

7. TYPES OF APPLICATIONS

Applications for DOC Federal financial assistance may be classified into four major categories:

1. Pre-applications
2. Competitive Applications
3. Noncompetitive Applications
4. Supplemental Applications

Review, selection, approval, and notification procedures for all applications are described in Chapter 8 of this Manual.

A. Pre-applications

Program Offices may request pre-applications for one or more of the following reasons:

- to establish productive communications between the Program Office and prospective applicants.
- to determine an applicant's eligibility;
- to provide a Program Office with insight into the potential number and type of full applications that may be submitted, so that the Program Office may sufficiently prepare for merit reviews; and/or
- to provide feedback to an applicant on how well a proposed project is likely to compete with other similar projects.

Pre-applications may assist potential applicants by allowing Program Offices to provide feedback on whether the project ideas align with the goals and objectives of a particular program. This feedback may help applicants determine if they may be considered competitive for Federal funding and to discourage applications that have little or no chance of funding. Such pre-application review is intended to allow applicants to avoid incurring significant expenditures in preparing applications that are not consistent with the operating unit's program goals and objectives. This pre-application is sometimes referred to as a letter of intent.

1. **Pre-application Assessment.** Pre-application assessments are completed by program staff who may obtain assistance from other reviewers. The assessment is intended to provide feedback or appropriate technical assistance to applicants. It is not a process to help in the development of an application. The potential applicant has the right to submit a complete application under the program, regardless of any feedback received during the pre-application process.

2. **Pre-application Competition.** A second type of pre-application process is one in which reviewed project proposals are eliminated from further consideration, based upon explicit criteria expressly set forth in the NOFO.

B. Competitive Applications

Competitive applications are reviewed based on published evaluation and selection criteria. These applications may be for new awards or for amendments.

1. Applications for New Competitive Awards.

a. Competitive applications are received in response to a competitive NOFO published by a DOC operating unit at Grants.gov, as required in section A of Chapter 17 of this Manual. Widespread publicizing is strongly encouraged and is recommended (e.g., Internet, mailing lists, conferences, professional journals, and trade association newsletters).

b. All applications must be treated fairly and equitably under the application review process described in the NOFO.

2. Applications for Competitive Renewal Amendments. Competitive renewal amendments are treated the same as a new competitive award. This type of application may be accepted unless prohibited by the program's legislation, regulations, or other published policies. Applications for competitive renewal amendments must compete for funding with applications submitted by other eligible applicants and must be submitted in accordance with any established deadlines and will be subjected to the applicable review requirements for competitive awards. If the application is approved for funding, the Grants Officer must fund the extended period of support as a new budget period and an extension of the original period of performance. Competitive renewal amendments are only appropriate in cases where the program's priorities do not vary from year to year, thus allowing a recipient to perform the identical work (for which it was funded in prior years) in the current competitive funding year.

C. Noncompetitive Applications

Noncompetitive applications are those that have been received without benefit of full and open competition. Noncompetitive applications may be used for new awards or for amendments. Unsolicited noncompetitive applications for new awards of discretionary funds that fall within the scope of a competitive announcement must not be funded outside the competitive process. Unsolicited noncompetitive applications should be held for the next competition or promptly returned to the applicant with appropriate explanation.

1. Applications for New Noncompetitive Awards. Noncompetitive applications for discretionary funds are to be approved only in unusual and extraordinary circumstances and only after the Program Officer and the Grants Officer determine:

a. a noncompetitive award of discretionary funds is warranted;

b. the application is consistent with DOC missions and plans;

c. and the official award file contains the appropriate justification documentation as required in Chapter 8 of this Manual.

2. Applications for New Awards Mandated or Limited by Statute. These applications are submitted and approved for funding when they are statutorily authorized or statutorily limited. These awards are required by Congress, set out in a public law and are made with nondiscretionary funds.

3. Applications for Renewal Amendments. A renewal amendment extends the project and budget periods of an award, while adding funds. Appropriate uses of this type of amendment include renewals of nondiscretionary awards and renewals of awards that are funded annually based on a NOFO posted at Grants.gov, which expressly indicates that awards would be selected for a period of more than one year but funded and extended annually (program priorities do not change from year to year), contingent upon the availability of funds, satisfactory performance, and at the discretion of DOC. Noncompetitive awards of discretionary funds should not normally be given a renewal amendment without competition. If an application to renew an existing award is approved for funding, the Grants Officer shall fund the extended period of support as a new budget period and an extension of the original period of performance.

4. Applications for Continuations (Incrementally Funded Awards). A continuation amendment is made without competition and provides continued funding within an approved period of performance, such as when incremental funding was approved at the time of award issuance. Chapter 18 of this Manual provides procedures for incrementally funding awards when full funding of the period of performance is not available at the time of initial award.

5. Applications for No-cost Extensions. Unless restricted by statute, regulations, or the terms and conditions of an award, a recipient may notify the Grants Officer of its decision to use a one-time noncompetitive extension of the final budget period for up to 12 months beyond the ending date of the budget period as shown on the Notice of Award. This one-time extension may not be exercised merely for the purpose of using unobligated balances. Such an extension is made without additional funding. See 2 CFR § 200.308 (Revision of budget and program plans). Any further no-cost extension requires Grants Officer approval.

D. Supplemental Applications

Supplemental applications are for funding above the approved budget during the current budget period with no change to the period of performance or the budget period. These applications should be submitted and approved prior to the expiration date of the award. Funding for these types of amendments is at the sole discretion of the operating unit with final approval of the Grants Officer. In addition, supplemental funding is subject to funding constraints or limitations of the operating unit. Supplemental applications should fully explain why it is necessary to provide additional Federal funding to supplement the previously approved budget. Appropriate handling of the competitive nature of supplemental funding should be considered on a case-by-case basis. Supplemental applications ordinarily are for amendments that are consistent with the approved scope of work and shall not be funded merely to avoid competition.

1. Amendments for Administrative Increases to Meet Institution-wide Increased Costs. Applications for supplemental funding may be submitted to an operating unit to cover organization-wide increased costs, such as those costs associated with salary or fringe benefit increases that were not foreseen at the time of the original application. The anticipated cost increases must take effect during the current budget period to be eligible for supplemental funding. These applications are generally not

competed when the increased costs are within 25 percent of the last approved budget. If the increased costs are more than 25 percent, the application should be treated in the same manner as an application for new competitive awards, as described in this chapter. If this type of amendment is recommended by the Program Officer and approved by the Grants Officer without competition, the official award file must contain appropriate justification documentation to explain and justify the decision not to require competition.

2. Amendments for Expansion of a Project or Cost Overrun. Applications for supplemental expansion of a current project's previously approved scope of work or to absorb a cost overrun are generally treated in the same manner as an application for new competitive awards as described in this chapter. If this type of amendment is recommended by the Program Officer and approved by the Grants Officer without competition, the official award file must contain appropriate justification documentation to explain and justify the decision not to require competition.