and Budget (OMB) regulation to receive and maintain current information collection approval for all applicant and recipient documentation.

**2.5 Who must monitor recipients' performance reporting, and what does monitoring involve?**

**A.** The Service program responsible for the administration of the awards must monitor the recipients' performance reporting.

**B.** Monitoring includes, but is not limited to:

**(1)** Tracking report due dates and report receipt dates in the Financial and Business Management System (FBMS) PRISM system through a Milestone Plan for each award,

**(2)** Reviewing reports for completeness and accuracy,

**(3)** Returning incomplete or inaccurate reports to the recipient within 30 calendar days of receipt with a clear written description of why the report is being returned,

**(4)** Providing timely notice about and obtaining overdue reports with due concern for recipient rights and program needs (see section 2.18),

**(5)** Maintaining documentation generated while monitoring submission of performance reports in the official award file, and

**(6)** Using complete and accurate reports to determine whether or not the recipient met award requirements.

**2.6 Does the Service require recipients to pass the reporting requirements in this chapter to sub-recipients?** We do **not** require recipients to pass the reporting requirements in this chapter to sub-recipients. The recipient is responsible for meeting the award requirements and may require their sub-recipients to submit performance reports to monitor award progress.

**2.7 What notice must the Service give applicants and recipients on performance reporting requirements?** We must clearly state Federal performance reporting requirements in pre-award, award, and post-award notices. These notices must identify required report formats, reporting frequency, and due dates and describe sanctions for noncompliance.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 2 Performance Reporting for Grant and Cooperative Agreement Awards                      516 FW 2**

**2.8 What are the requirements for collecting information from applicants and recipients of financial assistance programs?**

**A.** The Paperwork Reduction Act requires that when a Federal agency collects information, those collections must minimize duplication and burden on the public, have practical utility, and support the proper performance of the agency's mission. OMB must review and approve the collection of the following types of information from applicants and recipients (see 5 CFR 1320):

- (1)** Application project and budget narratives and any other required documentation other than that found on Governmentwide-approved application forms (Standard Form (SF) 424 "Family");
- (2)** Program-specific application forms;
- (3)** Recipient technical/progress/performance reporting;
- (4)** Any other program or project-specific reporting required other than the information on SF-425 (*Federal Financial Report*), SF 270 (*Request for Advance or Reimbursement*), and SF 271 (*Outlay Report and Request for Reimbursement for Construction Programs*); and
- (5)** Revisions to project and budget narratives and written requests required prior to award amendment other than that found on Governmentwide-approved application forms (SF 424 Family).

**B.** The Service financial assistance programs that OMB has already approved are posted on [www.reginfo.gov](http://www.reginfo.gov).

**C.** Contact the Service Information Collection Clearance Officer in the Division of Policy and Directives Management for guidance on obtaining OMB approval to collect information from financial assistance applicants and recipients.

**2.9 If a program does not have OMB information collection clearance, are the recipients exempt from submitting performance reports?** No. Regulations (43 CFR Part 12) require financial assistance recipients to submit performance and other types of award reporting. However, the Paperwork Reduction Act and OMB regulations state that we cannot penalize a recipient with the consequences listed in sections 2.18 to 2.21 if OMB has not approved the collection of information. It is important to immediately seek OMB approval for the collection of information associated with applications and recipient reporting requirements. A Service program that fails to obtain required performance reports from a recipient is violating this reporting policy and will have to develop an action plan to correct the violation.

**2.10 Can the Service exempt a recipient from performance reporting if he or she is an individual who receives a grant or cooperative agreement award from the Service separate from a business or non-profit organization he/she may operate?** Yes, but only if the awarding program has another way of monitoring the award at least annually and documenting progress as part of the file. The program must enter a Milestone Plan in FBMS that reflects the program's monitoring schedule (see section 2.5B(1)).

**2.11 What format does the Service require recipients to use for reporting performance?** Recipients may submit performance reports in paper or electronic format. We do not require that they use a Federal form. See section 2.8 for OMB requirements for information collection.

**2.12 What information must we require recipients to include in performance reports?** We must require the following information in performance reports:

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**  
**Chapter 2 Performance Reporting for Grant and Cooperative Agreement Awards                      516 FW 2**

- A. A comparison of actual accomplishments to the goals and objectives established for the reporting period, the results/findings, or both;
- B. If the goals and objectives were not met, the reasons why;
- C. Other important information including, when appropriate, analysis and explanation of cost overruns or high unit costs compared to the benefit received to reach an objective; and
- D. Any additional requirements specified in program legislation.

**2.13 What are the requirements for the frequency of performance reporting?**

**A.** We require recipients to send us final reports for all awards no later than 90 calendar days after the award period or termination of award support, whichever comes first.

**B.** We require recipients to send us interim performance reports for awards that last longer than four full quarters (12 months). Depending on the awarding program, we may require recipients to submit these reports annually, semiannually, or quarterly.

**(1) Annually:** The annual reporting period is dependent on the award’s performance start date. We must receive annual interim performance reports no later than 90 calendar days after the annual interim report end date. Table 2-2 shows the schedule:

<b>Table 2 2: Schedule for Annual Interim Performance Reports</b>		
<b>Award Performance Start Date</b>	<b>Annual Interim Report End Date</b>	<b>Annual Interim Report Due Date (90 days after report end date)</b>
January 1	December 31	March 31
January 2- March 31	March 31	June 29
April 1	March 31	June 29
April 2- June 30	June 30	September 28
July 1	June 30	September 28
July 2- September 30	September 30	December 29
October 1	September 30	December 29
October 2 – December 31	December 31	March 31

**(2) Semiannually:** The semiannual interim reporting period always ends December 31, March 31, June 30, or September 30. We must receive semiannual interim performance reports no later than 30 calendar days after the last day of each semiannual interim reporting period. Table 2-3 shows the schedule:

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 2 Performance Reporting for Grant and Cooperative Agreement Awards                      516 FW 2**

<b>Table 2 3: Schedule for Semiannual Interim Performance Reports</b>		
<b>Award Performance Start Date</b>	<b>Semiannual Interim Report End Date</b>	<b>Semiannual Interim Report Due Date (30 days after report end date)</b>
January 1	June 30	July 30
January 2- March 31	September 30	October 30
April 1	September 30	October 30
April 2- June 30	December 31	January 30
July 1	December 31	January 30
July 2- September 30	March 31	April 30
October 1	March 31	April 30
October 2 – December 31	June 30	July 30

**(3) Quarterly:** The quarterly interim reporting period always ends December 31, March 31, June 30, or September 30. We must receive quarterly interim reports no later than 30 calendar days after the last day of each quarterly interim reporting period. Table 2-4 shows the schedule:

<b>Table 2 4: Schedule for Quarterly Interim Performance Reports</b>		
<b>Award Performance Start Date</b>	<b>Quarterly Interim Report End Date</b>	<b>Quarterly Interim Report Due Date (30 days after report end date)</b>
January 1	March 31	April 30
January 2- March 31	June 30	July 30
April 1	June 30	July 30
April 2- June 30	September 30	October 30
July 1	September 30	October 30
July 2- September 30	December 31	January 30
October 1	December 31	January 30
October 2 – December 31	March 31	April 30

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**  
**Chapter 2 Performance Reporting for Grant and Cooperative Agreement Awards                      516 FW 2**

**2.14 May the Service allow the recipient to use alternate due dates from those on the reporting schedules above?** Yes, we may allow the recipient to use alternate due dates if we obtain a valid justification for changing the date and make sure that the suggested date(s) allows for reporting progress at least annually. We must include the recipient's request in the award file and specify the approved new interim report date(s) in the notice of award.

**2.15 May the Service require interim performance reports more frequently than quarterly?**

**A.** Yes. We may require reports more frequently than quarterly if the recipient:

- (1) Has a history of poor performance,
- (2) Is not financially stable,
- (3) Has a management system that does not meet the standards that the regulations applicable to the award require,
- (4) Has not conformed to the terms and conditions of a previous award, or
- (5) Is not otherwise responsible.

**B.** Before we may require more frequent reports, we must notify the recipient by letter, fax, or email and explain the:

- (1) Nature of the additional requirements,
- (2) Reason for the additional requirements,
- (3) Nature of the corrective action needed,
- (4) Time allowed for completing the corrective action, and
- (5) Procedure for requesting reconsideration of the additional requirements.

**C.** As soon as a recipient corrects any condition(s) that require additional reporting, we must immediately remove the additional requirements and notify the recipient by letter, fax, or email.

**2.16 Can the Service waive performance reporting requirements?** We may not waive final or interim performance reports for recipients unless they are exempt from providing performance reports (see section 2.10). Even if a performance report is for a multiyear award and there was no activity during the reporting period, we may not waive the report. Instead, the recipient should provide a brief annual interim performance report to document the inactivity and the reasons for it.

**2.17 May the Service extend the due date of performance reports?**

**A.** We may extend the due date of a performance report if we receive a request through a letter, fax, or email **no later than 1 day before** the original due date of the report. The request must identify:

- (1) The type of report for which the recipient requests an extension,
- (2) The requested revised due date, and
- (3) A justification for the extension.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 2 Performance Reporting for Grant and Cooperative Agreement Awards                      516 FW 2**

**B.** The maximum extension we may approve is 90 days, unless a longer period is justified by a catastrophe that significantly impairs the recipient's operations.

**C.** We must notify the recipient by letter, fax, or email if we approve a request for extension of the due date of a report.

**D.** We must also keep extension requests and the final decision on these requests on file.

**2.18 What happens if the Service does not receive a required performance report by the due date or agreed-upon extension date?**

**A.** If we do not receive a required performance report by the due date or agreed-upon extension date, we must issue a letter, fax, or email notice of noncompliance (with appropriate return receipt) as soon as practical, but no later than 30 calendar days after the due date or agreed-upon extension date has passed. The noncompliance notice must state:

- (1)** The recipient is noncompliant with the Federal performance reporting terms of the award;
- (2)** Unless we receive the required report within the next 10 calendar days of the recipient's receipt of the overdue report notice, we will make no further obligations and payments on the award and we will suspend the award until we receive all reports;
- (3)** We reserve the right, without further notice, to convert the suspension to a termination of the award if we do not receive the required report within 30 calendar days of the recipient's receipt of the suspension notice; and
- (4)** We will withhold any other pending awards that the affected Service program would make to the recipient until we receive the overdue report.

**B.** If within 10 calendar days of the recipient's receipt of the overdue report notice we still do not receive the performance report or an acceptable explanation for its tardiness, we must:

- (1)** Suspend payments and additional obligations for the financial assistance award for 30 calendar days, and
- (2)** Send a suspension notice to the recipient of this action.

**C.** If within 30 calendar days of the recipient's receipt of the suspension notice we still do not receive the performance report or an acceptable explanation for its tardiness, we must:

- (1)** Convert the suspension or sanction(s) to a termination,
- (2)** Withhold any other pending awards that the affected Service program would make to the recipient until we receive all required reports, and
- (3)** Send a termination notice to the recipient of this action.

**2.19 May the Service waive the termination of an award?** No. We may not waive a termination. Once we terminate an award, we may not reinstate it.

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 2 Performance Reporting for Grant and Cooperative Agreement Awards                      516 FW 2**

**2.20 If, during a period of suspension or termination, a recipient incurs costs authorized under an award, are the costs allowable and eligible for reimbursement?** We may, after careful consideration, allow reimbursement of allowable and eligible costs during a suspension or termination only if:

- A.** The costs cannot be reasonably avoided;
- B.** The costs were from obligations made by the recipient before the suspension or termination action and not in anticipation of either action. For terminations, the costs must be the type that the recipient could not cancel;
- C.** The costs would have been allowable if the award were not suspended or terminated; and
- D.** We notify the recipient (with appropriate return receipt) through mail, fax, or email that we authorize reimbursement of those costs.

**2.21 What happens when the Services receives and approves a required report from a recipient who was suspended?**

- A.** Once we receive the required performance report and verify that it is complete and accurate, we must immediately lift all suspensions we imposed on the recipient.
- B.** We must notify the recipient (with appropriate return receipt) through mail, fax, or email that we have lifted the suspension.

/sgd/ Rowan W. Gould  
DEPUTY DIRECTOR

Date: March 28, 2013

10

**Objectives:**

1. Describe the actions and documentation that initiate award closure.
2. Determine disposition of remaining award funds.
3. Describe the communication and people involved in award closure.

**Handouts:**

- BFA 10-1 – FWS Financial Assistance CLOSEOUT Checklist
- BFA 10-2 – 516 FW 7 -Closeout of Grant and Cooperative Agreement Awards

## Award Closure Process

The Uniform Guidance defines Closeout (§16) as:

*“The process by which the Federal awarding agency or pass-through entity determines all applicable administrative actions and all required work of the Federal award have been completed.”*

2 CFR 200.343 details the actions required during the Closeout phase of the award’s life cycle.

### The Recipient is responsible for:

1. Final Payment Request
2. Performance Report
3. Federal Financial Form (SF-425)

DOI requires at least one copy of final publications produced under financial assistance be sent to the National Resource Library.

---

---

---

---

### The Program Office is responsible for:

1. Monitoring accomplishments (performance reports, site visits, etc.).
2. Processing the Federal Financial Report (SF-425).
3. Closing the award.

---

---

---

---



### Learning Points

- ✓ Award closure is initiated by submitting the final financial and performance reports.
- ✓ Submission and acceptance of final financial report closes the award and disposes of unused funds.
- ✓ Award accomplishments are tracked using the information provided in the performance and financial reports.

THIS PAGE INTENTIONALLY LEFT BLANK

## FWS Financial Assistance Award CLOSEOUT Checklist

Award Number (DCN): \_\_\_\_\_

Recipient Name: \_\_\_\_\_

Actions		YES	N/A	NOTES
1.	Was the final technical/performance report (and any other expected products) received, reviewed, and found acceptable?			
2.	Was the final SF-425 (Federal Financial Report) received, reviewed, and found acceptable? <ul style="list-style-type: none"> <li>• Did recipient refund the FWS for any unencumbered cash advances?</li> <li>• Were mandated recipient cost-sharing or matching commitments met?</li> <li>• Have all authorized adjustments, including final indirect cost rates and Federal share amounts, been settled?</li> <li>• Did the recipient use and report program income in accordance with the program income option specified in the award?</li> <li>• Were SF-425 totals reconciled with the financial system?</li> </ul>			
3.	Were any undisbursed funds no longer needed for the project deobligated?			
4.	For real property purchased/provided with Federal funds under this award, has the recipient submitted all relevant documentation as required/specified in the award (may include, but is not limited to: land acquisition closing, inventory report, and/or notice of record or lien), and were written disposition instructions provided to the recipient?			
5.	For equipment provided/purchased with Federal funds under this award, were written disposition/transfer instructions provided to the recipient?			
6.	Were any unused or residual supplies inventory ( i.e., purchased with Federal funds and in aggregate exceed \$5,000) transferred to another Federally sponsored project, or was FWS compensated for its share?			
7.	Has the recipient submitted an invention disclosure, and has FWS provided written instructions to the recipient on title, election, patent, and utilization reporting responsibilities as required by the Bayh-Dole Act?			
8.	Is the official award file complete* and on file in the program office?			

**\* The following documents, as applicable, must be maintained in the official award file:**

- ✓ Copy of Notice of Intent justifying posting funding opportunity on Grants.gov as single source (per 505 DM 2.14)
- ✓ Written justification (as per 505 DM 2.12) for not posting funding opportunity & application package on Grants.gov (if applicable to entire program, single copy can be maintained at program/funding opportunity level)
- ✓ Final, signed new and amendment application forms (e.g., SF-424 and others) and attachments (e.g., narratives, Negotiated Indirect Cost Rate agreement, other)
- ✓ Evidence that recipient has not been debarred or suspended and is eligible to manage Federal funds. Print screen of EPLS query from Excluded Parties List (<https://www.epls.gov>) is sufficient.
- ✓ Evidence that recipient is current, i.e., Single Audit reports for previous 2 FYs ago, in submitting to Federal Audit Clearinghouse. This requirement applies to recipients expending \$500K or more in Federal funds in a fiscal year. Print screen of query from the Federal Audit Clearinghouse- <http://harvester.census.gov/sac-is> sufficient.
- ✓ Documentation of CCR registration exceptions
- ✓ Evidence that recipient met all program-specific pre- and post-award compliance requirements (e.g, NEPA, ESA Section 7, NHPA, other)
- ✓ Documentation supporting high risk recipient determination
- ✓ Copies of signed award and amendment letters
- ✓ Documentation of any payment/performance issues or any other unique situation impacting project progress and/or requiring FWS/Recipient action to correct or resolve
- ✓ Copy of any other product resulting from project
- ✓ Site visit reports and any other written evaluation of performance, including any relevant audit reports
- ✓ Copy of real property, equipment, and/or supplies disposition instructions
- ✓ Completed FWS Financial Assistance Award Closeout Checklist
- ✓ Any other program or project-specific documentation required to complete the award record

The appropriate FWS employee(s) completed all actions required to prepare this award for closeout. This award is hereby closed.

\_\_\_\_\_  
FWS Program Representative

\_\_\_\_\_  
Date

THIS PAGE INTENTIONALLY LEFT BLANK

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 7 Closeout of Grant and Cooperative Agreement Awards**

**516 FW 7**

**7.1 What is the purpose of this chapter?** This chapter establishes policy and guidance to ensure that U.S. Fish and Wildlife Service (Service) employees close grant and cooperative agreement awards in a timely manner so that we can:

- A.** Use remaining balances of Federal funds for new obligations, when such actions are not otherwise restricted by law, and
- B.** Meet our responsibilities to monitor individual recipient and overall Federal financial assistance program performance so that we maintain accountability for the benefit of the American people.

**7.2 What are the objective and scope of this chapter?**

**A. Objective:** Our objective is to ensure Service employees working with grant and cooperative agreement awards:

- (1)** Close awards properly and in a timely manner,
- (2)** Consider notifying recipients in writing about award closures, and
- (3)** Reopen closed awards when necessary.

**B. Scope:** This chapter covers all Service programs that administer and manage grant and cooperative agreement awards.

**7.3 What are the authorities for this chapter?**

- A.** Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Post-Federal Award Requirements (2 CFR 200, Subpart D).
- B.** Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*).
- C.** Controlling Paperwork Burdens on the Public (5 CFR Part 1320).

**7.4 Who is responsible for the closeout of grant and cooperative agreement awards?**

See Table 7-1.

<b>Table 7-1: Responsibilities for Closeout of Grant and Cooperative Agreement Awards</b>	
<b>These employees . . .</b>	<b>Are responsible for . . .</b>
<b>A. The Director</b>	Making sure the Service has policy in place on grant and cooperative agreement award administration.
<b>B. The Assistant Director – Wildlife and Sport Fish Restoration Program (WSFR) through the Division of Administration and Information Management (AIM), and the Branch of Financial Assistance Policy and Oversight (FAPO)</b>	<ul style="list-style-type: none"> <li><b>(1)</b> Developing policy on the closeout of grant and cooperative agreement awards and keeping it up-to-date, and</li> <li><b>(2)</b> Monitoring the Service’s implementation of this policy.</li> </ul>

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

<b>Table 7-1: Responsibilities for Closeout of Grant and Cooperative Agreement Awards</b>	
<b>These employees . . .</b>	<b>Are responsible for . . .</b>
<b>C. Directorate members</b> in Headquarters and the Regions	Making sure employees who issue, administer, and manage grant and cooperative agreement awards are aware of and follow the requirements in this policy.

**7.5 When must the Service close an award?** We must close awards no later than 1 year after the award project period end date.

**7.6 What are the standards the Service must follow when establishing a project period end date?**

**A.** We must:

**(1)** Set the project period end date for a date no later than when we expect the recipient to complete all project activities, and

**(2)** Not extend the project period end date to incorporate the required post-award reporting period or any real property maintenance/retention period required under the award terms and conditions.

**B.** The end of the project period and subsequent award closeout do NOT affect the recipient's continued responsibilities related to real property maintenance, record retention, reporting, and disposition (see 2 CFR 200.344).

**7.7 What does the Service need from the recipient to close an award?** To close an award we must receive the following from the recipient:

**A.** All required final reports (see 516 FW 1 and 516 FW 2),

**B.** Any other reports or deliverables required under the award terms and conditions, and

**C.** A refund of any balance of unobligated cash paid to the recipient that they are not authorized to retain and use in other projects.

**7.8 What do Service staff need to do to close an award?** To close an award, staff must:

**A.** Verify we've received required reports, other deliverables, and any refunds due from the recipient;

**B.** Review the award file to make sure it is complete and all documents are properly executed. Document any issues and follow up with the recipient in writing, as needed;

**C.** De-obligate any remaining balance of unused Federal funds no longer needed for the approved program or project;

**D.** Close the award in the Contract/Financial Assistance Management System (PRISM); and

**E.** At the program's discretion, send a written notice of award closure by letter, fax, or email to the recipient and a copy of any pre-closeout de-obligation amendment. If not already included in the award terms and conditions, the notice of award closure should also describe the recipient's continuing

**FISH AND WILDLIFE SERVICE  
FEDERAL FINANCIAL ASSISTANCE**

**Federal Financial Assistance                      Part 516 FWS Financial Assistance – Award Administration**

**Chapter 7 Closeout of Grant and Cooperative Agreement Awards**

**516 FW 7**

responsibilities related to audits, property management, records retention, and reimbursement of Federal funds due to the Service as a result of corrections or other transactions, as applicable.

**7.9 What must the Service do if the recipient doesn't send the final reports due?** We must take the steps required in 516 FW 1 and 516 FW 2. Noncompliance with reporting requirements may result in, but aren't limited to, suspending funding, suspending other pending awards, and terminating an award.

**7.10 What can the Service do if the recipient doesn't refund unobligated cash due to the Federal Government?** Any funds we've paid to a recipient beyond the amount to which the recipient is entitled under the terms of the award constitute a debt to the Federal Government. If not paid within 90 calendar days after demand, we may reduce the debt following the procedures in [2 CFR 200.345](#). We may also take one or more of the remedies for noncompliance, as appropriate (see [2 CFR 200.338](#)). These actions include, but aren't limited to, temporarily withholding cash payments, wholly or partly suspending or terminating the award, and withholding further Federal awards for the project or program.

**7.11 Does the Service have to complete a closeout for a terminated award?** Yes. We must complete the closeout of a terminated award following the steps in Section 7.8 above.

**7.12 Can the Service reopen a closed award?** Yes.

**A.** We may reopen a closed award if we need to adjust the amount of Federal funds obligated. Such adjustments may be the result of refunds, corrections, or other transactions that occur or are identified by the recipient or the Service, such as during a review or audit after award closeout. Some post-closeout adjustments may require prior program approval.

**B.** Programs may not reopen a closed award to continue a previously funded project.

/sgd/ James W. Kurth  
DEPUTY DIRECTOR

Date: January 23, 2015

THIS PAGE INTENTIONALLY LEFT BLANK

11

**Objectives:**

1. Identify responsibilities for award-purchased capital expenditures.
2. Identify monitoring requirements.
3. Discuss record retention requirements.

---

## Post-Closeout—Continuing Responsibilities

Following the closeout of the Federal award, certain continuing responsibilities remain for both the Federal awarding agency and the recipient.

- Recovery of disallowed costs discovered by a later audit or other review.
- Return of funds resulting from refunds, corrections, or other transactions.
- Single Audit requirements.
- Property management and disposition
  - Real property
  - Equipment
  - Supplies
- Records Retention requirements

---

---

---

---

---

---

---



2 CFR 200.344

---

## Real Property

- Title vests with Recipient/Subrecipient and must be used for its originally authorized purpose.
  - Disposal
    - Recipient **must** request approval.
    - Disposal methods include:
      - Retention of Title – Recipient compensates awarding agency.
      - Sale of Property – Recipient compensates awarding agency.
      - Transfer of Title – Either to awarding agency or approved third party.
  - Conservation easements (Non-perpetual real property interest.)
    - Recipient **required** monitoring **when** terms and duration **exceed** award period.
- 
- 

## Equipment

Requirements for equipment *usage*, *management*, and *disposal* are determined by the type of recipient. States follow their own State laws and procedures, and all other recipients adhere to the Federal regulations as outlined in the Uniform Guidance.

---

---

## Supplies

Upon closeout, the recipient must compensate the Federal awarding agency for unused supplies with an aggregate remaining value exceeding \$5000 purchased on the Federal award, if those supplies will not be used on other Federal awards.

---

---



2 CFR 200.311, 313-314

## Record Retention

There are record retention requirements for both the Federal awarding agency and the recipient. The Uniform Guidance outlines retention and disposition requirements for recipients.

Service Program Offices adhere to the Service's retention schedule, which gives requirements by record type. For financial assistance administration, the following are worth noting:

- Files on routine operations and daily to—to activities in administration of grant program retained for 2 years.
- Unsuccessful (rejected or withdrawn) grant application files retained 3 years.
  - Successful grant applications have specific retention requirements depending on type of project/activity.
- Real property acquisition records retained 10 years after final disposition of property (by unconditional sale or release).
- Conservation easement record retained for 6 years after final termination of easement.

The USFWS Disposition Record Schedule (283 FW 2) includes both retention schedules and grant case file document requirements.



## Learning Points

- ✓ Compliance issues continue, even after the award is closed.
- ✓ Real property must be monitored to ensure it continues to serve the purpose for which it was originally purchased.
- ✓ Program income issues often arise as a result of real property.
- ✓ Real property may be disposed of when it no longer serves the intended purpose, WITH PRIOR APPROVAL.
- ✓ Awards may contain special terms and conditions on use and disposal of equipment.
- ✓ Awardees should maintain an inventory of equipment showing the purchase price, date of purchase, funding source and other pertinent accounting information.
- ✓ Generally awardees records must be maintained for 3 years from the date of submission of the last expenditure report unless actions involving audits, litigation, claims or negotiations.

THIS PAGE INTENTIONALLY LEFT BLANK

12

## List of Documents in Tab 12

1. Acronyms List
2. 505 DM 2 – DOI Contracts and Financial Assistance Chapter
3. USFWS Issuing a New Financial Assistance Award Guidance
4. Federal Grant and Cooperative Agreement Act of 1977

THIS PAGE INTENTIONALLY LEFT BLANK

## List of Common Acronyms in Financial Assistance Training

Ver 1.4 Sept 2014

AGM - Advanced Grants Management course (WSFR-specific course)

AIM - Administration and Information Management

ASAP - Automated Standard Application for Payments

BFA - Basic Financial Assistance course

BGM - Basic Grants Management course (WSFR-specific course)

CCR - Central Contractor Registry

CE (or CatEx) - Categorical Exclusion

CESU - Cooperative Ecosystem Studies Units

CFDA - Catalog of Federal Domestic Assistance

CFR - Code of Federal Regulations

CIAP - Coastal Impact Assistance Program

DM - Department Manual

DNR - Department of Natural Resources

DOI - Department of the Interior

DUNS - Dun and Bradstreet's Data Universal Numbering System EA -

Environmental Assessment

EIS - Environmental Impact Statement

EO - Executive Order

ESA - Endangered Species Act

FA - Financial Assistance

FAADS - Federal Assistance Award Data System

FAPO - Financial Assistance Policy and Oversight

FAR - Federal Acquisition Regulation

FAS - Financial Assistance Systems

FBMS - Financial and Business Management System

FFATA - Federal Funding And Transparency Act

## List of Common Acronyms in Financial Assistance Training

Ver 1.4 Sept 2014

FFR - Federal Financial Report

FONSI - Finding of No Significant Impact

FWS - Fish and Wildlife Service

GAAP - Generally Accepted Accounting Principles

IBC - Interior Business Center

LCC - Landscape Conservation Cooperative

LWCF - Land and Water Conservation Fund

MCI - Management Concepts, Incorporated

NAWCA - North American Wetlands Conservation Act

NCTC - National Conservation Training Center

NEPA - National Environmental Policy Act

NHPA - National Historic Preservation Act

NICRA – Negotiated Indirect Cost Rate Agreement

NOA - Notice of Award

NOFA - Notice of Funding Announcement

NOI - Notice of Intent

OIG - Office of the Inspector General

OMB - Office of Management and Budget

PLC - Project Leader's Course

PMO - Program Management Office (USFWS)

PRISM - Purchase Request Information System

PO - Program Office

RO - Regional Office

ROD - Record of Decision

SAM - System for Award Management

SEC - Securities Exchange Commission

SF - Standard Form

## List of Common Acronyms in Financial Assistance Training

Ver 1.4 Sept 2014

SHPO - State Historic Preservation Office

SM - Service Manual

SMART - Specific, Measurable, Achievable, Relevant, Time-bound

SOL - Solicitor's Office

SWG - State Wildlife Grants

THPO - Tribal Historic Preservation Office

UDO – Undelivered Report (FBMS)

USFWS - United States Fish and Wildlife Service

WSFR - Wildlife and Sport Fish Restoration

THIS PAGE INTENTIONALLY LEFT BLANK

## Department of the Interior Departmental Manual

---

**Effective Date:** 1/9/08

**Series:** Federal Assistance Programs

**Part 505:** Grants Administration

**Chapter 2:** Procurement Contracts, Grant and Cooperative Agreements

**Originating Office:** Office of Acquisition and Property Management

---

### 505 DM 2

**2.1 Purpose.** This chapter provides Departmental guidance to implement provisions of the Federal Grant and Cooperative Agreement Act, the Federal Financial Assistance Management Improvement Act, and related guidance issued by the Office of Management and Budget (OMB), and it updates Departmental guidance on Grants.gov requirements and processes.

**2.2 Background.** The OMB final guidance on the Federal Grant and Cooperative Agreement Act was published in the Federal Register on August 18, 1978, (43 FR 36860). The Federal Grant and Cooperative Agreement Act of 1977 (revised and incorporated in the provisions at Title 31 U.S.C. §§ 6301-6308) and hereinafter referred to as the "Act", characterizes the relationship between executive agencies and contractors, States, local governments, and other recipients in acquiring property and services and in providing United States Government assistance. The Act also prescribes criteria for executive agencies in selecting appropriate legal instruments to achieve (a) uniformity in their use by executive agencies; (b) a clear definition of the relationship they reflect; and (c) a better understanding of the responsibilities of the parties to them. The Act seeks to promote increased discipline in selecting and using procurement contracts, grant agreements, and cooperative agreements, to maximize competition in making procurement contracts, and to encourage competition in making grant agreements and cooperative agreements. Title 31 U.S.C. §§ 6301-6308, however, will not be cited as the authority for any grant, contract, or cooperative agreement.

**2.3 Authority.** The Federal Financial Assistance Management Improvement Act of 1999, Public Law (P.L.) 106-107, was enacted to improve the effectiveness and performance of Federal financial assistance programs, to simplify Federal financial assistance application and reporting requirements, to improve the delivery of services to the public, and to facilitate greater coordination among those responsible for delivering such services.

#### **2.4 Applicability.**

A. The authorities for this chapter apply to all bureau and office programs which use procurement contracts, grant agreements, and cooperative agreements, and to all recipients eligible for these awards. This chapter also applies to Federally recognized Indian tribal governments, except for those awards made pursuant to the authority of the Indian Self-Determination and Education Assistance Act (P.L. 93-638, 88 Stat. 2204), as amended.

1/9/08 #3784

Replaces 3/29/06 #3706

However, Sec. 9 of P.L. 93-638 does provide for use of a grant agreement or cooperative agreement when mutually agreed to by the Secretary of the Interior and the tribal organization involved.

B. This chapter does not apply to instruments such as intra- and inter-agency agreements, international agreements (excluding grants and cooperative agreements with foreign recipients), memoranda of understanding or agreement, cooperative research and development agreements, concession contracts, or permits. Licenses, sale documents, leases, and special use permits are covered by this issuance only when issued for the purpose of public support or stimulation.

## 2.5 Definitions.

A. Financial Assistance - The transfer of a thing of value from a Federal agency to an eligible recipient to carry out a public purpose of support or stimulation as authorized by a law of the United States. An agency may provide financial assistance through various types of transactions including grants, cooperative agreements, loans, loan guarantees, interest subsidies, insurance, food commodities, direct appropriations, and transfers of property in place of money.

B. Discretionary Grant - A grant program that permits the Federal Government, according to specific authorizing legislation, to exercise judgment in selecting the project, grantee/recipient organization, and/or the amount of the award through a competitive grant process.

C. Mandatory Grant - A grant program in which the Federal agency is required to make an award based on prerequisites specified by statute or implementing program regulations, e.g., an entity submits an acceptable State Plan or application that meets the eligibility and compliance requirements of the statutory and regulatory provisions of the grant program. There is generally no competition for funds among eligible entities in mandatory grants.

D. Single Source - A funding opportunity specifically directed to a known recipient, e.g., a friends' group, fundraising partner, non-governmental organization, landowner or geographically positioned entity, either statutorily designated or determined by a bureau or office to be an appropriate partner based on demonstrable criteria, such as unique expertise or capacity.

2.6 **Policy.** Consistent with the Federal Grant and Cooperative Agreement Act and the guidance provided in this DM chapter, bureaus and offices will determine and use the appropriate instrument (i.e., procurement contract, grant agreement, or cooperative agreement) when acquiring property and services or in providing financial assistance. Files should be documented, with justification of the appropriate financial assistance instruments. Bureaus are encouraged to seek advice from the Office of the Solicitor on the selection of an award instrument, as needed. Bureaus will conduct periodic reviews to ensure compliance with this policy and will use the following criteria when determining to use a procurement contract, grant agreement or cooperative agreement:

A. Procurement contracts will be used as legal instruments reflecting a relationship between the bureau or office and a State, local government, or other awardee when the principal purpose of the instrument is to acquire (by purchase, lease, or barter) property or services for the direct benefit or use of the Government or when the head of the agency determines, in a specific instance, that the use of a procurement contract is appropriate.

B. Grant agreements will be used as legal instruments when the relationship between the bureau or office and a State, local government, or other recipient has as its principal purpose the transfer of a thing of value to the recipient in order to carry out a public purpose of support or stimulation authorized by a law of the United States and substantial involvement is not expected between the bureau or office and the State, local government, or other recipient when carrying out the activity contemplated in the agreement.

C. Cooperative agreements will be used as legal instruments when the relationship between the bureau or office and a State, local government, or other recipient has as its principal purpose the transfer of a thing of value to State or local government or other recipient to carry out a public purpose of support or stimulation authorized by a law of the United States and substantial involvement is expected between the bureau or office and the State, local government, or other recipient when carrying out the activity contemplated in the agreement.

## 2.7 Exemptions.

A. The Federal Grant and Cooperative Agreement Act provides for the Director of the OMB to exempt individual transactions or programs from the Act.

B. Requests for exemptions to the Act will be submitted by heads of bureaus and offices through the appropriate program Assistant Secretary and the Director, Office of Acquisition and Property Management (PAM)) to the Assistant Secretary, Policy, Management and Budget (AS/PMB). PAM will review and coordinate such requests, on behalf of the AS/PMB, prior to forwarding to OMB. Requests for exemptions will be coordinated with the Office of the Solicitor prior to forwarding requests to the appropriate program Assistant Secretary.

## 2.8 Responsibilities.

A. Assistant Secretary - Policy, Management and Budget. The AS/PMB is the Secretarial officer responsible for implementing the Act and the supplemental guidance issued by OMB.

B. Office of Acquisition and Property Management. On behalf of the AS/PMB, PAM is responsible for providing Departmental oversight, implementing the Act, and serving as the DOI representative to OMB, with final decision making by the AS/PMB. PAM is also responsible for coordinating with the Office of Small and Disadvantaged Business Utilization on all matters involving business development programs which relate to the requirements of the Act (i.e. procurement contracts).

C. Program Assistant Secretaries. Each Program Assistant Secretary is responsible for ensuring that bureaus and offices under their jurisdiction implement and comply with the Act and requirements of this chapter. Assistant Secretaries must also review, reject or recommend approval of all requests prepared by bureaus and offices under their jurisdiction for exemptions to the Act in accordance with the provisions of 505 DM 2.7.

D. Office of the Solicitor. The Office of the Solicitor (SOL) will assist bureaus and offices with legal questions which may arise as the result of implementing the Act, the OMB guidance, and the provisions of this issuance, normally within seven (7) workdays. Cooperative agreements and grant awards, issued under well-established programs, do not require SOL review, unless requested. However, SOL will assist bureaus in review or development of new programs or policies affecting future allocations of financial assistance awards, including grants and cooperative agreements. SOL will review and advise the bureau or office, upon request, if a proposed cooperative agreement or grant is of such complexity or novelty or exhibits intellectual property issues or potential conflicts of interest, or other such concerns to warrant legal review.

E. Bureaus and Offices. Heads of bureaus and offices will identify the actions required to carry out the policies, procedures, and guidelines established in this issuance and designate those officials responsible for them. Necessary actions include, but are not limited to:

(1) Establishing procedures for determining proper selection of award instruments to be used for supporting bureau or office programs. These procedures may include official determinations that instruments to be used in making awards within a specific program are contracts, grant agreements, or cooperative agreements in keeping with 505 DM 2.6. Procedures must also be established for the conduct of reviews at an organization level separate from the level where the determinations are made to ensure objectivity in the decision-making process and to ensure that assistance instruments are not being used to circumvent applicable Federal procurement laws or regulations. Written determinations regarding selection of award instruments must contain complete information on the nature of the relationship between the bureau or office and the recipient to justify the use of the instrument selected. For competitive grant awards, it is sufficient to provide the written justification at the program level, e.g., not for each individual recipient of a competitive grant under the grant program. Public notices, solicitations, or requests for applications should indicate the type of relationship contemplated (procurement or assistance), the instrument to be used, and for cooperative agreements, an explicit statement of Federal programmatic involvement.

(2) Assuring that recipients of Federal funds are required to maintain adequate records to permit review by the Secretary, the Inspector General, the Comptroller General of the United States, or their authorized representatives.

(3) Preparing for each cooperative agreement an explicit statement of substantial Federal programmatic involvement which includes the nature, character, and extent of the anticipated Federal involvement. This statement is to be part of the official agreement and file.

(4) Establishing oversight and review procedures to ensure compliance with the Act, the OMB final guidance, and this issuance.

(5) Obtaining review by SOL of proposed cooperative agreements and grants, regardless of dollar amount, when review is advisable because of complexity, novelty, intellectual property issues, potential conflicts of interest, or other such concerns to warrant legal review. Cooperative agreements and grant awards issued under well-established programs do not require SOL review, unless requested. However, bureaus will seek legal advice from SOL in the review or development of new programs or policies affecting future allocations of financial assistance awards, including grants and cooperative agreements.

(6) Periodically conducting compliance reviews on competitive grant and cooperative agreement criteria, procedures and awards and meeting internal control review requirements for financial assistance programs under OMB Circular A-123, Management's Responsibility for Internal Controls and Appendix A, Internal Control over Financial Reporting. These reviews of all financial assistance awards, conducted on a 4-year cycle, will highlight any program changes and improvements, implemented or proposed.

## 2.9 Selection of an Award Instrument.

A. Procurement Contract. The basic criterion for selection of a procurement contract is that the relationship between the bureau or office and the awardee is for the principal purpose of acquiring (by purchase, lease, or barter) property or services for the direct benefit or use of the Federal Government.

B. Grant Agreement and Cooperative Agreement.

(1) The basic criterion for selection of a grant agreement or cooperative agreement is that its primary function is to carry out a public purpose of support or stimulation, and for the cooperative agreement, substantial involvement is expected between the bureau or office and the recipient when carrying out the activity contemplated in the agreement.

(2) Anticipated substantial Federal involvement is a relative rather than an absolute concept. In general, when the terms of an assistance instrument indicate the recipient can expect to perform the project without bureau or office collaboration, participation, or intervention (as long as performance is in accordance with the terms of the assistance instrument) substantial involvement is not anticipated. When the assistance instrument indicates the recipient can expect bureau or office collaboration or participation in the management or performance of the project, substantial Federal involvement is anticipated.

(3) The following examples are not meant to be a checklist or to be considered as individual determinants, but as a basic guide to selecting the proper assistance instrument:

(a) A bureau, office or organizational unit may anticipate substantial involvement when it: (i) participates and collaborates jointly with the recipient partner, volunteer, scientist, technician or other personnel, in carrying out the scope of work, trains recipient personnel, or details Federal personnel to work on the project effort; (ii) reviews and approves one stage of work before the next stage can begin; (iii) reviews and approves proposed

modifications or sub-grants, prior to the award; (iv) helps select project staff or trainees; (v) directs or redirects the work because of interrelationships with other projects; (vi) has power to halt immediately an activity if detailed performance specifications are not met; and (vii) limits recipient discretion with respect to scope of work, organizational structure, staffing, mode of operations and other management processes, coupled with close monitoring or operational involvement during performance.

(b) Anticipated substantial involvement during performance does not include: (i) Government approval of recipient plans prior to award; (ii) normal exercise of Federal stewardship responsibilities during the project period such as site visits, performance reporting, financial reporting, and review to insure that the objectives, terms and conditions of the award are accomplished; (iii) unanticipated Government involvement to correct deficiencies in project or financial performance from the terms of the assistance instrument; (iv) general statutory requirements understood in advance of the award such as civil rights, environmental protection, and provisions for the handicapped; (v) Government review of performance after completion of the assisted activity; and (vi) general administrative requirements, such as those included in OMB Circulars A-21, A-87, A-102, A-110, A-133, and applicable implementing regulations.

(4) The determination to use a cooperative agreement will in all cases be based on the need for substantial Federal involvement in the assisted activity after considering a variety of factors including the management, financial, and technical needs of the recipient.

(5) Federal involvement in cooperative agreements will be limited to the minimum required consistent with program requirements. Nothing in the Act should be construed as allowing the Government to increase its involvement beyond that which is authorized by applicable laws and OMB requirements.

(6) Should bureau or office programs now using grant agreements require in the future the award of cooperative agreements exclusively for particular activities, this determination should be based on statutory requirements or policy level determinations of the need for substantial Federal involvement in the performance of an assisted project.

## **2.10 Grant Agreement and Cooperative Agreement Structure and Contents.**

A. The grant agreement or cooperative agreement will be structured in a manner which:

(1) Adequately describes the relationship based upon the degree of involvement of the parties; and

(2) Defines and allocates respective responsibilities, obligations, rights, and accountability as appropriate to the particular project. Requirements contained in statutes and implementing regulations will govern.

B. The grant agreement or cooperative agreement will set forth the respective rights and obligations of the parties in such areas as project performance and management, partial or total

termination of the work, changes in the scope of work, period of performance, application of funding and resources, title to property, records maintenance and access, liability, etc. Each agreement will be clear and concise and will include terms agreed upon between the parties. A grant agreement or cooperative agreement will include, as a minimum, the following provisions or items:

(1) Notification of Award will:

- (a) Identify the agreement by entering thereon a document number which will be compatible with the Federal Assistance Award Data System;
- (b) Provide the name and address of the recipient in the award agreement and, the names, titles, office address, and telephone numbers for the respective bureau/office and recipient project managers;
- (c) Identify the project by program code (e.g., CFDA number) and a brief summary of the purpose of the project;
- (d) Identify basic funding information (e.g., the total amount of funds initially obligated by the grant agreement or cooperative agreement);
- (e) Specify the project period;
- (f) Identify the bureau or program office which has been assigned responsibility for execution and administration of the agreement; and,
- (g) Provide unique Identifier of Entity and Parent Entity, if applicable.

(2) U.S. Code citation(s) to the statutory authorization and/or appropriation permitting expenditure of the identified funds for an authorized purpose. If the authority is not codified, then the citation(s) will identify the Public Law by name and year and provide the specific section and, as appropriate, title or subtitle containing the authority. The Federal Grant and Cooperative Agreement Act will not be cited as authority.

(3) A statement of joint objectives, schedule, if applicable, project management plan, general terms and conditions (e.g., OMB Circulars, property management and disposal, payment methods) or a referenced Departmental Internet site where general terms and conditions may be found, and special conditions (e.g., technical requirements, special reporting/legislative requirements), if required.

## **2.11 Administrative Requirements for Grant Agreements and Cooperative Agreements.**

A. The basic administrative requirements applicable to an individual grant agreement or cooperative agreement will be determined by the type of recipient.

B. For recipients covered by OMB Circular A-102, "Grants and Cooperative Agreements with State and Local Governments," and implementing regulations at 43 CFR Part 12, Subpart C or OMB Circular A-110, "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations," and implementing regulations at 43 CFR Part 12, Subpart F, the administrative requirements specified in these circulars and regulations will apply unless a waiver has been obtained from OMB (see 505 DM 3.5 or 505 DM 5.5).

C. The administrative requirements will always reflect the cooperative effort and the respective interests, investments and rights of the parties to the agreement.

D. The Federal Audit Clearinghouse operates on behalf of OMB and maintains a database of completed audits, provides appropriate information to agencies, and is responsible for following up with known auditees that have not submitted the data collection forms and reporting packages.

E. Bureau/office programs are responsible for accessing the Federal Audit Clearinghouse website (<http://harvester.census.gov/sac/>) to determine when audit reports have been submitted. If reports have not been submitted, bureau/office programs will request follow-up action by the Clearinghouse. At their discretion, and in accordance with guidance at 43 CFR 12, programs may consider the imposition of sanctions, e.g., award no new grants, in cases of continued inability or unwillingness of applicable financial assistance awardees to have audits conducted in accordance with the requirements of the Single Audit Act of 1984, as amended, and OMB Circular A-133.

**2.12 Posting Grant and Cooperative Agreement Funding Opportunities.** In order to provide the public opportunity to view potential funding opportunities (as recipients and possible sub-grantees) thereby maintaining transparency consistent with the customer service mandates prescribed in P.L. 106-107, synopses of all cooperative agreement and discretionary grant funding opportunities must be posted to Grants.gov ([www.grants.gov](http://www.grants.gov)). Exceptions include:

A. Programs that only publish funding opportunities in the Catalog of Federal Domestic Assistance (CFDA);

B. Announcements of funding opportunities for awards less than \$25,000 for which 100 percent of eligible applicants live outside of the United States;

C. Single source announcements of funding opportunities issued by an agency which are specifically directed to a known recipient;

D. The exception cited at 505 DM 2.4A;

E. An award for which there is insufficient time available (due to a compelling and unusual urgency, or substantial danger to health or safety) for adequate competitive procedures to be followed;

**2.13 Competition for Federal Financial Assistance Awards.** Competition in making awards through cooperative agreements is strongly encouraged and is expected in awarding discretionary grants, unless otherwise directed by Congress. In all cases, bureaus and offices are required to make awards based on the merits in accordance with the law.

**2.14 Single Source Determinations.** The Department recognizes that there are circumstances where an organization or an individual may be determined to be an appropriate partner based on demonstrable criteria such as unique expertise or capacity to receive an award through a cooperative agreement without competition. Applying the criteria set forth in this section, bureaus and offices must consider the totality of circumstances in determining whether to authorize a single-source award. Decisions to transfer funds under a cooperative agreement to a single source without engaging in competition must be able to withstand scrutiny, should protect the public interest, and should comport with management priorities, objectives and statutory requirements.

A. When anticipating a single-source award for \$25,000 and above, the bureau or office must, prior to issuance:

(1) Publish a notice of its intent to make the award either in the Federal Register or on Grants.gov, in order to provide for transparency; and,

(2) Prepare a written justification and document the file to explain why competition is not practicable, including a statement of which criteria described below justify the action and why. The justification will include a discussion of the program legislative history, unique capabilities of the proposed recipient, and cost-sharing contribution offered by the proposed recipient, as applicable.

B. Criteria for Justifying Award Without Competition. In order for an assistance award to be made without competition, the award must satisfy one or more of the following criteria:

(1) Unsolicited proposal - The proposed award is the result of an unsolicited assistance application which represents a unique or innovative idea, method or approach which is not the subject of a current or planned contract or assistance award, but which is deemed advantageous to the program objectives;

(2) Continuation - The activity to be funded is necessary to the satisfactory completion of, or is a continuation of an activity presently being funded, and for which competition would have a significant adverse effect on the continuity or completion of the activity.

(3) Legislative intent - The language in the applicable authorizing legislation or legislative history clearly indicates Congress' intent to restrict award to a particular recipient or purpose.

(4) Unique Qualifications - The applicant is uniquely qualified to perform the activity based upon a variety of demonstrable factors such as location, property ownership,

voluntary support capacity, cost-sharing ability, if applicable, technical expertise, or other such unique qualifications;

(5) Emergencies - Program/award where there is insufficient time available (due to a compelling and unusual urgency, or substantial danger to health or safety) for adequate competitive procedures to be followed.

**2.15 Posting Grant Agreement and Cooperative Agreement Applications.** Bureaus and offices will make every effort to meet annual goals assigned to the Department of the Interior in support of the standardization and streamlining requirements of P.L. 106-107 and government-wide E-Gov initiatives, by posting grant and cooperative agreement application packages using the appropriate Standard Form 424 on Grants.gov. Additionally, bureaus will strongly encourage potential applicants to use Grants.gov when submitting responses to posted applications.

#### **2.16 Awarding Discretionary Grant Agreements and Cooperative Agreements**

A. Independent Objective Evaluation of Grant Agreement and Cooperative Agreement Applications. If consistent with the statute authorizing the program, bureaus and offices will develop procedures which provide for an independent objective evaluation of the applications prior to award. In developing the procedures, consideration will be given to ensuring that applications are reviewed and evaluated by qualified reviewers; applications are scored on the basis of announced criteria; applications are ranked; and funding determinations made. Submissions from debarred or suspended applicants may be considered and reviewed because the applicant's debarred or suspended status may change between proposal submission and actual award. However, awards may not be made to applicants who remain debarred or suspended at the time the award would be made.

B. Notification to Unsuccessful Applicants. Unsuccessful applicants include both those whose applications were disapproved and those whose applications were approved but not funded. Both types of unsuccessful applicants should be promptly notified of the actions taken on their request and given an explanation of the reasons why their applications were unsuccessful.

**2.17 Authority to Vest Title in Tangible Personal Property for Research.** The Act provides for the head of an executive agency to vest title in tangible personal property in a nonprofit institution of higher education or in a nonprofit organization whose primary purpose is conducting scientific research when the property is bought with amounts provided under a procurement contract, grant agreement, or cooperative agreement with the institution or organization to conduct basic or applied scientific research. This authority may be exercised when the head of the agency decides the vesting of title furthers the objectives of the agency, there is no further obligation to the United States Government, and other conditions, if any, the head of the agency considers appropriate are met. Requests to use this authority will be coordinated with the Office of the Solicitor.

**2.18 Use of Multiple Relationships for Different Parts of Jointly Financed Projects.** The Act does not require an executive agency to establish only one relationship between the United States Government and a State, local government, or other recipient on a jointly financed project involving amounts from more than one program or appropriation when different relationships would otherwise be appropriate and beneficial for different parts of the project.

THIS PAGE INTENTIONALLY LEFT BLANK

## U.S. Fish and Wildlife Service Financial Assistance Business Process Issuing a New Financial Assistance Award Guidance

### Table of Contents

Point of Contact .....	1
Document Change Log .....	1
References .....	2
Attachments.....	3
Purpose .....	3
Scope .....	3
Instructions .....	3
Prerequisite: Develop full text of the program or project Notice of Funding Opportunity .....	4
Step 1: Determine appropriate funding instrument .....	6
Step 2: Justify issuing a single source award .....	8
Step 3: Post/Justify not posting a NOFO on Grants.gov.....	8
Step 4: Review and approve application .....	10
Step 5: Conduct recipient risk assessment .....	16
Step 6: Verify intended recipient eligibility .....	16
Step 7: Identify FBMS vendor and verify payment method is established .....	19
Step 8: Identify the CFDA number .....	19
Step 9: Complete a notice of award .....	20
Step 10: Compile required pre-award documentation .....	21
Step 11: Complete Grants Purchase Request and PRISM Award processes .....	22
Step 12: Send Notice of Award to the recipient.....	22
Step 13: Create a PRISM Milestone Plan .....	22
Step 14: Establish an official award file .....	23

### Point of Contact

Send any questions about this guidance by email to the Chief, Financial Assistance Policy and Oversight (FAPO) Branch, Wildlife and Sport Fish Restoration Program (WSFR), Division of Administration and Information Management (AIM). See the FAPO About/Contact Us Intranet page at <https://inside.fws.gov/index.cfm/go/post/FAPO-About> for contact information.

### Document Change Log

FAPO will update this document over time to incorporate changes resulting from any new government-wide regulations, Department of the Interior (DOI) or U.S. Fish and Wildlife Service (Service) policy, or new/changed Financial and Business Management System (FBMS) functionality. We will post updated

versions of this document on the Intranet at <https://inside.fws.gov/go/post/FAPO-NewAwards> and will log updates made to this guidance in the following table:

**Table 1: Document Change Log**

Date Changed	Description of Change Made
2-20-2015	Incorporated requirements under new 2 CFR 200, including: <ul style="list-style-type: none"> <li>• Changed Notice of Funding Availability (NOFA) to Notice of Funding Opportunity (NOFO) (see 200.203);</li> <li>• Changed minimum NOFO posting time from 30 to 60 calendar days (see 200.203);</li> <li>• Updated “Notice of Award Elements” (Table 5) to incorporate new requirements (see 200.210); and</li> <li>• Removed references to A-133 and replaced with 2 CFR 200-Subpart F, and changed single audit threshold from \$500K to \$750K (see 200.501)</li> </ul>
2-20-2015	Incorporated requirements under recently issued Department policies, including: <ul style="list-style-type: none"> <li>• DIG 2011-03, Amendment 1, “Financial Assistance Monitoring Protocol” (see also “Service Recipient Risk Assessment Guidance”);</li> <li>• DIG 2013-06, “Financial Assistance Cost Review Guidance”;</li> <li>• DOI-AAAP-0008, “Conflict of Interest and Mandatory Disclosures for Financial Assistance”; and</li> <li>• DOI-AAAP-0009, “Financial Assistance Application and Merit Review Process”.</li> </ul>
2-20-2015	Other changes were made for clarity and continuity, including: <ul style="list-style-type: none"> <li>• Updated “Documentation required” boxes throughout to reflect changes made to checklist item numbering and overall format;</li> <li>• Updated minimum application requirements section to reflect complete list of required application elements;</li> <li>• Restructured SAM registration and SAM Exclusions reviews sections to simplify guidance and incorporate new expanded SAM Exclusions review of principal/key project person(s);</li> <li>• Removed “USFWS Financial Assistance Award Terms and Conditions” as an attachment to this document. Changed all references to <a href="http://www.fws.gov/grants/">http://www.fws.gov/grants/</a>; and</li> <li>• Updated pre-award documentation checklist to reflect all new requirements.</li> </ul>

## References

**Table 2: References**

Reference	Location
This guidance and all attachments	<a href="https://inside.fws.gov/go/post/FAPO-NewAwards">https://inside.fws.gov/go/post/FAPO-NewAwards</a>
DOI Manual, Series 29: Federal Assistance Programs	<a href="http://elips.doi.gov/elips/browse.aspx">http://elips.doi.gov/elips/browse.aspx</a>
DOI Office of Acquisition and Property Management (PAM) Financial Assistance website	<a href="http://www.doi.gov/pam/programs/financial_assistance/index.cfm">http://www.doi.gov/pam/programs/financial_assistance/index.cfm</a>

## Attachments

Attachment 1 – Financial Assistance Business Process Tasks List Template

Attachment 2 – Notice of Funding Opportunity Template

Attachment 3 – Selection of Funding Instrument Decision Diagram

Attachment 4 – FWS Form 3-2460, *Checklist for a New Financial Assistance Award*

Attachment 5 – Sample Grants.gov Print Screens

Attachment 6 – Indirect Costs and Negotiated Indirect Cost Rate Agreements

Attachment 7 – Setting Performance Period Dates for Grant and Cooperative Agreement Awards

Attachment 8 – Recipient Risk Assessment Guidance

Attachment 9 – Notice of Award Letter Template

Attachment 10 – Sample Financial Assistance Award Special Terms and Conditions

Attachment 11 – Modifying the PRISM Grant and Cooperative Agreement Cover Page

## Purpose

This guidance: 1) provides step-by-step guidance and instructions for issuing new grant and cooperative agreement awards, 2) provides standardized templates and forms for the new award process, 3) details all required pre-award documentation, and 4) delivers Service-specific standard financial assistance award terms and conditions.

## Scope

This guidance applies to all employees who issue, administer, and manage grant and cooperative agreement awards.

This guidance does not apply to financial assistance awards issued to Federal entities. Federal entities, including other Service programs, may be eligible to compete for awards under some Service programs. When a Federal entity receives a financial assistance award, the award is not issued as a grant or cooperative agreement. Instead, financial assistance awards to Federal entities are issued following the standard business processes for:

- Program-to-program funds transfers, for awards to other Service programs;
- Intra-agency awards, for awards to other Bureaus within DOI; and
- Inter-agency awards, for awards to all other (non-DOI) Federal entities.

## Instructions

Employees with the FBMS Agreements Officer role are responsible for making sure that all applicable steps of this guidance are completed, including compiling all required pre-award documentation and making sure the notice of award document is signed by the authorized Service employee (see [516 FW 3, Signature Authority for Grant and Cooperative Agreement Awards](#)), **BEFORE** releasing a new award in the FBMS FA/Contract Management System (PRISM).

This guidance is a model and is not intended to dictate who will complete each step, e.g., program office staff versus award servicing office staff, or in what order the steps must be completed. Programs and their servicing offices are responsible for determining which office has primary responsibility for completing all of the major actions/tasks required to manage a financial assistance award through a complete award lifecycle. Programs can use the [Financial Assistance Tasks List Template](#) (Attachment 1) to make sure that all required actions/tasks are being performed and, if the program relies on a servicing office, to document which office has responsibility for each action/task. Add program- or servicing office-specific actions/task to the template, as needed. Contact your program leadership or award servicing office for program-specific standard operating procedures.

## Prerequisite: Develop full text of the program or project Notice of Funding Opportunity

We must develop the full text of our program or project announcement, before we can post a Notice of Funding Opportunity (NOFO) on Grants.gov and/or issue awards (see Title 2 of the Code of Federal Regulations Part 200 (2 CFR 200), section 200.203(c) and Appendix I to Part 200—Full Text of Notice of Funding Opportunity). A Grants.gov funding opportunity is required for discretionary programs and single source awards over \$25,000 (see Service policy [516 FW 6, Issuing Discretionary Grant and Cooperative Agreement Awards without Competition](#)). For the purposes of this guidance, the following definitions apply:

- **Discretionary program:** A program with an authorizing statute that allows the government to exercise judgment in selecting the project, recipient, and/or the amount of the award through a competitive process. In general, we must provide the public, when meeting applicable eligibility requirements, the opportunity to compete for discretionary awards.

Discretionary programs, in accordance with their authorizing statute, must establish a competitive review process, including the merit and other review criteria that evaluators will use to judge applications. Discretionary programs must also determine how the review process will work, including who is responsible for evaluating applications, how evaluators are selected, the minimum number of evaluators required for a review, who will make the final project selections, how potential conflicts of interest will be avoided, and any other factors outside of the established merit and review criteria that might be used to make final project selections.

- **Mandatory program:** A program with an authorizing statute that requires the government to make an award to each eligible entity under the conditions and in the amount (or based on the formula) specified in the statute. Under mandatory programs, no competition for funds among eligible entities is required. The following table lists the Service's mandatory programs by Catalog of Federal Domestic Assistance (CFDA) number:

**Table 3: Service Mandatory Programs by CFDA Number**

CFDA	Program Title	Program Type
15.605	Sport Fish Restoration Program	Formula Grants
15.611	Wildlife Restoration and Basic Hunter Education	Formula Grants
15.625	Wildlife Conservation and Restoration	Formula Grants
15.626	Enhanced Hunter Education and Safety Program	Formula Grants
15.634	State Wildlife Grants (Non-competitive)	Formula Grants
15.659	National Wildlife Refuge Fund (Refuge Revenue Sharing)	Direct Payments with Unrestricted Use
15.663	National Fish and Wildlife Foundation	Project Grants (Mandatory)
15.668	Coastal Impact Assistance Program	Formula Grants

- **Single source awards:** An award made with discretionary funds outside of a competitive process. Single source awards must be used sparingly and only when they meet the criteria detailed in Service policy [516 FW 6, Issuing Discretionary Grant and Cooperative Agreement Awards without Competition](#).

Use the [Notice of Funding Opportunity Template](#) (Attachment 2) as a starting point for developing a program- or award-specific NOFO. The [NOFO Template](#) follows the standard format prescribed in Appendix I to Part 200—Full Text of Notice of Funding Opportunity. Programs that already have a NOFO in place must compare that document to this template at least annually to make sure it contains all required elements and content. FAPO will update the NOFO Template over time to incorporate changes resulting from any new government-wide regulations, DOI or Service policy, or new/changed Financial and Business Management System (FBMS) functionality.

NOFOs must include the valid CFDA number for the program or project being announced. Some NOFOs may be assigned multiple CFDA's, depending on how the program is administered. The CFDA(s) assigned to a NOFO determines the CFDA to be assigned to the award in FBMS (see Step 8 of this guidance). All Service financial assistance programs that have existed for longer than one year must apply to be included in the CFDA and assigned a unique CFDA number. Go to the Service's CFDA Intranet page at <https://inside.fws.gov/go/post/CFDA> for more information on how to obtain a CFDA number.

New financial assistance programs may use the Service's general CFDA program numbers, as appropriate to the type of program, until the program's unique CFDA number is assigned. The Service's general CFDA programs are:

- 15.649 for training and technical assistance projects
- 15.650 for research projects
- 15.664 for Congressionally mandated or directed (earmarked) awards

See the [CFDA Frequently Asked Questions](#) document posted on the Service's CFDA Intranet page or contact the Service's CFDA Coordinator (contact information posted on the Service's CFDA Intranet page) for more information.

**NOTE:** 5 CFR 1320, Controlling Paperwork Burdens on the Public, requires financial assistance programs to submit to the White House Office of Management and Budget (OMB) for review and clearance for the collection of the following types of information from applicants and recipients:

- Application project and budget narratives and any other required documentation other than that found on OMB-approved Government-wide application forms (Standard Form (SF) 424 "Family");
- Program-specific application forms;
- Recipient technical/progress/performance reporting;
- Any other program or project-specific reporting required other than the information requested on OMB approved Government-wide recipient forms such as, but not limited to, the SF 425 (Federal Financial Report), SF 270 (Request for Advance or Reimbursement), SF 271 (Outlay Report and Request for Reimbursement for Construction Programs) , SF 428 (Tangible Personal Property Report), or SF 429 (Real Property Status Report); and

- Written requests for changes to project and budget narratives required prior to award amendment other than the information requested on OMB approved Government-wide application forms (SF 424 Family).

The Paperwork Reduction Act requires that when a Federal agency collects information from the public, those collections must minimize duplication and burden on the public, have practical utility, and support the proper performance of the agency's mission. For more information and a listing of Service programs with OMB clearance, see the Service's financial assistance information collection clearance page on the Intranet at <https://inside.fws.gov/go/post/OMB-ICC>.

## Step 1: Determine appropriate funding instrument

Refer to the [Selection of Funding Instrument Decision Diagram](#) (Attachment 3) to assist you in determining the appropriate funding instrument.

**NOTE:** A Memorandum of Understanding (MOU), Memorandum of Agreement (MOA), or Letter of Intent (LOI) specifies mutually-accepted expectations between the Service and one or more Federal agency, State, Tribal Government, Local Government, non-profit organization, for profit organization, or university partners. The parties to the MOU, MOA, or LOI contribute their efforts and resources toward mutually agreed-upon activities or projects. An MOU, MOA, or LOI does not represent legislative authority to issue grant and cooperative agreement awards. An MOU, MOA, or LOI is neither a legally-binding document nor a mechanism to receive or provide funds. An MOU, MOA, or LOI is not a requirement for awarding grant and cooperative agreement awards.

- A. Evaluate funding tool:** In accordance with 505 DM 2, Section 2.9, the program office must evaluate if the activity to be funded is an acquisition/contract or a financial assistance award. The principal purpose of financial assistance is to transfer funds, services, or property from the Service to an eligible, non-Federal recipient to carry out a public purpose of support or stimulation as authorized by a law of the United States. Any benefit to the Service will be incidental (i.e., funded activities complement the Service mission). An agency may provide financial assistance through various types of transactions including grants, cooperative agreements, loans, loan guarantees, interest subsidies, insurance, food commodities, direct appropriations, and transfers of property in place of money. Financial assistance does not include obtaining goods or services for the Service. If financial assistance is not the appropriate funding tool for the award being considered, **STOP HERE** and contact your contracting office.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#) (Attachment 4), select "YES" in the Item 1 Response box to confirm the determination of financial assistance as the appropriate funding tool. NOTE: Selecting "YES" for Item 1 covers the determination documentation requirement.

- B. Determine award instrument:** The program office must determine if the financial assistance award should be issued as a GRANT or a COOPERATIVE AGREEMENT. In terms of award administration, grants and cooperative agreements are subject to the same government-wide regulatory and policy framework. For both types of awards, we are responsible for monitoring recipient performance to ensure that the objectives are accomplished in accordance with the award terms and conditions. The only difference between a grant and a cooperative agreement is that in a cooperative agreement the Federal government, in addition to performing the routine administrative and monitoring activities expected for all financial assistance awards, is *substantially* involved in the project. The following table details the types of substantial activities

that would qualify the award as a cooperative agreement and compares them to the routine activities to be performed for all awards:

**Table 4: Substantial versus Routine Federal Activities**

Substantial Activities	Routine Activities
<p>According to 505 DM 2, Section 2.9 the Service is <i>substantially</i> involved in a project when our staff:</p> <ul style="list-style-type: none"> <li>• Participates and collaborates jointly with the recipient partner, volunteer, scientist, technician or other personnel, in carrying out the scope of work, including training recipient personnel or detailing Federal personnel to work on the project effort;</li> <li>• Reviews and approves one stage of work before the next stage can begin;</li> <li>• Reviews and approves, prior to recipient action, proposed modifications or sub-awards;</li> <li>• Helps select project staff or trainees;</li> <li>• Directs or redirects the work because of interrelationships with other projects;</li> <li>• Has power to immediately halt an activity if detailed performance specifications are not met; and</li> <li>• Limits recipient discretion with respect to scope of work, organizational structure, staffing, mode of operations and other management processes, coupled with close monitoring or operational involvement during performance under the award.</li> </ul>	<p>The following routine Federal administrative and monitoring activities to be performed by Service staff in fulfillment of their Federal oversight responsibilities do not qualify as substantial involvement and <b>should not be included</b> in any substantial involvement justification, funding opportunity description, or notice of award document:</p> <ul style="list-style-type: none"> <li>• Providing Federal funds;</li> <li>• Assigning a project officer;</li> <li>• Approving recipient plans prior to award;</li> <li>• Fulfilling the normal and expected Federal stewardship responsibilities during the performance period such as setting reporting schedules, conducting desk audits or site visits, reviewing and approving financial and performance reports, providing general technical assistance as requested by the recipient, and other coordination or monitoring activities undertaken to ensure that the objectives are accomplished in accordance with the award terms and conditions;</li> <li>• Correcting unanticipated deficiencies in project or financial performance from the terms of the award;</li> <li>• Setting general statutory requirements understood in advance of the award such as civil rights, environmental protection, and provisions for the handicapped;</li> <li>• Implementing general administrative requirements understood in advance and included in the award terms and conditions and other applicable regulations; and</li> <li>• Assessing recipient performance after completion of the funded activity.</li> </ul>

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select “YES” in the Item 2 Response box and then select the funding instrument to be used from the drop down list under Item 2.

**NOTE:** For cooperative agreements, the program must include in the Grants.gov funding opportunity and the notice of award a detailed description of the Service’s expected/actual substantial involvement..

## Step 2: Justify issuing a single source award

This step is not applicable to awards issued under the Service's mandatory programs (see Prerequisite section, Table 3 of this guidance). For all other programs, see Service policy [516 FW 6, Issuing Discretionary Grant and Cooperative Agreement Awards without Competition](#). In general when meeting applicable eligibility requirements, we must provide the public the opportunity to compete for discretionary awards. We must issue single source awards sparingly and only when the criteria detailed in 516 FW 6 are met.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select either "YES" or "NO" in the Item 3 Response box to indicate if the award is a single source award.

If "YES" is selected, complete [FWS Form FWS 3-2452, Determination for Issuing a Single Source Financial Assistance Award](#). The completed and signed form must be maintained in the official award file. For single source awards of \$25,000 or more, a NOFO must be posted on Grants.gov (see Step 3 of this guidance).

## Step 3: Post/Justify not posting a NOFO on Grants.gov

Mandatory programs are not required to post NOFOs on Grants.gov. For discretionary single source awards and competitive financial assistance programs, we must either post a complete NOFO on Grants.gov or justify not posting a NOFO based on criteria provided in 505 DM 2.

**A. Justify not posting a NOFO on Grants.gov:** 505 DM 2 provides the following justifications applicable to Service programs for not posting a NOFO on Grants.gov:

1. This award is made under a mandatory program (see Prerequisite section);
2. This award NOFO is made under a discretionary program that issues awards for less than \$25,000 and for which 100 percent of the eligible applicants are foreign entities;
3. This award is a discretionary single source award for less than \$25,000 (see Step 2 of this guidance);
4. This award is made under the Indian Self-Determination and Education Assistance Act (P.L. 93-638, 88 Stat. 2204); and
5. Because of a compelling and unusual urgency, or substantial danger to health or safety, there is not enough time to follow adequate competitive procedures for this award. Lack of planning or processing delays do not constitute unusual urgency.

**Documentation Required:** If not posting to Grants.gov is justified under 505 DM 2, on [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#) select "YES" in the Item 4.A. Response box and then select the applicable justification from the drop down list provided under Item 4.A.

### B. Post a NOFO on Grants.gov

For all discretionary competitive programs not exempted from the Grants.gov posting requirement (see Step 3.A. of this guidance) AND all single source awards for \$25,000 or more, we must post a complete NOFO on Grants.gov. Discretionary programs must post a new NOFO each Fiscal Year (FY). Programs that have multiple application due dates within the FY can modify their annual posting as needed throughout the year, but must create a new Funding

Opportunity at the start of the next FY. Programs must post discretionary competitive NOFOs on Grants.gov for at least **60 calendar days** (see 2 CFR 200.203 (b)). Single source Funding Opportunities must be posted for at least **five** business days prior to award. The steps of the Grants.gov Funding Opportunity posting process are detailed in this diagram:



**To be complete, a NOFO must include:**

1. A Synopsis (created in and posted to Grants.gov from PRISM), which contains the NOFO summary information required in 2 CFR 200.203(a),
2. The full text of the NOFO required in 2 CFR 200.203(b), uploaded as an attachment to the Synopsis (will appear for the public under the Full Announcement screen); and
3. An Application Package (will appear for the public under the Application screen).

For more information, see the Prerequisites section of this document, 2 CFR 200.203, and Appendix 1 to Part 200—Full Text of Notice of Funding Opportunity.

Posting a NOFO on Grants.gov does not mean the applicant must apply through Grants.gov. The program must provide program-specific application instructions in the full text of the NOFO.

All NOFOs must include a valid and appropriate CFDA number. For more information on CFDA numbers, see the [CFDA Frequently Asked Questions](#) document posted on the Intranet at <https://inside.fws.gov/go/post/CFDA>.

If the NOFO will result in the funding of one or more cooperative agreements, the Synopsis “Description” field must include a statement describing the expected substantial Service involvement in the project. Use the following as a template for completing the required statement: *“Substantial involvement on the part of the Service is anticipated for the successful completion of the activities to be funded. In particular, the Service will be/expects to be responsible for the following: [list the specific project-related activities to be performed by Service staff].”*

For more information on Grants.gov, see the Service’s Grants.gov Information page on the Intranet at <https://inside.fws.gov/index.cfm/go/post/grants.gov> or the Service’s Grants.gov Wiki page at <http://fawiki.fws.gov/display/GGOV/FWS+Grants.gov+Information>.

**Documentation Required:** Go to the publicly-posted NOFO on Grants.gov and, from within the browser window, print (Ctrl+P) the following: 1) Synopsis screen; 2) Full Announcement screen; and the 3) Application screen.

See the attached [Sample Grants.gov Print Screens](#) (Attachment 5) if you are unsure as to which screens must be printed. Using the Ctrl+P function inserts the print date on the bottom of the printed page. The dated Grants.gov print screens must be maintained in either the official award file (this is the required method for single source awards) or a centralized subject-matter file (acceptable when multiple awards are made under a single funding opportunity).

On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), enter the

Grants.gov Funding Opportunity Number in the corresponding header field and then select “YES” in the Item 4.B. Response box. Use the check boxes provided under Item 4.B. to document where the required Grants.gov print screens will be maintained.

## Step 4: Review and approve application

**A. Minimum application requirements:** The approved application is the road map for project implementation. Approved applications should clearly describe the project goals, objectives, activities, methods, timetable, resources and staff needed to accomplish goals, project monitoring and evaluation plan, and expected outputs/outcomes of the project. The **NOFO Template** provides sample text for requesting these key elements from applicants. At a minimum, applicants must submit the following:

1. A complete and signed **SF 424, Application for Federal Assistance** (SF 424, SF 424-Individual or SF 424-Mandatory) form. Service employees must not sign the SF 424 application form for the applicant. The Service is responsible for signing the official notice of award, not the application forms. The only exception to the SF 424 requirement is if the program has OMB approval to use an alternate application form (see Prerequisite section of this guidance).

**NOTE:** The SF 424-Mandatory form is for use only by applicants to mandatory programs (see Table 3, Prerequisite section of this guidance).

2. A signed **SF 424, Assurances** form (SF424B for non-construction projects or SF 424D for construction projects);
3. A complete **SF 424, Budget** form (SF424A for non-construction projects or SF424C for construction projects) and related budget narrative (see the **NOFO Template**, section IV.E.). The only exception to these budget documentation requirements is if the program has OMB approval to collect budget information in an alternate format (see Prerequisite section of this guidance);
4. A signed **SF LLL, Disclosure of Lobbying Activities** form, if applicable;
5. Notice of any actual or potential conflicts of interest that may arise during the life of the award (see **DOI-AAAP-0008, Conflict of Interest and Mandatory Disclosures for Financial Assistance** and **NOFO Template**);
6. A statement regarding their indirect cost rate circumstance, for all applicants except individuals applying for funds separate from a business or non-profit organization he/she may operate must provide; and
7. A statement regarding their single audit reporting status, for all U.S. state, local government, federally-recognized Indian tribal government and non-profit applicants.

All awards must be based on applications *that match the award to be made* in regards to funding amount and project scope. Following review, we may need to ask the applicant to revise their proposed scope of work, project narrative, budget and/or timeline to reflect the Service’s final funding decision. Programs must maintain all final approved application documents in the official award file.

**Documentation Required:** On **FWS Form 3-2460, Checklist for a New Financial Assistance Award**, enter the recipient’s name, project title and type in the corresponding header fields, then select “YES” in the Item 5 Response box to confirm that the award is made based on an approved application that: 1) includes complete

and signed SF 424 Application (or OMB-approved alternate), SF 424 Assurances, and SF LLL Lobbying (if applicable) forms; 2) includes a complete SF 424, Budget form and a budget narrative (or OMB-approved alternates); 3) matches the award to be made in regards to funding amount and project scope; and 4) will be maintained in the official award file.

- B. Reviewer conflict of interest certification:** This step does not apply to awards issued under the Service's mandatory programs (see Table 3, Prerequisite section of this guidance). Discretionary programs issuing both competitive and single source awards must provide all staff and peer reviewers, evaluators, panel members, or advisors a copy of Department policy [DOI-AAAP-0008, Conflict of Interest and Mandatory Disclosures for Financial Assistance](#). Prior to participating in any review or evaluation process, all staff and peer reviewers, evaluators, panel members, or advisors must sign and return to the program office point of contact the [Department of the Interior Conflict of Interest Certification](#) attached to DOI-AAAP-0008. Programs must maintain signed reviewer conflict of interest certification statements related to approved awards following the same records schedule as for the program's official award files (see [283 FW 2, Disposition Schedules](#) for more information), in either the official award file or a centralized subject-matter file.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select in the Item 6 Response box either:

“N/A-Mandatory”, for awards issued under a mandatory program, or

“YES”, to confirm that all staff and peer reviewers, evaluators, panel members, or advisors participating in the review of this discretionary award were provided a copy of DOI-AAAP-0008 and signed the required conflict of interest certification. If “YES” is selected, use the check boxes provided under Item 6 to document where the reviewer conflict of interest certification statements related to this award will be maintained.

- C. Merit review:** This step does not apply to awards issued under the Service's mandatory programs (see the Prerequisite section, Table 3 of this guidance). Discretionary programs issuing both competitive and single source awards must establish a merit review and selection process following the requirements in Department policy [DOI-AAAP-0009, Financial Assistance Application and Merit Review Process](#). Programs must ensure that: 1) applications are reviewed and evaluated by qualified reviewers; 2) applications are scored and/or selected based on announced criteria; 3) consideration is given to applicant risk and past performance; 4) competitive applications are ranked; and 5) funding determinations are made. Programs must establish an evaluation plan comprised of five basic elements: 1) merit review factors and sub-factors; 2) a rating system for competitive applications (e.g., adjectival, color coding, numerical, or ordinal); 3) evaluation standards or descriptions which explain the basis for assignment of the various rating system grades/scores; 4) program policy factors; and 5) the basis for selection. The program merit review and selection process must be detailed for applicants in the full text of the NOFO (see Prerequisite section of this guidance). Programs must maintain all merit review documentation (e.g., reviewer scores and comments) related to approved awards following the same records schedule as for the program's official award files, in either the official award file or a centralized subject-matter file.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select in the Item 7 Response box either:

“N/A-Mandatory”, for awards issued under a mandatory program, or  
 “YES”, to confirm that a merit review of this project was conducted following the requirements in DOI-AAAP-0009. If “YES” is selected, use the check boxes provided under Item 7 to document where the merit review documentation related to this award will be maintained.

- D. Budget review:** Programs must conduct and document their review of the proposed budget following the requirements in [DIG 2013-06, Financial Assistance Cost Review Guidance](#). Financial assistance recipients are subject to the Federal cost principles detailed in the Service’s Financial Assistance Award Terms and Conditions posted on the Internet at <http://www.fws.gov/grants/>. Allowable costs are determined in accordance with the cost principles applicable to the organization incurring the cost. Employees must be familiar with and consider the cost principles when reviewing applications and monitoring awards. The extent of the budget review will depend on the level of detail in the budget-related information that the program requests from applicants. Programs have the discretion to request OMB approval to require more detailed budget formats (see Prerequisite section of this guidance). Programs must maintain all budget review documentation related to approved awards following the same records schedule as for the program’s official award files, in either the official award file or a centralized subject-matter file.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select “YES” in the Item 8 Response box to confirm that a budget review was conducted and documented as required under DIG 2013-06. Use the check boxes provided under Item 8 to document where the budget review documentation related to this award will be maintained.

When reviewing a proposed budget, we must consider the following:

- 1. Indirect costs:** A recipient receiving an award as an individual separate from a business or non-profit organization he/she may operate is not eligible to charge indirect costs to an award. All other applicants must provide in their application one of the statements detailed in the [Indirect Costs and Negotiated Indirect Cost Rate Agreements](#) guidance document (Attachment 6) and in the [Notice of Funding Opportunity Template](#). Based on the information provided by the applicant, programs must assess the proposed indirect costs and ensure that the final approved budget and notice of award document reflect the recipient’s indirect cost circumstance.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select in the Item 9 Response box either:

“N/A-Individual”, if the award is to an individual, or

“YES”, to confirm that: 1) the applicant’s indirect cost circumstance was determined and considered during the budget review; and 2) the final approved budget and notice of award reflect those considerations. If “YES” is selected, select the applicable indirect cost rate circumstance from the drop down list provided under Item 9. Use the check boxes provided under Item 9 to indicate where any indirect cost rate documentation for the recipient will be maintained.

- 2. Pre-award costs:** Pre-award costs are those incurred prior to the effective date of the award directly pursuant to the negotiation and in anticipation of the award where such

costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the effective date of the award and only with the written approval of the awarding program. See the [Setting Performance Period Dates for Grant and Cooperative Agreement Awards](#) (Attachment 7) guidance for information on setting start dates on an award or award budget period with approved pre-award costs. To qualify for pre-award cost reimbursement, an applicant must demonstrate in the application that some pre-award activities were necessary and reasonable for accomplishing the overall program objectives and would have been approved had they occurred within the project period. An entire project must never be funded retroactively as pre-award costs, i.e., obligating funds after the project period has ended. We must fund awards prospectively for activities to be initiated after the project period start date.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select either “YES” or “NO” in the Item 10 Response box to indicate if pre-award costs are approved under the award. If YES, all correspondence/documentation resulting from the approval process must be maintained in the official award file.

- E. Compliance reviews:** Programs are responsible for making sure all legally required compliance reviews are completed **BEFORE** the recipient starts any potentially impactful activities funded under an award. We strongly recommend that all compliance reviews are completed before funds are obligated. However, in the event an award is released in PRISM and funds are obligated in FBMS before all compliance reviews are complete and the program wishes to allow the recipient or their subrecipient(s) to begin the portion of the approved work that has no potential to impact the environment, endangered species or their habitats, or historical/cultural artifacts, the notice of award must include the following special condition (see the [Sample Financial Assistance Award Special Terms and Conditions \(Attachment 10\)](#)):

*[Insert a detailed description of the work that can be started and the work that must not be started until all compliance reviews are complete]. As a condition of award, the recipient and their subrecipient(s) must not begin any potentially impactful work related to this award until the Service has notified you in writing that such work can begin. Recipients and subrecipients of Federal grants and cooperative agreement awards must comply with the requirements of the National Environmental Policy Act (NEPA), Section 7 of Endangered Species Act (ESA), and Section 106 of the National Historic Preservation Act (NHPA).*

The required compliance reviews are:

- 1. Section 106 of the National Historic Preservation Act (NHPA) Compliance:** Any project with the potential to cause effects on historic properties must be accounted for under the Section 106 consultation process. For ALL projects with activities being conducted within the United States, including U.S. embassies and military installations in foreign countries, contact your Headquarters/Regional Historic Preservation Officer (HPO) for guidance on which projects require additional documentation and review. See the list of HPOs on the Internet at <http://www.fws.gov/historicPreservation/contactUs.html>.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select “YES” in the Item 11 Response box to confirm that a

Section 106 NHPA review was conducted for the award. Select the applicable Section 106 NHPA circumstance from the drop down list provided under Item 11. Use the check boxes provided under Item 11 to document where any Section 106 NHPA review documentation for the award will be maintained.

- 2. National Environmental Policy Act (NEPA) Compliance:** Programs must conduct and document a NEPA review for all projects with activities to be conducted in the United States, includes U.S. embassies and military installations in foreign countries. A NEPA review requires an evaluation of the: project scope, the potential for significant impact on the human environment, e.g., the natural and physical environment and the relationship of people to that environment, and the level of public interest and/or controversy generated by the proposed project. Programs must document review results, even for projects found to be completely covered by a Categorical Exclusion and not considered an Extraordinary Circumstance.

An Environmental Assessment (EA) and/or an Environmental Impact Statement (EIS) will be required BEFORE any potentially impactful activities are started if the project:

- Is not completely covered by a Categorical Exclusion under 43 CFR 46.210 or 516 DM 8.5;
- Does not meet the criteria for any Categorical Exclusion under 43 CFR 46.210 or 516 DM 8.5; OR
- Is considered an Extraordinary Circumstance under 43 CFR 46.215.

The Division of Habitat and Resource Conservation, Branch of Conservation Planning Assistance is responsible for coordination of Service NEPA responsibilities and activities. For more information, see the Service's [NEPA Reference Handbook](#) on the Internet at <http://www.fws.gov/r9esnepa/index.html>.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select "YES" in the Item 12 Response box to confirm that a NEPA review was conducted for the award. Select the applicable Section NEPA circumstance from the drop down list provided under Item 12. Use the check boxes provided under Item 12 to document where any NEPA review documentation for the award will be maintained.

- 3. Section 7 of the Endangered Species Act (ESA) Compliance:** Section 7(a)(2) of the ESA directs all Federal agencies to make sure that any action they authorize, fund, or carry out does not jeopardize the continued existence of an listed, proposed or candidate endangered or threatened species or a designated or proposed critical habitat. Under the implementing regulations (50 CFR 402), Federal agencies must review financial assistance applications for all actions to be conducted within the United States, including U.S. embassies and military installations in foreign countries and the high seas, to determine whether the actions proposed may affect Federally listed, proposed, or candidate species, or proposed or designated critical habitat. The high sea is the sea or ocean beyond the three-mile limit or territorial waters of a country. No further review is required if:

- All project activities will occur outside of the United States; or

- Some or the entire project will be conducted within the United States but either no listed, proposed or candidate endangered or threatened species or designated or proposed critical habitat exists in the project area or the project has no potential to affect species or their designated critical habitats.

The program must determine if further review is required when any project activities are to be conducted in the U.S. or on the high seas and any listed, proposed or candidate endangered or threatened species or designated or proposed critical habitat exists in the project area. If the project *may affect* a listed endangered or threatened species or designated or proposed critical habitat, the program must follow the appropriate intra-Service consultation procedures. The procedures will vary by region, and may vary by program. The process must be completed BEFORE any potentially impactful activities are started by the recipient or their subrecipients. For more information, contact your regional Ecological Services office.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select "YES" in the Item 13 Response box to confirm that a Section 7 ESA review was conducted for the award. Select the applicable Section 7 ESA circumstance from the drop down list provided under Item 13. Use the check boxes provided under Item 13 to document where any Section 7 ESA review documentation for the award will be maintained.

- F. Legal review:** See [505 DM 2](#), Section 2.8 D and E (5) for a description of the legal review responsibilities. There is no dollar threshold or any other pre-defined criteria requiring a legal review of a grant or cooperative agreement. For grants and cooperative agreements, a legal review is generally optional. A legal review is needed only when we determine that the proposed project is of high complexity/novelty, or exhibits intellectual property issues or potential conflicts of interest, or other such concerns.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select either "YES" or "NO" in the Item 14 Response box to indicate if a legal review from the Office of the Solicitor was requested. If "YES" was selected, a copy of the request and any response received must be maintained in the official award file.

- G. Single audit status review:** All U.S. states, local governments, Federally-recognized Indian tribal governments and non-profit organizations that spend \$750,000 or more in Federal award funds in a fiscal year must have a single or program-specific audit conducted for that year in accordance with the provisions of [2 CFR 200, Subpart F—Audit Requirements](#) and submit those reports to the Federal Audit Clearinghouse. As part of their application, these entities must submit a statement regarding whether they were required to have a single audit for their most recently closed fiscal year and, if required, indicate if the report for that audit has been uploaded to the Federal Audit Clearinghouse-Single Audit Database.

For all entities reporting that they *were* required to submit a single audit report in their most recently closed fiscal year, the program office must search the Federal Audit Clearinghouse-Single Audit Database on the Internet at <http://harvester.census.gov/fac> to confirm that the report is available on the site. A dated screen print of the database search results must be maintained in the official award file or centralized subject-matter file.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select "YES" in the Item 15 Response box to confirm that a single audit

status review was conducted for the intended award recipient. Select the applicable single audit circumstance from the drop down list provided under Item 15. For recipients who were required to submit a single audit in their most recently closed FY, use the check boxes provided under Item 15 to document where the required Single Audit Database screen print dated prior to award will be maintained.

**TIP:** To generate a dated screen print, print (Ctrl+P) the “Results from Query of Single Audit Database” screen from within the browser window. Using the Ctrl+P function inserts the date printed on the bottom of the printed page.

## Step 5: Conduct recipient risk assessment

Follow the instructions in the [Recipient Risk Assessment Guidance](#) (Attachment 8) to complete a pre-award risk assessment for each recipient who will be awarded one or more awards from the program. Programs must document the results of their assessment on [FWS Form 3-2462, Financial Assistance Recipient Risk Assessment](#) and incorporate the appropriate monitoring activities into all notices of award to the recipient following the instructions in the [Recipient Risk Assessment Guidance](#). The completed risk assessment must be maintained in either the official award file or centralized subject-matter file (may be preferred if issuing multiple awards to the recipient in a single fiscal year).

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select “YES” in the Item 16 Response box to confirm that [FWS Form 3-2462 Financial Assistance Recipient Risk Assessment](#) was completed and that the appropriate monitoring activities were incorporated into the notice of award following the instructions in the [Recipient Risk Assessment Guidance](#). Use the check boxes provided under Item 16 to document where the completed risk assessment for the intended recipient will be maintained.

## Step 6: Verify intended recipient eligibility

The program or servicing office must verify the intended recipient’s eligibility to receive a Federal assistance award. To do this, the program or servicing office must: 1) make sure that the entity has complied with, or is waived from, the System for Award Management (SAM) and Data Universal Numbering System (DUNS) registration requirements; and 2) confirm that the entity and any key project staff are not suspended or debarred from receiving Federal financial assistance.

**NOTE: Employees performing this step must create and maintain an Individual User Account on SAM.gov.** When applicants register on SAM.gov, they are given the choice to opt out of the public search function. Opting out of the public search function means that their SAM.gov record cannot be seen by the casual public user. To see all SAM records, government employees must register for a SAM.gov Individual User Account with their government email address.

### A. Verify compliance with, or obtain a Service waiver from, the SAM registration requirements

This step does not apply to individuals applying for or receiving funds separate from a business or non-profit organization he/she may operate. Regulations require all entities except individuals that apply for or receive financial assistance awards to register and maintain current information in SAM, unless the Service waives the requirement. To maintain an active registration in SAM, recipients must review and update their SAM information at least annually after the initial registration, and more frequently when information changes. Before registering in SAM, an entity must register in DUNS.

The Service may only approve a waiver from the SAM/DUNS registration requirements if one of the following criteria is met:

1. We must protect information about the entity from disclosure to avoid compromising classified information or national security or jeopardizing the personal safety of the entity's clients, or
2. A foreign entity is applying for or receiving an award for less than \$25,000, the project will be conducted outside of the United States, and we find it impractical for the entity to comply with the requirement.

If one of these criteria is met, the entity can be waived. To request a SAM/DUNS waiver, see the instructions in [516 FW 5, Data Universal Numbering System \(DUNS\) and System for Award Management \(SAM\) Registration Requirements](#). For SAM-waived entities, the completed and signed [FWS Form 3-2451, Financial Assistance Recipient Data Universal Numbering System \(DUNS\)/System for Award Management \(SAM\) Registration Waiver](#) reflecting the approval must be maintained in the award file.

To verify an entity's compliance with the SAM registration requirements, go to <https://www.sam.gov/portal/public/SAM/>, log in, and then search for the entity by the DUNS number provided by the applicant on their SF 424, *Application for Federal Assistance* form. The search by DUNS must return an Active Entity record for the entity. If an Active Entity record is not found, we must contact the entity to inform them that they must register in SAM or revalidate their expired SAM registration. To determine if the entity must either register or revalidate an existing registration, filter your search results to show both Active and Inactive records (the default search is to show only Active records). Once an Active SAM record is available for the entity, do the following:

- Review their registration expiration date, to see if their registration is likely to expire before the award is issued.
- Review their SAM Core Data information, to verify if the entity has one or more DUNS-Plus-4 designations. If they do, see if they have multiple CAGE codes associated with their DUNS number. If they do, the entity will have multiple vendor records in FBMS, one for each unique DUNS-CAGE code combinations. In these cases, we must contact the entity to find out which CAGE code should be associated with the award, as this will be important when selecting the correct FBMS vendor record in Step 7 of this guidance.
- Click on either the "Save PDF" or "Print" icons on top of the search results screen, and then save/print a dated copy of the results.

As applicable to the above circumstance, the required approved SAM waiver or SAM Entity Overview screen print dated prior to award showing an "Active" registration must be maintained in the official award file.

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), select in the Item 17 Response box either:

"N/A-Individual", for awards to individuals, or

"YES", for awards to all other entity types to confirm that the entity was subject to the SAM registration requirement. Then select the applicable SAM registration circumstance from the drop down list provided under Item 17. For SAM-registered entities, enter their DUNS number in the corresponding form header field.

## B. Conduct SAM Exclusions review

Some programs may choose to perform this step before conducting their application review and selection process. However, to ensure selected applicants are eligible at the time the award is issued, perform this step as close to the actual award date as possible. Applications from debarred or suspended applicants may be reviewed and considered for funding because the applicant's debarred or suspended status may be resolved or removed by the time the program issues an award. Department policy [DOI-AAAP-0009, Financial Assistance Application and Merit Review Process](#), requires that we complete a SAM Exclusions review for both the intended recipient and any key/principal project staff person(s).

To conduct the required SAM Exclusions review, go to <https://www.sam.gov/portal/public/SAM/>, log in, and:

1. **For SAM-registered entities**, search for the intended recipient by the DUNS number provided by the applicant on their SF 424, *Application for Federal Assistance* form. This search will return the same results as when completing Step 6.A. of this guidance for SAM-registered entities. If the SAM registration search results record saved/printed in Step 6.A. shows that there are no active exclusions for the intended recipient, no additional documentation is required. For every active exclusion record returned, you must carefully review the record to determine if the exclusion prohibits the entity from receiving a new award from the funding program. In some cases exclusions are specific to a particular type of project or activity. If an active exclusions is found that prohibits the recipient from receiving a new award from the funding program, **STOP HERE. Do not make an award to a suspended or debarred entity!**

For all active exclusions records found that do not prohibit the entity from receiving funds from the program, click on either the "Save PDF" or "Print" icons on top of the detailed active exclusion record screen, and then save/print a dated copy of the results.

2. **For each SAM-waived entity (includes individuals) and each key/principal project person(s)**, click on the "Search Records" tab, enter their name in the "Quick Search" data entry field, and then click the "Search" button (or see the "Advanced Search-Exclusions" button on the "Search Records" to search for more than one name at a time). Review the search results to ensure that neither the intended recipient nor any of their key/principal project person(s) are suspended or debarred from receiving Federal funds under the program.

For each search conducted that results in no active exclusions found for the entity or key/principal project person(s), click on either the "Save PDF" or "Print" icons on top of the search results screen, and then save/print a dated record of the results.

For every active exclusion record returned, you must carefully review the record to determine if the exclusion prohibits the entity from receiving a new award from the funding program. In some cases exclusions are specific to a particular type of project or activity. If an active exclusion is found that prohibits the entity from receiving a new award from the funding program, **STOP HERE. Do not make an award to a suspended or debarred entity!**

For all active exclusions records found that do not prohibit the entity from receiving funds from the program, click on either the “Save PDF” or “Print” icons on top of the detailed active exclusion record screen, and then save/print a dated copy of the record.

All dated copies of SAM Exclusions search and review results as described above must be maintained in the official award file.

**Documentation Required:**

On **FWS Form 3-2460, Checklist for a New Financial Assistance Award**, select “YES” in the Item 18 Response box to confirm that a search of the SAM Exclusions database was conducted for the intended recipient and key/principal project person(s). Select the applicable SAM Exclusions search result from the drop down list provided under Item 18.

## Step 7: Identify FBMS vendor and verify payment method is established

We must establish a payment method for the expected recipient BEFORE releasing an award and obligating funds in FBMS to that recipient. A recipient’s payment method is documented on their vendor record in FBMS. Releasing an award before the recipient’s payment method is documented on their FBMS vendor record will cause system errors and payment delays!

To complete this step, follow the **Establishing a Recipient’s Payment Method before Obligating Funds for a New Grant or Cooperative Agreement Award in FBMS** guidance document posted on the Intranet at <https://inside.fws.gov/go/post/Payments-New>. All attachments referenced in the guidance are also posted on the Intranet on the same page.

**Documentation Required:** On **FWS Form 3-2460, Checklist for a New Financial Assistance Award**, select “YES” Item 19 Response box to confirm that all applicable steps of the **Establishing a Recipient’s Payment Method before Obligating Funds for a New Grant or Cooperative Agreement Award in FBMS** guidance were completed.

## Step 8: Identify the CFDA number

All awards must be assigned a single, valid CFDA number. The CFDA number assigned to an award must match at least one of the CFDA number(s) identified in the NOFO (see Prerequisite section) and Grants.gov Funding Opportunity (see Step 3.B. of this guidance). For more information on the CFDA, see the **CFDA Frequently Asked Questions** document posted on the Intranet at <https://inside.fws.gov/go/post/CFDA>.

**It is important that you assign the correct CFDA Number to the award!** Assigning a CFDA number to an award documents the Service’s authority to award the grant or cooperative agreement. See the Authorization section of the program’s CFDA.gov profile for a list of authorizing legislation. Service programs, and the Service as a whole, use the CFDA number assigned to their awards as a means to filter or consolidate program data used to respond Congressional and Departmental information requests, produce required Congressional reports, and support annual budget justification exercises, among other reporting needs. Assigning an invalid CFDA number to an award will impact the accuracy of that program’s reporting.

If you have any questions regarding which CFDA number to assign to an award, contact the Service’s CFDA Coordinator (contact information posted on the Intranet at <https://inside.fws.gov/go/post/CFDA>).

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), enter the CFDA number and CFDA program title to be assigned to the award in the corresponding header fields.

## Step 9: Complete a notice of award

For every award, we must provide a complete notice of award to the recipient. Awards must include all of the elements required in 2 CFR 200.210. The [Notice of Award Letter Template \(Attachment 9\)](#) addresses all of the required elements. The table below provides guidance on some of these elements:

**Table 5: Notice of Award Elements**

Element	Guidance
<b>Award cover page or letter</b>	<p>The Service has two official formats for the award cover page/letter. Programs may use: 1) the PRISM Grant and Cooperative Agreement Cover Page or 2) a customized notice of award letter based on the <a href="#">Notice of Award Letter Template</a>. <b>No other award formats/documents are authorized for Service use.</b> Award cover pages/letters must be signed by an authorized Service representative (see Service policy <a href="#">516 FW 3</a>).</p> <p>For guidance on setting performance period dates, see the <a href="#">Setting Performance Period Dates for Grant and Cooperative Agreements</a> (Attachment 7) guidance.</p> <p>Awards must include an indication of the timing and scope of expected performance by the non-Federal entity as related to the outcomes intended to be achieved by the program. In some instances, this may be limited to the requirement to submit performance reports. Where appropriate, the award may include specific performance goals, indicators, milestones, or expected outcomes (such as outputs, or services performed or public impacts of any of these) with an expected timeline for accomplishment. If the recipient’s application contains such information, incorporating the application by reference into the award meets these requirements (see 2 CFR 200.210(d)).</p> <p>Programs sending the PRISM Grant and Cooperative Agreement Cover Page to a recipient must modify the form (see Step 11 of this guidance) and make sure the recipient receives all of the required elements not otherwise provided on the form, including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Complete Service project officer contact information,</li> <li>• Detailed payment instructions, and</li> <li>• Detailed financial and performance reporting requirements, including reporting periods, due dates and submission instructions, as required under Service policies <a href="#">516 FW 1</a> and <a href="#">516 FW 2</a>.</li> </ul>
<b>General Terms and Conditions</b>	<p>A notice of award must include, either by citation or as an attachment, the <a href="#">U.S. Fish and Wildlife Service Financial Assistance Award Terms and Conditions</a> posted on the Internet at <a href="http://www.fws.gov/grants/">http://www.fws.gov/grants/</a>.</p>
<b>Special Terms and Conditions</b>	<p>When special terms and conditions are applicable, they must be included in the notice of award. Do not include special terms/conditions that do not apply to the particular award being issued. Use the <a href="#">Sample Financial Assistance Award Special Terms and Conditions</a> document as a starting point for developing any special terms and conditions for the award. Not all the suggested special terms and</p>

Element	Guidance
	conditions will apply to every award.
<b>Additional Information</b>	Attach any additional information required by the program. It is not necessary to re-send the recipient their approved application, as all awards will be based on approved applications submitted by the applicant that match the award to be made in regards to funding amount and project scope (see Step 4 of this guidance).

**Documentation Required:** On [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#), enter in the “Performance Period Start” header field either the actual performance period start date or “Signature date” (if the performance period will start on the date the notice of award cover sheet/letter is signed). Enter the performance period end date in the corresponding header field. A copy of the complete and signed notice of award must be maintained in the official award file.

## Step 10: Compile required pre-award documentation

The following pre-award documentation is required, as applicable to the award:

- ✓ Completed and signed [FWS Form 3-2460, Checklist for a New Financial Assistance Award](#).
 

**Note:** The form is electronically fillable. If the form is signed electronically, the signed form must be printed as a paper copy or as a new PDF document (use the “Save As” button on the top right of the form) so that the responses entered cannot be changed after the signature date.

**Note:** FWS Form 3-2460 must not be modified to incorporate any additional items, program/servicing office-specific operating procedures, or for any other reason. Such items/procedures/needs must be documented separately.
- ✓ If a single source award, completed [FWS Form 3-2452, Determination for Issuing a Single Source Financial Assistance Award](#).
- ✓ For discretionary competitive programs not exempted from the Grants.gov posting requirement under 505 DM 2 AND all single source awards for \$25,000 or more, evidence in the form of dated print screens that a complete Grants.gov NOFO was published.
- ✓ The recipient’s complete approved application that: 1) includes complete and signed SF 424 Application (or OMB-approved alternate), SF 424 Assurances, and SF LLL Lobbying (if applicable) forms; 2) includes a complete SF 424, Budget form and a budget narrative (or OMB-approved alternates); and 3) matches the award to be made in regards to funding amount and project scope
- ✓ For discretionary awards, signed reviewer Conflict of Interest Certification forms as required in DOI-AAAP-0008.
- ✓ For discretionary awards, complete merit review documentation as required in DOI-AAAP-0009.
- ✓ Complete budget review documentation as required in DIG 2013-06.
- ✓ If applicable, a copy of the applicant’s current Negotiated Indirect Cost Rate agreement.
- ✓ Evidence that all legal compliance requirements including National Environmental Policy Act (NEPA), Section 7 of the Endangered Species Act (ESA), and Section 106 of the National Historic Preservation Act (NHPA) were or will be met, and award was conditioned accordingly.
- ✓ If legal review from the Office of the Solicitor was requested, documentation of the request and any response received.

- ✓ For all entities reporting that they were required to submit a single audit report for their most recently closed fiscal year, the “Results from Query of Single Audit Database” print screen.
- ✓ Completed FWS Form **3-2462, Financial Assistance Recipient Risk Assessment**
- ✓ If the AD-WSFR approved a DUNS/SAM waiver for the recipient, the documentation required in Service policy **516 FW 5**.
- ✓ If the entity is required to register in SAM, the SAM.gov print screen showing the entity has an Active registration.
- ✓ Either the SAM.gov print screen(s) showing no active exclusions were found the intended recipient and their key/primary project person(s), or, for every Active Exclusion found, a copy of the complete exclusion record showing that the exclusion does not prohibit the recipient from receiving the award.
- ✓ A complete notice of award, including an award cover page or letter signed by the authorized Service representative (see Service policy **516 FW 3**).

## **Step 11: Complete Grants Purchase Request and PRISM Award processes**

Follow your program/servicing office instructions for completing a Grants Purchase Request and a new award in PRISM.

If you will send the completed **PRISM Grant and Cooperative Agreement Cover Page** form to the recipient as part of the notice of award, the form must be modified before it is sent to the recipient. See the **Modifying the PRISM Grant and Cooperative Agreement Cover Page** (Attachment 11) guidance document for more information.

FBMS Work instructions and the training materials posted on the Intranet at <https://inside.fws.gov/go/post/FAS-Branch> are your best resources for resolving issues. Open an FBMS Help Desk ticket when you are unable to resolve the issue from work instructions and training materials. To open an FBMS Help Desk ticket, send an email to [FBMS\\_helpdesk@nbc.gov](mailto:FBMS_helpdesk@nbc.gov) with a detailed description of the issue, including screenshot of any system error messages and/or screens relevant to the issue being reported.

## **Step 12: Send Notice of Award to the recipient**

Whenever possible, send the complete Notice of Award to the recipient electronically. Recipients are not required to co-sign award cover sheets/letters. Asking a recipient to co-sign the award adds an unnecessary burden and increases the award processing time. See Service policy **516 FW 3** and the **U.S. Fish and Wildlife Service Financial Assistance Award Terms and Conditions** for clarification on when a recipient accepts responsibility for the terms and conditions of the award.

## **Step 13: Create a PRISM Milestone Plan**

A PRISM Milestone Plan is required for all awards issued after March 18, 2013. See Service policy **516 FW 2, Performance Reporting for Grant and Cooperative Agreement Awards** for more information on the Milestone Plan requirement. For instructions on creating a Milestone Plan, see the **Create a Milestone Plan Tutorial** posted on the Intranet at <https://inside.fws.gov/index.cfm/go/post/FAS-Tutorials>.

## Step 14: Establish an official award file

In general, all pre-award documentation unique to an award must be maintained in a single official award file. When official file documentation must be shared between a program office and a servicing office, the offices are jointly responsible for ensuring that the appropriate servicing office and program office employees have ready access to the official award file documentation. This means offices must provide each other hard copies of any official file documentation as soon as it becomes available or upload the documents to a shared, electronically accessible space where they can be easily accessed by servicing and program office staff.

The only exception to the standard of maintaining a single official award file is when the program can eliminate excessive duplication of effort by maintaining some documentation in centralized subject-matter files. All centralized subject-matter files related to financial assistance awards must be well marked, well maintained, accessible to all appropriate servicing and program office staff, and readily available upon request for reviews or audits. However, there are some documents that must *always* be maintained in the official award file. See the Required Documentation boxes throughout this guidance for more information on which documents must be maintained in the official award file.

THIS PAGE INTENTIONALLY LEFT BLANK

Public Law 95-224  
95th Congress

An Act

To distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes.

Feb. 3, 1978  
[H.R. 7691]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Federal Grant and Cooperative Agreement Act of 1977".*

Federal Grant  
and Cooperative  
Agreement Act of  
1977.  
41 USC 501 note.  
41 USC 501.

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) there is a need to distinguish Federal assistance relationships from Federal procurement relationships and thereby to standardize usage and clarify the meaning of the legal instruments which reflect such relationships;

(2) uncertainty as to the meaning of such terms as "contract", "grant", and "cooperative agreement" and the relationships they reflect causes operational inconsistencies, confusion, inefficiency, and waste for recipients of awards as well as for executive agencies; and

(3) the Commission on Government Procurement has documented these findings and concluded that a reduction of the existing inconsistencies, confusion, inefficiency, and waste is feasible and necessary through legislative action.

(b) The purposes of this Act are—

(1) to characterize the relationship between the Federal Government and contractors, State and local governments, and other recipients in the acquisition of property and services and in the furnishing of assistance by the Federal Government so as to promote a better understanding of Federal spending and help eliminate unnecessary administrative requirements on recipients of Federal awards;

(2) to establish Government-wide criteria for selection of appropriate legal instruments to achieve uniformity in the use by the executive agencies of such instruments, a clear definition of the relationships they reflect, and a better understanding of the responsibilities of the parties;

(3) to promote increased discipline in the selection and use of types of contract, grant agreement, and cooperative agreements and to maximize competition in the award of contracts and encourage competition, where deemed appropriate, in the award of grants and cooperative agreements; and

(4) to require a study of the relationship between the Federal Government and grantees and other recipients in Federal assistance programs and the feasibility of developing a comprehensive system of guideline for the use of grant and cooperative agreements, and other forms of Federal assistance in carrying out such programs.

## DEFINITIONS

41 USC 502.

SEC. 3. As used in this Act, the term—

(1) "State government" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, any agency or instrumentality of a State, and any multi-State, regional, or interstate entity which has governmental functions;

(2) "local government" means any unit of government within a State, a county, municipality, city, town, township, local public authority, special district, intrastate district, council of governments, sponsor group representative organization, other interstate government entity, or any other instrumentality of a local government;

(3) "other recipient" means any person or recipient other than a State or local government who is authorized to receive Federal assistance or procurement contracts and includes any charitable or educational institution;

(4) "executive agency" means any executive department as defined in section 101 of title 5, United States Code, a military department as defined in section 102 of title 5, United States Code, an independent establishment as defined in section 104 of title 5, United States Code (except that it shall not include the General Accounting Office), a wholly owned Government corporation; and

(5) "grant or cooperative agreement" does not include any agreement under which only direct Federal cash assistance to individuals, a subsidy, a loan, a loan guarantee, or insurance is provided.

## USE OF CONTRACTS

41 USC 503.

SEC. 4. Each executive agency shall use a type of procurement contract as the legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient—

(1) whenever the principal purpose of the instrument is the acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government; or

(2) whenever an executive agency determines in a specific instance that the use of a type of procurement contract is appropriate.

## USE OF GRANT AGREEMENTS

41 USC 504.

SEC. 5. Each executive agency shall use a type of grant agreement as the legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient whenever—

Transfers.

(1) the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the State or local government or other recipient in order to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government; and

(2) no substantial involvement is anticipated between the executive agency, acting for the Federal Government, and the State or local government or other recipient during performance of the contemplated activity.

## USE OF COOPERATIVE AGREEMENTS

SEC. 6. Each executive agency shall use a type of cooperative agreement as the legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient whenever— 41 USC 505.

(1) the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the State or local government or other recipient to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government; and Transfers.

(2) substantial involvement is anticipated between the executive agency, acting for the Federal Government, and the State or local government or other recipient during performance of the contemplated activity.

## AUTHORIZATIONS

SEC. 7. (a) Notwithstanding any other provision of law, each executive agency authorized by law to enter into contracts, grant or cooperative agreements, or similar arrangements is authorized and directed to enter into and use types of contracts, grant agreements, or cooperative agreements as required by this Act. Contracts, grant or cooperative agreements. 41 USC 506.

(b) The authority to make contracts, grants, and cooperative agreements for the conduct of basic or applied scientific research at nonprofit institutions of higher education, or at nonprofit organizations whose primary purpose is the conduct of scientific research shall include discretionary authority, when it is deemed by the head of the executive agency to be in furtherance of the objectives of the agency, to vest in such institutions or organizations, without further obligation to the Government, or on such other terms and conditions as deemed appropriate, title to equipment or other tangible personal property purchased with such funds. Scientific research.

## STUDY OF FEDERAL ASSISTANCE PROGRAMS

SEC. 8. The Director of the Office of Management and Budget, in cooperation with the executive agencies, shall undertake a study to develop a better understanding of alternative means of implementing Federal assistance programs, and to determine the feasibility of developing a comprehensive system of guidance for Federal assistance programs. Such study shall include a thorough consideration of the findings and recommendations of the Commission on Government Procurement relating to the feasibility of developing such a system. The Director shall consult with and to the extent practicable, involve representatives of the executive agencies, the Congress, the General Accounting Office, and State and local governments, other recipients and other interested members of the public. The result of the study shall be reported to the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate at the earliest practicable date, but in no event later than two years after the date of enactment of this Act. The report on the study shall include (1) detailed descriptions of the alternative means of implementing Federal assistance programs and of the circumstances in which the use of each appears to be most desirable, (2) detailed 41 USC 507.

Contents.

Consultation.

Report to congressional committees.

descriptions of the basic characteristics and an outline of such comprehensive system of guidance for Federal assistance programs, the development of which may be determined feasible, and (3) recommendations concerning arrangements to proceed with the full development of such comprehensive system of guidance and for such administrative or statutory changes, including changes in the provisions of sections 3 through 7 of this Act, as may be deemed appropriate on the basis of the findings of the study.

## GUIDELINES

- 41 USC 508. SEC. 9. The Director of the Office of Management and Budget is authorized to issue supplementary interpretative guidelines to promote consistent and efficient use of contract, grants agreement, and cooperative agreements as defined in this Act.

## REPEALS AND SAVINGS PROVISIONS

Repeal; effective date. SEC. 10. (a) The Act entitled "An Act to authorize the expenditure of funds through grants for support of scientific research, and for other purposes", approved September 6, 1958 (72 Stat. 1793; 42 U.S.C. 1891 and 1892), is repealed, effective one year after the date of enactment of this Act.

41 USC 501 note. (b) Nothing in this Act shall be construed to render void or voidable any existing contract, grant, cooperative agreement, or other contract, grant, or cooperative agreement entered into up to one year after the date of enactment of this Act.

41 USC 509. (c) Nothing in this Act shall require the establishment of a single relationship between the Federal Government and a State or local government or other recipient on a jointly funded project, involving funds from more than one program or appropriation where different relationships would otherwise be appropriate for different components of the project.

Excepted transactions. 41 USC 501 note. Expiration date. (d) The Director of the Office of Management and Budget may except individual transactions or programs of any executive agency from the application of the provisions of this Act. This authority shall expire one year after receipt by the Congress of the study provided for in section 8 of this Act.

Approved February 3, 1978.

## LEGISLATIVE HISTORY:

HOUSE REPORT No. 95-481 (Comm. on Government Operations).

SENATE REPORT No. 95-449 accompanying S. 431 (Comm. on Governmental Affairs).

## CONGRESSIONAL RECORD:

Vol. 123 (1977): Sept. 27, considered and passed House.

Oct. 1, considered and passed Senate, amended, in lieu of S. 431.

Vol. 124 (1978): Jan. 19, House agreed to Senate amendment.