

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION RGO Authority
	CORRESPONDENCE SYMBOL OEO
	DATE November 10, 2004

ADVISORY: FIELD MEMORANDUM NO. 2-05
TO: REGIONAL ADMINISTRATORS
FROM: JACK RAPPORT 
 Administrator
 Office Of Field Operations
SUBJECT: Initial Implementation Of Regional Grant Officer Authority

1. Purpose. The purpose of this memorandum is to provide guidance for the initial implementation of Regional Grant Officer (RGO) authority.

2. References. Employment and Training Order (ETO) No. 1-03, "Improving Administration of Grants within the Employment and Training Administration; Memorandum from Jack Rapport and John Beverly to All Regional Staff, Subject: "Release of GEMS 2.0," dated October 27, 2003.

3. Background. ETO 1-03, "Improving Administration of Grants within the Employment and Training Administration," articulates expectations, roles and responsibilities for grants management during all phases of the grant life cycle for all of ETA. In addition, the ETO granted administrative grant officer authority to regional offices for specific types of grant modifications. This field memorandum provides guidance and instructions on the initial implementation of this authority.

We have used the order to extend administrative grant officer authority to regional offices as an opportunity to develop a potential model for automating and streamlining the entire modification approval process. As a result, all administrative grant modifications are to be processed electronically using the Grants E-Management System (GEMS). However, at this time, the Office of Grants and Contract Management (OGCM) has not adopted an electronic system to process modifications that require national office approval. Therefore, the policies outlined in this Field Memorandum only pertain to administrative modifications processed by the Regions. All other modifications are to be forwarded to OGCM and/or the program offices using existing procedures and generally require that hard copies of all original documents (request from grantee and FPO cover letter with recommendations) be sent to the National Office.

RESCISSIONS	EXPIRATION DATE November 30, 2006
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4. Scope of Implementation: In planning for the implementation of regional grant officer authority, the approach taken had to accommodate the following modification scenarios:

- A FPO or grant officer may need to initiate a unilateral modification action in the case of FPO changes or the need to make administrative corrections. Note: Unilateral modifications do not require a signature from the grantee.
- A grantee submits a modification including one or more change requests that may be approved by a Regional Grant Officer;
- A grantee submits a modification including one or more change requests that must be approved by a National Office Grant Officer;
- A grantee submits a modification including multiple change requests of which one or more may be approved by the Regional Grant Officer and one or more requests that must be approved by a National Grant Officer.
- A grantee submits a modification to a program plan (not a specific grant).

Until further notice, this process is limited to modification requests to individual grants (either requested by the grantee or unilaterally initiated) that may be approved in their entirety by the Regional Grant Officer and do not involve other request types. In addition, at this time, this process does not include modifications to formula program plans. Specifically, the initial implementation is limited to the following types of modifications:

- Change of FPO - To be used when the official FPO of record needs to be changed or updated. Note: Changes to FPO designations in GEMS do not require modifications; only when the official record (in the Grants Tracking System- GTS) must be changed. Generally, the FPO of record in GEMS and GTS should be the same;
- Administrative Corrections - To be used to correct, for example, typos, obvious misspellings, transposed numbers in an address, and similar changes that do not alter the legal status, address, or name of the grantee;
- Administrative Budget Realignment - These modifications are generally budget realignments of any amount or percentage and to any budget line items as long as these changes are not the result of changes to the overall purpose or objectives as outlined in the statement of work (SOW). (Note: It can also be used (but is not required) to issue modifications related to line item flexibility where the grantee or Region prefer to have the benefits of a formal modification);
- (Simple) No-Cost Extensions - To be used where the period of performance is extended to allow the grantee time to complete the project. These may involve minor changes to the SOW or implementation plan that correspond to the new period, but involve no other substantive changes to the overall purpose or objectives of the grant. (Note: The expiration date of the funding source and the amount of funding remaining on the grant should be verified prior to approval.)
- Equipment Purchase Approval (Greater than \$5,000) - Although this action has only required grant officer approval in the past; to improve record keeping this will now be considered a modification to the grant that is approvable by the Regional Grant Officer.

Each of these actions is considered a specific change request or transaction. The list of approvable modification types is expected to expand over time as we gain experience in this process. Please note that other modification types exist that are similar to those above but have distinct differences and should not be processed electronically via GEMS or approved by Regional Grant Officers:

- Non-Administrative Budget Realignment (vs. Administrative Budget Realignment) are budget realignments that impact the overall purpose or objectives of the grant as outlined in the SOW.
- Period of Performance Changes (vs. Simple No Cost Extensions) are all changes to the period of performance that are not simple "no-cost extensions" and generally involve changes to the overall purpose or objectives of the grant as outlined in the SOW.
- Novation Changes (vs. Administrative Corrections) are when a grantee or administrative entity's name changes legally or as a result of other substantive change in the entity receiving the grant and accountable for the funds, as opposed to an administrative correction to a grantee name.

Finally, all administrative modifications must be approved electronically via GEMS. Modifications should not be processed manually and then recorded in GEMS later but, instead, should be processed electronically. Please note that modifications processed and approved in GEMS are recorded immediately in the Grants Tracking System (GTS) and are visible instantly.

5. Roles and Responsibilities: There are a number of personnel involved in the processing of modifications and each has specific roles and responsibilities. The following attempts to clarify those specific roles/responsibilities:

- GEMS Point of Contact (POC): The GEMS POC role is fairly limited and focuses primarily on the initial implementation. The POC responsibilities include:
 - a. Assigning the Grant Officer Role to those designated by the Regional Administrator (RA) and approved by OGCM to have this authority;
 - b. Assisting FPOs in the use of GEMS and in utilizing the modification module; and
 - c. Assisting the RGOs in the utilization of the modification approval module.
- Federal Project Officer (FPO): As the primary day to day contact with the grantee, the FPO's responsibilities for modifications include the following:
 - a. Being familiar with accepted modification procedures and guidelines including understanding the difference between administrative modifications and other modifications that require national office approval;
 - b. Assisting the grantee in the development of an approvable modification request;
 - c. Reviewing the modification request and determining (with guidance from the Regional Grant Officer if necessary) whether or not it is an administrative modification and whether the request contains all sufficient information to be forwarded as appropriate.
 - d. In the case of an administrative modification, entering all required information in GEMS with regards to the modification request including the type of

- modification, key dates, the nature of the change request and the justification for the request.
 - e. Making a recommendation (positive, negative or return to grantee for further information/justification) and forwarding the modification request electronically via GEMS to the Regional Grant Officer or in hard copy for modifications requiring national office approval;
 - f. Preparing correspondence to the grantee in regards to the disposition of the modification request in accordance with regional procedures.
- **FPO Manager:** Many regions have procedures in place where an FPO's manager will review a modification request and the FPO recommendation before the package is sent to the Grant Officer. Other regions may not have this requirement. Therefore, further detail on these responsibilities is a regional specific decision. GEMS does not require immediate manager approval in order for an FPO to forward his or her recommendation to a Grant Officer, but a note can be included in the available comment sections to record a manager's concurrence or recommendation. All managers can view modifications prior to an FPO's recommendation being made in the "Change Requests" section of GEMS.
- **Regional Grant Officer (RGO):** The Regional Grant Officer is the key gatekeeper to ensuring the integrity of the process. The Regional Grant Officer is acting on behalf of the Secretary of Labor and must ensure that all procedures and requirements have been followed and met. Specifically, for administrative modifications the RGO must
 - Electronically review the recommendation package from the FPO for the following:
 - Proper classification of modification type;
 - Appropriateness for Regional Grant Officer Action;
 - Completeness and accuracy of all required fields/information;
 - Adequate justification from grantee;
 - Reasonable and justifiable recommendation from FPO;
 - Electronically approve, deny, or remand each modification request within 21 calendar days of receipt from grantee;
 - Prepare and/or approve correspondence to the grantee in regards to the disposition of the modification request in accordance with Regional procedures;
 - On the last day of each month, hard copies of all modification actions with original requests from grantees and executed modifications should be packaged and sent to OGCM (Attention: Laura Cesario) for retention in the official grant file.
- **Regional Administrators (RA):** Regional Administrators have ultimate authority and responsibility for the oversight of these procedures.

6. Step by Step Modification Process. See Attachment I

7. Resources: while this guidance is intended to answer many of your questions, it cannot answer them all. We will work to have regular communication and feedback between the regions, OFO and OGCM on the implementation of this process. Please forward to OFO any concerns or questions you may have as it is likely that your colleagues will have the same concerns.

In the interim, other resources at your disposal include the regional GEMS Points of Contact (POC) and the GEMS training site. The GEMS POCs generally are the staff most familiar and comfortable with the operations and working of the system. They are an invaluable resource to both FPOs and RGOs. In addition, a training site has been

established which is useful for staff, FPOs, and RGOs who may want to practice running a modification through the system at least once before having to do it for real the first time. The training site is available at <http://dol.sdc-moses.com/GEMSTEST> and does not require a password.

8. Action: Please implement these procedures immediately and notify OFO of your status in being able to process administrative modifications electronically.

9. Inquiries. If you have further questions or need immediate assistance, please contact John Ladd in OFO at 202-693-3704.

10. Attachment. Step by Step Modification Process.