This document has been
Rescinded and is located
in our Archive files.

For Active files, visit
http://www.osmre.gov/directiv.htm

	U· S· DEPARTMENT OF THE INTERIOR OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT DIRECTIVES SYSTEM	Subject Number: GMT-10-3 Transmittal Number: 734 Date: JUL 8 1992

Subject: FEDERAL ASSISTANCE MANUAL

Approval: **Title:** DIRECTOR

The 1992 Management Control Review of the Grants Program noted that under the realignment that created the Headquarters Assistant Director, Field Operations, the roles and responsibilities of Headquarters and Field units in support of the grants function should be clarified.

Chapter 1-02 of the Federal Assistance Manual, dated February 26, 1990, is revised to clarify the roles and responsibilities of Headquarters and Field units involved in the grants process.

Filing Instructions:

Remove	Insert
Pages 1-6, Chapter 1-02 (Feb 1990)	Pages 1-7, Chapter 1-02 (attached)

CHANGE NOTICE

CHAPTER 1-02

RESPONSIBILITIES FOR THE ADMINISTRATION OF GRANTS AND COOPERATIVE AGREEMENTS

1-02-00	Purpose
10	Background
20	Assistant Director, Field Operations
30	Assistant Directors, Support Centers
40	Assistant Director, Reclamation and Regulatory Policy
50	Assistant Director, Finance and Accounting
60	Management Controls Staff

1-02-00 PURPOSE

The purpose of this chapter is to establish and delineate the responsibilities associated with the management of OSM's Federal assistance programs in order to ensure consistency in the administration of grants and cooperative agreements throughout OSM.

1-02-10 BACKGROUND

A. Effective administration of Federal assistance programs requires the active participation of staff who are trained and experienced in a variety of professional disciplines. Close coordination by these various participants and an understanding of their responsibilities are vital in order to achieve OSM program objectives.

B. A major component of effective administration, especially in a decentralized operation, is consistent communication. It is particularly important that all offices involved in grants administration establish and maintain open, clear and effective channels of communication for the exchange of information, especially information regarding decisions, interpretations and other matters having wide applicability to the grants operations of the Field Offices.

1-02-20 ASSISTANT DIRECTOR, FIELD OPERATIONS

A. The Assistant Director, Field Operations (AD-FO), located in OSM Headquarters, is responsible for oversight of State programs and has direct supervisory authority over the Field Offices (FO). The AD-FO has the following responsibilities:

1-02-20 (Continued)

1. Approve grant and cooperative agreement suspension/ termination actions, in coordination with the Assistant Director, Reclamation and Regulatory Policy (AD-RRP).

2. Provides policy, procedures and direction for the conduct of reviews or special studies to determine FO compliance with applicable laws, regulations, policies and procedures.

3. Participate in evaluations of grants recipients and OSM field operations.

B. The FOs are organizationally located under the AD-FO and have the primary responsibility for day-to-day grants management. These responsibilities include:

1. Provide technical assistance and advice to grant recipients, as required.

2. Receive and review grant applications; work with grant recipient to resolve all issues; approve and sign grant awards.

3. Coordinate with AD-SC on the availability of grant funds and notification of grant award.

4. Administer the awarded grants, including the processing and approval of necessary amendments and budget revisions.

5. Receive, review and take any necessary action on grant expenditure and performance reports.

6. Conduct reviews of grant recipient financial and operational systems. Resolve issues with grant recipients.

7. Work with grant recipients to resolve issues raised during audits; provide recommended resolution to AD-FO through AD-SC.

8. Work with grant recipients to provide grant budget estimates; provide analysis of and recommendations on grant recipients' budget estimates.

9. Recommend grant and cooperative agreement termination/ suspension actions to the AD-FO, with an information copy to the AD-SC.

1-02-20 (Continued)

10. Maintain the official grant files.

1-02-30 ASSISTANT DIRECTORS, SUPPORT CENTERS

The Assistant Directors, Support Centers (AD-SCs) are the Assistant Director, Eastern Support Center, located in Pittsburgh, Pennsylvania, and the Assistant Director, Western Support Center, located in Denver, Colorado. The AD-SCs play a key role in supporting the operations of the grants program. Their major responsibilities are as follows:

1. In accordance with guidance and requirements from AD-RRP or AD-FO, perform reviews and special studies of FO operations to determine compliance with applicable laws, regulations, policies and procedures.

2. Provide interpretive advice to FOs on established grants policy and procedures.

3. Assure that information on grant awards, amendments, deobligations and closeouts is provided to the Division of Financial Management (DFM) for inclusion in agency grants information system.

4. Assist in the collection of grant information needed for budget preparation. Review and consolidate information from FODs regarding grant recipients' budget requests, and transmit grant budget recommendations to the AD-RRP.

5. Determine availability of grant funds for award. Sign the MB-212 form to approve obligation/deobligation of grant funds.

6. Coordinate between FOs and Congressional Liaison and Public Affairs staffs regarding notification of grant awards.

7. Coordinate with DFM on grant funding and financial management issues.

8. Process the FO-recommended resolution of issues raised during audits of grants and cooperative agreements.

9. Initiate, participate or assist in grants training sessions for FO and grant recipient personnel.

1-02-30 (Continued)

10. Provide information to the Department of the Interior to meet various grant reporting requirements.

11. Maintain an information copy of grant files.

1-02-40 ASSISTANT DIRECTOR, RECLAMATION AND REGULATORY POLICY

A. The Assistant Director, Reclamation and Regulatory Policy (AD-RRP), located in OSM Headquarters, is responsible for the policy, programmatic and administrative aspects of OSM grants program. Under the AD-RRP, the Divisions of Abandoned Mine Land Reclamation and Regulatory Programs have the following programmatic responsibilities related to grants:

1. Develop policies and procedures for the administration of the abandoned mine land (AML) and regulatory programs. Provide programmatic policy guidance to the AD-FO, AD-SCs and FOs.

2. Develop procedures for the allocation of AML and regulatory grants.

3. Prepare the annual regulatory grant allocations. In coordination with DFM, prepare the annual AML grant distributions.

4. Participate in evaluations of grant recipients and OSM field operations.

5. Participate in training of grant recipients and Field staff.

B. The Division of Regulatory Programs has the following responsibilities for grants policy and administration:

1. Develop, maintain and coordinate national policy and uniform procedures for grants administration. Provide grants policy and administrative guidance to the AD-FO, AD-SCs and FOs.

2. Provide policy, procedures and direction for the conduct of reviews or special studies to determine FO compliance with applicable laws, regulations, policies and procedures.

3. Prepare decision documents and advise OSM management on grants issues.

1-02-40 (Continued)

4. Maintain liaison with the Department of the Interior, Department of the Treasury, the Office of Management and Budget and other Federal agencies on grants policy issues and procedures.

5. Initiate, participate or assist in grants training sessions for grant recipients and FOs.

6. Develop agency-wide guidance on the management control of the grants program.

1-02-50 ASSISTANT DIRECTOR, FINANCE AND ACCOUNTING

The Assistant Director, Finance and Accounting (AD-FA), located in OSM Headquarters, is responsible for providing financial management support to the agency. Under the AD-FA, the Division of Financial Management (DFM), located in Denver, Colorado, supports OSM's grants program by:

1. Calculate the annual AML grant distributions in coordination with the Division of Abandoned Mine Land Reclamation.

2. Establish and operate the transfer of funds system.

3. Develop and maintain a system to track and report grant information.

4. Maintain official accounting records for grant transactions.

1-02-60 MANAGEMENT CONTROLS STAFF

The Management Controls Staff (MCS), located in OSM Headquarters, is assigned the responsibilities (1) to serve as the OSM Audit Liaison Officer for audit reports issued by the General Accounting Office (GAO) and the Office of the Inspector General (OIG) and (2) to implement the OSM management controls review program.

A. In the conduct of its audit liaison responsibilities, the MCS supports the grants program by:

1. Ensure timely responses are made to all audit reports in accordance with OMB Circular A-50, Audit Follow-up.

1-02-60 (Continued)

2. Ensure that resolution actions are consistent with law, regulation and administrative policy; and include written justification and, when applicable, the legal basis for decisions not agreeing with the audit recommendation.

3. Provide for periodic analysis of audit recommendations, resolutions and corrective actions; and recommend appropriate solutions to any system-wide problems or trends.

4. Provide monthly reports to agency officials on the status of active GAO surveys and all audits issued to OSM by GAO and OIG. Ensure that the status of each GAO/OIG report is reflected on the MCS monthly active audit reports until the audit is resolved and recommendations implemented.

5. Maintain the Audit Policy and Procedures Manual, OSM Directive AFC-2.

See Chapter 10, Sections 10-3 and 10-4, of OSM Directive AFC-2 for a complete listing of audit liaison responsibilities.

B. Management Control Review Program

In 1982, Congress passed P.L. 97-255, Federal Managers' Financial Integrity Act (FMFIA), and OMB issued Circular A-123, Internal Control Systems. The circular and the Act require agencies to evaluate management controls on an ongoing basis and to submit an annual report to Congress on whether or not adequate controls are in place to assist managers in reaching program objectives and in protecting Federal Government resources efficiently and effectively. In the conduct of its management control responsibilities, the MCS supports the grants program by:

1. Ensure that OSM management control systems are adequate and will reliably safeguard the efficient and effective use of Government resources.

2. Determine whether the policies and standards established in accordance with OMB Circular A-123 and the FMFIA are being properly implemented.

3. Promote a control-conscious environment within OSM that keeps managers constantly aware of the need to establish systematic controls, monitor their application and periodically review their effectiveness.

1-02-60 (Continued)

4. Develop standards and procedures, guidelines and reporting requirements necessary to establish and maintain effective management controls.

5. Ensure that all agency operations are periodically assessed for vulnerability to fraud, abuse and waste.

6. Ensure that corrective actions are implemented as scheduled.