



U. S. DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
DIRECTIVES SYSTEM

Subject Number:

AML- .19

Transmittal Number:

643

Date: NOV 5 1990

Subject:

Reporting States/Tribes Obligations of AML Grant Funds

Approval:

Tide: Director

1. Purpose: This directive provides procedures and guidance for reporting to Congress the amount of Abandoned Mine Land (AML) Reclamation grant funds for non-emergency construction that have been allocated to States/Tribes but remain unobligated at the end of each Federal fiscal year semi-annual period.

2. Summary. This directive provides uniform guidance and detailed procedures to: (1) the Field Offices for identifying the amount of construction grant funds obligated by the States/Tribes, and for reporting to the Division of Abandoned Mine Land Reclamation (DAMLR) on State/Tribal obligations of AML construction grant funds; and (2) the Eastern and Western Support Centers (ESC/WSC) for identifying the year of unawarded allocations and providing this information to DAMLR. DAMLR compiles the obligation data provided into summary tables--nationwide and by State/Tribe--and transmits the data to the Budget office. The Budget office may add additional data and forward a report, through the Department of the Interior, to the Congress.

3. Definitions. Sources of definitions for terms relating to grants administration that are not defined in this section may be found under paragraph "7. References."

a. Allocation. Funds appropriated annually by Congress specifically for AML reclamation grants and distributed (or allocated) to the AML program States for use in their reclamation programs.

(1) Posted Allocations. Funding approved for State/Tribal AML grants from those appropriated moneys distributed to AML program States and posted to the Office of Surface Mining Reclamation and Enforcement's (OSM) Advanced Budget/Accounting Control and Information System (ABACIS).

(2) Unawarded Allocations. The funds described in 3.a. that have not yet been approved for State/Tribal grants (or funds that may have been awarded but not yet posted to the OSM accounting system).

b. Current Grant Amount. The current award amount (grant amount) recorded in ABACIS.

c. Grant. A Federal award of funds, including cooperative agreements, for assistance provided to States and Tribes by OSM to support an approved AML State/Tribal reclamation program.

d. Obligations. The total dollar value of legal, binding agreements such as signed purchase orders and contracts to pay for services, facilities or goods received or to be received by the grantee. Any obligation to a subgrantee will constitute a full obligation by the primary grantee as long as the encumbered funds are no longer available to the grantee for use.

e. Recovery. Funds from awards of prior year AML grant appropriations that are deobligated either at the time of closeout or during the period of performance. Funds deobligated from awards of current year grant appropriations are not considered to be recovery but are added back into the appropriate State's allocation to remain available for use in another grant. Deobligated funds diverted to other programs will not be included in recovery.

f. Semi-annual Period. Six-month terms ending on March 31 and September 30 of each Federal fiscal year.

g. State. Any State or Tribe eligible to receive awards of AML reclamation grant funds from OSM.

4. Policy/Procedures.

a. Concept.

(1) Beginning in fiscal year 1986, the Congress required OSM to report quarterly on the States' obligations of AML reclamation grant funds and

on the progress made by the States in utilizing prior year unobligated grant balances. State administrative, emergency administrative and emergency construction grants or cooperative agreements, subsidence insurance and State 10 percent set-aside program grants are no longer tracked for the purpose of reporting State obligations.

(2) Effective fiscal year 1991, reporting will change from a quarterly to a semi-annual basis, unless otherwise specified by Congress, and will change from reporting on all AML grant types to only non-emergency construction grants.

(3) For the purposes of this directive and the report to Congress, DAMLR tracks State obligations against funded amounts that are credited to a State letter-of-credit (LOC) for State non-emergency construction grants only.

(4) To ensure that the obligation data OSM provides to the Congress is as accurate and complete as possible, uniform definitions and procedures are established by this directive. State obligations are defined in accordance with the Office of Management and Budget (OMB) Common Rule.

(5) Drawdowns posted to ABACIS will be used in lieu of State obligations should special requests be made for information on grants other than non-emergency construction.

(6) The information presented in the semi-annual status report includes State obligations for active grants and funds actually spent for closed grants.

(7) The procedures in this directive should not be considered as instructions to the States for operating their accounting systems nor for financial reporting requirements for grants.

b. Responsibilities.

(1) The Chief, Division of Financial Management (DFM) provides the Chief, DAMLR, with a copy of its modified Grant Tracking System (GTS) file

containing all OSM grant award transactions updated through the end of each Federal fiscal year semi-annual period.

(2) Field Office Directors (FOD) provide the Chief, DAMLR, with cumulative obligations data for non-emergency construction grants in their respective States, assuring that the information conforms to the definitions under paragraph 3. They also should review the semi-annual reports issued by Headquarters and use the cumulative data gathered from each subsequent report to assist in evaluating the States' performance when conducting OSM oversight responsibilities.

(3) Financial Services in the Eastern Support Center (ESC) and the Grants Section, Program Support in the Western Support Center (WSC) provide to the Chief, DAMLR, information on the balances and the year of origin for unawarded carryover and current year allocations and the current amount of recovered funds available to each State.

(4) The Chief, DAMLR, compiles the information on the States' unobligated balances and provides a report, consisting of State and nationwide statistical and data tables, to the Chief, Budget. That report contains cumulative data as submitted by each FOD.

(5) The Chief, Budget, provides to Congress through the Department of the Interior, as required, information on the States' unobligated balances for AML reclamation grants, as well as other available grant funds.

c. Procedures.

(1) Field Offices.

(a) For every semi-annual period, each FOD shall provide information on the cumulative obligations of AML non-emergency construction grant funds awarded to his/her respective States as of the last day in each reporting period. This information should be transmitted to DAMLR within 10 working days from the last day of each semi-annual period.

(b) The FOD will use program monitoring responsibilities to gather the data in accordance with paragraph 4.c.(1)(a). Obligation information posted to State accounting records for non-emergency construction grants is considered the best available data, however, the FOD may utilize other sources, e.g., grant semi-annual financial reports, as necessary.

(c) The State grants obligation data compiled should reflect obligations against the LOC amounts posted to ABACIS, having been funded through agreements and amendments signed by the Director or his designee through the end of each fiscal year semi-annual period being reported. Grant awards and deobligations that are pending approval or LOC postings after the end of the reporting period will appear in the next semi-annual report. Cumulative State obligation amounts should be more current than the last semi-annual financial report from the State.

(d) If no information for a State is received in Headquarters in time for preparation of the semi-annual report, the cumulative obligations for that State's grants will default to the amounts used in the prior report.

(e) The FOD's may transmit the updated obligation information in a WordPerfect 5.0 or Lotus 1-2-3 file containing, by State, each grant number and obligated amount to the DAMLR, Branch of Technical Support's Electronic Mailbox (OSM 174C BR:TECH:SUPP). The files should be transmitted no later than the 10th working day following the end of each semi-annual period. If electronic transmission is not possible, a facsimile may be sent to the Chief, DAMLR, Room 120, South Interior Building.

(2) Eastern/Western Support Centers.

(a) The Financial Services/ESC, and the Grants Section, Program Support/WSC, will identify for the end of each Federal fiscal year semi-annual period the balance available of each State's recoveries and the Federal fiscal year of origin for the balance available of each State's unawarded allocation(s). This will require, at the start of a fiscal year, a breakdown for carryover from one fiscal year to a new fiscal year to define the prior year

allocation balance and carryover of recoveries, if any. The ESC/WSC will assure that reported amounts result only from awards that have been posted to ABACIS and reconciled with the DFM.

(b) This information will be provided to the Chief, DAMLR/HQ, via Lotus 1-2-3 spreadsheets within 10 working days following the last day of each semi-annual period. Spreadsheets with identical data formats are to be utilized by ESC/WSC. Both ESC/WSC develop such Lotus files which conform in format (same cell addresses) in order to facilitate the combining of both files by DAMLR/HQ.

(3) Headquarters DAMLR.

(a) DAMLR shall merge information received from ESC/WSC with information from the modified GTS file received from DFM.

(b) DAMLR shall review the updated State obligations data for accuracy with respect to its logical relationships with the current award amounts and other GTS data. For example, obligations reported should always be equal to or less than the current grant award amount. Obligated amounts should trend upwards and usually not experience significant decreases. Next, DAMLR shall enter the data into the GTS/Obligations Tracking System and review for accuracy of input. Within 15 working days following receipt of all updated obligation data, DAMLR shall provide a report with transmittal letters to Congress to the Chief, Budget, with a copy to DFM.

(c) Within 2 working days after the DAMLR receives a copy of the transmittal letters, signed by the Assistant Secretary, Policy, Management and Budget, Department of the Interior (AS/PMB/DOI), copies shall be distributed with the obligation report to the FOD's and the Assistant Directors, ESC/WSC.

(d) Special requests made for grant obligation data other than construction will be processed using drawdowns posted to ABACIS in lieu of obligation information.

(4) Headquarters Budget Office.

(a) The Budget office shall forward the transmittal letters with associated reports to the AS/PMB/DOI.

(b) The Budget office shall provide copies of the signed transmittal letters to DAMLR immediately after DOI transmits the obligation report to the Congress.

5. Reporting Requirements. Congressional direction in annual appropriations.

6. Effect on Other Documents. Supersedes memorandum dated December 19, 1983, from the Assistant Director, Program Operations and Inspection.

7. References.

- a. Federal Assistance Manual.
- b. Office of Management and Budget Common Rule.
- c. Fiscal year appropriations language.

8. Effective Date. October 1, 1990.

9. Contact. Chief, Division of Abandoned Mine Land Reclamation, (202) 208-5365, FTS 268-5365.

10. Keywords. Directive, AML Reclamation Grants, State Obligations, Obligations, Unobligated Balance.

11. List of Appendices. None.