

SEP 29 2009

TO: CSREES Employees

FROM: Andrea Brandon 
Deputy Administrator
Office of Extramural Programs

SUBJECT: Federal Register Final and Interim Rules – Competitive and Noncompetitive Non-Formula Federal Assistance Programs—General Award Administrative Provisions and Program-Specific Administrative Provisions for the Specialty Crop Research Initiative, Beginning Farmer and Rancher Development Program, and the New Era Rural Technology Competitive Grants Program

On Friday, September 4, 2009, the Cooperative State Research, Education, and Extension Service (CSREES) published in the Federal Register a final and two interim rules (attached). The final rule publication was the Competitive and Noncompetitive Non-Formula Federal Assistance Programs—General Award Administrative Provisions and Program-Specific Administrative Provisions for the Specialty Crop Research Initiative (SCRI). The final rule contains the first in a series of program-specific administrative requirements which apply to SCRI (subpart F). One interim rule includes a set of specific administrative requirements for the Beginning Farmer and Rancher Development Program (74 FR 45968) and the other the New Era Rural Technology Competitive Grants Program (74 FR 45972) each of which supplements the Competitive and Noncompetitive Non-formula Federal Assistance Programs—General Award Administrative Provisions (included as subparts J and M, respectively).

The final rule (74 FR 45736):

- applies to all competitive and noncompetitive non-formula programs **except** Small Business Innovation Research Grants Program and Veterinary Medicine Loan Repayment Program;
- establishes one set of administrative requirements that contain elements common to all applicable programs (subparts A through F); and
- subparts F and thereafter will contain administrative requirements, as necessary, applicable to specific programs.

As part of the final rule, CSREES is clarifying its policies for late requests for no-cost extensions and situations of overdue financial reports.

No-cost Extension After an Award has Expired

- Policy applies to new awards and awards receiving an increment of funding as of 09/04/2009 and thereafter;
- Consideration given **only** if the request is received within 120 days following expiration of the award; and

- An extenuating circumstance can be supported.

Overdue Financial Reports

- Policy applies to new awards and awards receiving an increment of funding as of 09/04/2009 and thereafter;
- Funds available for drawdown are restricted;**
- Restricted funds will *only* be released if the awardee submits 1) justification for reports being overdue, 2) documentation to support the requested draw, and 3) documentation to support the situation is due to an extenuating circumstance.

For further information on these issues see sections 58 and 56, respectively, of the final rule. Additionally, the final rule establishes a process for the review of disallowed costs and award appeals. See sections 59 and 62, respectively, of the final rule for more information on these topics. Also, section 63 of the final rule includes information about expiring appropriations.

As indicated in the final rule, an updated policy will be issued regarding implementation of the Federal Financial Report (FFR) under the Department of Health and Human Services' Payment Management System and the U.S. Department of the Treasury's Automated Standard Application for Payments (ASAP) system.

For more detailed information on the rules, please see the attached files containing the Federal Register publications. The Federal Register publications also may be retrieved by entering pertinent data and performing an advance search through the Federal Register at <http://www.gpoaccess.gov/fr/advanced.html>. If you have comments on the interim rules, please submit the comments to Ellen Danus at edanus@csrees.usda.gov on or before November 3, 2009 for BFRDP and on or before January 4, 2010 for RTP.

Note that it is anticipated that specific administrative requirements for the Agricultural Food Research Initiative Competitive Grants Program, the Organic Agriculture Research and Extension Initiative, and the Integrated, Research, Education and Extension Competitive Grants Program will be published as interim rules in the Federal Register sometime during October or early November.

Attachments