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|  | U.S. DEPARTMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT DIRECTIVES SYSTEM | Subject Number: GMT-10-14 |
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| | | Date: 7/30/08 |
| Subject: Federal Assistance Manual | | |
| Approval: Brent Wahlquist | | Title: Director |
| CHANGE NOTICE | | |

1. **Purpose.** This directive transmits changes to the Federal Assistance Manual (FAM). Six chapters of the FAM are updated to reflect the 2006 amendments to the Surface Mining Control and Reclamation Act (SMCRA) and Departmental policy. FAM is applicable to grants and cooperative agreements awarded by the Office of Surface Mining (OSM).

2. **Summary of Changes.** Six FAM chapters are changed.

a. 1-10, Using Contracts, Grants and Cooperative Agreements, adds requirements on single source agreements and processing Office of Management and Budget (OMB) exception requests, reflecting provisions in the revised Departmental Manual 505 DM 2.

b. 1-67, Assistance Agreement Conditions and Award Documents, revises conditions applicable to AML grants, reflecting the 2006 amendments.

c. 4-01, AML Issues for Uncertified Programs, now applicable to uncertified States and Tribes only, specifies that States may not use prior balance replacement funds for noncoal work, and that minimum program make up funds must be used for priority 1 or 2 coal reclamation.

d. 4-40, Acid Mine Drainage Set-Aside Program, specifies that States and Tribes may not use prior balance replacement funds or minimum program make up funds for AMD set-asides.

e. 4-60, Annual Distribution of Title IV Grant Funds, is extensively revised to reflect the funding types and distribution requirements of the 2006 amendments.

f. 5-00, Assistance Agreement Numbering and Files Organization, requires official files to be maintained on paper, with hard copies of information in the electronic grant system or other electronic formats, as instructed by the Department.

3. **Definitions.** See the Definitions and Acronyms sections of FAM.

4. **Policy.** OSM offices will use FAM to award and manage all grants and cooperative agreements.

5. **Responsibilities.** See Chapter 1-02, Responsibilities for the Administration of Assistance Agreements.

6. **Procedures.** FAM chapters provide specific procedures for application, award, amendment, monitoring, reporting, and closeout of OSM financial assistance agreements. FAM provides specific guidance for Title V Coal Regulatory Administration and Enforcement grants, Title IV grants for certified States and Tribes and Abandoned Mine Land grants to uncertified States and Tribes, and Watershed Cooperative Agreements.

7. **Reporting Requirements.** The chapters being revised do not establish reporting requirements for OSM financial assistance programs.

8. **Effect on Other Documents.** None.

9. **References.** See FAM chapters for references.

10. **Effective Date.** Effective when signed by the Director.

11. **Distribution.** FAM is distributed on the OSM website and in electronic format.

12. **Appendices.** None.

13. **Contact.** Program Support Directorate, Division of Reclamation Support, Grants Policy Team.