Annex B: Definitions

**DEFINITIONS**

**Accounting System** – Method for the separate identification of receipts, disbursements, assets and liabilities, and for the summarization of financial information in a manner which will enable the recipient to prepare the reports required by the Federal agency for an assistance agreement.

**Accrual Basis** – Accounting basis which recognizes transactions when they occur, regardless of the timing of related cash receipts and payments.

**Acquisition Cost** - The net invoice price of purchased property, including any attachments or accessories needed to make the property usable for the purpose for which it was acquired. Related charges such as taxes, freight, or installation should be included or excluded from acquisition cost in accordance with the recipient’s regular accounting practices.

**Administratively Complete** – The determination we make that all required parts of an assistance application are present and that sufficient information is provided to determine that costs are necessary reasonable, allowable, and allocable.

**Alterations and Renovations** - Work required to change the physical characteristics of an existing facility or installed equipment as needed by the program to make it more useful for its current purpose or adapt it to a changed use.

**Amendment** – A formal written change to the amount, terms and conditions, performance period or scope of work of an assistance agreement.

**Appeal Procedures** – Procedures which permit an applicant or recipient to request review of a particular issue or decision at a higher level. Appeals of OSMRE decisions are submitted to the appropriate Regional Director or to the Director of OSMRE.

**Applicable Credit** – A negative expenditure item which offsets or reduces an expense. Examples are purchase discounts, rebates, trade-ins, and adjustments of overpayments and erroneous charges.

**Approval Package** – The set of documents related to an assistance agreement application which is prepared by the grants specialist to justify and support the approval recommendation made to the official authorized to approve the award.

**Assistance Agreement** – A grant or cooperative agreement awarded by a Federal agency to provide financial assistance to a recipient.

**Audit** – A formal review to verify and assess an organization’s financial and programmatic operations.
**Awarding Office** – The OSMRE Regional, Field, or Area office or offices which award and manage a recipient’s assistance agreement.

**Budget** – The approved financial plan for both Federal and non-Federal funds to carry out the purpose of the assistance agreement. This plan is the financial expression of the project or program as approved during the application and award process.

**Budget Revision** – A change to an assistance agreement budget approved by the Federal agency as needed to carry out the purposes of the project.

**Budget Underrun** – The amount of Federal funds awarded exceeds the needs of the recipient by more than $10,000 or ten percent of the total agreement amount, whichever is greater. The recipient must notify the Federal agency promptly when a budget underrun is expected to occur.

**Cash Basis** – Accounting basis which recognizes transactions only when cash changes hands.

**Catalog of Federal Domestic Assistance (CFDA)** – A comprehensive listing and description of Federal programs and activities which provide financial assistance or benefits to the public.

**Certified State or Tribe** – A state or tribe in which the Governor or Tribal governing body has certified and the Secretary has concurred that the state (or Indian tribe) has reclaimed and achieved all of the priorities for abandoned coal mines and other affected lands that existed prior to 1977.

**Closeout** – Completion by the recipient and Federal agency of all appropriate final actions for an assistance agreement except audit.

**Conflict of Interest** – Outside activities, relationships, or financial interests of a recipient or an employee which may lead the entity to be motivated, or to give the appearance of being motivated, by a desire for private gain.

**Consultant** – A person engaged to give professional advice or services for a fee, but not as an employee of the paying organization.

**Cooperative Agreement** – An agreement between a Federal agency and a recipient to provide funds to achieve a specified public purpose of support or stimulation, authorized by Federal statute, with significant Federal involvement in performance.

**Cost Analysis** – The process of obtaining cost breakdowns, examining or verifying cost data, and evaluating specific elements of costs to determine that costs in an assistance agreement budget are necessary, reasonable, and appropriate.
**Cost Principles** – The principles published in OMB regulations which Federal agencies use to determine whether costs are allowable in Federal assistance agreements.

**Cost Transfers** – The reassignment of costs from one project activity to another.

**Costs** – The allowable direct costs of an assistance agreement activity, plus the allocable portions of the allowable indirect costs of an organization, less allocable credits.

**Debarment** – The exclusion of a person or entity from participating in covered Federal transactions, following proper notification, hearing and appeal procedures.

**Deviation from Policy** – The use of any policy, procedure, form or condition which is inconsistent with agency policy, or the failure to use a prescribed policy, procedure, form, or condition for an assistance agreement.

**Direct Costs** – Costs that can be identified specifically to a particular program or cost objective.

**Disbursements** – Payments in cash or by check or electronic funds transfer.

**Discretionary Grants** – Programs that permit Federal agencies, under specific authorizing legislation, to use a competitive process to select the projects and entities to receive Federal financial assistance.

**Distribution** – The process the Federal agency uses to divide funding available for a mandatory grant program between the eligible program recipients.

**Environmental Impact** – The probable environmental consequences of any major Federal action.

**Equal Employment Opportunity** – Non-discrimination against any person in recruitment, examination, appointment, training, promotion, retention, and discipline because of political or religious opinions or affiliations, or because of race, national origin, or other nonmerit factors.

**Equipment** – Tangible personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. See Property.

**Expiration Date** – The ending date of the performance period of an assistance agreement.

**Extension** – Delay the date of an action. Change the ending date of an assistance agreement to provide additional time to complete the program activity. Change the due date to provide additional time to complete a required action such as a report.

**Federal Reclamation Program Project** – Emergency or high priority AML abatement or reclamation project undertaken by OSMRE on lands and waters not under an approved state or
Tribal reclamation or emergency program. Reclamation may be funded through a Federal contract, a cooperative agreement with a state or tribe, or an interagency agreement with another Federal agency.

**Federal Share** – The percentage of the total net cost of an activity paid with Federal assistance funds. The Federal cost share percentage can also be applied to property or income to determine the Federal share of assets.

**Federally-Recognized Indian Tribal Government** – The governing body or a governmental agency of any Indian tribe, band, nation, or other organized group or community certified by the Secretary of the Interior as eligible for the special programs and services provided through the Bureau of Indian Affairs.

**Forms Clearance** – Process for a Federal agency to obtain prior clearance from OMB in order to require multiple non-Federal entities to complete a form or respond to an information request.

**Freedom of Information Act (FOIA)** – Law governing the release of certain requested information to any member of the public.

**Grant** – An award of financial assistance from a Federal agency to a recipient to achieve a specified public purpose of support or stimulation, authorized by Federal statute, where agency involvement in the project is expected to be minimal.

**Grantee** – Organization or entity receiving a grant. See Recipient.

**Indirect Costs** – Costs incurred by an organization for a common or joint purpose benefiting more than one cost objective or program and not readily assignable to the cost objective specifically benefited.

**In-Kind** – Contributions other than cash, such as goods and services or the use of real or personal property, made by the recipient or by third parties directly benefiting and specifically identifiable to the assistance program activity.

**Lobbying** – Any activity designed to influence a member of Congress to favor or oppose any legislation, including appropriation, whether before or after the introduction of any bill or resolution proposing such legislation.

**Mandatory Grants** – Grants that a Federal agency must award to all entities which meet the eligibility and compliance requirements of the authorizing law and regulations.

**Match** – Level of non-Federal support, cash or in-kind, a recipient is required by law or regulations to provide to be eligible for an assistance agreement under a specific program.
**Obligations** – Legal commitment by an organization which binds funds for payment, such as the award of an assistance agreement or a contract.

**Office of Management and Budget (OMB)** – The principal staff office in the Office of the President for administrative and financial matters.

**Outlays** – Costs charged to the assistance agreement.

**Payment** – Federal funds transferred to recipients by electronic fund transfer. Payments may be in advance of cash outlays by the recipient or reimbursements of previous outlays from the recipient’s own cash.

**Performance Period** – The period of time when the recipient is authorized under an assistance agreement to perform the supported program and charge its costs to the agreement.

**Pre-award Costs** – Expenses incurred by an applicant prior to the award of the assistance agreement.

**Privacy Act of 1974** – Law mandating that personal information about individuals collected by Federal agencies be limited to that which is legally authorized and necessary. Personal information must be maintained, used and disseminated so as to prevent unwarranted intrusions upon individual privacy.

**Prior Approval** – Written agreement by an authorized Federal official to a recipient’s request to change the project or assistance agreement. The recipient must receive the approval before they take the action.

**Program Income** – Gross earnings directly generated from activities supported by an assistance agreement.

**Project** – An AML project is an area containing one or more abandoned mine land problems. A project may be a group of related reclamation activities with a common objective within a political subdivision of a state or within a logical geographic area such as a watershed, conservation district or county planning area.

**Property**

a. Real property – land, land improvements, buildings, facilities and related minor property and gear, excluding movable machinery and equipment.

b. Personal property – property of any kind except real property.

c. Tangible personal property – personal property having physical existence.
d. Intangible personal property – personal property without physical existence, such as patents, inventions, and copyrights.

e. Expendable personal property - personal property other than equipment.

f. Nonexpendable personal property - tangible personal property with a useful life of more than one year.

NOTE: A recipient may use its own definition of property provided that its definition would at least include all property as defined above.

Recipient – The organization or individual entity that receives an assistance agreement and assumes legal and financial responsibility and accountability both for the awarded funds and for the performance of the supported activity.

Regulations – Governmental orders having the force of law. Regulations are published in the Federal Register and the Code of Federal Regulations (CFR) as the official notification to the public of the implementation of a program or the establishment of rules or procedures.

Scope Change – A programmatic change in the work to be performed under an assistance agreement that is outside the range of work contemplated at the time of award.

Site Visit – Meeting or review by Federal program, grants or management staff or consultants at a recipient’s office or at the site of any activity supported by the assistance agreement.

State – Any of the states of the United States, the District of Columbia, Puerto Rico, any territory or possession of the United States, or any instrumentality of a state, including state institutions of higher education and hospitals, but not including the governments of the political subdivisions of the state.

State Plan – Proposal to establish a regulatory or reclamation program under the Surface Mining Control and Reclamation Act (SMCRA) submitted by an eligible state or tribe and approved by the Secretary of the Interior.

Subgrant – An award by a recipient to an eligible third party of financial assistance in money or property from an assistance agreement. The term does not include procurement purchases or contracts made by a recipient.

Supplies – Expendable personal property.

Suspension – A Federal action which temporarily halts operations under an assistance agreement because of a problem. Suspension allows time for corrective action by the recipient or the Federal agency’s decision to terminate the agreement.
**Technical Assistance** – Advice or training provided by the Federal agency or staff to increase the effectiveness of the recipient’s program and/or administrative staff.

**Termination** – Cancellation, in whole or in part, of Federal support under an assistance agreement prior to completion or the approved expiration date of the agreement.

**Uncertified State or Tribe** – A state or tribe that has not yet reclaimed all lands and water that were either mined for coal or affected by coal mining and abandoned or left in an inadequate reclamation status prior to 1977.

**Unobligated Balance** – The portion of the total authorized funding which remains available to incur additional costs for the program.

**Unpaid Obligations** – Transactions for goods or services the recipient has committed to pay for but has not yet paid, whether or not the goods or a bill have been received.