

4. RESPONSIBILITIES IN FEDERAL FINANCIAL ASSISTANCE ADMINISTRATION

A. Chief Financial Officer and Assistant Secretary for Administration

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

Under DOO 10-4 (Assistant Secretary for Economic Development) EDA has been delegated authority by the Secretary of Commerce to administer the Public Works and Economic Development Act of 1965, as amended (PWEDA) and pertinent provisions of the Trade Act and the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science (COMPETES) Reauthorization Act of 2010, among other matters. This includes grants administration for such programs. In addition, under DOOs 30-2A (National Institute of Standards and Technology) and 10-15 (Under Secretary of Commerce for Oceans and Atmosphere and Administrator of the National Oceanic and Atmospheric Administration) respectively, NIST and NOAA are delegated the authority to enter into grants and cooperative agreements.

2. The CFO/ASA hereby delegates the authority to approve exceptions to awards subject to the provisions of 2 CFR § 200.102 (Exceptions) to the Grants Officer identified by the head of the operating unit. This delegation of authority may not be re-delegated by the Grants Officer.

B. Office of Acquisition Management

OAM is delegated the authority to develop, issue and oversee implementation of policies and procedures for the administration of DOC financial assistance programs and to oversee implementation of DOC's audit follow-up for financial assistance programs. The OAM Director serves as the Chair of the DOC Grants Council, the governing body for Federal financial assistance policy development and implementation. DOO 10-5 § 1.02.f states that the CFO/ASA "assigns responsibility for financial assistance administrative and operational policies to the Director for Acquisition Management." FAPOD, located within OAM, is responsible for the administrative and operational policies for DOC financial assistance programs.

The following functions will be performed by FAPOD:

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

2. Develop, prepare, coordinate, and submit notices of DOC-wide proposed rulemaking, interim final rules, final rules, and other *Federal Register* notices regarding financial assistance matters to the Office of the 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 DOC's consolidated comments concerning proposed new government-wide policies and procedures and proposed revisions to policies and procedures related to Federal financial assistance.

4. Notify appropriate operating unit and DOC 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 financial assistance 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 financial assistance audit recommendations as necessary for reporting to Congress by the Secretary of Commerce.
8. Serve as the DOC liaison and single point of contact for DOC with OMB, the Government Accountability Office, the U.S. Department of the Treasury, the U.S. Department of Health and Human Services (including Grants.gov), and other agencies on financial assistance matters.
9. Coordinate the collection and submission of the information for DOC financial assistance transactions to the official government-wide open data source of federal spending information, USAspending.gov.
10. Prepare, issue, and maintain this Manual, and interpret and amend its policies, standards, and procedures, as needed.
11. Consider requests for waivers to the provisions of this Manual, as permitted by governing statutes and regulations, and notify the relevant 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 DOC-wide Grants Council meetings.
13. Review materials prepared pursuant to the requirements of this Manual for conformance to financial assistance regulations, policies, standards, and procedures. These reviews apply to all DOC financial assistance programs and shall include but not be limited to the following documents:
 - a. Proposed *Federal Register* notices, related to administration of financial assistance programs, including announcements of funding availability, information collection activities, and program regulations;
 - b. Application packages that contain any program-specific forms or requirements beyond those listed in Chapter 9 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. Coordinate with the appropriate Grants Officers, Program Offices and if needed, FALD, within the Office of the Assistant General Counsel for Transactions and Program Management (AGC/TPM), on

establishing program numbers and updating Assistance Listings text and financial assistance information in SAM.gov.

C. Office of the General Counsel

Pursuant to DOO 10-6 (Office of the General Counsel), OGC functions include the preparation or examination for legal form and effect, of all transactional legal instruments including, but not limited to, contracts, financial assistance agreements, interagency and other special agreements, leases, licenses, bonds, and settlement agreements resolving litigation or claims against DOC, entered into by DOC. Financial assistance awards create legally binding rights and obligations between the government and the recipient. These awards must be authorized under specific statutory authority, may require the issuance by publication in the *Federal Register* of applicable rules and notices, and are bound by requirements set out in administrative regulations, DOC policies, EOs, OMB Circulars, and the Uniform Guidance. The award, administration, and audit of financial assistance agreements may give rise to legal issues, rights, liabilities, and the possibility of disputes, which presents the need for timely legal advice and guidance.

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

a. 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. AGC/L&R also coordinates and serves as a liaison relative to OMB's review of certain NOFOs as discussed in Chapter 17 of this Manual.

b. FALD provides Federal financial assistance related legal representation, advice and support to Grants Officers and Specialists, Program Officers, OAM, the Nonprocurement Suspension and Debarment 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 and to the AGC for Employment, Litigation, and Information (AGC/ELI) in Federal court litigation regarding the award, administration, and cost disallowance under financial assistance;

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

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

(4) Legal advice and services to the Debt Workout Groups in accordance with the DOC *Credit and Debt Management Operating Standards and Procedures Handbook*. This includes assistance with final terminations, settlements, compromises of claims, and referrals of claims to the U.S. Department of Justice for collection. The General Litigation Division (Gen Lit), within AGC/ELI, also provides legal advice and services related to debt workout, debt collection, and bankruptcy. In addition, the Real Property, Energy and Environmental Law Division (RPEELD), within AGC/TPM, is

available for consultation regarding property and environmental concerns 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 Gen Lit and RPEELD may be pursued directly by Program Officials or Grants Officers or may be coordinated through FALD.

EDA's Office of Chief Counsel (OCC) provides direct legal services with respect to EDA financial assistance awards to EDA program and grants officials. References to FALD throughout this Manual generally include EDA's OCC with respect to EDA programs, in that, FALD collaborates with, and provides oversight of, EDA counsel's advice and guidance on DOC Federal financial assistance award requirements.

2. The following decisions or actions require FALD clearance:

- a. Proposed rules, interim rules, final rules, *Federal Register* notices of availability of funds, NOFOs (to include any waivers and/or amendments to a NOFO), and all other federal funding announcements 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 and Evaluation Resolution and Follow-Up).

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 review of applications for discretionary funds in accordance with Chapter 8 of this Manual. These packages should be reviewed by FALD as early as possible prior to approval of application selections for awards;
- c. Proposed financial assistance competitive awards where the amount of Federal funding exceeds the simplified acquisition threshold and all noncompetitive awards, *see also* 41 U.S.C. § 134 (the simplified acquisition threshold). OGC will consider requests to raise the award review threshold or to waive the legal review requirement for awards on a program-by-program basis, with the concurrence of the Program Office, for ongoing programs that have not had significant legal issues or audit problems in the past three years. OGC will also consider requests to change the requirement for legal review of individual amendments to institutional awards that are under the simplified acquisition threshold, but where the underlying award totals more than the simplified acquisition threshold, as appropriate. OGC review is not required for continuation amendments under multi-year awards, unless the amendment involves substantive changes to the terms and conditions of an award, significant changes to the scope of work or budget, change in program priorities, enforcement actions, or other noteworthy actions. Grants Officers may submit a written request to the FALD Chief setting forth a justification for raising the award review threshold or for

waiving the FALD review requirement, or FALD staff may recommend such actions to the FALD Chief, who may provide written approval of such a request when warranted.

d. Interagency or other special agreements (IAAs) typically executing the transfer of funds in or out of DOC. Among other purposes, IAAs may be used to facilitate one party making a financial assistance award on behalf of another. IAAs may include memoranda of agreement, memoranda of understanding, joint project agreements, interagency purchase orders that document acceptance by all parties, or any other document that details the terms of an agreement and the parties' acceptance. Such 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 assigned to various parties in accordance with the terms of the agreement. All IAAs require review and approval by the AGC/TPM General Law Division (GLD).

When DOC provides Federal funds to another Federal agency that is administering a collaborative project with DOC, the agreement governing that transfer of funds must stipulate that DOC funds shall not be used to pay for management fees in excess of costs or profits in a financial assistance award, unless statutorily authorized. See Chapter 9 of this Manual.

e. Pre- and post-award risk assessments resulting in the imposition of additional specific award conditions pursuant to 2 CFR § 200.206 (Federal agency review of risk posed by applicants) and §200.208 (Specific conditions);

f. Notices of suspension or termination of awards;

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

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

4. To protect the interests of the Federal Government, Program Officials and Grants Officers must 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, Budget or Finance Official, or OAM. The following are examples of actions/decisions/documents that 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 or time-limited funds vs. no-year funds);

(2) Appropriations act; and

(3) Any legislative restrictions on appropriations.

b. Questions pertaining to whether Paperwork Reduction Act (PRA), 44 U.S.C. § 3501, clearance is required for a proposed information collection in connection with a financial assistance program, in addition to FALD review of proposed PRA packages being submitted for OMB clearance;

- c. Disputes relating to the terms and conditions of the financial assistance award in discussions or written communications on aspects of the award, particularly on occasions when other parties associated with the award are represented by their own attorneys;
- d. Management decision letters 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 management decision letters when agreement between the Grants Officer, Program Official, and OIG Auditor (when applicable) cannot be reached;
- e. Comments prepared by DOC officials on proposed rules, interim rules, and revisions to OMB Circulars applicable to Federal financial assistance including, but not limited to, the award, administration, and audit of Federal financial assistance;
- f. Congressional, Freedom of Information Act (FOIA), and executive correspondence relating to Federal financial assistance; and
- g. Amendments to existing Federal financial assistance awards involving significant or unique issues; and
- h. When there is a need for legal interpretation or other legal advice, and any other issues with potential legal ramifications.

D. Office of Inspector General

Pursuant to DDO 23-1 (Office of the Inspector General), 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 DOC. The following functions are performed by the OIG:

1. Conduct, supervise, or coordinate Inspector General (IG) audits, inspections, or investigations relating to DOC financial assistance programs and operations.
2. Prepare reports on audit resolution activities as necessary for the IG's Semiannual Report to Congress.
3. Evaluate, in consultation with other offices as appropriate, responses and proposed actions on OIG recommendations.
4. Participate with the Grants Officer in the resolution of OIG audits conducted on financial assistance awards issued by DOC.
5. 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.
6. Provide guidance on audit related matters to Grants Officers, Program Officers, OAM, and others as needed.

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

8. 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. Grants Office

The Grants Officer oversees the business management and administrative aspects of Federal financial assistance awards. The Grants Officer or designee will coordinate as appropriate with the Program Officers and other appropriate DOC offices. Grants Officers shall carry out the responsibilities identified in Paragraphs 1, 2, 3, and 4 of this section without any re-delegation to other parties. The responsibilities outlined in Paragraphs 5 through 25 may be delegated by the Grants Officer to appropriate members of the Grants Officer's staff. Although these responsibilities may be delegated, these duties ultimately remain the responsibilities of the Grants Officer.

The Grants Officer should know what functions are inherently governmental and critical. Contractors and recipients cannot perform inherently governmental and critical functions and are prohibited from making determinations, approving, and directing functions that should be done by Federal officials (e.g., acquisition planning, determining minimum needs of the Federal government, deriving contract cost estimates, voting on contract evaluation panels or selecting contract awardees). Additionally, a contractor cannot make final contracting decisions, including determining award fees, terminations for convenience or cause or order any changes under a contract. Contractors may provide support to Federal government decision makers in each of these areas but cannot make the actual determinations. For a list of inherently governmental functions, see the OMB Office of Federal Procurement Policy Publication of the Office of Federal Procurement Policy (OFPP) Policy Letter 11-01 (Performance of Inherently Governmental and Critical Functions), available at <http://www.gpo.gov/fdsys/pkg/FR-2011-09-12/pdf/2011-23165.pdf>.

Grants Officer administration responsibilities are as follows:

1. Approve awards and any amendments thereto which obligate or deobligate funds.
2. Suspend or terminate individual awards, excluding debarment or suspension of a recipient as provided in 2 CFR Part 1326.
3. Approve final pre-award risk assessment (completed in accordance with 2 CFR § 200.206 (Federal agency review of risk posed by applicants)) and the imposition of specific award conditions (in accordance with 2 CFR § 200.208 (Specific conditions)).
4. Approve, as appropriate, exceptions pursuant to the delegation of authority from the CFO/ASA in accordance with 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).

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 cost analyses of proposed budgets to ensure costs in the award budget are reasonable, allowable, and allocable in accordance with the applicable cost principles.
9. Ensure pre-award administrative procedures are carried out, including but not limited to the following:
 - a. Provide 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 and make determination of the adequacy and basis for the justification;
 - c. Provide written verification concerning an outstanding delinquent receivable or debt;
 - d. If applicable, review of any available Single Audit (*see* Subpart F to 2 CFR Part 200) or other audit report;
 - e. Recommend to the Grants Officer and to the Program Official the appropriate funding instrument to be used in a particular transaction, i.e., grant, cooperative agreement, or contract.
 - f. Develop appropriate specific 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;
 - g. Include DOC GT&Cs in awards, as applicable, as well as any operating unit-specific standard and/or specific award conditions required to protect the Federal Government's interest;
 - h. Examine proposed pre-award costs to determine necessity and applicability to project objectives and recommend to the Grants Officer the approval or disapproval of the pre-award costs, as appropriate; and
 - i. Collect all necessary internal clearances (such as OIG, OGC, etc.) for inclusion in the official award file.
10. Ensure the recipient's compliance with award terms and conditions and recommend appropriate action to the Grants Officer when there is a potential or actual occurrence of non-compliance.
11. Review, as necessary, compliance with applicable administrative requirements for a recipient's contracts and subawards and requests for foreign travel, and requests for extension of reporting periods.

12. Receive, review, and approve financial reports submitted by the recipient to ensure:
 - 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 recipients' requests for funds.
 - c. Recipients are not maintaining excess cash on hand.
 - d. Reports submitted by the recipient are consistent with DOC accounting records of disbursements made to the recipient.
 - e. Reports contain information on indirect costs and program income if these items are included in the approved budget; and
 - f. Reports are completed timely, accurately, and correctly as required under the financial assistance award.
13. Review and approve requests for advance or reimbursement or contact the 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 suspension, whether it is of the award or of award 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 period of performance, 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 real property, personal property or supplies acquired in whole or in part under a financial assistance award by ensuring that the appropriate Property Management Officer is notified of the existence, nature, value, and location of said property under an award 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 management decision (see Subpart F to 2 CFR Part 200).
19. Notify the recipient of any account receivable established and provide required information about how to make payment as well as consequences of nonpayment.
20. Monitor open financial assistance audit recommendations; ensure that open recommendations are properly implemented.

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

- a. Proposed *Federal Register* notices, as required, and Notices of Funding Opportunities;
- b. Application kits/packages;
- c. Publications (including information on DOC, operating unit, or program Internet website) 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.

22. Ensure that quarterly financial assistance transactions are reported accurately and in a timely manner to USAspending.gov and all other government reporting systems, as appropriate.

23. Refer proposed nonprocurement suspension and debarment actions to the DOC's Suspending and Debarment Official in accordance with the provisions in 2 CFR Part 1326.

24. Ensure that any FOIA requests for documents in an official award file are reviewed and released or withheld in accordance with FOIA requirements. 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.

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

F. 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 that adhere to the requirements described in this Manual and ensure conformance with the provisions of this Manual;
 - b. Review relevant draft regulations;
 - c. Ensure each program's compliance with Federal, DOC, and operating unit financial assistance administrative requirements; and
 - d. Implement the policy requirements as set forth in this Manual.

2. Monitoring.

a. Review the operating unit's financial assistance administration system for compliance with the requirements listed in this Manual; and

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

3. Liaison and Coordination.

a. Answer questions and inquiries on financial assistance-related matters;

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

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

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

4. Information Collection, Analysis, and Dissemination.

a. Coordinate preparation and submission of reports on Federal financial assistance-related matters to DOC.

G. Program Office

The Program Office is responsible for monitoring and oversight of the performance under an award, such as tracking the recipient's progress, comparing the actual accomplishments with the goals and objectives established in the award, and advising the Grants Officer on all programmatic aspects of the awards.

The Program Officer must be familiar with functions that are inherently governmental and critical. Contractors and grantees cannot perform inherently governmental and critical functions and are prohibited from making determinations, approving, and directing functions that must be undertaken by Federal officials (e.g., acquisition planning, determining minimum needs of the Federal government, deriving contract costs estimates, voting on contract evaluation panels or selecting recipients are also inherently federal functions). Additionally, a contractor cannot make final decisions, including determining contract award fees or terminations for convenience or cause. Contractors may provide support to Federal government decision makers in each of these areas but cannot make the actual determinations. For a list of inherently governmental functions, see the OMB Office of Federal Procurement Policy Publication of the Office of Federal Procurement Policy (OFPP) Policy Letter 11-01 (Performance of Inherently Governmental and Critical Functions), available at <http://www.gpo.gov/fdsys/pkg/FR-2011-09-12/pdf/2011-23165.pdf>.

The following are programmatic functions to be performed by the Program Office:

1. Ensure compliance with all relevant programmatic statutes, regulations, EOs, and policies (. These factors should be considered at an early stage in the application or proposal review process.
2. Provide programmatic guidance and technical assistance to recipients, Grants Officers, and other officials, as necessary.
3. Establish programmatic policy within the scope of authorizing legislation and DOC goals and objectives.
4. Develop the evaluation process, criteria, and weights or relative values used for competitively selecting applications.
5. Prepare *Federal Register* notices, as required, in accordance with Chapter 17 of this Manual, announcing the availability of funds.
6. Prepare NOFOs for posting in accordance with Chapter 17 of this Manual.
7. Prepare the program application package, in consultation with the Grants Office and FALD, including completing 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.
8. 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 each application receives the appropriate independent or technical and objective review, and verify the ranking or selection of applications is based on the published selection criteria.
9. Develop and provide to the Grants Officer written justification for proposed noncompetitive awards of discretionary funds and provide basis for justification, in accordance with Chapter 6 of this Manual.
10. Receive and review applications. Also review justifications for compliance with existing program guidelines, regulations, and legislation, as well as proposed budgets to determine if the proposed costs are reasonable, allowable, and allocable for accomplishing the objectives of the proposed award.
11. Establish criteria for evaluating project performance. *See* 2 CFR § 200.301 (Performance measurement).
12. Provide to the Grants Officer, for the official award file, a complete and accurate funding recommendation package in accordance with instructions contained in Chapter 9 of this Manual. This includes the packages summarizing the results of the review process, for both competitive and non-competitive awards as described in Chapter 8 of this Manual.
13. Provide or make available all internal memoranda and 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 for the official award file.

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

15. Monitor program and/or project activities to ensure goals and objectives are being achieved and the project is being executed properly.

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

17. Review and evaluate all reports, including financial, performance or technical reports, property, and patent reports submitted by the recipient for consistency with the approved project and provide copies to the Grants Officer.

18. Report to the Grants Officer any potential or existing problems, financial inconsistencies, or instances of noncompliance and provide recommendations for resolution within 30 calendar days of discovery.

19. Monitor the recipient's purchase and use of property acquired under the award or furnished by the Federal Government under the award and assist the Grants Officer to ensure compliance with the Property Standards of the Uniform Guidance (*see* 2 CFR § 200.310 (Insurance coverage) through § 200.316 (Property trust relationship)), 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 Office, the recipient's response to audit reports, and audit management decisions (*see* Subpart F to 2 CFR Part 200).

21. Ensure that FOIA requests for documents in Program Office files are reviewed and released or withheld in accordance with FOIA requirements.

22. Recommend suspension or termination of the award to the Grants Office, when appropriate.

23. Provide the Grants Office and the Budget Office with a copy of any agreement effecting a transfer of funds from other Federal agencies or DOC operating unit for award(s). Identify any restrictions placed on funds that are transferred from other Federal agencies for inclusion in a DOC financial assistance award.

A transfer of funds cannot be used to provide Federal 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. *See also* Chapter 15 of this Manual.

When DOC provides funds to another Federal agency that is administering a collaborative project with DOC, the agreement governing that transfer of funds must stipulate that DOC funds shall not be used to pay for management fees in excess of costs or profits in a financial assistance award, unless statutorily authorized. *See also* Chapter 9 of this Manual.

24. Arrange for an independent review to be conducted of institutional grant programs and/or awards in accordance with Chapter 15 of this Manual.

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

H. Property Management Office

1. Ensure uniform implementation of operating unit policies and procedures pertaining to the administration of property furnished by the Federal Government or purchased under an award by a recipient or subrecipient. This includes communicating to recipients, or pass-through entities for subrecipients, the property trust relationship that exists when real property, equipment, supplies or intangible property is acquired or improved under an award and the operating unit's requirements regarding the recording of liens or other appropriate notices of record to indicate real or personal property has been acquired or improved with a Federal award and use and disposition conditions apply to the property. *See* 2 CFR § 200.316 (Property trust relationship).

2. If requested by the Grants Officer, provide guidance to recipients regarding establishing and maintaining property accountability systems and 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, or pass-through entities for subrecipients, and provide a copy of the instructions to the Grants Officer.

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.