

MODULE 1

ADMINISTRATIVE GUIDELINES

Administrative regulations prescribe the legal parameters for grantees accepting a Federal government assistance instrument. By accepting a Federal Grant or Cooperative Agreement and then obtaining payments via that instrument from the Department of Health and Human Services (DHHS), Payment Management System (PMS), grantees agree that they will adhere to all of the terms and conditions in the award and all applicable administrative regulations.

Sections 6301-08, Title 31, United States Code govern the use of grants, contracts and cooperative agreements. A contract is used when the principle purpose of acquisition of property or services is for the direct benefit or use of the Federal government. Use of grants and cooperative agreements are discussed below.

Federal Financial Assistance** is the transfer of property, money, or other direct assistance to an eligible recipient to accomplish a public purpose of support or stimulation as authorized by law. A **grant or cooperative agreement** is the legal instrument used to document a financial assistance transaction. **The essential distinction between a grant and a cooperative agreement is the degree of Federal involvement.

A **grant** is used when substantial involvement *is not expected* between the Forest Service and the recipient when carrying out the contemplated activity.

A **cooperative agreement** is used when substantial involvement *is expected* between the Forest Service and the recipient when carrying out the contemplated activity.

These transactions are governed by the administrative regulations identified below.

Administrative Regulations:

The Northeastern Area, State and Forestry financial assistance programs are subject to the requirements of the Office of Management and Budget (OMB) Circulars and Code of Federal Regulations (CFR) that apply to the type of applicant applying for financial assistance.

The **Office of Management and Budget (OMB) Circulars** provide instructions and/or information issued by OMB that govern the administration of grants and cooperative agreements. OMB Circulars provide standards for obtaining consistency and uniformity in federal agency administration of grants and cooperatives agreements.

The **Code of Federal Regulations (CFR)** is the codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the Federal Government. CFR Title 2: Grants and Agreements contain the Federal regulations applicable to Grants and Agreements. CFR Title 7: Agriculture contains the Federal regulations applicable to the Department of Agriculture grants and cooperative agreements.

Depending on the type of organization receiving an award of financial assistance, below are the OMB Circulars and CFR sections that are applicable to your organization to aid you in the administration of your grant and/or cooperative agreement.

State and Local Governments

COST PRINCIPLES

<p>➤ 2 CFR 225 (formerly OMB Circular A-87)</p> <p>Cost Principles for States & Local Governments</p>	<p>State and Local Governments</p>
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ADMINISTRATIVE STANDARDS

<p>➤ OMB Circular A-102</p> <p>Grants & Cooperative Agreements with State & Local Governments</p>	<p>State and Local Governments and Indian Tribes</p>
<p>➤ OMB Circular A-133</p> <p>Audits of States, Local Governments, and Nonprofit Organizations</p>	<p>Audits of States, Local Governments, and Non-Profit Organization</p>

and implemented by:

<p>➤ 7 CFR Part 3016</p> <p>Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments</p>	<p>State and Local Governments and Indian Tribes</p>
<p>➤ 7 CFR Part 3017</p> <p>Debarment and Suspension</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>
<p>➤ 7 CFR Part 3018</p> <p>New Restrictions on Lobbying</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>
<p>➤ 7 CFR Part 3021</p> <p>Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>
<p>➤ 31CFR, Part 205</p> <p>Treasury Department Implementing the 1990 Cash Management Improvement Act (CMIA)</p>	<p>States, Local Governments</p>
<p>➤ 7 CFR Part 3052</p> <p>Audits of States, Local Governments, and Non-Profit Organizations</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>
<p>➤ 2 CFR Part 175</p> <p>Trafficking in Persons: Grants and Cooperative Agreements</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>

Institutions of Higher Education and Non-Profit

COST PRINCIPLES

➤ 2 CFR Part 220 (formerly OMB A-21) Cost Principles for Education Institutions	Institutions of Higher Education
➤ 2 CFR Part 230 (formerly OMB A-122) Cost Principles for Non-Profit Organizations	Non-Profit Organizations

ADMINISTRATIVE STANDARDS

➤ 2 CFR Part 215 (formerly OMB A-110) Uniform Administrative Requirements for Grants & Agreements with Institutions of Higher Education, Hospitals, & Other Nonprofit Organizations	Higher Education, Hospitals, and Other Nonprofit Organizations
➤ OMB Circular A-133 Audits of States, Local Governments, and Nonprofit Organizations	Audits of States, Local Governments, and Non-Profit Organization

and implemented by:

➤ 7 CFR Part 3017 Debarment and Suspension	States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations
➤ 7 CFR Part 3018 New Restrictions on Lobbying	States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations
➤ 7 CFR Part 3019 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations	Higher Education, Hospitals, and Other Nonprofit Organizations
➤ 7 CFR Part 3021 Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)	States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations
➤ 7 CFR Part 3052 Audits of States, Local Governments, and Nonprofit Organizations	States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations
➤ 2 CFR Part 175 Trafficking in Persons: Grants and Cooperative Agreements	States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations

For Profit Organizations

COST PRINCIPLES

<p>➤ FAR Subpart 31.2</p> <p>Contracts with Commercial Organizations</p> <p>Recipient is subject to the cost principles in 48 CFR 302, Federal Acquisition Regulation, Part 31</p>	<p>For-profit Organizations</p>
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ADMINISTRATIVE STANDARDS

implemented by:

<p>➤ 7 CFR Part 3017</p> <p>Debarment and Suspension</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>
<p>➤ 7 CFR 3018</p> <p>New Restrictions on Lobbying</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>
<p>➤ FAR Subpart 31.2</p> <p>Contracts with Commercial Organizations</p> <p>Recipient is subject to the administrative requirements in 48 CFR 302, Federal Acquisition Regulation, Part 31</p>	<p>For-profit Organizations</p>
<p>➤ 7 CFR Part 3021</p> <p>Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>
<p>➤ 2 CFR Part 175</p> <p>Trafficking in Persons: Grants and Cooperative Agreements</p>	<p>States, Local Governments, and Nonprofit Organizations, Institutions of Higher Education, For-profit Organizations</p>

48 CFR Part 31.2 - This part carries forth the allowability of costs incurred by commercial firms.

OMB Circular A-102 – Establishes the administrative standards for grants and cooperative agreements to state and local governments and Federally-recognized Indian tribal governments.

OMB Circular A-133 – Establishes audit requirements for states, local governments, Indian Tribes, and non-profit organizations.

2 CFR 175 – Requires the awarding agency to include a condition authorizing termination of the award if the recipient or a subrecipient engages in certain activities related to trafficking in persons.

2 CFR 215 (formerly OMB Circular A-110) – Establishes the administrative standards for grants and cooperative agreements to institutions of higher education, hospitals and other non-profit organizations.

2 CFR 220 (formerly OMB Circular A-21) –Establishes the cost principles for allowability of costs incurred by institutions of higher education under Federally-sponsored agreements.

2 CFR 225 (formerly OMB Circular A-87) – Establishes the cost principles for allowability of costs incurred by state, local and Federally-recognized Indian tribal governments under Federally-sponsored agreements.

2 CFR 230 (formerly OMB Circular A-122) – Establishes the cost principles for allowability of costs incurred by nonprofit organizations under Federally-sponsored agreements.

Title 7 CFR Part 3015 – This part establishes uniform Federal assistance regulations for determining allowable costs under USDA grants and cooperative agreements to State and local governments, universities, non-profit and for-profit organizations.

Title 7 CFR Part 3016 – This part establishes uniform administrative requirements governing Federal grants and cooperative agreements and subawards to State, local and Indian tribal governments.

Title 7 CFR Part 3017 – This part establishes requirements governing Government-wide Debarment and Suspension (Non-procurement).

Title 7 CFR Part 3018 – This part establishes requirements governing New Restrictions on Lobbying.

Title 7 CFR Part 3019 – This part establishes uniform administrative requirements governing Federal grants and cooperative agreements awarded to institutions of higher education, hospitals, and other non-profit organizations.

Title 7 CFR Part 3021 – This part carries out the Drug-Workplace Act of 1988 that applies to cooperative agreements and other financial assistance awards.

Title 7 CFR Part 3052 – This part sets forth standards for obtaining consistency and uniformity among Federal agencies for the audit of non-Federal entities expending Federal awards.

For a complete list of OMB Circulars, visit:

<http://www.whitehouse.gov/omb/circulars/index.html>

For complete 2 CFR visit:

<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=ad19c2a53cd0f00dd77af48935682d71&rgn=div5&view=text&node=2:1.1.2.2.2&idno=2>

For complete 7 CFRs, visit:

http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?sid=c51ddc40d7660b1e681cbe1c449ee1c&c=ecfr&tpl=/ecfrbrowse/Title07/7cfrv15_02.tpl#3000

For complete OMB FAR Part 31 visit:

<http://farsite.hill.af.mil/archive/Far/1997/29.htm>

Program Requirements

The **Catalog of Federal Domestic Assistance (CFDA)** provides information about Federal programs. The most common references for Forest Service grants and cooperative agreements with match requirements, if applicable, are:

- **10.069** Conservation Reserve Program (CRP) (100/0)
- **10.664** Cooperative Forestry Assistance (50/50 Consolidated Payment Grant) *
- **10.675** Urban and Community Forestry (50/50)
- **10.676** Forest Legacy (75/25)
- **10.678** Forest Stewardship (negotiated – typically 50/50)
- **10.680** Forest Health Protection (50/50)
- **10.681** Wood Education and Resource Center (50/50)
- **10.688** Recovery Act of 2009: Wildland Fire Management (100/0)

** CFDA 10.664 is used for consolidated payment grants, which include the State Fire Assistance, Forest Health, Forest Stewardship and Urban and Community Forestry programs. CFDA 10.664 is also used for the Volunteer Fire Assistance Program.*

For a complete list of all CFDA's, visit: <http://12.46.245.173/cfda/cfda.html>

(Revised May 1, 2009)