

COASTAL IMPACT ASSISTANCE PROGRAM GRANT APPLICATION GUIDELINES

**U.S. Department of the Interior
Minerals Management Service
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ABBREVIATIONS AND ACRONYMS

Act	Energy Policy Act of 2005
AOR	Authorized Organization Representative
ASAP	Automated Standard Application for Payments
C.F.R.	Code of Federal Regulations
CCR	Central Contractor Registry
CFDA	Catalog of Federal Domestic Assistance
CIAP	Coastal Impact Assistance Program
CPS	coastal political subdivisions
DUNS	Data Universal Number System
E-Biz POC	E-Business Point of Contact
EI	Enrollment Initiator
EIN	Employer Identification Number
FY	fiscal year
MMS	Minerals Management Service
OCS	Outer Continental Shelf
OMB	Office of Management and Budget
Plan	coastal impact assistance plan
Secretary	Secretary of the Department of the Interior
SF	Standard Form
State	eligible producing States
TIN	Tax Identification Number
U.S.	United States
U.S.C.	United States Code

1. SUMMARY

Section 384 of the Energy Policy Act of 2005 (Act) created the Coastal Impact Assistance Program (CIAP) by amending Section 31 of the Outer Continental Shelf Lands Act (43 U.S.C. § 1356a; Appendix A). Under the provisions of the Act, the authority and responsibility for the management of CIAP is vested in the Secretary of the Department of the Interior (Secretary). The Secretary has delegated this authority and responsibility to the Minerals Management Service (MMS).

Under Section 1356a(b)(1) of the Act, MMS shall disburse \$250 million for each fiscal year (FY) 2007 through 2010 to eligible producing States (State) and coastal political subdivisions (CPS). The funds allocated to each State are based on the proportion of qualified Outer Continental Shelf (OCS) revenues offshore the individual State to total qualified OCS revenues from all States. In order to receive CIAP funds, States are required to submit a coastal impact assistance plan (Plan) that MMS must approve prior to disbursing any funds (Section 1356a(c)(2)(A)).

All funds will be disbursed through a non-competitive grant process. This document provides guidance to States and CPS's for submitting grant applications to MMS, and an overview of the grants process; it is available on the CIAP Program website (www.mms.gov/offshore/CIAPmain.htm). All program announcements concerning CIAP grants will be available through the Grants.gov website (<http://www.grants.gov>).

For further information, contact Ms. Kathy Craig, CIAP Grants Team Leader, Minerals Management Service, Mail Stop 2101, 381 Elden Street, Herndon, Virginia 20170, (703) 787-1332.

2. INTRODUCTION

The CIAP funds will be disbursed to States and CPS's through a non-competitive grant process. For planning purposes, grant recipients shall comply with all applicable sections of 43 C.F.R. Part 12, *Administrative and Audit Requirements and Cost Principles for Assistance Programs*.

The Act (Section 1356a(d)(1)) stipulates that a State or CPS shall use CIAP funds only for the following authorized uses:

1. projects and activities for the conservation, protection, or restoration of coastal areas, including wetland;
2. mitigation of damage to fish, wildlife, or natural resources;
3. planning assistance and the administrative costs of complying with CIAP;
4. implementation of a federally-approved marine, coastal, or comprehensive conservation management plan; and
5. mitigation of the impact of OCS activities through funding of onshore infrastructure projects and public service needs.

States and CPS's shall be responsible for demonstrating, in their Plan project descriptions, that each proposed project

- is consistent with one of the five authorized uses and, as required,
- directly or indirectly benefits the natural coastal environment.

The MMS will implement the CIAP Grant Program by following the administrative, cost, and audit principles originally issued as OMB Circulars by the Office of Management and Budget (OMB) and codified under 43 C.F.R. Part 12 and 2 C.F.R. Part 225. The OMB directs, coordinates, and assists Federal agencies in establishing common applications, systems, and uniform rules to improve the effectiveness and performance of Federal grants. Federal grant-making agencies are required to streamline and simplify their application, administrative, and reporting procedures including enabling applicants to apply for their Federal grant funds electronically through Grants.gov. The MMS will utilize Grants.gov as its electronic system for submitting grants. All program announcements concerning CIAP grants will be available through the Grants.gov website (<http://www.grants.gov>).

3. GRANT PROCESS REQUIREMENTS

The CIAP grant process is governed by three primary documents:

1. 43 C.F.R. Part 12 *Administrative and Audit Requirements and Cost Principles for Assistance Programs*
(http://www.access.gpo.gov/nara/cfr/waisidx_04/43cfr12_04.html).
2. 2 C.F.R. Part 225 *Cost Principles for State, Local, and Indian Tribal Governments (formerly OMB Circular A-87)*
(<http://ecfr.gpoaccess.gov>).
3. OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*
(<http://www.whitehouse.gov/omb/circulars/index-slg.html>).

The MMS will follow applicable provisions of these rules and regulations when awarding, administering, and closing out CIAP grants.

4. THE CATALOG OF FEDERAL DOMESTIC ASSISTANCE

The Catalog of Federal Domestic Assistance (CFDA) is a guide that describes U.S. government assistance programs and activities, including grant programs. Each program is assigned a CFDA number; the number for the CIAP Program is 15.426. To view general information about the CIAP Program in the CFDA (www.cfda.gov), enter the CFDA number, 15.426, in the search engine.

5. THE APPLICATION PROCESS

Applicants for CIAP grants must apply for CIAP funds online through Grants.gov. Grants.gov is an electronic system designed to streamline and simplify submittal of grant applications to the Federal Government. There are two key features of the website: Find Grant Opportunities and Apply for Grants. Everything else on the site is designed to support these two features. The MMS will post a brief synopsis of the CIAP Program at Find Grant Opportunities and comprehensive program announcements at Apply for Grants.

In order to apply for a grant, each recipient organization must complete the Grants.gov registration process. The registration process can take between three to five business days or as long as five weeks if all steps are not completed in a timely manner. To register, CIAP recipients can either follow the instructions below or visit the Grants.gov website (http://www.grants.gov/applicants/organization_registration.jsp) for further information. The CIAP recipients are encouraged to register as soon as possible.

Step 1: Obtain Data Universal Number System (DUNS) Number

If your organization already has a Data Universal Number System (DUNS) number, but does not know it, the number can be requested by phone (1-866-705-5711) and provided immediately.

If your organization does not have a DUNS number, you will need to go to the Dun & Bradstreet website (<http://fedgov.dnb.com/webform>) to request and register for one. Webform requests take 1-2 business days.

Step 2: Register with Central Contractor Registry (CCR)

Check if your organization is already registered with the Central Contractor Registry (CCR) at <http://www.ccr.gov>. If your organization is not registered, an authorizing official of your organization must register at <https://www.bpn.gov/ccrupdate/NewRegistration.aspx>.

If your organization already has an Employer Identification Number (EIN), your CCR registration will take 1-2 business days to process. If your organization needs to apply for an EIN, please allow up to 2-5 weeks.

*Note: Your organization needs to renew their CCR registration once a year. If the CCR registration is allowed to expire, funding for the grants cannot be set-up in the Automated Standard Application for Payments (ASAP) grants payment system (Chapter 7, Grant Payments via the Automated Standard Application for Payments).

Step 3: Authorized Organization Representative (AOR) Username and Password

Complete your Authorized Organization Representative (AOR) profile on Grants.gov and create your username and password at <http://apply07.grants.gov/apply/OrcRegister>. You will need to use your organization's DUNS Number to complete this step. This step should take 1 day to complete.

Step 4: AOR Authorization

The E-Business Point of Contact (E-Biz POC) at your organization must login to Grants.gov to confirm you as an AOR. Please note that there can be more than one AOR for your organization. In some cases the E-Biz POC is also the AOR for an organization. The time for this step depends on the responsiveness of your E-Biz POC.

Step 5: Track AOR Status

At any time, you can track your AOR status by logging in as an applicant at <https://apply07.grants.gov/apply/loginhome.jsp> and entering the username and password created in Step 3.

Once you are authorized by your E-Biz POC, you have completed the Organization Registration Process and are ready to apply for CIAP grants.

Each State has two program announcements posted at Grants.gov, one for non-construction projects and one for construction projects. Each CIAP program announcement includes: the funding opportunity description; application and submission requirements; application review process; and award administration information. Applicants will find the CIAP program

announcements by searching the Find Grant Opportunities portal for CFDA number 15.426. For full access within the announcement, CIAP recipients must have the most current version of Adobe software; a tutorial is available on the Grants.gov website at http://www.grants.gov/applicants/apply_for_grants.jsp.

After accessing the CIAP program announcements, Grants.gov will provide guidance about the application process, including a list of mandatory forms that must be completed for each grant. The program announcement selected (Construction or Non-Construction) will determine the list of mandatory forms:

Non-Construction Grant Forms

- SF-424: Application for Federal Assistance
- SF-424A: Budget Information for Non-Construction Programs
- SF-424B: Assurances for Non-Construction Programs
- Project Narrative Attachment
- Budget Narrative Attachment
- SF-LLL: Disclosure of Lobbying Activities (applications over \$100,000)
- GG_Lobbying: Certification Regarding Lobbying (applications over \$100,000)

Construction Grant Forms

- SF-424: Application for Federal Assistance
- SF-424C: Budget Information for Construction Programs
- SF-424D: Assurances for Construction Programs
- Project Narrative Attachment
- Budget Narrative Attachment
- SF-LLL: Disclosure of Lobbying Activities (applications over \$100,000)
- GG_Lobbying: Certification Regarding Lobbying (applications over \$100,000)

Recipients select the announcement (Construction or Non-Construction), and affiliated forms which meet their information submittal needs. The notable difference between the Construction and Non-Construction forms is found in the SF-424A: Budget Information for Non-Construction Programs and the SF-424C: Budget Information for Construction Programs; each form breaks down the individual cost elements differently. For most applications, the SF-424A: Budget Information for Non-Construction Programs will be the easier form to use. However, if the costs are primarily for construction, then the costs elements in the SF-424C: Budget Information for Construction Programs might be easier to use. Another difference between the two program announcements is in the SF-424B: Assurances for Non-Construction Programs and the SF-424D: Assurances for Construction Programs. The SF-424D: Assurances for Construction Programs has an additional statute listed on the form which is related to construction projects.

The individual who has the authority to bind the organization contractually must be the one to submit the forms through Grants.gov as this constitutes an official electronic signature. If the forms are submitted through Grants.gov by someone who is not authorized to bind the organization, copies of the SF-424, SF-424B, and GG Lobbying form (for non-construction), or the SF-424, SF-424D, and GG Lobbying form (for construction), signed by the individual with authorization, must be sent directly to the Contracting Officer by email or regular mail.

6. THE REVIEW PROCESS

After the application has been successfully submitted, MMS will download it from Grants.gov. The MMS review and approval of the application will occur at several levels. The MMS Regional CIAP Project Officer will review the programmatic and technical sections of the application and record the submitted documentation of environmental compliance to ensure that the applicant has followed the CIAP State Plan Guidelines requirements; the CIAP State Plan Guidelines are available at www.mms.gov/offshore/CIAPmain.htm. Concurrent to the Project Officer's review, the MMS Contracting Officer will review the application to determine if complete financial and budgetary information has been provided and will analyze the budget proposal by individual cost elements. Each cost element must be determined to be reasonable, allowable, and allocable to the project under OMB cost principles (see 2 C.F.R. Part 225 *Cost Principles for State, Local, and Indian Tribal Governments*). Reviews by the Project and Contracting Officers frequently result in a request to the applicant for additional information.

Upon completion of all reviews, MMS will prepare the grant award document for applicant signature. The award document must be signed by a person who has the authority to bind the recipient organization contractually. After the document is signed by the CIAP binding authority, it must be returned to MMS for countersignature by the Contracting Officer. The Contracting Officer will then establish an account in the U.S. Department of the Treasury ASAP System.

Every effort will be made to complete the necessary grant application reviews and award the grants in a timely manner. Factors that can affect the timely award of a grant are the complexity of the project, the completeness and quality of the application, and the number of applications being processed or waiting to be processed.

7. GRANT PAYMENTS VIA THE AUTOMATED STANDARD APPLICATION FOR PAYMENTS (ASAP)

The MMS will use the U.S. Department of the Treasury ASAP grants payment system. The ASAP System allows recipient organizations to draw funds from accounts pre-authorized by Federal agencies. The ASAP System requires enrollment, via an on-line, web-based enrollment process, before funds are available for draw downs. This is a one-time enrollment, and is required, even if the recipient organization already uses the system to request payments from one or more Federal agencies. Information about the ASAP System may be obtained at <http://fms.treas.gov/asap/index.html>.

Each CIAP recipient organization will be asked to provide an ASAP point-of-contact to the MMS Enrollment Initiator (EI). The EI will require the following information from the recipient: the organization name and address; the name, address, phone number, and email address of the designated ASAP point-of-contact; the DUNS number; and the Tax Identification Number (TIN).

If your organization is not enrolled in ASAP, the MMS EI will submit the information into ASAP. An email will then be sent by the ASAP System to the enrolling organization point-of-contact provided to the MMS EI, instructing the recipient how to complete enrollment. Once enrollment is complete, the ASAP System will send the recipient a User ID, password, and an instruction packet describing, in detail, how a recipient withdraws funds from the system.

If your organization is already enrolled in ASAP with another federal agency, the MMS EI will initiate an authorization to link your recipient banking data to MMS. This is a new

requirement in that recipient organizations are now required to link their banking data to each Federal agency in which funds are withdrawn. After the EI submits the information, the recipient organization will be notified by ASAP to link their banking information to MMS. If the recipient organization fails to link their banking data, MMS will be unable to set up an account at the time the grant is awarded.

After a recipient is enrolled, has received a User ID and password, and the grant is awarded, MMS will establish funds in the ASAP System. Funds will be available to recipients within 24-48 hours after they receive their grant award document from MMS with the Contracting Officer's signature. Recipients can learn if funds are available by logging into the ASAP System; a funding availability notification will be displayed when the recipient logs into ASAP.

8. SF-425 FEDERAL FINANCIAL REPORTS FOR ADVANCES ONLY

Recipients must submit the SF-425, Federal Financial Report (which replaces the SF-272 form used prior to October 1, 2009) for funds withdrawn in advance of expenditures. These reports must be submitted no later than 15 working days following the end of each fiscal quarter. Reports should be submitted to the Contracting Officer, with a copy sent to the Project Officer, via email or regular mail.

9. PERFORMANCE AND FINANCIAL STATUS REPORTING REQUIREMENTS

The CIAP Program will use specific performance goals and objectives for each project to measure project performance. The CIAP recipients will be held accountable for achieving the overall goals stated within the individual CIAP grants and for submitting performance and financial status information in a timely manner.

Requirements for CIAP projects are regulated by [43 C.F.R. Part 12](#). These regulations specify basic grant reporting requirements including performance and financial reports (see 43 C.F.R. 12.80 and 12.81). The MMS will work closely with recipients to incorporate appropriate performance and financial reporting requirements (content and schedule) into each grant agreement, consistent with 43 C.F.R. 12.80 and 12.81. At a minimum, recipients will be required to report annually. Reports should be submitted to the Contracting Officer, with a copy sent to the Project Officer, via email or regular mail.

Performance Reports

The CIAP recipients must submit performance reports as required by 43 C.F.R. 12.80. Annual performance reports are due within 90 days after the grant performance year ends. Semi-annual reports, if required, are due 30 days after the reporting period. The final performance report will be due within 90 days after the expiration or termination of the grant. Performance reports should contain the following information:

1. A comparison of actual work accomplished relative to the annual goals and objectives established for the period. Where the output of the project can be quantified, a computation of the cost per unit of output may be required. For construction grants, MMS may rely upon on-site technical inspections and certified percentage-of-completion data to monitor progress;
2. The reasons for slippage, if established goals and objectives were not met; and
3. Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

The performance reports should also describe any foreseeable events that may occur affecting the project's completion schedule. These may include:

1. Problems, delays, or adverse conditions that may materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation; or
2. Favorable developments that may enable achieving time schedules and objectives sooner or at less cost than anticipated, or producing more beneficial results than originally planned.

The Contracting Officer may extend the due date of an annual or final performance report upon receipt of a request from the recipient's designated grant administrator. The request for an extension must be sent to the MMS Contracting Officer and Program Officer *prior to* the original due date. Requests must be submitted in writing or electronically, and include the revised due date and a justification for the extension.

Financial Reports

The CIAP recipients must submit the SF-425, Federal Financial Report (which replaces the SF-269 form used prior to October 1, 2009) as required by 43 C.F.R. 12.81. The purpose of the financial report is to report the status of funds withdrawn in advance of expenditures for all non-construction and construction grants, to ensure that expenses are recorded in the proper period, and for de-obligating funds at the end of the grant period. Federal Financial Report forms are available from the OMB website (http://www.whitehouse.gov/omb/grants_forms/).

Federal Financial Reports will be required annually for each CIAP grant award, unless MMS requires more frequent reporting from a recipient. Annual financial status reports are due 90 calendar days after the grant year (i.e., 12 months after the approved effective date of the grant, and every 12 months thereafter, until the expiration date of the grant). Final Federal Financial Reports will also be due 90 calendar days after the expiration or termination of the grant.

The MMS may require financial reports more frequently if the recipient: (a) has a history of poor performance; (b) is not financially stable; (c) has a management system that does not meet the standards prescribed in the applicable OMB Circular 2 C.F.R. 225 *Cost Principles for State, Local, and Indian Tribal Governments*; (d) has not conformed to the terms and conditions of a previous CIAP award; or (e) is not otherwise responsible. In addition, MMS may require a monthly or quarterly report from those recipients receiving advances totaling \$1 million or more per year.

The MMS may impose additional requirements as needed, provided that the CIAP grant recipient is notified electronically or in writing as to: the nature of the additional requirements; the reason why the additional requirements are being imposed; the nature of the corrective action needed; the time allowed for completing the corrective actions; and the method for requesting reconsideration of the additional requirements imposed.

The Contracting Officer may extend the due date of a Federal Financial Report upon receipt of a request from the recipient CIAP grant administrator, provided that the request for an extension is received by the MMS Contracting Officer and Program Officer *prior to* the financial report's original due date. Requests must be submitted electronically or in writing, include the revised report due date requested, and a justification for the extension.

10. CHANGES TO THE GRANT AWARD

The MMS will follow the procedures and requirements stated in 43 C.F.R. 12.70 for changes to grant awards. Additional information may be obtained at:

http://www.access.gpo.gov/nara/cfr/waisidx_04/43cfr12_04.html.

The CIAP recipients will be allowed to re-budget within the cost categories that are approved under the grant award. However, there are certain post-award changes that require prior written approval by the MMS Contracting Officer and Program Officer. They include, but are not limited to:

Funding Changes

1. Any revision that would require additional funding;
2. Any transfer of funds between non-construction and construction components of a project within a grant award;
3. For non-construction grants, cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed 10% of the current total approved budget when the Federal funding exceeds \$100,000; or
4. For non-construction grants, transfer of funds allotted for training purposes.

Programmatic Changes

1. Any revision in the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval);
2. Requests to extend the period of availability of funds;
3. Changes in key persons in cases where specified in an application or grant award; or
4. For non-construction grants, contracting out, subgranting (if authorized by law) or otherwise obtaining the services of a third party to perform activities which are central to the purposes of the award.

11. SUBGRANTS AND CONTRACTS

Only States and CPS's shall receive CIAP funds. States and CPS's, however, may issue subgrants to other State or local agencies, universities, or non-profit entities. Grantees and subgrantees are subject to the Federal regulations contained in [43 C.F.R. Part 12](#) and the cost principles applicable to their type of organization. The grant application should identify any subgrantees and explicitly describe the work to be subgranted.

A subgrant is defined as an award of financial assistance in the form of money, or property in lieu of money, made under a grant by a grantee to an eligible subgrantee. The term includes financial assistance when provided by contractual legal agreement, but does not include procurement purchases, nor does it include any form of assistance which is excluded from the definition of grant as defined in 43 C.F.R. Part 12.43.

The States and CPS's may use procurement contracts to complete a project. States are to follow state procurement rules and regulations, while CPS's must follow Federal procurement rules and regulations contained in 43 C.F.R. Part 12.76. Recipients will be asked to provide

information in their grant applications that describes how their subgrants are reasonable and necessary for the completion of the project.

12. MONITORING

The MMS will monitor each grant to determine if:

- Appropriate progress has been made towards achieving the grant project goals and objectives;
- Funds have been expended in ways that are consistent with an authorized use; and
- Funds have been expended in ways that are in compliance with pertinent federal statutes, regulations, and agency guidelines.

Monitoring will be conducted through various methods including reviews of financial reports, performance reports, ASAP withdrawals, and required photo documentation, as well as correspondence with recipients via telephone and e-mail. Further, some grants will have additional monitoring in the form of site visits conducted by the MMS representative.

13. GRANT CLOSE OUT

A CIAP grant cannot be closed out until MMS determines that all applicable administrative actions and required work has been completed. Recipients must submit all financial, performance, and any other reports that may be required to MMS within 90 days of the expiration of the last performance period. Recipients must return any unobligated cash advances back to the MMS within this time period. The Contracting Officer will coordinate efforts with the applicant and Program Officer to close out a grant.