

**U.S. Department of Labor**

Assistant Secretary for  
Occupational Safety and Health  
Washington, D.C. 20210



OSHA Instruction TED 6.1D

JUL 16 1997

Office of Training and Education

Subject: Administering OSHA Discretionary Grant Programs

- A. Purpose. This instruction establishes program procedures for OSHA discretionary grant programs administered by the OSHA Office of Training and Education.
- B. Scope. This instruction applies to all Regional Administrators and National Office elements directly or indirectly engaged in the programmatic operations of OSHA discretionary grant programs.
- C. References. The following documents are applicable to OSHA discretionary grant programs.
  1. OMB Circular A-21, Cost Principles for Educational Institutions, March 6, 1979, amended August 3, 1982, June 9, 1986, December 2, 1986, October 1, 1991, July 15, 1993, and May 8, 1996.
  2. OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations, November 29, 1993, codified by the Department of Labor at 29 CFR 95.
  3. OMB Circular A-122, Cost Principles for Non-Profit Organizations, June 27, 1980, amended March 17, 1981, April 27, 1984, May 27, 1987, and October 6 1995.
  4. 29 CFR 93, New Restrictions on Lobbying.
  5. 29 CFR 98, Debarment and Suspension (Nonprocurement). (Includes Drug-Free Workplace Requirements.)
  6. OSHA Instruction ADM 12-7.2A, Regional and Area Office Records Disposition, July 30, 1980, amended March 14, 1988.
  7. OSHA Instruction ADM 12-7.3, National Office Records Disposition Schedule, July 31, 1980.

**JUL 16 1997**

8. OSHA Instruction FIN 3.2, Financial and Administrative Monitoring of the 23(g) Grants, 7(c)(1) Cooperative Agreements and 24(b)(2) Grants and Contracts, August 27, 1984.
- D. Cancellation. OSHA Instruction TED 6.1C, April 20, 1992, is canceled.
- E. Action. Regional Administrators, the Director of Federal-State Operations, and the Director of Administrative Programs shall ensure that grant programs are administered in accordance with this instruction.
- F. Background. Since 1978, OSHA has had a number of discretionary grant programs. At the present time, there is only one, the Susan Harwood Training Grant Program. This instruction is being revised to incorporate changes resulting from revised Department of Labor regulations and revised OMB Circulars. In addition to program monitoring, it covers grant application review, funding, forms, grant modifications, grant terminations, and grant closeouts. Note that financial monitoring procedures are contained in OSHA Instruction FIN 3.2.
- G. Responsibilities. The programmatic operations of discretionary grant programs are a shared responsibility of Regional and National Offices.
  1. Regional Administrators. Each Regional Administrator shall assume responsibility for individual grants in the Region in accordance with this instruction.
  2. Directorate of Administrative Programs. The Directorate of Administrative Programs shall provide guidance to the Regional Offices on grant financial and administrative matters. This guidance may include written and verbal instructions, on-site visits to Regional Offices and accompanying Regional Office staff on monitoring visits.
  3. Directorate of Federal-State Operations. The Directorate of Federal-State Operations shall provide guidance to the Regional Offices on grant programmatic matters. This guidance may include written and verbal instructions, on-site visits to Regional Offices and accompanying Regional Office staff on monitoring visits.

H. Procedures.

1. Grant Application Review and Funding. Grant applications shall be submitted for new or renewal grants in accordance with instructions issued by the Directorate of Federal-State Operations. These instructions shall be issued annually for each discretionary grant program.

a. Grant Application Review.

- (1) New Grants. Applications for new grants are competitive. Once applications for new grants have been submitted to OSHA, staff shall not discuss these applications with anyone except other reviewers and/or grant decision-makers until such time as grant awards are formally announced. Staff shall not solicit revisions or clarifications to applications. However, unsolicited revisions submitted by applicants shall be accepted and considered in the review process if they are received before the review panel begins its review.

The application due date specified in the Federal Register Notice that announces the grant shall not be extended. Any application received after the due date shall not be reviewed and shall be returned to the submitter with a letter explaining it is being rejected because it was not received on time.

Grant applications shall be reviewed by a panel. Panel members may include Regional grants monitors, both program and financial, grants staff from the Office of Training and Education, and, when appropriate, National Office technical staff. The Office of Training and Education shall request Regional and National Office participation and select a site for the panel meeting. The panel shall review and rate the applications and prepare grant review documents for presentation to the Assistant Secretary.

JUL 16 1997

Office of Training and Education

Regional Offices shall be provided with a copy of each application submitted by organizations in their Regions and shall submit comments on the applications for the review panel to include in its review and rating. Before the reviews and ratings are presented to the Assistant Secretary, the Office of Training and Education shall share the results of the reviews with the Regional Offices.

Grant review documents shall be shared with applicants upon request. The Office of Training and Education shall respond to all written requests from applicants for copies of their own review documents.

- (2) Renewal Grants. Renewal grants are subsequent year grants awarded to grantees that have competed for new grants in a prior year. Applications for renewal grants are not competitive. The review of these applications considers past performance of the grantee and the grantee's plans for the renewal grant period. Staff may discuss these applications with grantees and may contact grantees for revisions and clarifications. Such revisions and clarifications shall be included in the renewal application package and considered in the review process.

Regional Offices may extend the submission due date for individual grantees provided that the Regional Office meets the deadline established for completing its review.

Regional Offices shall have renewal grant applications reviewed by a panel. A panel shall consist of two or more reviewers. A single review document that reflects the consensus of panel members shall be prepared for each application renewal.

- (3) Grant Review Guidelines. Both new applications and renewal applications shall be reviewed against grant review guidelines

JUL 16 1997

Office of Training and Education

provided by the Office of Training and Education.

b. Funding.

- (1) Notification of Grant Award. The Office of Training and Education shall notify Regional Offices of grant funding decisions. The initial notification to the Regional Offices shall be by telephone. The Office of Training and Education shall confirm it by memorandum. The Regional Offices shall notify successful grantees of the terms and conditions of their grant awards. The notification may be oral or written.

Applicants that are not successful shall be notified in writing by the Director of Federal-State Operations. The Office of Training and Education shall prepare the letters notifying unsuccessful applicants.

- (2) Application Revisions. Regional Offices shall inform grantees of changes that need to be made in the grant applications so that they reflect the correct funding level and meet any other conditions that may have been imposed. Regional Office staff shall keep in contact with the grantees during the revision process to ensure that the revisions, when received, will be acceptable.

Regional Offices shall review revisions to grant applications to ensure that budgets correspond to grant awards and that any and all conditions have been met. Once the revisions are found acceptable, Regional Offices shall prepare a memorandum to the Director, Office of Training and Education, that recommends approval of the revisions. A copy of the revisions shall be attached to a copy of the memorandum and sent directly to the Chief, Division of Grants Management.

Revisions from more than one grantee may be transmitted with one memorandum.

- (3) Grant Execution. The Office of Training and Education shall review the revisions submitted by the Region to ensure that they are complete and accurate. Following review, the Office of Training and Education shall prepare a grant award letter addressed to the grantee and submit it to the Division of Grants Management.

The Division of Grants Management shall submit the grant award letter to the Director of Administrative Programs for signature. Following signature, the Division of Grants Management shall distribute copies.

- c. Forms and Regulatory Requirements. There are specific forms, assurances and certifications that are required by Departmental regulations in any discretionary grant application, whether new or renewal. These are described below. Copies of the forms, assurances and certifications are included in the appendix.

- (1) Forms, Assurances and Certifications Required by the Department of Labor.

- (a) Standard Form 424 (SF 424), Application for Federal Assistance, shall be used as a face sheet for all grant applications. It shall also be used for grant revisions and modifications.
- (b) Standard Form 424A (SF 424A), Budget Information--Non-Construction Programs, is the budget form that shall be used by all applicants and grantees. This form shall be used in all grant revisions and modifications that involve budget changes.
- (c) Standard Form 424B (SF 424B), Assurances--Non-Construction Programs, is the assurances form that shall be used by all applicants and grantees. Publicly funded educational institutions shall use this form. It is not

JUL 16 1997

Office of Training and Education

necessary to include this form in grant revisions and modifications.

- (d) OSHA Form 189, Lobbying Certification is a form that shall be completed by all applicants and grantees requesting \$100,000 or more. It is not necessary to include this form in grant revisions and modifications.
- (e) OSHA Form 190, Certification Regarding Debarment, Suspension, and Other Responsibility Matters is a form that shall be completed by all applicants and grantees. It is not necessary to include this form in grant revisions and modifications.
- (f) OSHA Form 191, Certification Regarding Drug-Free Workplace Requirements is a form that shall be completed by all applicants and grantees. It is not necessary to include this form in grant revisions and modifications.

2. Grant Modifications.

a. Requirements. The following changes in the approved grant require written modifications.

- (1) Any change in the approved scope or objectives of the grant even if there is no associated budget revision requiring prior written approval.
- (2) Any change in a key person specified in the application or award document.
- (3) The absence for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director.
- (4) Any change in the total Federal cost.
- (5) Any change in the total non-Federal cost.

- (6) The transfer of amounts budgeted for indirect costs to absorb increases in direct costs, or vice versa.
- (7) Unless described in the application and funded in the approved award, the subaward, transfer or contracting out of any work under an award. This provision does not apply to the purchase of supplies, material, equipment or general support services.
- (8) Any change in the duration of the grant period. Grantees may request a one-time extension of the expiration date of the award for up to 12 months. Such requests must be submitted to the Regional Administrator in writing at least 10 days before the expiration date.

b. Procedures.

- (1) When there is a change in the grant that requires a modification, the grantee shall request the change in writing from the Regional Administrator, attaching proposed grant budget and/or grant narrative changes.
- (2) Regional Office staff shall review the request and recommend approval or disapproval to the Regional Administrator.
- (3) If the recommendation is disapproval, the Regional Administrator shall notify the grantee in writing of the disapproval and the reasons for it. A copy of the letter to the grantee with the modification request attached shall be sent to the Director, Office of Training and Education, and to the Chief, Division of Grants Management.
- (4) If the Regional Administrator recommends approval, a memorandum recommending approval with a copy of the grantee request attached shall be sent to the Director, Office of Training and Education. A copy of the memorandum and attachments shall be sent to the Chief, Division of Grants Management.

JUL 16 1997

Office of Training and Education

The Office of Training and Education shall obtain the necessary approval and notify the Regional Office by telephone of the approval. If the request is disapproved, the Regional Office shall be notified by telephone, with a written confirmation to follow.

- (5) The Office of Training and Education shall prepare the modification approval letter to the grantee and send it to the Division of Grants Management.
- (6) The Division of Grants Management shall submit the modification approval letter to the Director of Administrative Programs for signature. Following signature, the Division of Grants Management shall distribute copies.

c. Timeframes. Modifications are actions taken to alter or amend grant documents. Current grants may be modified at any time. Closed grants may only be modified when there is an audit exception or at the discretion of the Director of Administrative Programs. Therefore, Regional Offices shall review grantee needs for modifications and process all necessary requests in advance of the termination date of the grant.

All modifications shall be acted upon within 30 calendar days of receipt in the Regional Office.

3. Grant Termination. If a grantee is not performing in accordance with the terms of the grant agreement and is not agreeing to or implementing corrective actions, the Regional Administrator may consider terminating the grant. Before beginning grant termination procedures, the Regional Administrator shall consult with the Director of Federal-State Operations and the Director of Administrative Programs. If, after consultation, it is agreed to terminate the grant, the Regional Administrator shall follow the procedures for termination found in 29 CFR 95.61.
4. Grant Closeouts. Regional Offices are responsible for obtaining grant closeout documents from grantees. To close out a grant, both financial and program requirements must be met.

- a. Financial Closeout. Financial procedures for grant closeout are issued to the Regions by the Division of Grants Management.
  - b. Program Closeout. After the expiration of the grant, the grantee is to prepare a program closeout report that summarizes activities conducted under the grant for all grant years and explains how these activities enabled the grantee to accomplish the goals of the grant. One copy of the program closeout report is to be sent to the Director, Office of Training and Education.
  - c. General Requirements.
    - (1) Grant closeout occurs ninety days after the grant termination or expiration date. Within the ninety-day period, the grantee shall submit all performance, financial, and other reports required as a condition of the grant, as well as copies of all materials produced under the grant which have not been submitted to OSHA previously.
    - (2) Any request for extension of the ninety-day closeout period shall be made in writing to the Regional Administrator by the grantee. The request shall include the reasons for needing the extension. The Regional Administrator shall reply in writing to the grantee. Copies of the reply shall be transmitted to the Chief, Division of Grants Management.
    - (3) Extensions for more than sixty days shall not be approved unless the request has the approval of the Chief, Division of Grants Management.
5. Grant Payments. Grant recipients receive grant funds through the Department of Health and Human Services Payment Management System (DHHS-PMS). Regional Offices shall determine that appropriate computer facilities are available to the grantee. To use the DHHS-PMS system, a grantee must have a computer, modem, and Kermit and SmartLinkII software.

JUL 16 1997

Office of Training and Education

The Division of Grants Management shall be responsible for payments to grantees.

6. Program Monitoring. Monitoring is the process whereby OSHA staff keep informed of grantee progress in meeting approved workplans and assure that activities are allowable. Monitoring is done through on-site visits and through analysis of grantee quarterly reports.

a. Site Visits.

- (1) Frequency of Visits. New grantees shall be visited by Regional Office program staff at least twice during the first grant year. Each grantee with a subsequent year grant shall be visited by program staff at least once each year. In addition, program staff are encouraged to attend one or more grantee training sessions during the year. More frequent visits may be made. Possible reasons for more frequent visits may be failure to perform in accordance with plan, a change of staff assignments in the Regional Office or a change of grantee staff assignments.
- (2) Notification of Visits. Insofar as is possible, the Regional Administrator shall notify the grantee of the visit at least three weeks prior to the site visit.
- (3) Items to be Reviewed. General programmatic questions to be asked when conducting site visits are listed below. Specific questions for each grant program will be issued by the Directorate of Federal-State Operations.
  - (a) Review the grantee's program plan and any progress reports submitted by the grantee before the on-site visit. During the on-site visit, review actual performance and grantee operating procedures. If these are not in accordance with the plan, ascertain the reasons for variances and work out a corrective action plan with the grantee.

JUL 16 1997

- (b) Review the prescribed directives with the grantee and explain how quarterly program reports are completed. (If the visit is to an ongoing grantee that has previously reviewed directives and reports with the monitor, this review may be at the discretion of the monitor.)
  - (c) Review written records that support the quarterly reports. Does it appear that the quarterly reports are accurate? If not, prepare a corrective action plan with the grantee.
  - (d) Review any grantee materials, both written and audiovisual, that are being produced with grant funds. Ascertain whether the requirements of paragraph c. of this section concerning review of materials are being met. If they are not, prepare a corrective action plan with the grantee.
  - (e) Review the grantee's implementation of the Drug-Free Workplace Act. Has the grantee distributed its drug-free workplace policy to its grant-supported employees? Have awareness sessions been held for grant-supported employees? (It is not mandatory that employees attend such sessions, only that they be available for employees to attend.)
  - (f) Review the grantee's implementation of the lobbying restrictions. Ascertain whether the grantee understands that grant funds may not be used for lobbying elected officials or their staff.
- (4) At the conclusion of the site visit, an exit conference shall be held. During this conference, the grantee shall be informed of the results of the visit. The grantee shall be informed that a written report will be prepared, and that the grantee's written

JUL 16 1997

Office of Training and Education

response to the on-site findings will be sent to the National Office.

- (5) Following each on-site visit, a report shall be prepared within 30 days that summarizes the items discussed or observed, notes any problems, and recommends corrective actions to be taken and timetables for those actions. The report shall be sent to the grantee with copies to the Director, Office of Training and Education, and the Chief, Division of Grants Management.
- (6) Grantees have 30 days to provide a written response to the report. When the Regional Office receives a written response from a grantee, copies of the response shall be sent to the Director, Office of Training and Education, and the Chief, Division of Grants Management.

b. Reports. Grantees are required by Departmental regulations to submit program and financial reports each calendar quarter.

- (1) Program Reports. Program reports shall be in the Regional Office no later than 30 days after the end of the quarter. The schedule for the fiscal year follows.

<u>Quarter Ending</u>	<u>Report Due in Region</u>
December 31	January 30
March 31	April 30
June 30	July 30
September 30	October 30

Grantees whose grants do not begin on the first day of a calendar quarter are required to adhere to the schedule listed above.

- (a) Program reports shall be analyzed to see if actual activities are in conformance with planned activities, to identify problems, and to note achievements. Problems identified shall be discussed with the grantee and a corrective action determined. Following the analysis, a

JUL 16 1997  
Office of Training and Education

memorandum shall be prepared that includes the analysis of the report. The analysis will address planned versus actual activities, identify problems, discuss corrective actions to be taken, and note achievements. The memorandum shall be sent to the Director, Office of Training and Education, by the twentieth day of the middle month of the quarter, i.e., February 20, May 20, August 20, and November 20.

- (b) If the grantee reports are incorrect or incomplete, the grantee shall be notified in writing and directed to submit revised reports. The Regional Office shall send a copy of the letter that points out the errors and/or omissions and copies of the revised reports, when received in the Regional Office, to the Director, Office of Training and Education.

(2) Financial Reports.

- (a) The Financial Status Report, - SF 269, shall be in the Regional Office no later than 30 calendar days following the end of the reporting period, usually the quarter. The report shall be analyzed. If it is incorrect or incomplete, it shall be returned to the grantee for correction. When the report is found to be satisfactory, an original signature copy shall be sent to the Chief, Division of Grants Management, no later than 45 days following the end of the reporting period for review and execution.
- (b) The Federal Cash Transaction Report, PMS 272, is generated by the DHHS Payment Management System. Grantees are required to submit the report to the Regional Office no later than 30 days following the end of the reporting period, usually the quarter. At some point during

JUL 16 1997

fiscal year 1997, grantees will no longer be required to submit this report. The report information will be available to the Regional Offices and the Division of Grants Management on-line.

- c. Review of Materials. As part of the approved activities under discretionary grants, grantees may produce written or audiovisual materials. Regional Offices shall review and approve these materials.
- (1) The grant work plan shall provide information on the types of materials to be developed and a schedule for the development and production of educational materials. The Regional Office shall develop a schedule enumerating the items to be reviewed and the time for such review.
  - (2) Reviews shall be conducted during the design and development stage of the material, i.e., before the material is in final form.
  - (3) Materials developed by a grantee shall be submitted to the Regional Administrator for final approval before reproduction or publication. Approval shall be based upon a review of the material for technical accuracy and objectivity.
  - (4) Technically accurate materials shall be those that present information correctly. Regional Offices shall be responsible for technical accuracy. They should have sufficient expertise on staff to review occupational safety and health materials for technical accuracy.
  - (5) In the review, Regional Office staff should assure that grantees have written permission from copyright owners for the use of any copyright items in the grant-funded material.
  - (6) Grantees shall be encouraged to purchase and/or adapt existing materials rather than produce new materials. This approach is

especially important when a grantee is proposing to incur substantial cost, such as for the development and publication of audiovisual materials.

- (7) All approved materials shall contain the following disclaimer.

This material was produced under grant number \_\_\_\_\_ from the Occupational Safety and Health Administration, U.S. Department of Labor. It does not necessarily reflect the views or policies of the U.S. Department of Labor, nor does mention of trade names, commercial products, or organizations imply endorsement by the U.S. Government.

- (8) The grantee shall provide two copies of each approved written or audiovisual educational material to the Regional Office. One copy shall be sent to the Office of Training and Education and the second copy shall be retained by the Regional Office.

6. Financial Monitoring. Regional Office staff shall conduct one on-site monitoring visit to each grantee annually. Financial monitoring procedures are contained in OSHA Instruction FIN 3.2.
7. Record Retention. Regional Office grant records shall be retained in accordance with OSHA Instruction ADM 12-7.2A, NC1-100-77-1, item 39. Office of Training and Education grant records shall be retained in accordance with OSHA Instruction ADM 12-7.3, NC-100-76-1, item 232.



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Distribution: National, Regional and Area Offices.