



Recommendation 71-4

Minimum Procedures for Agencies Administering Discretionary Grant Programs

(Adopted May 8, 1971)

Agencies that administer grant programs employ disparate and sometimes inadequate procedures in notifying applicants of available funds, stating policies for award of grants, informing applicants of actions taken on applications, and other matters. Adoption of more uniform, minimum procedures would be helpful to the agencies and would assist applicants, who often must deal with a number of different agencies. The recommendation applies to all grant programs which involve the exercise of some discretion in their administration. It is not intended to apply to Federal grant-in-aid programs that are wholly mandatory, *i.e.*, dispensed in accordance with a statutory formula without any discretion on the part of the agency.

Recommendation

Agencies should examine and revise their grant procedures to achieve to the maximum extent practicable the following objectives:

1. *Public Notice.* Agencies should publish a notice in the Federal Register (or in other publications that, in the judgment of the agency, have wider distribution among potential grantees) of the availability of grant funds at the outset of a new grant program, each time additional funds become available, and each time a deadline is established for submission of applications for funds. When an agency elects to publish elsewhere than in the Federal Register, it should publish in the Federal Register a statement specifying the other publication or publications in which it will publish.

2. *Development of Criteria by Rulemaking.* Unless otherwise provided by statute, agencies should issue regulations, pursuant to the notice and opportunity to comment provisions of the Administrative Procedure Act (5 U.S.C. § 553), specifying: (a) the procedures to be followed by applicants, and (b) criteria or standards, and priorities among criteria or standards, for the selection of grantees under each grant program. Agencies should review and, when appropriate, reissue such regulations at least once every five years.



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3. *Avoidance of Conflict of Interest.* Agencies should review their practices regarding utilization of advisory committees to ensure that they are in full compliance with existing conflict-of-interest requirements.

4. *Notification of Applicants.* Agencies should notify applicants in writing of the award, rejection, modification, non-renewal or termination of grants, or the disallowance of expenditures under grants, specifying the grounds for such action. A more detailed statement of reasons should be made available upon request by the applicant.

5. *Public Information.* Unless otherwise provided by statute and subject to the exemptions contained in the Freedom of Information Act, 5 U.S.C. § 552(b), agencies should maintain and make available to public inspection the notifications specified in paragraph 4.

Citations:

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