

2. INTRODUCTION

A. Purpose

This Manual sets forth DOC guidance on Federal financial assistance award administration and provides DOC with a uniform set of minimum procedures to govern the award lifecycle, from the requirements for announcing the availability of Federal funding, including the Notice of Funding Opportunity (NOFO) to reviewing, awarding, managing, and closing out awards. This Manual references policies and procedures for use by DOC offices and operating units to ensure the consistent implementation of legislation, regulations, Office of Management and Budget (OMB) circulars, Executive Orders (EOs), and DOC policies and procedures, as appropriate, related to Federal financial assistance. This Manual is for internal use by DOC personnel and does not create any rights or liabilities with respect to the public or any third party.

B. Authority

This Manual is issued pursuant to the authority of 5 U.S.C. § 301 (Departmental Regulations) and Department Organization Order (DOO) 10-5 (Chief Financial Officer and Assistant Secretary for Administration).

C. Coverage

This Manual applies to all DOC operating units in their administration, award, and management of DOC financial assistance programs. This Manual shall have the same force and effect as a Department Administrative Order (DAO). Amendments or revisions to this Manual may be developed and issued by the OAM Director to comply with changes in legislation or regulations, Executive Orders, audit findings, or any interpretation thereof. Proposed amendments to this Manual will be distributed for review and comment by DOC operating units, the Office of the General Counsel, and appropriate stakeholders.

D. Effect on Other Issuances

This Manual provides guidance for the administration of Federal financial assistance awards, and supersedes all previous financial assistance directives, including notices and orders. DOC operating units may develop and issue supplemental policies and procedures to cover items not covered by this Manual. Supplemental policies and procedures must address programmatic requirements and/or implement unique statutory requirements and regulations that do not conflict with this Manual. The heads of operating units or appropriate officials of operating units must submit supplements, and any revisions thereto, and an assurance that the supplement is consistent with the requirements in this Manual, to the Office of Inspector General (OIG), the Office of the General Counsel (OGC), and OAM for timely review and comment prior to internal issuance and use.

E. Requirements for the Administration of DOC Awards

As a condition of receiving Federal financial assistance, DOC enforces recipient compliance with government-wide and DOC-wide rules and regulations that govern Federal awards. Operating units, as well as recipients and subrecipients of federal awards, must administer and implement DOC financial assistance awards in accordance with applicable statutes, regulations, EOs, and OMB circulars. A list of requirements includes but is not limited to the following:

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards codified at 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

In accordance with the Federal Register notice published on December 19, 2014 (79 FR 75871) and the regulation at 2 CFR § 1327.101, effective December 26, 2014, DOC adopted the Uniform Guidance issued by the OMB to help ensure consistent government-wide policies and procedures for the management of operating units' Federal financial assistance. Pursuant to 2 CFR § 200.109 (Review date), the Uniform Guidance must be reviewed periodically. As a result, revisions to the Uniform Guidance were published on April 22, 2024, with an effective date of October 1, 2024, unless otherwise specified in an award.

2. Contract Cost Principles and Procedures (48 CFR Part 31).

The Uniform Guidance includes cost principles set out in Subpart E, but does not address the Contract Cost Principles, which generally apply to for-profit organizations. At 2 CFR § 200.101(a)(2), the Uniform Guidance provides that agencies may apply Subpart A through Subpart E of 2 CFR Part 200 to for-profit organizations. Therefore, the Grants Officer, in consultation with the Program Office, may elect to apply the cost principles under the Uniform Guidance (*see* Subpart E to 2 CFR Part 200) or the Contract Cost Principles when making an award to a for-profit organization.

3. Other Requirements.

- a. OMB Circular A-50 Revised (Audit Follow Up), except as superseded by 2 CFR Part 200 (*see* 2 CFR § 200.104 (Supersession));
- b. OMB Circular A-129 Revised (Policies for Federal Credit Programs and Non-Tax Receivables);
- c. 2 CFR Part 1326 (Nonprocurement Debarment and Suspension);
- d. 2 CFR Part 1329 (Governmentwide Requirements for Drug-Free Workplace (Financial Assistance));
- e. 5 CFR Part 1320 (Controlling Paperwork Burdens on the Public);
- f. 15 CFR Part 8 (Nondiscrimination in Federally Assisted Programs of the Department of Commerce – Effectuation of Title VI of the Civil Rights Act of 1964);
- g. 15 CFR Part 8a (Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance);
- h. 15 CFR Part 8b (Prohibition of Discrimination Against the Handicapped in Federally Assisted Programs Operated by the Department of Commerce);
- i. 15 CFR Part 11 (Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs);
- j. 2 CFR Part 200, Appendix 1, D.5 (Intergovernmental Review);
- k. 15 CFR Part 20 (Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance);
- l. 15 CFR Part 19 (Commerce Debt Collection);
- m. 15 CFR Part 25 (Program Fraud Civil Remedies);
- n. 15 CFR Part 27 (Protection of Human Subjects);
- o. 15 CFR Part 28 (New Restrictions on Lobbying);
- p. 15 CFR Part 273 (Metric Conversion Policy for Federal Agencies);
- q. 31 CFR Part 223 (Surety Companies Doing Business with the United States);

- r. 31 CFR Part 900-904 (Federal Claims Collection Standards);
 - s. 37 CFR Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements);
 - t. 46 U.S.C. § 55305 - Cargo Preference Act of 1954
 - u. EO 13693 (Mar 19, 2015, Planning for Federal Sustainability in the Next Decade);
 - v. EO's 12549 and 12689 (Debarment and Suspension);
 - w. EO 13798 (May 4, 2017, Promoting Free Speech and Religious Liberty) and OMB M-20-09;
- and
- x. Assurances contained in OMB Standard Forms: Form SF-424B (Assurances – Non-Construction Programs) and Form SF-424D (Assurances – Construction Programs), which reference laws and regulations that may apply to particular awards.

4. DOC General Terms and Conditions (GT&Cs).

The DOC GT&Cs list statutes, regulations, EOs, OMB circulars, provisions of the Uniform Guidance, and any other incorporated terms and conditions that apply to DOC financial assistance awards. Any recipient of a DOC financial assistance award must comply, and require each of its subrecipients to comply, with the DOC GT&Cs.

5. Order of Precedence. While conflicting guidance is not intended, any inconsistency or discrepancy in the provisions of this Manual will be resolved by giving precedence in the following order: (a) public laws, (b) regulations, (c) applicable notices published in the Federal Register, (d) EOs, (e) OMB circulars, (f) DOC GT&Cs, (g) operating unit standard award conditions (if any), and (h) any specific award conditions.

Specific award conditions may take precedence over DOC GT&Cs, on a case-by-case basis, when allowed by the DOC GT&Cs, statute, regulation, or other legal authority.

6. Annual appropriations acts. An annual appropriations act may include general provisions which dictate national policy requirements that apply to the use of funds appropriated by the act. Because these requirements can be of limited duration and because they can vary from year to year and from one agency's appropriations act to another agency's appropriations act, the Grants Officer must know the agency or agencies and fiscal year(s) of the appropriation being obligated and may need to consult with the Federal Assistance Law Division (FALD) or the Budget Office if the requirements applicable to those appropriations are unknown.

7. Human Subjects Research. DOC or individual operating units may adopt further requirements and policies related to Federal awards involving human subjects research.