

CHAPTER 5-200

THE APPLICATION PROCESS FOR A REGULATORY GRANT

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5-200-00 What does this chapter do?

This chapter explains how you, a State or Tribe with an approved coal regulatory program, can apply to us, the Office of Surface Mining Reclamation and Enforcement (OSM), for an regulatory program Administration & Enforcement grant.

5-200-10 How long is a regulatory grant?

Your application should normally request a twelve month performance period for your regulatory grant.

5-200-20 How do you send us your application for a regulatory grant?

- A. You must submit a complete grant application to us by one of the following methods.
1. You may enter your application in an OSM-approved electronic grants portal or system such as Grants.gov or the Financial and Business Management System (FBMS).
 2. You may submit a complete paper application, with original signature, by regular mail or any other delivery method.
 3. You may send your application package by e-mail. The application must include the name and title of the authorized official who signed it and the date signed. You must keep the original signed application in your files.
- B. If you apply in an electronic grants system, the system will confirm when we receive the application. Otherwise, our office must confirm that it received the application within three working days.

5-200-30 When should you apply?

You should submit your application at least 60 days before the beginning of the grant performance period.

5-200-40 How can you report and account for the costs of regulatory functions?

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- A. Before you complete your application, you must choose how you will identify the regulatory functions for accounting and reporting purposes. We have identified the following major regulatory functions or activities.
1. Permitting includes the costs of reviewing new permit applications and modifying existing permits. It also includes costs of determining and approving a bond amount, and reviewing ownership and control.
 2. Inspection and Enforcement includes costs of mine inspections for compliance with State performance standards and of all activities to enforce compliance. It also includes bond release costs and legal costs related to inspection and enforcement activities.
 3. Lands Unsuitable includes costs to evaluate and decide petitions about designating lands unsuitable for coal mining.
 4. Regulatory program administrative activities and costs to support the above functions include costs for executive direction and standard administrative support functions, such as personnel, accounting, and procurement.
- B. You must choose one of the following options to identify the costs of these functions.
1. Under option 1, you must break out the functions in your reporting and accounting. You must break out the line item and total costs of each function in your application. You must support the functional costs with detailed accounting records.
 2. Under option 2, you show only the total budget figures in your grant application budget. In the program narrative, you must describe the methodology you will use to distribute the total budgeted costs to the functions either as a percentage of the total or as dollar amount. This methodology must meet the requirements of the State comptroller or comparable organization as required by State law.

5-200-50 What must you include in your application?

The application must include the following items.

- A. Signed or approved Application for Federal Assistance, form [SF 424](#).
- B. Budget information report. You may use the optional [OSM 47](#) form or provide the information in an alternate format of your choice.
1. Break out the budget by object class. Object classes are the budget line items, including personnel, fringe benefits, travel, equipment, supplies, contractual expenses, construction, other, and indirect costs.

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2. If you chose to account separately for regulatory functions or activities, including permitting, inspection and enforcement, lands unsuitable, and administrative costs, break out the budget for each object class and for the total grant by function.
 3. Identify the total Federal and non-Federal funds the program will spend. Show the overall percentage of non-Federal support.
 4. Estimate the program income which will be spent during this grant.
 5. Show the total estimated indirect costs. Show how your estimate is calculated using the indirect cost rate and the direct cost base which have been approved by your cognizant Federal agency.
- C. Budget narrative. You may provide this information in any format to explain and justify the requested budget.
1. Personnel. List all the positions by title, with annual salary rate and percentage of time working on the coal regulatory program.
 2. Fringe Benefits. Explain how the fringe benefits were calculated.
 3. Travel. List the types of trips and show how the estimated cost was calculated.
 4. Equipment. List each item of equipment to be purchased and justify why the equipment is needed for the regulatory program.
 5. Supplies. Enter estimated dollar amount of supplies. List the supplies by major type (e.g., office supplies, training materials, research forms, postage), and show basis for computation.
 6. Contractual. List each proposed contract, the contractor if identified, the type of services to be performed, the need for the services, and the estimated cost.
 7. Construction. Describe any proposed construction or renovation, why it is necessary for the program, and the estimated cost.
 8. Other. List any other cost items not reimbursed as an indirect cost, such as rent, utilities, or janitorial and security services, and show how the cost was calculated.
 9. Indirect Costs. Include a copy of the indirect cost agreement approved by the cognizant Federal agency.

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10. If you chose not to break out the budget by regulatory program function, such as permitting or inspection and enforcement, you must explain your method for distributing total costs to the functions. You may use a percentage, a total dollar figure, or some other acceptable method.
- D. Program narrative. You may use the optional [OSM 51](#) form or provide the information in any other format. These requirements come from OMB circular A-102.
1. Objectives and Need for Assistance. Using your approved regulatory program, describe problems related to coal mining and reclamation (physical, economic, social, financial, or institutional) requiring a solution. Explain why the assistance is needed and State the primary and secondary objectives of the grant.
 2. Results and Benefits Expected. Identify results and benefits of the regulatory program. For example, explain how the program will improve life for coalfield citizens.
 3. Approach. Outline a plan of action explaining the scope of the program and how the proposed work will be accomplished. Explain your reasons for taking this approach as opposed to others. Describe any unusual features of this grant. Identify the kinds of data you will collect. Discuss the criteria and methodology you will use to evaluate the results and success of this program.
 4. Geographic Location. No information required.
- E. Signed or approved Assurances for Non-Construction Projects, form [SF 424B](#).
- F. [Certifications](#) relating to debarment and suspension, drug-free workplace, and lobbying statutes.
- G. If applicable, the Disclosure of Lobbying Activities from [SF LLL](#).