

Supporting Statement
Data Collection Form for Application for Federal Assistance
SF-424(R&R)

A. Justification

1. On an annual basis, the Federal government commits nearly twenty percent of the Federal budget, or approximately \$350 billion, to State and Local governments, Tribal organizations, education and research institutions, non-profit organizations, public housing authorities, and commercial organizations through the award of Federal grants. There are 26 Federal grant-making agencies with over 900 grant programs. More than half of these Federal agencies have research-related grant programs authorized by legislation covering a broad range of diverse research subject matter. To obtain Federal grants funds, applicant organizations must apply to the agency responsible for administering the grant program.

The Federal Grant and Cooperative Agreement Act of 1977 (31 USC 6301-6308) gives agencies the authority to select the appropriate award instrument within the limits of their program legislation to support or stimulate recipient activity (see Attachment 1). Federal Public Law (PL) 106-107, the Federal Financial Assistance Management Improvement Act of 1999, was enacted to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public (see Attachment 2). The issuance of the President's Management Agenda in 2002 called for "agencies to allow applicants for Federal grants to apply for, and ultimately manage, grant funds online through a common web site, simplifying grants management and eliminating redundancies..." (see Attachment 3).

The proposed information collection, SF-424(R&R) assists agencies with research grants to implement Office of Management and Budget (OMB) direction to use Grants.gov's Apply mechanism (<http://www.whitehouse.gov/omb/memoranda/fy04/m04-05.html>). In its memorandum to agencies, OMB established Grants.gov as the Federal government's single, online portal for any person, business, or State, Local and Tribal government to find and apply for Federal grants. This memorandum also required agencies to identify the grant programs that will be placed on Grants.gov (Apply mechanism) and develop a schedule for participation. The SF-424(R&R) data set and form also implements OMB policy that established a standard set of data elements and definitions for Federal grant-making agencies and applicants to use for discretionary grant applications. These data elements and definitions are found on the SF-424, plus five additional data elements (see Attachment 4).

2. The SF-424(R&R) will consolidate research and related grants application data and forms currently used by Federal grant-making agencies with a research

mission or conducting research-related activities. The SF-424(R&R) will become the common Federal (standard) form for research and related grant applications, replacing numerous agency-specific forms thus reducing the administrative burden to the Federal grants community that includes applicants/grantees and to Federal staff involved in grants-related activities. The information collection provides data to assist Federal program staff and grants officials in assessing the adequacy of applicant's proposals to accomplish project objectives and determine whether the business aspects of applications reflect program needs and grants policies. Federal agencies will not be required to collect all of the information included on the proposed form. The agency will identify the sections that must be completed by applicants through instructions that will accompany the form. Agencies will implement processes for reviewing the applications and awarding grant funds. These processes are reflected in agencies' policies and procedures documents. Agencies will also maintain and store application forms and data in accordance with their policies and practices.

3. The Grants.gov Apply mechanism (<http://www.grants.gov/Apply>), which was deployed in October 2003, allows applicants to electronically apply for Federal grants. In its January 7, 2004 memorandum, OMB directed grant-making agencies to use Grants.gov's Apply mechanism (<http://www.whitehouse.gov/omb/memoranda/fy04/m04-05.html>). Information on the SF-424(R&R) will be entered into fillable forms and submitted electronically through the Grants.gov portal. Applicants can complete application documents that they download from Grants.gov and submit them based on agency policies and instructions. Agency policies and instructions include detailed submission guidance such as due dates, eligibility, information requirements, supporting documentation, etc. Upon receipt of the application, Grants.gov will send an electronic acknowledgement to the applicant that the submission was received with the date and time of receipt. In addition, Grants.gov will deliver the application to the agency.
4. Development of the SF-424(R&R) form and data set is an effort to reduce duplication of similar or identical forms and data sets across Federal agencies as well as implement streamlining and simplification provisions of PL 106-107 and provided support for the President's Management Agenda to allow applicants for Federal grants to apply for grant funds online. A cross-agency work group developed the proposed SF-424(R&R) form and data set that will serve as a common application form for research-related grant programs. The form and data builds on existing OMB policy that established a standard set of data elements and definitions for Federal grant-making agencies and applicants to use for discretionary grants applications (see Attachment 4).
5. Only organizations that are interested in pursuing a Federal research grant opportunity will use the new form/data set. The burden to all applicants, including small businesses and other small entities is reduced through use of the SF-424(R&R). Applicants can use this form and data set to apply for research-related grants in any of the Federal grant-making agencies rather than using each agency's research-related grants application forms. The applicant's burden

is lessened through a reduction in the “learning curve” and labor costs associated with preparing Federal grant applications while increasing their ability to apply for more opportunities; applicant’s will be able to re-use grant application material; and electronic submission of applications will eliminate postage and copying costs.

6. The SF-424(R&R) will replace other application forms and data sets used by agencies’ research grant programs. If the SF-424(R&R) is not used, a variety of existing forms and data will be used to assist program and grants officials in assessing the adequacy of an applicant’s proposals to accomplish project objectives and determine whether the business aspects of applications reflect program needs and grants policies. Additionally, a significant PL 106-107 grants streamlining and simplification opportunity will be missed and progress towards fully achieving the President’s Management Agenda to allow applicants for Federal grants to apply for grant funds online would be impeded if the SF-424(R&R) were not used.
7. The proposed collection of information will be conducted in a manner that complies with relevant legislation authorizing Federal grants programs, OMB policies related to the administration of Federal grants (OMB Circulars A-102, A-110, A-21, A-122, and A-87), and guidelines of 5 CFR 1320.5(d)(2).
8. The information collection is an update to the establishment of standard data elements that have been previously published. On April 8, 2003, the data collection Notice of Proposed Requirements to Establish Standard Data Elements was published in the *Federal Register* [Vol 68, No. 67]. A copy of that notice is included in this package as Attachment 4. OMB received 22 comment letters relating to the proposed information collection. The comments received and OMB’s responses were summarized in notice published in the July 31, 2003 *Federal Register* [Vol 68, No. 147]. This notice is provided as Attachment 5. All comments were considered in preparing OMB’s responses.
9. Not applicable since there is no payment to respondents, other than remuneration of grantees.
10. The grant-making agencies will maintain the authoritative copy of all application materials and data. Confidentiality of information will be consistent with OMB policies related to the administration of Federal grants as well as agency policies and practices for access to electronic and paper records. If application forms are submitted through the Grants.gov Apply mechanism, Grants.gov will maintain only transmission records pertaining to the files. Grants.gov will not maintain application materials and data.
11. Not applicable since there are no sensitive questions.
12. The respondents to the SF-424(R&R) are grants applicants from organizations that conduct research. These respondents currently complete a variety of

agency-specific application packages to obtain research grant funds. The proposed SF-424(R&R) will be the common (standard) form for research and related grant applications. Use of the SF 424(R&R) is intended to reduce the administrative burden for applicants through a reduction in the “learning curve” and labor costs associated with preparing and submitting agency-specific Federal research grant applications and the re-use of grant application materials.

An estimate of the total hour burden of the collection of information to the respondents using the existing research application forms and methods was developed by aggregating information provided the National Institutes of Health/Department of Health and Human Services (NIH/HHS). NIH/HHS receives approximately 312,500 applications annually and estimate that it takes applicants approximately 40 hours (on average) to complete each application. Cumulatively, these organizations report that the total burden to applicants to be approximately 12,500,000 hours with an annualized cost of \$437,500,000 which is based on an average hourly rate of \$35.00. See Attachment 6 for details.

13. There is no projected incremental increase in the cost burden to respondents and record keepers associated with the use of the SF-424(R&R) beyond current cost projections for operations and maintenance. It should be noted that many applicant organizations are preparing their systems to respond to OMB’s guidance to Federal grant-making agencies to use Grants.gov’s Apply mechanism, which encourages the electronic submission of grants applications. The start up and capital costs associated with that activity can be leveraged with use of the SF-424(R&R). Research applicant organizations may also identify other opportunities to reduce their costs by leveraging application materials and systems resources for multiple research grant application submissions.
14. The primary sources of costs to the Federal government are related to staff hours and costs associated with reviewing research grant applications and the costs of receiving and maintaining records and systems. Each agency currently has existing personnel, systems and processes (or other resources) in place to receive and review their agency-specific research grant applications. Any additional cost for agency system development, maintenance and enhancements should not be attributed to use of the SF-424(R&R), and therefore its use is not expected to alter annualized Federal costs. Separate and apart from use of the SF424(R&R), agencies are already incurring costs to prepare their systems to comply with OMB’s January 7, 2004 memorandum directing them to use Grants.gov’s Apply mechanism.

An estimate of the annualized costs to NIH/HHS was developed by aggregating information provided. Cumulatively, Federal staff reviewing research grants applications spends approximately 7,812,500 hours with an annualized cost of \$828,130,000. See Attachment 6 for details.

15. There are no program changes or adjustments.

16. Not applicable since there are no publication plans.

17. Not applicable since the OMB number will be included on the data collection form.

18. Not applicable since there are no exceptions to the certification.

B. Collections of Information Employing Statistical Methods

No statistical methods are employed in this information collection.

ATTACHMENT 1

**FEDERAL GRANT AND COOPERATIVE
AGREEMENT ACT OF 1977**

The link to this legislation can be found at:

<http://uscode.house.gov/uscode-cgi/fastweb.exe?getdoc+uscview+t29t32+2099+0+ +%28%29%>

The legislation is as follows:

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CITE-

31 USC Sec. 6301

01/22/02

-EXPCITE-

TITLE 31 - MONEY AND FINANCE

SUBTITLE V - GENERAL ASSISTANCE ADMINISTRATION

CHAPTER 63 - USING PROCUREMENT CONTRACTS AND GRANT AND COOPERATIVE AGREEMENTS

-HEAD-

Sec. 6301. Purposes

-STATUTE-

The purposes of this chapter are to -

(1) promote a better understanding of United States Government expenditures and help eliminate unnecessary administrative requirements on recipients of Government awards by characterizing the relationship between executive agencies and contractors, States, local governments, and other recipients in acquiring property and services and in providing United States Government assistance;

(2) prescribe criteria for executive agencies in selecting appropriate legal instruments to achieve -

(A) uniformity in their use by executive agencies;

(B) a clear definition of the relationships they reflect; and

(C) a better understanding of the responsibilities of the parties to them; and

(3) promote increased discipline in selecting and using procurement contracts, grant agreements, and cooperative agreements, maximize competition in making procurement contracts, and encourage competition in making grants and cooperative agreements.

-SOURCE-

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1003.)

-MISC1-

Historical and Revision Notes

Revised Section Source (U.S. Code) Source (Statutes at Large)

6301 41:501. Feb. 3, 1978, Pub.

L. 95-224, Sec. 2,

92 Stat. 3.

In the chapter, the words "procurement contract" are substituted for "contract" for consistency.
The text of 41:501(a) and (b)(4) is omitted as executed.

ENVIRONMENTAL PROTECTION AGENCY; AGREEMENTS AND GRANTS AFFECTING
REAL PROPERTY IN THE DISTRICT OF COLUMBIA

Pub. L. 106-522, Sec. 153, Nov. 22, 2000, 114 Stat. 2474,

provided that:

"(a) Nothing in the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301 et seq.) may be construed to prohibit the Administrator of the Environmental Protection Agency from negotiating and entering into cooperative agreements and grants authorized by law which affect real property of the Federal Government in the District of Columbia if the principal purpose of the cooperative agreement or grant is to provide comparable benefits for Federal and non-Federal properties in the District of Columbia.

"(b) Subsection (a) shall apply with respect to fiscal year 2001 and each succeeding fiscal year."

Similar provisions were contained in Pub. L. 106-553, Sec.1(a)(1) (Sec. 153), Dec. 21, 2000, 114 Stat. 2762, 2762A-37, which was repealed, and deemed for all purposes to have never been enacted, by Pub. L. 106-554, Sec. 1(a)(4) (div. A, Sec. 406(a)), Dec. 21, 2000, 114 Stat. 2763, 2763A-189, effective as if included in Pub. L. 106-553 on the date of its enactment. See section 1(a)(4) (div. A, Sec. 406) of Pub. L. 106-554, set out as an Effective Date and Construction of 2000 Amendment, under section 1155 of Title 20, Education.

CITE-

31 USC Sec. 6302

01/22/02

-EXPCITE-

TITLE 31 - MONEY AND FINANCE

SUBTITLE V - GENERAL ASSISTANCE ADMINISTRATION

CHAPTER 63 - USING PROCUREMENT CONTRACTS AND GRANT AND COOPERATIVE

AGREEMENTS

-HEAD-

Sec. 6302. Definitions

-STATUTE-

In this chapter -

(1) "executive agency" does not include a mixed-ownership Government corporation.

(2) "grant agreement" and "cooperative agreement" do not include an agreement under which is provided only -

(A) direct United States Government cash assistance to an individual;

(B) a subsidy;

(C) a loan;

(D) a loan guarantee; or

(E) insurance.

(3) "local government" means a unit of government in a State, a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, an interstate entity, or another instrumentality of a local government.

(4) "other recipient" means a person or recipient (except a State or local government) authorized to receive United States Government assistance or procurement contracts and includes a charitable or educational institution.

(5) "State" means a State of the United States, the District of Columbia, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

-SOURCE-

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1003.)

-MISC1-

Historical and Revision Notes

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
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6302(1)	41:502(4).	Feb. 3, 1978, Pub. L. 95-224, Sec. 3, 92 Stat. 4.
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6302(2)	41:502(5).	
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6302(3)	41:502(2).	
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6302(4)	41:502(3).	
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6302(5)	41:502(1).	
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Clause (3) restates the source provisions because of the definition of "executive agency" in section 102 of the revised title. The words "a county, municipality, city, town, township" are omitted as being included in "a unit of government in a State".

In clause (5), the words "the Commonwealth of Puerto Rico" are omitted as being included in "territory or possession of the United States" and as unnecessary because of 48:734. The words "duties and powers" are substituted for "functions" for consistency in the revised title and with other titles of the United States Code.

-SECFEF-

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 10 section 2411.

-CITE-

-EXPCITE-

TITLE 31 - MONEY AND FINANCE

SUBTITLE V - GENERAL ASSISTANCE ADMINISTRATION

CHAPTER 63 - USING PROCUREMENT CONTRACTS AND GRANT AND COOPERATIVE AGREEMENTS

-HEAD-

Sec. 6303. Using procurement contracts

-STATUTE-

An executive agency shall use a procurement contract as the legal instrument reflecting a relationship between the United States Government and a State, a local government, or other recipient when

(1) the principal purpose of the instrument is to acquire (by purchase, lease, or barter) property or services for the direct benefit or use of the United States Government; or

(2) the agency decides in a specific instance that the use of a procurement contract is appropriate.

-SOURCE-

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1004.)

-MISC1-

Historical and Revision Notes

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
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6303	41:503.	Feb. 3, 1978, Pub. L. 95-224, Sec. 4, 92 Stat. 4.
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The words "type of" are omitted as unnecessary. The word "decides" is substituted for "determines" for consistency.

-SECREP-

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 section 3710a; title 30 section 1901.

-CITE-

-EXPCITE-

TITLE 31 - MONEY AND FINANCE

SUBTITLE V - GENERAL ASSISTANCE ADMINISTRATION

CHAPTER 63 - USING PROCUREMENT CONTRACTS AND GRANT AND COOPERATIVE AGREEMENTS

-HEAD-

Sec. 6304. Using grant agreements

-STATUTE-

An executive agency shall use a grant agreement as the legal instrument reflecting a relationship between the United States Government and a State, a local government, or other recipient when

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(1) the principal purpose of the relationship is to transfer a thing of value to the State or local government or other recipient to carry out a public purpose of support or stimulation authorized by a law of the United States instead of acquiring (by purchase, lease, or barter) property or services for the direct benefit or use of the United States Government; and

(2) substantial involvement is not expected between the executive agency and the State, local government, or other recipient when carrying out the activity contemplated in the agreement.

-SOURCE-

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1004.)

-MISC1-

Historical and Revision Notes

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
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6304	41:504.	Feb. 3, 1978, Pub. L. 95-224, Sec. 5, 92 Stat. 4.
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The words "type of" are omitted as unnecessary. The words "money, property, services" are omitted as being included in "a thing of value". The words "in order" are omitted as surplus. The words "law of the United States" are substituted for "Federal statute" for consistency.

-SECFREF-

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 sections 3710a, 4602; title 30 section 1901.

-CITE-

31 USC Sec. 6305

01/22/02

-EXPCITE-

TITLE 31 - MONEY AND FINANCE

SUBTITLE V - GENERAL ASSISTANCE ADMINISTRATION

CHAPTER 63 - USING PROCUREMENT CONTRACTS AND GRANT AND COOPERATIVE AGREEMENTS

-HEAD-

Sec. 6305. Using cooperative agreements

-STATUTE-

An executive agency shall use a cooperative agreement as the legal instrument reflecting a relationship between the United States Government and a State, a local government, or other recipient when -

(1) the principal purpose of the relationship is to transfer a thing of value to the State, local government, or other recipient to carry out a public purpose of support or stimulation authorized by a law of the United States instead of acquiring (by purchase, lease, or barter) property or services for the direct benefit or use of the United States Government; and

(2) substantial involvement is expected between the executive agency and the State, local government, or other recipient when carrying out the activity contemplated in the agreement.

-SOURCE-

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1004.)

-MISC1-

Historical and Revision Notes

Revised Section Source (U.S. Code) Source (Statutes at Large)

6305 41:505. Feb. 3, 1978, Pub.
L. 95-224, Sec. 6,
92 Stat. 5.

The words "type of" are omitted as unnecessary. The words "money, property, services" are omitted as being included in "a thing of value". The words "law of the United States" are substituted for "Federal statute" for consistency.

IMPLEMENTATION OF NORTH AMERICAN WETLANDS CONSERVATION ACT AND NORTH AMERICAN WATERFOWL MANAGEMENT PLAN

Pub. L. 102-154, title I, Nov. 13, 1991, 105 Stat. 995, provided that: "Notwithstanding the provisions of the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301-6308), the Fish and Wildlife Service is hereafter authorized to negotiate and enter into cooperative arrangements and grants with public and private agencies, organizations, institutions, and individuals to implement on a public-private cost sharing basis, the North American Wetlands Conservation Act (16 U.S.C. 4401 et seq.) and the North American Waterfowl Management Plan".

PRINTING OF EDUCATIONAL MATERIALS AND CONTINUATION OF CHALLENGE COST-SHARE PROGRAM

Pub. L. 102-154, title II, Nov. 13, 1991, 105 Stat. 1018, provided that: "Notwithstanding the provisions of the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301-6308), the Forest Service is authorized hereafter to negotiate and enter into cooperative arrangements with public and private agencies, organizations, institutions, and individuals to print educational materials and to continue the Challenge Cost-Share Program."

BUREAU OF LAND MANAGEMENT; AUTHORIZATION TO USE COOPERATIVE
ARRANGEMENTS TO IMPLEMENT CHALLENGE COST-SHARE PROGRAMS

Pub. L. 101-512, title I, Nov. 5, 1990, 104 Stat. 1918, provided in part that: "the Bureau (of Land Management) is authorized hereafter to negotiate and enter into cooperative arrangements with public and private agencies, organizations, institutions, and individuals, to implement challenge cost-share programs."

-SECF-

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 section 3710a; title 16 section 1g; title 30 section 1901.

-CITE-

31 USC Sec. 6306

01/22/02

-EXPCITE-

TITLE 31 - MONEY AND FINANCE

SUBTITLE V - GENERAL ASSISTANCE ADMINISTRATION

CHAPTER 63 - USING PROCUREMENT CONTRACTS AND GRANT AND COOPERATIVE
AGREEMENTS

-HEAD-

Sec. 6306. Authority to vest title in tangible personal property for research

-STATUTE-

The head of an executive agency may vest title in tangible personal property in a nonprofit institution of higher education or in a nonprofit organization whose primary purpose is conducting scientific research -

(1) when the property is bought with amounts provided under a procurement contract, grant agreement, or cooperative agreement with the institution or organization to conduct basic or applied scientific research;

(2) when the head of the agency decides the vesting furthers the objectives of the agency;

(3) without further obligation to the United States Government; and

(4) under conditions the head of the agency considers appropriate.

-SOURCE-

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1004.)

-MISC1-

Historical and Revision Notes

L. 95-224, Sec.
10(d), 92 Stat. 6;
Apr. 1, 1982, Pub.
L. 97-162, 96 Stat. 23.

In clause (2), the word "exempt" is substituted for "except" for consistency.

-CITE-

31 USC Sec. 6308

01/22/02

-EXPCITE-

TITLE 31 - MONEY AND FINANCE

SUBTITLE V - GENERAL ASSISTANCE ADMINISTRATION

CHAPTER 63 - USING PROCUREMENT CONTRACTS AND GRANT AND COOPERATIVE

AGREEMENTS

-HEAD-

Sec. 6308. Use of multiple relationships for different parts of jointly financed projects

-STATUTE-

This chapter does not require an executive agency to establish only one relationship between the United States Government and a State, a local government, or other recipient on a jointly financed project involving amounts from more than one program or appropriation when different relationships would otherwise be appropriate for different parts of the project.

-SOURCE-

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1005.)

-MISC1-

Historical and Revision Notes

Revised Section Source (U.S. Code) Source (Statutes at Large)

6308 41:509. Feb. 3, 1978, Pub.

L. 95-224, Sec.

10(c), 92 Stat. 6.

The word "financed" is substituted for "funded", and the word "amounts" is substituted for "funds", for consistency in the revised title.

ATTACHMENT 2

**FEDERAL FINANCIAL ASSISTANCE MANAGEMENT
IMPROVEMENT ACT OF 1999**

The link to this legislation can be found at:

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=106_cong_public_laws&docid=f:publ107.106.pdf

The legislation is as follows:

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FEDERAL FINANCIAL ASSISTANCE

MANAGEMENT IMPROVEMENT ACT OF 1999

PUBLIC LAW 106- 107—NOV. 20, 1999

VerDate 29-OCT-99 22:49 Nov 30, 1999 Jkt 079139 PO 00107 Frm 00001 Fmt 6579 Sfmt 6579

E:\PUBLAW\PUBL107.106 APPS24 PsN: PUBL107

113 STAT. 1486

Nov. 20, 1999

[S. 468]

Federal Financial Assistance Management Improvement Act of 1999.

31 USC 6101 note.

31 USC 6101 note.

31 USC 6101 note.

31 USC 6101 note.

Public Law 106- 107

106th Congress

An Act

To improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘ ‘ Federal Financial Assistance Management Improvement Act of 1999’ ’ .

SEC. 2. FINDINGS.

Congress finds that—

- (1) there are over 600 different Federal financial assistance programs to implement domestic policy;
- (2) while the assistance described in paragraph (1) has been directed at critical problems, some Federal administrative requirements may be duplicative, burdensome or conflicting, thus impeding cost-effective delivery of services at the local level;

(3) the Nation's State, local, and tribal governments and private, nonprofit organizations are dealing with increasingly complex problems which require the delivery and coordination of many kinds of services; and
(4) streamlining and simplification of Federal financial assistance administrative procedures and reporting requirements will improve the delivery of services to the public.

SEC. 3. PURPOSES.

The purposes of this Act are to—

- (1) improve the effectiveness and performance of Federal financial assistance programs;
- (2) simplify Federal financial assistance application and reporting requirements;
- (3) improve the delivery of services to the public; and
- (4) facilitate greater coordination among those responsible for delivering such services.

SEC. 4. DEFINITIONS.

In this Act:

(1) DIRECTOR.—The term ' ' Director' ' means the Director of the Office of Management and Budget.

(2) FEDERAL AGENCY.—The term ' ' Federal agency' ' means any agency as defined under section 551(1) of title 5, United States Code.

113 STAT. 1487 PUBLIC LAW 106- 107—NOV. 20, 1999

(3) FEDERAL FINANCIAL ASSISTANCE.—The term ' ' Federal financial assistance' ' has the same meaning as defined in section 7501(a)(5) of title 31, United States Code, under which Federal financial assistance is provided, directly or indirectly, to a non-Federal entity.

(4) LOCAL GOVERNMENT.—The term ' ' local government' ' means a political subdivision of a State that is a unit of general local government (as defined under section 7501(a)(11) of title 31, United States Code).

(5) NON-FEDERAL ENTITY.—The term ' ' non-Federal entity' ' means a State, local government, or nonprofit organization.

(6) NONPROFIT ORGANIZATION.—The term ' ' nonprofit organization' ' means any corporation, trust, association, cooperative, or other organization that—

(A) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

(B) is not organized primarily for profit; and

(C) uses net proceeds to maintain, improve, or expand the operations of the organization.

(7) STATE.—The term ' ' State' ' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, and any instrumentality thereof, any multi-State, regional, or interstate entity which has governmental functions, and any Indian Tribal Government.

(8) TRIBAL GOVERNMENT.—The term ' ' tribal government' ' means an Indian tribe, as that term is defined in section 7501(a)(9) of title 31, United States Code.

(9) UNIFORM ADMINISTRATIVE RULE.—The term ‘ ‘ uniform administrative rule’ ’ means a Governmentwide uniform rule for any generally applicable requirement established to achieve national policy objectives that applies to multiple Federal financial assistance programs across Federal agencies.

SEC. 5. DUTIES OF FEDERAL AGENCIES. 31 USC 6101 note.

Deadline. (a) IN GENERAL.—Except as provided under subsection (b), not later than 18 months after the date of the enactment of this Act, each Federal agency shall develop and implement a plan that—

(1) streamlines and simplifies the application, administrative, and reporting procedures for Federal financial assistance programs administered by the agency;

(2) demonstrates active participation in the interagency process under section 6(a)(2);

(3) demonstrates appropriate agency use, or plans for use, of the common application and reporting system developed under section 6(a)(1);

(4) designates a lead agency official for carrying out the responsibilities of the agency under this Act;

(5) allows applicants to electronically apply for, and report on the use of, funds from the Federal financial assistance program administered by the agency;

(6) ensures recipients of Federal financial assistance provide timely, complete, and high quality information in response to Federal reporting requirements; and

(7) in cooperation with recipients of Federal financial assistance, establishes specific annual goals and objectives to further the purposes of this Act and measure annual performance in achieving those goals and objectives, which may be done as part of the agency’ s annual planning responsibilities under the Government Performance and Results Act of 1993 (Public Law 103– 62; 107 Stat. 285).

(b) EXTENSION.—If a Federal agency is unable to comply with subsection (a), the Director may extend for up to 12 months the period for the agency to develop and implement a plan in accordance with subsection (a).

(c) COMMENT AND CONSULTATION ON AGENCY PLANS.—

(1) COMMENT.—Each agency shall publish the plan developed under subsection (a) in the Federal Register and shall receive public comment of the plan through the Federal Register and other means (including electronic means). To the maximum extent practicable, each Federal agency shall hold public forums on the plan.

(2) CONSULTATION.—The lead official designated under subsection

(a)(4) shall consult with representatives of non-Federal entities during development and implementation of the plan. Consultation with representatives of State, local, and tribal governments shall be in accordance with section 204 of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1534).

(d) SUBMISSION OF PLAN.—Each Federal agency shall submit the plan developed under subsection (a) to the Director and Congress and report annually thereafter on the implementation of the plan and performance of the agency in meeting the goals and objectives specified under subsection (a)(7). Such report may be included as part of any of the general management reports required under law.

SEC. 6. DUTIES OF THE DIRECTOR.

- (a) IN GENERAL.—The Director, in consultation with agency heads and representatives of non-Federal entities, shall direct, coordinate, and assist Federal agencies in establishing—
- (1) a common application and reporting system, including—
- (A) a common application or set of common applications, wherein a non-Federal entity can apply for Federal financial assistance from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies;
- (B) a common system, including electronic processes, wherein a non-Federal entity can apply for, manage, and report on the use of funding from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies; and
- (C) uniform administrative rules for Federal financial assistance programs across different Federal agencies; and
- (2) an interagency process for addressing—
- (A) ways to streamline and simplify Federal financial assistance administrative procedures and reporting requirements for non-Federal entities;
- (B) improved interagency and intergovernmental coordination of information collection and sharing of data pertaining to Federal financial assistance programs, 113 STAT. 1489 PUBLIC LAW 106– 107—NOV. 20, 1999 including appropriate information sharing consistent with section 552a of title 5, United States Code; and
- (C) improvements in the timeliness, completeness, and quality of information received by Federal agencies from recipients of Federal financial assistance.
- (b) LEAD AGENCY AND WORKING GROUPS.—The Director may designate a lead agency to assist the Director in carrying out the responsibilities under this section. The Director may use interagency working groups to assist in carrying out such responsibilities.
- (c) REVIEW OF PLANS AND REPORTS.—Upon the request of the Director, agencies shall submit to the Director, for the Director’s review, information and other reporting regarding agency implementation of this Act.
- (d) EXEMPTIONS.—The Director may exempt any Federal agency or Federal financial assistance program from the requirements of this Act if the Director determines that the Federal agency does not have a significant number of Federal financial assistance programs. The Director shall maintain a list of exempted agencies which shall be available to the public through the Office of Management and Budget’s Internet site.
- (e) REPORT ON RECOMMENDED CHANGES IN LAW.—Not later than 18 months after the date of the enactment of this Act, the Director shall submit to Congress a report containing recommendations for changes in law to improve the effectiveness, performance, and coordination of Federal financial assistance programs.
- (f) DEADLINE.—All actions required under this section shall be carried out not later than 18 months after the date of the enactment of this Act.

SEC. 7. EVALUATION.

(a) IN GENERAL.—The General Accounting Office shall evaluate the effectiveness of this Act. Not later than 6 years after the date of the enactment of this Act, the evaluation shall be submitted to the lead agency, the Director, and Congress. The evaluation shall be performed with input from State, local, and tribal governments, and nonprofit organizations.

(b) CONTENTS.—The evaluation under subsection (a) shall—

(1) assess the effectiveness of this Act in meeting the purposes of this Act and make specific recommendations to further the implementation of this Act;

(2) evaluate actual performance of each agency in achieving the goals and objectives stated in agency plans; and

(3) assess the level of coordination among the Director, Federal agencies, State, local, and tribal governments, and nonprofit organizations in implementing this Act.

SEC. 8. COLLECTION OF INFORMATION.

Nothing in this Act shall be construed to prevent the Director or any Federal agency from gathering, or to exempt any recipient of Federal financial assistance from providing, information that is required for review of the financial integrity or quality of services of an activity assisted by a Federal financial assistance program.

SEC. 9. JUDICIAL REVIEW.

There shall be no judicial review of compliance or noncompliance with any of the provisions of this Act. No provision of this Act shall be construed to create any right or benefit, substantive or procedural, enforceable by any administrative or judicial action.

SEC. 10. STATUTORY REQUIREMENTS. 31 USC 6101 note.

Nothing in this Act shall be construed as a means to deviate from the statutory requirements relating to applicable Federal financial assistance programs.

SEC. 11. EFFECTIVE DATE AND SUNSET. 31 USC 6101 note.

This Act shall take effect on the date of the enactment of this Act and shall cease to be effective 8 years after such date of enactment.

Approved November 20, 1999.

LEGISLATIVE HISTORY—S. 468 (H.R. 409):

SENATE REPORTS: No. 106– 103 (Comm. on Governmental Affairs).

CONGRESSIONAL RECORD, Vol. 145 (1999):

July 15, considered and passed Senate.

Nov. 2, considered and passed House, amended.

Nov. 4, Senate concurred in House amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 35 (1999):

Nov. 20, Presidential statement.

ATTACHMENT 3

**EXCERPT FROM
THE PRESIDENT'S MANAGEMENT AGENDA
(SECTION 4. EXPANDED ELECTRONIC
GOVERNMENT)**

The link to this legislation can be found at:

<http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf>

The legislation is as follows:

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
THE PRESIDENT'S MANAGEMENT AGENDA
FISCAL YEAR 2002

4. Expanded Electronic Government

"I will expand the use of the Internet to empower citizens, allowing them to request customized information from Washington when they need it, not just when Washington wants to give it to them. True re-form involves not just giving people information, but giving citizens the freedom to act upon it."

--Governor George W. Bush

The federal government can secure greater services at lower cost through electronic government (E-government), and can meet high public demand for E-government services. This administration's goal is to champion citizen-centered electronic government that will result in a major improvement in the federal government's value to the citizen.

THE PROBLEM

The federal government is the world's largest single consumer of information technology (IT). IT has contributed 40 percent of the increase in private-sector productivity growth, but the \$45 billion the U.S. government will spend on IT in 2002 has not produced measurable gains in public-sector worker productivity. At least four major causes for this failure can be discerned.

--Agencies typically evaluate their IT systems according to how well they serve the agency's needs—not the citizens' needs. Systems will often be evaluated by the percentage of time they are working rather than the performance gain they deliver to the programs they support. In general, agencies do not evaluate their IT systems by standards relevant to the work the agency is supposed to do.

--Just as private-sector companies in the 1980s tended to use computers merely as souped-up typewriters and calculators, so government agencies in the 1990s have used IT to automate pre-existing processes rather than create new and more efficient solutions.

--IT offers opportunities to break down obsolete bureaucratic divisions. Unfortunately, agencies often perceive this opportunity as a threat and instead make wasteful and redundant investments in order to preserve chains of command that lost their purpose years ago. Financial systems are often automated separately from procurement systems, which are in turn carefully segregated from human resources

systems, significantly increasing costs and minimizing potential savings. Likewise, with rare exceptions—the Department of Defense's Finance and Accounting System being one—agencies shun opportunities to work together to consolidate functions like payroll.

Many agencies do not take care to ensure that their IT systems can communicate with one another. The Department of Veterans Affairs (VA), for example, built a new online form for veterans in one office and then discovered they had to print out the information and mail it to another office of VA because the two systems were not interoperable. VA is now devoted to interoperability—but not all agencies are as zealous.

THE INITIATIVES

The Administration will advance E-government strategy by supporting projects that offer performance gains across agency boundaries, such as e-procurement, e-grants, e-regulation, and e-signatures. It will manage E-government projects more effectively by using the budget process to insist on more effective planning of IT investments by government agencies. A task force of agency personnel in coordination with OMB and the President's Management Council will identify E-government projects that can deliver significant productivity and performance gains across government. The task force will also identify the systematic barriers that have blocked the deployment of E-government advances. The task force will work to:

- Create easy-to-find single points of access to government services for individuals.
- Reduce the reporting burden on businesses—businesses should not have to file the same information over and over because government fails to reuse the data appropriately or fails to take advantage of commercial electronic transaction protocols.
- Share information more quickly and conveniently between the federal and state, local, and tribal governments. We must also do a better job of collaborating with foreign governments and institutions.
- Automate internal processes to reduce costs internally, within the federal government, by disseminating best practices across agencies.

To support the task force's work, OMB will scrutinize federal IT investments to ensure that they maximize interoperability and minimize redundancy. The President's Budget proposes a \$20 million E-government fund for 2002 (\$100 million over the three years 2002 through 2004) to pay for collaborative E-government activities across agency lines.

The Administration will also improve the federal government's use of the Web.

- It will expand and improve the FirstGov (www.FirstGov.gov) web site to offer citizens a convenient entry to government services. OMB will engage the agencies and state and local governments in this venture, to

help citizens find information and obtain services organized according to their needs, and not according to the divisions created by the government's organizational chart.

--Agencies will undertake a Federal Public Key Infrastructure (PKI) to promote digital signatures for transactions within the federal government, between government and businesses and between government and citizens. The digital signature initiative should be coordinated with state and local governments as well as the private sector.

--By the end of 2002, all agencies will use a single e-procurement portal, *www.FedBizOpps.gov*, to provide access to notices of solicitations over \$25,000. A fully operational government-wide entry point on the Internet represents a first step in capitalizing on electronic business processes and making e-procurement the government-wide standard. The next step: agencies will make use of the single portal to consolidate procurement on the way to the broader E-government goal of supply chain management.

--Agencies will allow applicants for federal grants to apply for and ultimately manage grant funds online through a common web site, simplifying grant management and eliminating redundancies in the same way as the single procurement portal will simplify purchasing.

--Major regulatory agencies will use the Web to inform citizens of the cases before them, allow access to the development of rules, and make more transparent the decisions they make, as the Department of Transportation already does through its Docket Management System.

THE EXPECTED RESULTS

The E-government initiative will make it simpler for citizens to receive high-quality service from the federal government, while reducing the cost of delivering those services. The PKI effort will ensure that electronic transactions with and within government are private and secure. The e-procurement and grant-management portals will make transactions with the government—or obtaining financial assistance from the government—easier, cheaper, quicker and more comprehensible. The work on supply chain management will enable agencies to eliminate redundant processes and save resources. And putting the federal regulatory process on-line will offer citizens easier access to some of the most important policy decisions: better informing the citizenry and holding government more effectively to account. In short, by improving information-technology management, simplifying business processes, and unifying information flows across lines of business agencies will:

- provide high quality customer service regardless of whether the citizen contacts the agency by phone, in person, or on the Web;
- reduce the expense and difficulty of doing business with the government;
- cut government operating costs;
- provide citizens with readier access to government services;

- increase access for persons with disabilities to agency web sites and E-government applications; and
- make government more transparent and accountable.

ATTACHMENT 4

**STANDARD DATA ELEMENTS
FOR FEDERAL GRANT AGENCIES
(FEDERAL REGISTER NOTICE,
VOL. 68, NO. 67/APRIL 8, 2003)**

The link to this legislation can be found at:

<http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/2003/pdf/03-8435.pdf>

The legislation is as follows:

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Federal Register / Vol. 68, No. 67 / Tuesday, April 8, 2003 / Notices/Page 17090

OFFICE OF MANAGEMENT AND BUDGET

Office of Federal Financial Management;

Standard Data Elements for Federal Grant Applications

AGENCY: Office of Federal Financial Management (OFFM), Office of Management and Budget (OMB).

ACTION: Notice of proposed requirement to establish standard data elements.

SUMMARY: OMB proposes (1) to establish a standard set of data elements and definitions as found on the SF- 424, plus five additional data elements for Federal agencies and grant applicants to use on both paper and electronic applications for discretionary grants, and (2) to require a new assurance statement to replace the current assurances found on the SF- 424. The Federal E-Grants initiative calls for the development of a one-stop, electronic grant portal where potential grant recipients will receive full service electronic grant administration as part of the implementation of the Federal Financial Assistance Management Improvement Act of 1999 (Pub. L. 106- 107).

The grantee community is familiar with most of the data elements, which have been required by Standard Form (SF) 424, " Application for Federal Assistance," SF- 424A, Budget Information Non-Construction; SF-424B, Assurances—Non-Construction Programs; SF- 424C, Budget Information Construction Programs, and SF- 424D, Assurances—Construction Programs. OMB is adding the following five new standard data elements to those already appearing on the current SF- 424 and will revise the form accordingly. The five new standard data elements being added are:

- (1) Requesting entity's universal identifier (see proposal to use the Duns Universal Numbering System (DUNS) in the October 30, 2002 **Federal Register**, Vol. 67, No. 210, pp. 66177- 66178;
- (2) Requesting entity's e-mail address;
- (3) Requesting entity's country location for address purposes;
- (4) Requesting entity's facsimile (Fax) number; and
- (5) Requesting entity's indicator for ' ' Not-For-Profit' ' under ' ' Type of Applicant' ' based upon how the entity is classified with the Internal Revenue Service.

The use of government-wide standard data elements by grant applicants and the Federal agencies that award discretionary grants or cooperative agreements establishes the data standard for grant applications submitted via the E-Grants portal grant application software known as E-Apply. In order to establish data standards, this Notice also identifies how the data will be transmitted for E-Apply. The proposed electronic transmission of the data set is to use the conventions established by the American National Standards Institute (ANSI) 194 Data Transaction Set. These data elements will be incorporated into the first version

of EApply, scheduled for release in October 2003, which will permit applicants to apply electronically for Federal grants.

The consolidated assurance statement, which is being proposed to replace the current assurances found on the SF- 424B and SF- 424D, is designed to provide a streamlined way for Federal agencies to obtain assurance about compliance with applicable requirements. OMB believes the addition of the consolidated assurance statement will allow applicants to proceed through the application process in a more efficient manner. Only at time of award would the grantee address any specific agency assurances that are incorporated in the award and are above and beyond the standard assurances.

DATES: Comments on the proposed data elements, definitions and consolidated assurance statement must be submitted by June 9, 2003.

ADDRESSES: Due to potential delays in OMB's receipt and processing of mail sent through the U.S. Postal Service, we encourage respondents to submit comments electronically to ensure timely receipt. We cannot guarantee that comments mailed will be received before the comment closing date.

Electronic mail comments may be submitted to: sswab@omb.eop.gov.

Please include " Standard Data Elements Comments" in the subject line and put the full body of your comments in the text of the electronic message and as an attachment. Please include your name, title, organization, postal address, telephone number, and E-mail address in the text of the message.

Comments may also be submitted via facsimile to 202- 395- 3952. Comments may be mailed to Sandra Swab, Office of Federal Financial Management, Office of Management and Budget, Room 6025, New Executive Office Building, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT:

Sandra Swab, Office of Federal Financial Management, Office of Management and Budget, telephone 202- 395- 3993, and E-mail: sswab@omb.eop.gov.

SUPPLEMENTARY INFORMATION:

Standard Set of Data Elements and Definitions

The Federal E-Grants initiative, one of 24 initiatives of the Administration's overall E-Government program for improving access to Government services via the Internet, calls for the development of a one-stop, electronic grant portal where potential grant recipients will receive full service electronic grant administration. OMB is seeking to develop a standard set of data elements that will be used by grantmaking Federal agencies to develop web-based grant application software. The application software, E-Apply, will permit the use of on-line grant applications by October 2003. This **Federal Register** announcement seeks public comment on establishing the current data elements and definitions of the SF- 424 with the proposed five additional data elements as the standard data set that Federal agencies would include in the first version for electronic grant applications. The standard data elements are found in the attachment to this notice. The attachment identifies the current data elements and definitions found on the SF- 424. The proposed data elements have been required of grant applicants when submitting SF- 424s to which OMB is proposing to add five new elements: (1) Requesting entity's universal identifier

(see proposal to use the DUNS in the October 30, 2002 **Federal Register**); (2) requesting entity's e-mail address; (3) requesting entity's country location; (4) requesting entity's facsimile (Fax) number; and (5) for Not-For-Profit entities only, requesting entity's indicator for ' ' Type of Applicant.' '

Additional efforts not included in this initial proposal, seek to have the Federal government review various grants management processes that focus on different types of business lines that cut across similar grant programs. For example, grant programs that focus on research may need to have different grant application information than programs that focus on education. However, many different agency grant programs may be similar in a broad subject category and collect similar information. For those grant programs found in broad subject categories and cut across various Federal agencies, the data may be standardized and shared by collecting the data only once. This cross-agency standard data may become a subset to the standard data collected on the SF- 424. When such data is identified and approved, it is the intention to revise the suite of SF- 424 standard collection forms to identify cross-agency data. This effort will be done in consultation with the grants community at-large through the public comment process. It is thought the standardization of data and establishment of standard data for similar types of grant programs will enhance the collection of data and help to overall simplify the grants application and management processes.

Policy for Electronic Grant Applications

The SF- 424 data elements, including the five proposed data elements, are attached for review and comment and are contained within the American National Standards Institute's (ANSI) Grant Application or Assistance Application 194 Transaction Data Set, a national electronic standard for the Federal grant application. The 194 Transaction Data Set has evolved under the auspices of the Inter-Agency Electronic Grants Committee (IAEGC), ANSI, Federal Demonstration Partnership, universities, research institutions, and Federal grant-making agencies. Using an established national electronic standard to implement the E-Apply software application helps to standardize the data conventions and provides a foundation upon which to build future applications. The attachment correlates the SF- 424 data to the related data found in the 194 Transaction Data Set. Information on the 194 Transaction Data Set can be found on the Inter-Agency Electronic Grants Committee's (IAEGC) Web site at www.iaegc.gov.

Consolidated Assurance of Compliance for Grant Applicants

We further propose to revise the SF- 424 to provide a streamlined way for Federal agencies to obtain assurances of compliance with applicable requirements. Currently, a Federal program office that uses the entire suite of SF- 424 forms for its applications would require an applicant to submit assurances on, either a SF- 424B, ' ' Assurances—Non-Construction Programs,' ' or a SF- 424D, ' ' Assurances—Construction Programs.' '

The assurance forms (SF- 424B/D) list many individual national policy requirements and a few selected administrative requirements based in statute, Executive Order, regulation, or OMB circular language. The national policy requirements address societal objectives such as protection of the environment or ensuring civil rights. The selected administrative matters, such as conduct of audits, relate

to stewardship of public funds. The forms require the applicant's authorized certifying official to sign, thereby agreeing that the applicant will comply with the requirements if an award is made.

We propose an approach that coordinates the business processes of application and award at the time of announcing funding availability. Agencies' announcements will identify administrative and national policy requirements with which applicants must comply if they receive awards, thereby helping potential applicants make more informed decisions about whether to apply. If an entity is unable or unwilling to comply with any of these requirements, it should not invest time and money in preparing an application. At time of application, applicants would be asked to sign the following consolidated assurance on the cover page of the SF- 424, which would replace the lists of individual requirements that currently appear on the SF- 424B and SF- 424D:

I have reviewed the requirements that apply to recipients of awards under this program* and assure, as the duly authorized representative of the applicant, that the applicant will comply with those requirements and other terms and conditions if it receives an award.

*If you are submitting this application in response to a Federal agency announcement of a funding opportunity, consult that announcement or any associated application instructions for the Internet site or other location where you may view the generally applicable requirements. Otherwise, if you do not know where to view them, contact the office to which you are submitting this application to ask about the location.

At time of award, a successful applicant would receive an award document with terms and conditions incorporating the applicable national policy and administrative requirements. These would be the same requirements for which the applicant provided an assurance of compliance at time of application, except for any award specific requirements that the agency imposes or any new requirements or changes made to existing requirements after the agency issued its announcement.

This new approach for a consolidated assurance has a number of advantages:

--It is easier to give potential applicants up-to-date information on applicable requirements. National policy and administrative requirements change over time, due to enactment or adoption of new policies and repeal or revision of existing ones. Updating a standard form is a cumbersome and lengthy process, so it is difficult to keep forms up to date with the latest policy changes. The SF- 424B and SF- 424D, for example, are not fully up to date at this time.

--The consolidated assurance eliminates the need to update the electronic submission format each time a requirement changes. As the Federal Government moves from paper forms to electronic transactions, periodically updating the list of national policy and administrative requirements would require reprogramming the format for electronic submission of applications if each requirement was individually listed in the assurances of compliance. Reprogramming would increase costs and administrative burdens. Instead, the change would be addressed in agencies' terms and conditions, which are more easily updated.

TABLE 1.—ALL FEDERAL GRANT APPLICATION INFORMATION

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
Type of Submission (No. 1)	Self-explanatory (Identify if project application or pre-application, construction or non-construction.)	Construction Application Indicator.
Date Submitted (No. 2)	Date application submitted to Federal agency (or State if applicable)	Application Date.
Applicant Identifier	Applicant's control number (if applicable)	Applicant's Application Identification.
Date received by State (No. 3)	State use only (if applicable)	Date Received by State/Other Reviewer.
State Application Identifier	State use only (if applicable)	Reviewing Organization Application Number.
Date Received by Federal Agency (No. 4).	If this application is to continue or revise an existing award, enter date of present award.	Date Received by Federal Agency.
Federal Identifier	If this application is to continue or revise an existing award, enter present Federal Identifier number. If for a new project, leave blank.	Federal Agency Application Number.
Type of Application (No. 8)	Check appropriate box and enter appropriate letter(s) in the space(s) provided: —“New” means a new assistance award —“Continuation” means an extension for an additional funding/budget period for a project with a projected completion date. —“Revision” means any change in the Federal Government's financial obligation or contingent liability from an existing obligation.	Application Type.
If Revision	Enter the appropriate choice to specify reason for renewal. (List: New, Continuation, Revision. If revision, indicate: List: Increase Award, Decrease Award, Increase Duration, Decrease Duration, Other (Specify)).	Application Purpose.
CFDA Number (No. 10)	Use the Catalog of Federal Domestic Assistance (CFDA) number of the program under which assistance is requested.	Catalog of Federal Domestic Assistance Number.
CFDA Title (No. 10)	Use the Catalog of Federal Domestic Assistance (CFDA) title of the program under which assistance is requested.	Program Name.

TABLE 1.—ALL FEDERAL GRANT APPLICATION INFORMATION—Continued

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
Descriptive Title of Applicant's Project (No. 11)	Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction of real property projects), attach a map showing project location. For pre-application, use a separate sheet to provide a summary description of this project.	Application Title.

TABLE 2.—ORGANIZATION/APPLICANT INFORMATION

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
DUNS New Addition	The DUNS number of the organization. (Subject to OMB approval of single identifier.)	Organization DUNS.
Applicant Name/Address (No. 5)	Legal name of applicant, name of primary organizational unit that will undertake the assistance activity, complete address of applicant, including country, if other than U.S., and name and telephone number and e-mail address of the person to contact on matters related to this application.	Organization Name.
Name of Federal Agency (No. 9)	Name of the Federal Agency from which assistance is being requested with this application.	Organization Type.
Organizational Unit (No. 5)	The department, service, laboratory, or equivalent level within the organization.	Department.
Organizational Unit (No. 5)	The division, office, or major subdivision of the organization	Division.
Employer Identification Number (No. 6)	Enter Employer's Identification Number (EIN) as assigned by the Internal Revenue Service.	Employer's Identification Number.
Type of Applicant (No. 7) New Addition: Not for Profit	Enter the appropriate choice in the space provided to show the applicant type such as state or county. (List: State, County, Municipal, Township, Interstate, Intermunicipal, Special District, Independent School District, State Controlled Institution of Higher Learning, Private University, Indian Tribe, Individual, Profit organization, Not for Profit, Other (specify)).	Entity Type.
Congressional District (No. 14)	List the applicant's Congressional District and any (District/s) affected by the program or project.	Congressional District.

TABLE 3.—APPLICANT/INDIVIDUAL CONTACT INFORMATION

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
Contact Person, Name (No. 5)	Type of individual associated with the business process of submitting the application.	Individual Type.
Contact Person, Name (No. 5)	The individual's first name	First Name.
Contact Person, Name (No. 5)	The individual's last name	Last Name.
Contact Person, Name (No. 5)	The individual's middle name	Middle Name.
Contact Person, Name (No. 5)	The individual's name prefix	Prefix.
Contact Person, Name (No. 5)	The individual's name suffix	Suffix.
Contact Person, Name (No. 18a) Authorized Representative, Title	Position title of an individual	Title.
Date Signed (No. 18a)	Date Application Signed	Signature Date.

TABLE 4.—APPLICANT/INDIVIDUAL ADDRESS INFORMATION

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
Address, City (No. 5)	City of an organization or individual	City.
Address, County (No. 5)	County of an organization or individual	County.
Address, State (No. 5)	State of an organization or individual	State.
Address (No. 5)	Street address of an organization or individual	Street Address.
Address, Zip Code (No. 5)	Zip code of an organization or individual	Zip Code.
Contact Person, Telephone (No. 5)	Telephone number for an organization or individual	Telephone Number.
Fax Number New Addition	Fax number for an organization or individual	Fax Number.
E-Mail Address New Addition	E-Mail address for the individual	E-Mail address.
Country New Addition	Country of an organization or individual	Country.

TABLE 5.—PROJECT INFORMATION

SF-424 Caption or Block No.	SF-424 Description	104 Data element name for electronic submission
Areas Affected by Project (No. 12)	List only the largest political entities affected (e.g., State, counties, cities).	Geographic Location Name
Proposed Projected Start Date (No. 13)	Self-explanatory (Planned beginning date of project.)	Project Start Date
Proposed Project Ending Date (No. 13)	Self-explanatory (Planned ending date of project.)	Project End

TABLE 6.—SF-424 COVER PAGE BUDGET INFORMATION

SF-424 Caption or Block No.	SF-424 Description	104 Data element name for electronic submission
Estimated Funding	Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item.	Budget Item Code, Budget Item Cost, Budget Item Name
Estimated Funding	Dollar amount of the budget item	Dollar Amount

TABLE 7.—SF-424A NON-CONSTRUCTION BUDGET

SF-424 Caption or Block No.	SF-424 Description	104 Data element name for electronic submission
Section A, Budget Summary (Nos. 1-5, a-g)	For applications pertaining to a single Federal grant program (Catalog of Federal Domestic Assistance number) and not requiring a functional or activity breakdown, enter on Line under Column (a) the Catalog program title and the Catalog number in Column (b). For applications pertaining to a single program requiring budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in Column (a) and the respective Catalog number on each line in Column (b). Lines 1-4, Columns (c) through (g)	Budget Item Code, Budget Item Cost, Budget Item Name, Budget Item Description, Budget Item Period
Section B, Budget Categories (Nos. 6, a-k)	For new applications, leave Column (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year). Line 5—Show the total for all columns used. In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories. Line 6a-1—Show the totals of Lines 6a to 6h in each column. Line 6j—Show the amount of indirect cost. 6k—Enter the total amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5). Line 6k should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4). Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5. Line 7—Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount, shown under the program.	Budget Item Code, Budget Item Cost, Budget Item Name, Budget Item Description, Budget Item Period
Section C, non-Federal Resources (Nos. 8-12)	Lines 8-11 Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.	Budget Item Code, Budget Item Cost, Budget Item Name, Budget Item Description, Budget Item Period

TABLE 7.—SF-424A NON-CONSTRUCTION BUDGET—Continued

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
Section D, Forecasted Cash Needs (Nos. 13-15)	<p>Column (a)—Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.</p> <p>Column (b)—Enter the contribution to be made by the applicant.</p> <p>Column (c)—Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agency should leave this column blank.</p> <p>Column (d)—Enter the amount of cash and in-kind contributions to be made from all other sources.</p> <p>Column (e)—Enter totals of Columns (b), (c), and (d).</p> <p>Line 12—Enter the total for each of Columns (b)-(d). The amount in Column (a) should be equal to the amount on Line 5, Column (f), Section A.</p> <p>Line 13—Enter the amount of cash needed by quarter from the grant or agency during the first year.</p> <p>Line 14—Enter the amount of cash from all other sources needed by quarter during the first year.</p> <p>Line 15—Enter the totals of amounts on Lines 13 and 14.</p>	Budget Item Code, Budget Item Cost, Budget Item Name, Budget Item Description, Budget Item Period.
Section E, Budget Estimates of Federal Funds Needed for Balance of the Project (Nos. 16-20)	<p>Lines 16-19—Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually 3 years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.</p> <p>If more than four lines are needed to list the program titles, submit additional schedules as necessary.</p> <p>Line 20—Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.</p>	Budget Item Code, Budget Item Cost, Budget Item Name, Budget Item Description, Budget Item Period.
Section F, Other Budget Information (Nos. 21-23)	<p>Line 21—Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.</p> <p>Line 22—Enter the type of indirect rate (provisional, predetermined, flat or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.</p> <p>Line 23—Provide any other explanations or comments deemed necessary.</p>	Budget Item Code, Budget Item Cost, Budget Item Name, Budget Item Description, Budget Item Period, Paragraph Text.

TABLE 8.—SF-424C BUDGET INFORMATION CONSTRUCTION PROGRAM

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
Budget Information Construction Programs (Nos. 1-17, a-c)	<p>Column (a)—If this is an application for a "New" project, enter the total estimated cost of each of the items listed on lines 1 through 16 (as applicable) under "Cost Classification".</p> <p>If this application entails a change to item on an existing award, enter the eligible amounts approved under the previous award for the items under "Cost Classification".</p> <p>Column (b)—If this is an application for a "New" project, enter that portion of the cost of each item in Column a, that is not allowable for Federal assistance. Contact the Federal agency for assistance in determining the allowability of specific costs.</p> <p>If this application entails a change to an existing award, enter the adjustment [+ or -] to the previously approved costs from column (a) reflected in this application.</p>	Budget Item Code, Budget Item Cost, Budget Item Description, Budget Item Period.

TABLE 8.—SF-424C BUDGET INFORMATION CONSTRUCTION PROGRAM—Continued

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
	<p>Line 1—Enter estimated amounts needed to cover administrative expenses. Do not include costs, which are related to the normal functions of government. Allowable legal costs are generally only those associated with the purchases of land, which is allowable for Federal participation and certain services in support of construction of the project.</p> <p>Line 2—Enter estimated site and right(s)-of-way acquisition costs (this includes purchase, lease, and/or easements).</p> <p>Line 3—Enter estimated costs related to relocation advisory assistance, replacement housing, relocation payments to displaced persons and businesses, etc.</p> <p>Line 4—Enter estimated basic engineering fees related to construction (this includes start-up services and preparation of project performance work plan).</p> <p>Line 5—Enter estimated engineering costs, such as surveys, tests, soil borings, etc.</p> <p>Line 6—Enter estimated engineering inspection costs.</p> <p>Line 7—Enter estimated costs of site preparation and restoration which are not included in the basic construction contract.</p> <p>Line 9—Enter estimated cost of the construction contract.</p> <p>Line 10—Enter estimated cost of office, shop, laboratory, safety equipment, etc., to be used at the facility, if such costs are not included in the construction contract.</p> <p>Line 11—Enter estimated miscellaneous costs.</p> <p>Line 12—Total of items 1 through 11.</p> <p>Line 13—Enter estimated contingency costs (Consult the Federal agency for the percentage of the estimated construction cost to use).</p> <p>Line 14—Enter the total of lines 12 and 13.</p> <p>Line 15—Enter estimated program income to be earned during the grant period, e.g., salvaged materials, etc.</p> <p>Line 16—Subtract line 15 from line 14.</p> <p>Line 17—This block is for the computation of the Federal share. Multiply the total allowable project costs from line 16, column (c) by the Federal percentage share (this may be up to 100 percent; consult Federal agency for Federal percentage share) and enter the product on line 17.</p>	

TABLE 9.—ASSURANCES, NON-CONSTRUCTION (SF-424B)
[To Be Replaced by Proposed Assurance Statement]

SF-424 Caption or block no.	SF-424 Description	194 Data Element Name for Electronic Submission
Assurance, Federal Debt, State Review	<p>16. Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.</p> <p>17. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.</p> <p>18. To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization is submitted as part of the application).</p>	Yes or No Condition
Assurance, Federal Debt, State Review	See above	Yes or No Condition Description.
Assurance, Federal Debt, State Review	See above	Yes or No Condition Response.
Assurance, Federal Debt, State Review	See above	Yes or No Condition Type.

TABLE 10.—ASSURANCES, CONSTRUCTION (SF-424D)
[To Be Replaced by Proposed Assurance Statement]

SF-424 Caption or Block No.	SF-424 Description	194 Data element name for electronic submission
Assurance, Federal Debt, State Review	<p>16. Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.</p> <p>17. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.</p> <p>18. To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization is submitted as part of the application).</p>	Yes or No Condition Date
Assurance, Federal Debt, State Review	See above	Yes or No Condition Description.
Assurance, Federal Debt, State Review	See above	Yes or No Condition Response.
Assurance, Federal Debt, State Review	See above	Yes or No Condition Type.

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BILLING CODE 3190-01-P

Comments mailed will be received before the comment closing date. Electronic mail comments may be

Consolidation of these forms is intended to reduce the reporting burden placed on award recipients and to

ATTACHMENT 5

**AGENCY INFORMATION COLLECTION ACTIVITIES:
SUBMISSION FOR THE OFFICE OF MANAGEMENT
AND BUDGET (OMB) REVIEW;
COMMENTS REQUESTED
(FEDERAL REGISTER NOTICE
VOL. 68, NO. 147/JULY 31, 2003)**

The link to this legislation can be found at:

http://www.whitehouse.gov/omb/fedreg/073103offm_1.pdf

The legislation is as follows:

OFFICE OF MANAGEMENT AND BUDGET

Agency Information Collection

Activities: Submission for the Office of Management and Budget (OMB)

Review; Comments Requested

AGENCY: Office of Management and Budget (OMB).

ACTION: Notice of the OMB review of information collection and solicitation of public comment.

SUMMARY: The Office of Federal Financial Management, Office of Management and Budget (OMB) has recently submitted to OMB for review the following proposal for collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35).

DATES: Interested persons are invited to submit comments on or before September 2, 2003.

FOR FURTHER INFORMATION CONTACT:

Written comments should be submitted to the Office of Information and Management Affairs, Attention: Lauren Wittenberg via fax at (202) 395-6974 or by e-mail at: *Lauren_Wittenberg@omb.eop.gov*.

SUPPLEMENTARY INFORMATION:

A. Background

In a **Federal Register** notice published April 8, 2003 [68 FR 17090], OMB proposed using as the standard set of data elements and definitions for applications as the existing Standard Form 424 (SF-424), Application for Federal Assistance, data elements and definitions and five additional data elements. After consultation with the public, OMB is adding four of the five proposed data elements to the SF-424 and intends to establish this data set as the standard for grant applications. The use of the standard data elements will be implemented through the electronic grants application process of Grants.gov for E-APPLY, which is scheduled for October 2003 deployment and is part of the implementation of the Federal Financial Assistance Management Improvement Act of 1999 (Pub. L. 106- 107).

Based upon the 22 comments received, OMB has determined there is revision to the SF-424 to add four data elements (DUNS number; e-mail address; facsimile number; and Applicant Type, Not-for-Profit). In addition, OMB recognizes that a transition period is needed to provide agencies time to adapt their applications to the revised SF-424 form and phase out the use of the old forms; OMB is seeking a transition period. Upon completion of the analysis of the comments and recommendations from the grants community, the SF-424 suite of forms will be revised accordingly. OMB will publish a new 60-day notice to solicit comments on the revised SF-424 suite of forms.

B. Comments and Responses

OMB received 22 comments on the proposed standard set of data elements and the proposed assurance statement. Comments were received from 11 Federal agencies, four non-profit organizations, two state governments, four universities and university-related organizations, and one individual. Overall the comments supported the establishment of application data standards and indicated there is still a need for more evaluation and consideration of the comments to ensure a well-defined SF-424 is available for use.

A number of comments received suggest further analysis is needed for clarification or the addition of more contact points to the forms. In addition, comments submitted by Federal agencies identified the need for additional "Type of Applicant" data and also suggested alignment to other Federal sources, *e.g.*, Catalog of Federal Domestic Assistance (CFDA) and the Financial Assistance Award Data System (FAADS). OMB will evaluate these comments and conduct an analysis on "Type of Applicant" information. The analysis must be done in context with the process of applying for Federal assistance to ensure definitions and applicant data are consistent. The comments will be reviewed, addressed and submitted for public comment.

Some Federal comments focused on changing the budget format of the SF-424 based upon Federal program needs. Comments from the public sector recommended more consistency between financial accounting terms and development of budget for grant applications. The comments are significant enough that a separate evaluation needs to be done to determine if the budget categories and forms need to be adjusted to meet the needs of the grants community. The review shall determine what action or change, if any, may be made to the SF- 424A and SF-424C. Any change would be reflected in a proposed notice requesting public comment.

The proposed consolidated assurance language included on the SF-424, as proposed in the April 8, 2003 **Federal Register** notice, raised several significant comments. These comments are being evaluated separately and will be addressed in a separate notice for public comment. The assurance language is currently found on the SF-424B and SF-424D and can be considered separately and will have no impact upon the implementation of the SF-424 for the October E-APPLY deployment. OMB is beginning the process of review of the assurance language at this time and will submit the proposed resolution for public comment.

Action to further evaluate the comments is being undertaken by OMB. It is the intention of OMB to continue to work with the public and Federal agencies to address the comments and to ensure the Federal government is developing standard data application packages that are simplified and streamlined in a manner intended by Pub. L. 106-107.

Sheila O. Conley,

Acting Deputy Controller.

[FR Doc. 03-19510 Filed 7-30-03; 8:45 am]

BILLING CODE 3110-01-P

ATTACHMENT 6

**SF-424 (R&R) HOUR BURDEN AND COST
CALCULATION DETAIL**

Attachment 6. SF-424 (R&R) Hour Burden and Cost Calculation Detail

SF 424 (R&R) Hour Burden and Cost Calculation Detail For HHS

	Hour Burden	Costs	
		Average Rate per Hour	Total Cost (in millions)
# of Applications	312,500		
Average Number of Hours to Complete One Application	40.0	\$35.00	
Total applicant burden	12,500,000	\$35.00	\$437.50
Average # of Reviewers	5		
Average Number of Hours to Review Application (per reviewer)	5	\$50.00	
Total grantor burden	7,812,500	\$50.00	\$390.63
Total hour/cost burden	20,312,500	\$85.00	\$828.13

*Source: HHS response to Grants.gov questionnaire.

ATTACHMENT 7

SF-424 (R&R) FORM SECTIONS IN SEPARATE ATTACHMENTS

Application for Federal Assistance SF-424(R&R)

RESEARCH & RELATED Senior/Key Person File

Personal Data -- Project Director/Principal Investigator and Co-Project Director(s)/Co-Principal Investigator(s)

RESEARCH & RELATED BUDGET

RESEARCH & RELATED Project/Performance Site Location(s)

RESEARCH & RELATED Other Project Information