4. RESPONSIBILITIES IN GRANTS ADMINISTRATION

A. Chief Financial Officer and Assistant Secretary for Administration.

1. Pursuant to Department Organization Order (DOO) 10-5, the DOC CFO/ASA has been designated by the Secretary of Commerce to act as the Grants Officer for the Department and is responsible for developing and implementing policies, standards, and procedures for the administration of all financial assistance programs of the DOC.

[**Note**: Under DOO 10-4, EDA has been delegated authority by the Secretary of Commerce to administer the Public Works and Economic Development Act and pertinent provisions of the Trade Act, among other matters. This includes grants administration for such programs. In addition, NIST and NOAA are delegated through DOOs 30-2A and 10-15, respectively, the authority to perform functions in the Federal Grant and Cooperative Agreement Act of 1977 (Public Law 95-224) with regard to making grants and cooperative agreements.]

2. The CFO/ASA hereby delegates the following authorities with respect to awards subject to the provisions of 15 CFR Part 14:

a. The Grants Officer may apply less restrictive requirements when awarding small awards, except for those requirements that are statutory. As defined by 15 CFR Part 14, a small award is a grant or cooperative agreement that does not exceed the small purchase threshold, which is currently $100,000.

b. The Grants Officer may approve exceptions on a case-by-case basis, regardless of the amount of Federal funding. The regulation stipulates that an exception made on a case-by-case basis will only apply to a single award.

[**Note:** This delegation of authority may not be redelegated by the Grants Officer. 15 CFR § 14.4, Deviations, states, "However, in the interest of maximum uniformity, exceptions from the requirements of this part shall be permitted only in unusual circumstances. See Chapter 10, Section A.10., of this Manual for minimum documentary information which must be included in the official award file.]

B. Office of Acquisition Management is delegated the authority to develop, issue and oversee implementation of policies and procedures for the administration of DOC financial assistance programs (including grants, cooperative agreements, loans, and loan guarantees) and to oversee implementation of DOC's audit follow-up program with respect to financial assistance programs. The OAM Director also serves as the Debarring and Suspending Official for DOC nonprocurement actions, and as the Chair of the DOC Grants Council, which is the governing body for enterprise wide policy development and implementation in the DOC for Federal assistance programs. DOO-20-26 further delegates financial assistance functions to GMD. The following functions will be performed by GMD.

1. Provide guidance, interpretations, and technical assistance on regulations, policies, and procedures for the administration of financial assistance to Grants Officers, Program Offices, and others as needed;

2. Develop, prepare, coordinate, and submit notices of Department-wide proposed rulemaking, interim final rules, final rules, and other *Federal Register* notices on financial assistance matters to the Office of Assistant General Counsel for Legislation and Regulation (AGC/L&R), with copies of comments and/or clearances received during coordination;

3. Provide to OMB and other Federal agencies, after review and comment by appropriate operating unit and other Departmental staff, consolidated DOC comments about proposed new government-wide policies and procedures and proposed revisions to policies and procedures related to financial assistance issues;

4. Notify appropriate operating unit and Departmental staff of changes and revisions to government-wide financial assistance policies and procedures or other matters related to financial assistance;

5. Conduct or participate in reviews, task force groups, or other assessments to assure compliance with policies and procedures established for the administration of DOC grant programs;

6. Evaluate, in consultation with other offices as appropriate, status updates provided on implementation of financial assistance audit findings;

7. Develop reports on implementation activities of procurement and financial assistance audit recommendations as necessary for the Secretary's Report to Congress;

8. Serve as the DOC liaison and single point of contact for DOC with OMB, the Government Accountability Office, the Department of the Treasury, and other agencies on financial assistance matters;

9. Coordinate the collection and submission of the information for DOC financial assistance transactions to the government-wide Federal Assistance Awards Data System (FAADS);

10. Prepare, issue, and maintain this Manual and interpret its policies, standards, and procedures;

11. Consider requests for waivers to the provisions of the Manual, as permitted by governing statutes and regulations, and notify the Head of the Operating Unit of the decision to approve or deny the request. If a waiver is denied, a written explanation will be provided to the requester;

12. Convene Department-wide Grants Officer and Grants Council meetings as needed;

13. Review in a timely manner all materials prepared pursuant to the requirements of this Manual for conformance to financial assistance regulations, policies, standards and procedures. These reviews will cover all financial assistance programs of the Department and will include, but not be limited to, the following documents:

a. Proposed *Federal Register* and FFO notices related to administration of financial assistance programs, including announcements of funding availability, information collection activities, and program regulations;

b. Application kits/packages that contain any program-specific forms or requirements beyond those listed in Chapter 9, Section A, of this Manual;

c. Proposed publications that include financial assistance award management or administration procedures or instructions with respect to individual programs or groups of programs; and

d. Other documents as appropriate.

14. Provide technical assistance to operating units with respect to the posting of FFO announcements, synopses, and application packages to Grants.gov, and when necessary, the downloading of electronic applications from Grants.gov for transmittal to operating units for processing.

15. Coordinate with the appropriate program officers and FALD on the establishment of program numbers and updating of text and financial assistance information in the Catalog of Federal Domestic Assistance (CFDA) in accordance with the requirements of OMB Circular A-89, "Federal Domestic Assistance Program Information."

C. Office of General Counsel. Pursuant to DOO 10-6, the functions of the OGC include the preparation or examination for legal form and effect of all instruments entered into by the DOC, including grants and cooperative agreements. These agreements create legal rights and obligations between the government and the recipient. Grant and cooperative agreement instruments are authorized under specific statutory authority, require the issuance by publication in the *Federal Register* of rules and notices and are bound by administrative regulations, Departmental policies, executive orders (EOs), and OMB Circulars. The award, administration, and audit of these agreements may present legal issues, rights, liabilities, and the possibility of disputes which could benefit from timely legal advice and guidance.

1. The OGC provides legal support in the following financial assistance related areas:

a. The Office of the Assistant General Counsel for Legislation & Regulation (AGC/L&R) coordinates and manages compliance with regulatory requirements. This includes coordination,

clearance, and submission of items proposed for publication in the *Federal Register* in accordance with the requirements of DOO 10-6, Section 4.01, Subsections a. and g.

b. Within the Office of the Assistant General Counsel for Finance and Litigation (AGC F&L), the Federal Assistance Law Division (FALD) provides financial assistance related legal representation, advice, and support to Grants Officers and Specialists, Program Officers, OAM, the Nonprocurement Debarring Official, the CFO/ASA, and others. The following functions are performed by FALD:

(1) Legal representation before the Government Accountability Office and administrative tribunals. FALD also provides direct support to the Grants Officer in Federal court litigation regarding the award, administration, and cost disallowance under grants and cooperative agreements;

(2) Legal analysis to Program Officials and Grants Officers of proposed legislation, authorizing statutes and appropriations acts, including implementation by regulation, for assistance programs;

(3) Participation, as appropriate, in compliance reviews, task force groups, or other assessments to ensure compliance with all laws, executive orders, regulations, and policies governing DOC financial assistance.

(4) Legal advice and services to the Debt Workout Groups in accordance with the DOC Credit and Debt Management Operating Standards and Procedures Manual, including assistance with final terminations, settlements, compromises of claims, and referrals of claims to the Department of Justice for collection. The General Litigation Division (GLD), within AGCF&L, also provides legal advice and services relative to debt workout, debt collection, bankruptcy, and, where litigation is a possibility, compliance with environmental laws (e.g., the National Environmental Policy Act of 1969 and state analogs, and the Comprehensive Environmental Response, Compensation and Liability Act of 1980). Coordination with GLD is generally obtained by FALD.

Note: The EDA Chief Counsel's Office and EDA Regional Counsel provide direct supporting legal services with respect to grants and cooperative agreements to EDA program and grants officials. Therefore, references to FALD throughout this Manual generally include EDA counsel with respect to EDA programs. FALD assists, reviews, and provides oversight of EDA counsel's legal advice and guidance on DOC and government-wide requirements.

2. The following decisions or actions raise significant legal issues and therefore require FALD clearance:

a. Proposed rules, interim rules, final rules, *Federal Register* notices of availability of funds, Federal Funding Opportunity announcements, annual solicitations, and requests for proposals relating to financial assistance;

b. Notices of nonprocurement debarment or suspension, determinations, and settlements under 2 CFR Part 1326; and

c. Audit appeal determinations under DAO 213-5, "Audit Resolution and Follow-Up" are submitted to FALD for review and recommendation before clearance by the AGC F & L.

3. The following actions, determinations, and/or documents, for which decision-making authority rests with the responsible Program Official, Grants Officer, or the Director, OAM, require FALD review and opportunity to comment:

a. Application kits/packages, technical evaluation forms, and conflict of interest forms for reviewers. This includes other documents which establish procedures for awards under a financial assistance program;

b. Packages summarizing the competitive review of discretionary funds in accordance with Chapter 8, Section C, of this Manual. These packages should be reviewed by FALD as early as possible prior to approval of awards;

c. Proposed financial assistance competitive awards where the Federal funding is more than $100,000 and all noncompetitive awards. This includes all amendments that accumulate to more than $100,000 in total award funding or add or change the scope of work.

OGC will consider raising the $100,000 threshold for legal review of competitive awards on a program-by-program basis, with the concurrence of the program office, for on-going programs that have not had significant legal issues or audit problems in the past three years. OGC will also consider changing the requirement for legal review of all continuation amendments under multi-year awards, as appropriate. Grants Officers may submit a written request setting forth a justification for raising the threshold to the Chief, FALD, who may provide written approval of such a request when warranted. Contact FALD for further information

Note: Chapter 20 of this Manual provides Guidance on multi-year funding procedures.

d. Interagency or other special agreements (IAAs) executing the transfer of funds in or out for the award of a grant or cooperative agreement. IAAs can include memoranda of agreement, memoranda of understanding, joint project agreements, interagency purchase orders that document both parties' acceptance, or any other document that details the terms of an agreement and the parties' acceptance. Agreements can transfer funds from one party to the other, bind one

or both parties to commit funds or resources to a grant or cooperative agreement, or not involve any resources but describe specific responsibilities under the grant or cooperative agreement;

e. Nonresponsibility and high risk determinations regarding proposed applicants selected for funding;

f. Notices of suspension or termination of awards;

g. Replacement grantees, assignments, and novations, recipient name changes; and

h. Questions regarding selecting officials' involvement as an independent reviewer.

4. It is in the best interest of the Department that Program Officials and Grants Officers consider all legal ramifications of key decisions related to the award and administration of financial assistance. The decision-making authority rests with the responsible Program Officer, Grants Officer, or OAM. The following are examples of actions/decisions/documents regarding which FALD may, upon request, provide coordinated legal review and comment:

a. Budget certification as to the availability of funds, which shall include representations on the following matters when appropriate:

(1) time limitation of funds (annual funds vs. no-year funds);

(2) appropriations act earmarks; and

(3) any other legislative restrictions on appropriations;

b. Proposed requests for OMB clearance of information collection activities under financial assistance programs;

c. Disputes relating to the terms of the award, particularly on occasions when other parties associated with the award are represented by their own attorneys in discussions or written communications on aspects of the grant;

d. Audit resolution determinations establishing a debt, claim, or other adverse action against a recipient. FALD can also provide services as a mediator, facilitator, or third party negotiator for reaching audit resolution determinations when agreement between Grants Officer, Program Official, and OIG Auditor cannot be reached;

e. Comments prepared by DOC officials on proposed rules, interim rules, and revisions to OMB Circulars applicable to Federal assistance including, but not limited to, the award, administration, and audit of grants and cooperative agreements;

f. Congressional, Freedom of Information Act (FOIA), and executive correspondence relating to financial assistance;

g. Amendments to awards involving significant or unique issues; and

h. When the other parties under the grant are represented by their own attorneys in discussions or written communications on aspects of the grant and in other circumstances when there is a need for legal interpretation or other legal advice and any other issues with legal ramifications.

D. Office of Inspector General. Pursuant to DOO 23-1, the OIG is assigned the function of carrying out internal, external, financial statement, information and financial system, and special audits affecting the programs and activities of the DOC. The following functions will be performed by OIG:

1. Conduct, supervise, or coordinate Inspector General (IG) audits, inspections, or investigations relating to DOC financial assistance programs and operations;

2. Coordinate notice to the appropriate Grants Officers of negative findings reported on audits conducted in accordance with the provisions of the Single Audit Act of 1996 and OMB Circular A-133.

3. Prepare reports on audit resolution activities as necessary for the IG's Semiannual Report to Congress.

4. Evaluate, in consultation with other offices as appropriate, responses and proposed actions on OIG recommendations.

5. Participate with the Grants Officer in the resolution of audits conducted on financial assistance awards funded by DOC.

6. Review and advise on the adequacy of the financial management systems maintained by applicants and recipients, the projected or claimed costs, and the projected or reported performance.

7. Assist in performing individual background screenings, upon the request of the Grants Officer, when there are questions about the responsibility, financial integrity, or management principles of applicants or their key individuals. [Chapter 21 of this Manual provides guidance on individual background screening.]

8. Provide guidance about audit related matters to Grants Officers, Program Officers, their staffs, OAM, and others as needed.

9. Participate as appropriate in reviews, task force groups, or other assessments to assure compliance with policies and procedures established for the administration of DOC grant programs.

10. Recommend policies and procedures to promote economy and efficiency, and to prevent and detect fraud, waste, and abuse in DOC financial assistance programs and operations.

E. Financial, Budgeting, and Accounting Responsibilities. The following financial and accounting duties **must be assigned and fulfilled** in connection with financial assistance programs and individual awards:

1. Certify funding availability (this includes assurance that the budgetary line item from which the funds originate is compatible with the financial assistance program under which the funds will be obligated). However, if the funds were transferred from another Federal agency, a copy of the interagency agreement reflecting the statutory authority for the transfer of funds to DOC and the transferring agency's statutory authority to provide financial assistance for this purpose must also be provided.

2. Provide documentation regarding time limitation of funds (e.g., annual funds).

3. Provide citation and, when known, identification of intended recipient for statutory earmarks or Congressional direction to fund financial assistance projects identified in the appropriation act or provided in the House, Senate, or Conference Appropriations Committees reports accompanying the appropriation act. If the earmarked project is contained in the report language and not in the appropriation act, consult FALD to identify the independent statutory authority to make a grant for this purpose.

4. Notify the Grants or Program Officer, as appropriate, of any other restrictions on appropriations.

5. For updates to the Catalogue of Federal Domestic Assistance, bureaus will work closely with their respective budget offices to validate data accuracy and integrity prior to sending the package to OAM's Grants Management Division (GMD). GMD will review the request and, if found satisfactory, will forward the submission to the Departmental Budget Office for final validation and approval. The Departmental Budget Office will then submit the request in accordance with procedures set forth in the annual guidance provided by the General Services Administration.

6. Provide full accounting support and financial advice to Grants Officers, Program Officers, the operating unit, and others as needed.

7. Provide financial data and reports on grants as requested by other Federal agencies, the operating unit, or the Grants Officer.

8. Record the financial transactions associated with each financial assistance award from inception to close-out of the final financial report, including obligation and deobligation of funds, payments, establishment of accounts receivable, and regularly scheduled billings.

9. As recommended by appropriate grants officials, process requests and documentation for disbursement of funds to be issued by electronic funds transfer or by Treasury check when necessary in accordance with the provisions of the Debt Collection Improvement Act of 1996.

10. Notify the Grants Officer and the Program Officer when accounts receivable become delinquent.

11. Provide a monthly listing of delinquent debtors to the Grants Officer for each DOC operating unit and to OAM.

12. Perform the functions normally assigned to the Finance/Accounting Officer, including those stipulated in the DOC Credit and Debt Management Operating Standards and Procedures Handbook.

F. Grants Officer Responsibilities. The Grants Officer oversees the business management and administrative aspects of grants and cooperative agreements. The Grants Officer shall have sufficient experience, training, and expert knowledge in the area of management of Federal grants and cooperative agreements; analysis and resolution of audits of Federal financial assistance awards; and be fully aware of and capable of requiring compliance with applicable laws, regulations, EOs, and policies to effectively carry out these duties. The Grants Officer or designee will coordinate as appropriate with the Program Officers and other appropriate Departmental offices. Grants Officers shall carry out the responsibilities identified in Paragraphs 1, 2, 3, and 4 of this section without any redelegation to other parties. The duties outlined in Paragraphs 5 through 27 may be further delegated by the Grants Officer to appropriate members of the Grants Officer's staff. Although these actions may be delegated to appropriate members of the Grants Officer's staff, these duties ultimately remain the responsibilities of the Grants Officer. Grants administration responsibilities are as follows:

1. Approve awards and amendments that obligate or deobligate funds.

2. Suspend or terminate individual awards, excluding debarment or suspension of a recipient as provided under 2 CFR Part 1326.

3. Make determinations of non-responsibility and designations of high-risk recipients.

4. Approve, as appropriate, less restrictive requirements and exceptions pursuant to the delegation of authority from the CFO/ASA in accordance with Section A.2. of this chapter.

5. Provide grants administration guidance and support to Program Officers, recipients, and others as needed.

6. Maintain the official award files (electronic and/or hard copy) in accordance with Chapter 10, Section A, of this Manual.

7. Ensure that each financial assistance award is prepared and administered in accordance with applicable statutes, regulations, OMB guidance, EOs, and DOC policies.

8. Perform analysis of a proposed budget to assure that costs in the award budget are reasonable, allowable, and allocable in accordance with the applicable cost principles.

9. Ensure that pre-award administrative procedures are carried out, including but not limited to the following:

(a) Assurance that the recipient was competitively selected by the appropriate independent or technical review process or that appropriate noncompetitive selection procedures were followed in accordance with Chapter 8 of this Manual and that the official award file contains the required documentation with respect to selection procedures;

(b) Review of any justification for noncompetitive award of discretionary funds and make determination of adequacy of that justification and the basis for the justification; review of credit reports when negative findings are reported;

(c) Verification concerning an outstanding delinquent receivable or debt;

(d) If applicable, consideration of results of name check review; review of any available A-133 or other audit report;

(e) Review of the General Services Administration's (GSA's) "Excluded Parties List System" to determine whether the applicant has been debarred, suspended, or otherwise excluded from receiving financial assistance;

(f) Assurance that the applicant has submitted a completed form CD-511, "Certification Regarding Lobbying";

(g) Selection of the appropriate funding instrument to be used in a particular transaction, i.e., grant, cooperative agreement, or contract and development of appropriate special award conditions defining the role of the Federal Government when the level of involvement is determined to be substantial and award of a cooperative agreement is warranted;

(h) Inclusion of "Department of Commerce Financial Assistance Standard Terms and Conditions" (DOC ST&Cs) in awards, as applicable, as well as any operating unit-specific standard and/or special award conditions required to protect the Federal Government's interest.

(i) Examination of proposed pre-award costs to determine necessity and applicability to project objectives and approval or disapproval of the pre-award costs, as appropriate;

(j) Performance of individual background screenings in accordance with the requirements stipulated in Chapter 21 of the Manual, including requesting the assistance of the OIG prior to a final determination, when the results of the screening reveal significant adverse information..; and

(k) Collection of all necessary internal clearances (such as OIG, OGC, etc.) for inclusion in the official file.

10. Ensure recipient's compliance with award conditions and take appropriate action in accordance with Chapter 11 of this Manual when there is non-compliance.

11. Review, as necessary, subcontracts and subgrants by the recipient to determine compliance with applicable administrative requirements, requests for foreign travel, and requests for extension of reporting periods.

12. Receive and review financial reports submitted by the recipient to ensure that:

a. Recipients are expending funds at an appropriate rate and that matching requirements are being met;

b. Federal disbursements are comparable with the period covered by requests for payment;

c. Recipients are not maintaining excess cash on hand.

d. Reports submitted by the recipient agree with DOC accounting records of disbursements;

e. Reports contain information on indirect costs and program income if these items are included in the approved budget; and

f. Reports are completed correctly.

13. Review and approve requests for advance or reimbursement or contact recipient if payment cannot be made as requested.

14. Provide proper notice to any recipient in advance of suspending payments, including information on how to remedy the suspending of payments and the assurance that payments will be resumed once the recipient has met requirements.

15. Review recommendations for no-cost amendments (which include, but are not limited to, budget revisions, time extensions to the award period, or changes in the work schedule or key personnel) and approve or notify the Program Office and/or recipient of reason for disapproval.

16. Manage disposition of Federally-owned property by ensuring that the appropriate Property Management Officer is notified of the existence, nature, value, and location of grants property available for disposition, as appropriate.

17. Ensure that the award is administratively closed out and, as applicable, that the official award file is held in the appropriate records holding facility for the appropriate time period before the file is destroyed.

18. Review the audit report, the recipient's response, and the Program Officer's comments and prepare the audit resolution proposal in accordance with DAO 213-5.

19. Notify recipient of any account receivable which is being established and provide required information about how to make payment as well as consequences of nonpayment.

20. Review and process appeals of financial assistance audit resolution determinations in accordance with the provisions of DAO 213-5.

21. Monitor open financial assistance audit recommendations; ensure that open recommendations are properly implemented or, where appropriate, that a delinquent debt is referred to the Debt Workout Group; and ensure that updated status reports for the Secretary's Semiannual Report to Congress on Inspector General audits are properly submitted in a timely manner to OAM.

22. Review in a timely manner the following documents for conformance to government-wide and DOC financial assistance administrative requirements:

a. Proposed *Federal Register* notices and Federal Funding Opportunity announcements;

b. Application kits/packages;

c. Publications (including information on the DOC, operating unit, or program Internet Web site) that include information on financial assistance award management or administration;

d. Proposed requests for OMB clearance of information collection activities under financial assistance programs; and

e. Other documents as appropriate.

23. Ensure that the quarterly financial assistance transactions are reported accurately and in a timely manner to the OAM for the FAADS.

24. Refer proposed nonprocurement suspension and debarment actions to the Department's Debarring and Suspending Official in accordance with provisions contained in 2 CFR Part 1326.

25. Assure that any FOIA requests for documents in an official award file are reviewed and released or withheld in accordance with the provisions of the FOIA. If the Grants Officer is not authorized by agency regulations to withhold documents under the FOIA, the Grants Officer must provide responsive documents to the appropriate initial denial authority.

26. Notify the recipient when the award is close to completion and provide guidance for close-out of the award.

G. Liaison Responsibilities. Each operating unit that provides funding for financial assistance awards shall establish a central liaison to interact with OAM. Each liaison is responsible for performing the following primary duties with respect to financial assistance.

1. Policy Implementation.

a. Establish procedures which support the requirements of this Manual and ensure conformance with the provisions of the Manual;

b. Review relevant draft regulations;

c. Ensure each program's compliance with Federal, Departmental, and operating unit's grants administration requirements;

d. Implement the policy requirements as set forth in this Manual.

2. Monitoring.

a. Review the operating unit's grants administration system for compliance with this Manual; and

b. Review grant forms and other grant documents for compliance with applicable requirements.

3. Liaison and Coordination.

a. Answer questions and inquiries on grant-related matters.

b. Coordinate, as appropriate, the operating unit's consolidated funding and other grant-related activities.

c. Assure appropriate coordination of proposed publications for the *Federal Register* through OAM, OGC, and other DOC offices as appropriate.

d. Disseminate information from OAM to appropriate operating unit personnel and offices.

4. Information Collection, Analysis, and Dissemination. Coordinate preparation and submission of reports on grant-related matters for DOC.

H. Programmatic Responsibilities. The Program Officer, or assigned operating unit component, is responsible for monitoring and oversight of the work being conducted under an award, such as tracking the recipient's progress and comparing the actual accomplishments with the goals and objectives established in the award. The Program Officer shall have sufficient experience, training, and expert knowledge in the specific program area and in program management in general, including knowledge of applicable laws, regulations, and Departmental policies as well as program-specific goals, priorities and policies, to effectively manage the program area and to advise the Grants Officer on all programmatic aspects of the awards. The following are programmatic functions to be performed by the operating unit:

1. Provide programmatic guidance and technical assistance to recipients, Grants Officers, and other officials, as necessary.

2. Establish programmatic policy within the scope of authorizing legislation and Departmental goals and objectives.

3. Develop evaluation criteria and weights or relative values used for competitively selecting applications.

4. Prepare *Federal Register* notices in accordance with Chapter 19 of this Manual, announcing the availability of funds, and other grant-related documents (e.g., information collection, etc.) for publication in the *Federal Register.*

5. Prepare FFO announcements for posting on Grants.gov in accordance with Chapter 19 of this Manual. OAM will provide technical assistance to operating units with respect to the posting of announcements, synopses, and application packages to Grants.gov.

6. Prepare, in consultation with the Grants Officer, the application package for the program, including any requests for OMB clearance of information collection activities that may be required by the program or by individual financial assistance awards under the program.

7. Develop and coordinate the competitive review process in accordance with Chapter 8 of this Manual, select qualified reviewers who have no conflicts of interest, ensure that each application receives the appropriate (independent or technical) and objective review, and verify that the ranking or selection of applications is based on the published selection criteria.

8. Develop and provide to the Grants Officer written justification for proposed noncompetitive awards of discretionary funds and provide basis for justification.

9. Receive and review applications and proposals. Also review justifications for compliance with existing program guidelines, regulations, and legislation, as well as proposed budgets to determine the reasonableness, necessity, and adequacy of proposed costs for accomplishing the objectives of the proposed award.

10. Establish criteria for evaluating project performance.

11. Provide to Grants Officer, for the official award file, a complete and accurate funding recommendation package in accordance with instructions contained in Chapter 9, Section B., of this Manual. This includes the packages summarizing the results of the competitive review process described in Chapter 8, Section C., of this Manual.

12. Provide or make available to the Grants Officer for the official award files: internal memoranda and all correspondence (scanned or original signatures required when available) regarding specific award files, recipient performance reports, written evaluations of performance reports and of any on-site visits, and commercial credit reports, if applicable.

13. Notify unsuccessful applicants of decision not to fund an application in accordance with Chapter 8 of this Manual.

14. Monitor project activities to ensure that goals are being achieved and the project is being carried out properly.

15. Provide written background and recommendations to the Grants Officer on programmatic issues, such as amendments to the project description or budget.

16. Review financial and performance or technical reports for consistency with approved project. Notify the Grants Officer if the recipient is not in compliance with the terms of the award.

17. Evaluate all performance, property, and patent reports submitted by the recipient and provide a copy, as applicable, within 30 days to the Grants Officer.

18. Report to Grants Officer, within 30 days, on potential or existing problems, financial inconsistencies, or situations of noncompliance and provide recommendation for remedy.

19. Monitor the recipient's purchase and use of property purchased with award funds or furnished by the Federal Government under the grant, and assist the Grants Officer to ensure compliance with the relevant provisions of 15 CFR Part 24.31, 15 CFR Part 14.32, the DOC Personal Property Management Manual, the DOC Real Property Management Manual, and any other applicable legal requirements.

20. Review, analyze, and comment on audit reports provided by the Grants Officer for review and comment, the recipient's response to audit reports, and audit determination appeals.

21. Assure that any FOIA requests for documents in the Program Office files are reviewed and released or withheld in accordance with the provisions of the FOIA.

22. Ensure compliance with all relevant programmatic statutes, regulations, EOs, and policies, including, for example, civil rights and environmental issues. These factors should be considered at an early stage in the application or proposal review process. This includes encouraging applicants to build environmental considerations into their own planning processes in a way that facilitates National Environmental Policy Act and other environmental compliance requirements. The funding agency is ultimately responsible for environmental compliance and has a duty to enforce recipient compliance as a condition of funding.

23. Recommend to the Grants Officer suspension or termination of the award, when appropriate.

24. Provide one copy each to the Grants Officer and to the Budget Officer of any agreement effecting a transfer of funds from other Federal agencies or from another DOC operating unit for award(s) and identify to the Grants Officer any restrictions placed on funds that are transferred from other Federal agencies for inclusion in a DOC grant or cooperative agreement.

[**Note:** A transfer of funds cannot be used for financial assistance unless there is statutory authority allowing the transfer. In addition, both the DOC operating unit and the other agency must possess the requisite grant-making and mission-related authorities to carry out the work under the award. Also, see Chapter 16, Section X., of this Manual.]

25. Arrange for an independent review to be conducted of institutional grant program and/or awards in accordance with Chapter 16, Section K.2., of this Manual.

26. Assure that the program is in compliance with provisions of EO 12372, "Intergovernmental Review of Federal Programs," and coordinate, as appropriate, with the Office of Legislative and Intergovernmental Affairs (OLIA) to determine if the program is covered by EO 12372.

I. Property Management Responsibilities

1. Ensure uniform implementation of operating unit policies and procedures pertaining to the administration of property purchased by the recipient with funds under the award or furnished by the Federal Government under an award;

2. If requested by the Grants Officer, provide guidance to recipients in establishing and maintaining property accountability systems, and in the use and control of property acquired under the provisions of an award;

3. If requested by the Grants Officer, establish and maintain property accountability records, provide property disposition instructions to recipients, and provide a copy of the instructions to the Grants Officer; and

4. Provide support and assistance to the Grants and Program Officers, as needed, regarding any and all property matters, including real property funded or partially funded with Federal funds through a financial assistance award.