U.S. Department of Homeland Security
United States Coast Guard

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United States Coast Guard

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COMMANDANT PUBLICATION 16755.3B

Subj: STATE RECREATIONAL BOATING SAFETY GRANT PROGRAMS

1. PURPOSE. This Publication provides a reference to the laws, regulations, and guidelines that govern the acceptance of State Recreational Boating Safety (RBS) programs and the administration of grant funding that is available to eligible States (as defined in Chapter 1). It will assist the States in applying for and administering funds provided under the National Recreational Boating Safety (RBS) State Grant Program.

2. ACTION. All State managers of the State RBS Program will comply with the provisions of this Publication. All Coast Guard District RBS Specialists will use this Publication as a reference when providing guidance to State RBS Programs. Internet release is authorized.

3. DIRECTIVES AFFECTED. The STATE RECREATIONAL BOATING SAFETY PROGRAMS "State Guide," COMDTPUB Pl6755.3A, dated 25 October 2001, is superseded by this Publication.

4. OBJECTIVE. The goals of the program is to encourage the States to assume the primary role in carrying out boating safety activities within their jurisdictions. This Publication provides key elements and requirements for program approval, and describes monitoring and enforcement actions that may be taken by the Coast Guard.

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5. DISCUSSION.

   a. The major functions of the National RBS Program are to encourage greater State participation and uniformity in boating safety efforts and particularly to permit the States to assume the greater share of boating education, assistance, and enforcement activities.

   b. Commandant (CG-BSX-2) is responsible for administration of the State RBS Grant Program. Within Headquarters, the day-to-day program administration is managed by the Program Management and Operations Branch (CG-BSX-21) and the financial administration is managed by the Grants Management Branch (CG-BSX-22) of the Boating Safety Division (CG-BSX-2) of the Office of Auxiliary and Boating Safety (CG-BSX). State applications for grant funding and the associated financial reports are submitted to Commandant (CG-BSX-21 and CG-BSX-22) for review to ensure accuracy and to determine program compliance and certification of eligibility.

   c. The States have the greater share of RBS education and on-water enforcement activities. The primary role of the Coast Guard in relation to boating safety education and enforcement is coordination, training, liaison, monitoring program effectiveness, and public information.

   d. This Publication contains guidance that promulgate procedures and policies to accomplish the purpose of this publication.

6. DISCLAIMER. This document is intended to provide administrative requirements for Coast Guard personnel and it imposes legally-binding requirements on recipients of grant funding from the State RBS Grant Program.

7. PROCEDURES. State grant managers will:

   a. Comply with the procedures and policies contained herein.

   b. Ensure that all personnel assigned to duties affecting the administration of any element of the State RBS grant program are familiar with the contents of this Publication.

   c. Advise Commandant (CG-BSX-2) of additional elements that should be included in future changes to this Publication.

8. RECORDS MANAGEMENT CONSIDERATIONS**.** This instruction has been thoroughly reviewed during the directives clearance process, and it has been determined there are records scheduling requirements, in accordance with Federal Records Act, 44 U.S.C. 3101 et seq., National Archives and Records Administration (NARA) requirements, and the Information and Life Cycle Management Manual, COMDTINST M5212.12 (series).

9. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS.

   a. The development of this publication and the general policies contained within it have been thoroughly reviewed by the originating office in conjunction with the Office of Environmental Management, Commandant (CG-47). This publication is categorically excluded under current

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Department of Homeland Security (DHS) categorical exclusion DHS (CATEX) A3 from further environmental analysis in accordance with the U.S. Coast Guard Environmental Planning Policy, COMDTINST 5090.1 and the Environmental Planning (EP) Implementing Procedures (IP).

b. This publication will not have any of the following: significant cumulative impacts on the human environment; substantial controversy or substantial change to existing environmental conditions; or inconsistencies with any Federal, State, or local laws or administrative determinations relating to the environment. All future specific actions resulting from the general policy in this publication must be individually evaluated for compliance with the National Environmental Policy Act (NEPA) and Environmental Effects Abroad of Major Federal Actions, Executive Order 12114, Department of Homeland Security (DHS) NEPA policy, Coast Guard Environmental Planning policy, and compliance with all other applicable environmental mandates.

10. FORMS/REPORTS. All forms described herein are available electronically from www.grants.gov or www.uscgboating.org .

Richard Timme
Rear Admiral, U. S. Coast Guard
Assistant Commandant for Prevention Policy

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DEFINITIONS

Advance	A payment of Federal funds to a State, upon its request or through the use of predetermined payment schedules, before expenditures are made by the State. A State must justify the need for an advance.
Allocation	The amount of funds that are reserved for a State from Federal funds available during a fiscal year for the purposes of 46 U.S.C., Chapter 131.
Available Federal Funds	Federal funds available for allocation may include: (1) Funds appropriated for allocation during a given fiscal year; (2) Funds previously allocated to a State that were withdrawn because they were unobligated at the end of a three-year period; **and**, (3) Funds carried forward that were not allocated by the Commandant at the end of the previous fiscal year.
Code of Federal Regulations (C.F.R.)	A codification of the general and permanent rules published in the Federal Register by the Executive departments and agencies of the Federal Government.
Cooperative Agreement	An agreement between a State and the USCG (district office) that defines the relationship between the parties in carrying out RBS programs. May also be called Memorandum of Understanding or Statement of Understanding.
Department of Homeland Security	A cabinet-level department in the Federal government. The USCG is a service in this Department (DHS) except when it is operating as a service in the Department of the Navy.
Designated State Agency	The lead authority or agency designated by the Governor of a State to carry out the State's RBS program.
Eligible State	A State with a RBS program that has been approved by the USCG as meeting the requirements of 46 U.S.C. §13103 and all applicable regulations.
Federal Fiscal Year (FY)	The 12-month period beginning on 1 October and ending on the following 30 September.
Financial Assistance	A grant of Federal funds to a State in support of its RBS program.
Grant Management Branch	Grants Management Branch (CG-BSX-2).
Grant Management Specialist	Individual in the USCG Office of Auxiliary and Boating Safety's Grants Management Branch (CG-BSX-22) responsible for the financial administration of Federal financial assistance for State RBS programs.

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Grants Officer	Chief, Grants Management Branch (CG-BSX-22).
Insular Areas	The Insular Areas are American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, and the Commonwealth of Puerto Rico.
Matching Share	That portion of total program costs required to be committed by the State to qualify for Federal financial assistance.
Obligation	The amount of orders placed, contracts and sub-grants awarded, goods and services received, and similar transactions during a given period that will require payment by the grantee during the same or a future period.
OMB	The Office of Management and Budget.
Outlays	The sum of actual cash expenditures made and indirect costs incurred by a State in support of its RBS program.
Program Branch Chief	Chief, Program Management and Operations Branch (CG-BSX-21).
Program Director	Director of Inspections and Compliance (CG-5PC).
Program Manager	Chief, Boating Safety Division (CG-BSX-2).
Program Office Chief	Chief, Office of Auxiliary and Boating Safety (CG-BSX).
Recreational Boating Safety (RBS) Program	Coordinated activities aimed at promoting RBS.
Reimbursement	Payment by Electronic Funds Transfer of the Federal share of a State's expenditures for its boating safety program.
Secretary	The Secretary of the Department of Homeland Security.
Single Audit	An audit conducted by an independent auditor for the State.
State	A State of the United States, Guam, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, American Samoa, the District of Columbia, and the Commonwealth of the Northern Mariana Islands.
State Program Coordinator	Individual within the USCG Office of Auxiliary and Boating Safety's Program Management and Operations Branch (CG- BSX-21) who is assigned responsibility for the programmatic administration of Federal financial assistance for State RBS programs.
U.S. Coast Guard (USCG)	A military service and a branch of the armed forces of the United States. The USCG is a service in the Department of Homeland Security except when operating as a service in the Navy.

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United States Code (U.S.C.)	The code of the laws of the United States of America.
Unliquidated Obligations	The amount of obligations incurred by a State that has not been paid.
Unobligated Balance	The portion of funds authorized by the Federal agency that has not been obligated by the State and is determined by deducting the cumulative obligations from the cumulative funds authorized.

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CHAPTER 1 – INTRODUCTION

1.1 **Purpose**. This Publication provides guidance related to the Federal laws, rules implementing those laws, standards and procedures applicable to acceptance of a State Recreational Boating Safety (RBS) Program and receipt of funds administered by the U.S. Coast Guard (USCG). Guidance applicable to State RBS program approval also is provided. Every effort has been made to ensure that information contained in this Publication is thorough and up-to-date. The material is intended as amplification for interpretation of the laws and regulations governing Federal funds for State RBS programs; however, it is not intended to supersede any Federal requirement and States should not rely solely on its contents.

1.2 **Applicability and Scope**. The guidance contained in this publication is applicable to the State RBS program authorized by the following chapters of Title 46, United States Code (U.S.C.):

a. Recreational Vessels (46 U.S.C., Chapter 43);
b. Reporting Marine Casualties (46 U.S.C., Chapter 61);
c. Numbering Undocumented Vessels (46 U.S.C., Chapter 123); and,
d. Recreational Boating Safety (46 U.S.C., Chapter 131).

1.3 **Eligible Participants**. States (as defined in 2 C.F.R., Part 200.90 and in this Publication) may apply to the USCG for approval of the boating safety program enacted by the State. States with approved programs and national nonprofit public service organizations (nonprofit organizations) are eligible to apply for RBS funds.

a. **Eligible State** – A State that has a USCG-approved RBS program as outlined in Section 2.3 of this Publication.

b. **National Nonprofit Public Service Organization** – Each year a Federal Financial Assistance Application Package is prepared and made available to all prospective grantees that provides guidance on the eligibility requirements and includes the latest application procedures for national nonprofit public service organizations.

1.4 **Agency Administration**. The Secretary of Homeland Security has delegated the authority to administer these State RBS programs and funds to the USCG. Within the USCG, the Program Director is the Director of Inspections and Compliance. Coast Guard District Commanders (see addresses found later in this section) have been delegated the authority to enter into Cooperative Agreements with States and local jurisdictions on RBS-related matters. The role of the District is "supportive" not "directive" with respect to the States. The Districts' role is to facilitate the States' ability to be effective, especially in coordinating the use of USCG assets. The approval of applications for RBS funds and authority to enter into financial agreements is reserved for the Grants Officer. Questions concerning State RBS programs may be directed to the appropriate USCG Headquarters or District Office (see addresses found later in this section). Questions concerning the Federal financial assistance program should be directed to the Grants Officer. The following is a listing of USCG Offices.

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USCG HEADQUARTERS

Grants Officer	Chief, Grants Management Branch (CG-BSX-22) Office of Auxiliary and Boating Safety U.S. Coast Guard Headquarters 2703 Martin Luther King Ave, SE Washington, DC 20593-7501\
Program Branch Chief	Chief, Program Management and Operations Branch (CG-BSX-21) Chief, Office of Auxiliary and Boating Safety U.S. Coast Guard Headquarters 2703 Martin Luther King Ave, SE Washington, DC 20593-7501
Program Manager	Chief, Boating Safety Division (CG-BSX-2) Office of Auxiliary and Boating Safety U.S. Coast Guard Headquarters 2703 Martin Luther King Ave, SE Washington, DC 20593-7501
Program Office Chief	Chief, Office of Auxiliary and Boating Safety (CG-BSX) U.S. Coast Guard Headquarters 2703 Martin Luther King Ave, SE Washington, DC 20593-7501
Program Director	Director of Inspections and Compliance (CG-5PC) U.S. Coast Guard Headquarters 2703 Martin Luther King Ave, SE Washington, DC 20593-7501

U. S. COAST GUARD DISTRICTS

First District	Commander, First Coast Guard District (dpi) 408 Atlantic Avenue Boston, MA 02110-3350
Fifth District	Commander, Fifth Coast Guard District (dpi) Room 416 431 Crawford St. Portsmouth, VA 23704-5004
Seventh District	Commander, Seventh Coast Guard District (dpa) Federal Building 909 SE First Avenue Miami, FL 33131-3050

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Eighth District	Commander, Eighth Coast Guard District (dp-rbs) 500 Poydras Street Room 1341 New Orleans, LA 70130-3396
Ninth District	Commander, Ninth Coast Guard District (dre) 1240 East Ninth Street Cleveland, OH 44199-2060
Eleventh District	Commander, Eleventh Coast Guard District (dpi) Coast Guard Island, Bldg. 50-8 Alameda, CA 94501-5100
Thirteenth District	Commander, Thirteenth Coast Guard District (dpi) Jackson Federal Building 915 Second Avenue Seattle, WA 98174-1067
Fourteenth District	Commander, Fourteenth Coast Guard District (dpi) 300 Ala Moana Blvd, Room 9-212 Honolulu, HI 96850-4982
Seventeenth District	Commander, Seventeenth Coast Guard District (dpi-rbs) P.O. Box 25517 Juneau, AK 99802-5517

1.5 **Changes**. This Publication will periodically be updated when laws and regulations applicable to the State RBS program or the grant program are amended or revised. Changes will be provided to all addressees on the distribution list maintained by the Program Manager.

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CHAPTER 2 – STATE RECREATIONAL BOATING SAFETY (RBS) PROGRAMS

2.1 **Purpose**. This Chapter provides guidance on the general requirements, standards and procedures for State RBS programs.

2.2 **Applicability and Scope**. This Chapter is applicable, in general, to the requirements to receive USCG approval of State RBS programs. Each of the authorizing statutes (listed in Chapter 1) and the implementing regulations provide the minimum requirements. The material in this Chapter is a summary of the requirements of laws and regulations applicable to State RBS programs and is not intended to supersede any existing laws and regulations.

2.3 **Program Approval Requirements**. Requirements for USCG approval of a State RBS program are set forth in 46 U.S.C. § 13103. USCG will approve a State RBS program and the State will be eligible to receive RBS funds if the program includes:

a. **Vessel numbering system approved by the Secretary**. This program will:

(1) Provide for facilities, personnel and systems needed to administer the approved State vessel numbering system in accordance with the provisions of 46 U.S.C., Chapter 123 and the implementing regulations in 33 C.F.R., Parts 173 and 174.

(2) Assure that a State will compile and submit the annual "Certification of Numbered Vessels" statement to the USCG not later than 31 January of each year (see Section 6.6 of this Publication).

(3) Include revisions to the approved State numbering system that require USCG approval [46 U.S.C. § 12302(f)]. States must submit to the appropriate State Program Coordinator one copy of the revised State law, implementing regulations, applicable forms, and policy statements, if any, that pertain to the numbering system revisions.

b. **A cooperative recreational boating safety agreement with the USCG**. A RBS Cooperative Agreement between the USCG and a State sets forth the respective responsibilities for RBS functions/activities and for such other arrangements as may be agreed upon. In addition, agreements between States relating to comity and uniformity of laws and regulations and permitting maximum use of boating safety resources are encouraged. An agreement between neighboring States may be made part of the USCG/State RBS Cooperative Agreement. The Cooperative Agreement will address provisions contained in COMDTINST 16750.8 (series) FEDERAL/STATE RELATIONS – RECREATIONAL BOATING SAFETY.

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NOTE: State Aids to Navigation agreements are governed by 33 C.F.R., Subpart 66.05 and are separate from this cooperative agreements. Any Aids to Navigation agreements, if needed, will incorporate the provisions described in the Code of Federal Regulations and the Aids to Navigation Administration Manual Administration, COMDTINST M16500.7 (series). A copy of such agreements will be filed with Commandant (CG-BSX-2).

c. **Sufficient patrol and other activity to ensure adequate enforcement of applicable State boating safety laws and regulations**. This program will:

(1) Provide acceptable facilities, vessels, vehicles, and personal equipment necessary to conduct law enforcement operations.
(2) Maintain enough qualified marine patrol officers to conduct law enforcement operations.
(3) For the Program Measurement Tool for Adequate and Sufficient Programs (PMTASP, Exhibit 2-1), score a minimum of 80 for Items P1 and P2, combined, in Group I (Exhibit 2-1). Score a minimum of 60 for Item P3 in Group II. Score a minimum of 50 for Items P5 and P6 in Group III.
(4) Ensure the enforcement of State boating safety laws and regulations.
(5) Promote public awareness and acceptance of RBS laws and regulations.

d. **Adequate State boating safety education**. This program will:

(1) Meet or exceed the National Boating Education Standards (knowledge based).
(2) Be available throughout the State and throughout the year, either in classrooms, on line, or through correspondence courses.
(3) Include at least one public recreational boating safety course that meets or exceeds the national boating education standards.
(4) For the PMTASP, score a minimum of 100 for Items P7 through P11, combined, in Group IV.
(5) Cooperate with the USCG whenever possible in developing any public recreational boating safety education program.
(6) Continue to maintain and supervise the State RBS education program when using volunteer instructors.
(7) Not count the value of volunteer services (to include hours of teaching, preparation, or transportation to venue) toward the State's matching shares of program costs.

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e. **A system, approved by the Secretary, for reporting marine casualties**. This program will:

(1) Provide a uniform State system for reporting marine causalities in accordance with 46 U.S.C. § 6102 and 33 C.F.R., Parts 173 and 174.

(2) Provide for the State's active enforcement of failure to report a reportable boating accident.

(3) Provide for the compilation and submission to the USCG of reports, information, and statistics on casualties reported to the State as required by 33 C.F.R. Part 174. Reports will include information on casualties in which the use of alcohol or drugs contributed to the casualty.

(4) For the PMTASP, score a minimum of 12 for Item P4 in Group II.

NOTE: An electronic copy of each State's accident and investigative report data, including any alcohol/ drug test results, will be post-marked to the Boating Safety Division's Program Management and Operations Branch (CG-BSX-21) at USCG Headquarters within 30 days of receipt of the initial casualty or accident report.

2.4 **Program Duration**. Requirements for USCG approval of a State RBS Program remain in effect until such time as the State program is changed to where it is no longer consistent with the above provisions and the State is so notified by the USCG. The USCG/State RBS Cooperative Agreement (required under section 2.3.b of this chapter) can be canceled by either the USCG or the State with at least 30 days' notice to the other party. Approval of a State's RBS program is automatically rescinded upon cancellation of the Cooperative Agreement.

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Criteria for Determination of State Eligibility
State Recreational Boating Safety (RBS) Program

Program Measurement Tool for Adequate and Sufficient Programs Under 46 U.S.C. § 13103(c)(3) & (4)

Group	Activity	Max	Min/Group
I Officers & Equipment	P1 Law Enforcement Officers	80	80
	P2 Law Enforcement Equipment	80	
II Enforcement Activity	P3 Boardings/Compliance Inspections	80	60
	P4 Boating Accident Reporting	15	12
III Officer Training	P5 Officer Initial Training	60	50
	P6 Officer Continuing Training	45	
IV RBS Education	P7 Courses Delivered	120	100
	P8 Dealer Programs	25	
	P9 In-school Programs	25	
	P10 Materials Distribution	25	
	P11 Public Service Announcements	30	
V Administration	P12 Boating Law Administrator Assigned	20	
	P13 Law Enforcement Coordinator Assigned	20	
	P14 Education coordinator Assigned	20	
	P15 Adequate Administrative Reporting	20	
	TOTAL POINTS	685	302

The above table shows the various activities, maximum points possible, and the minimum points required in each group. The total program requires a minimum of 335 points including 302 points distributed among the first four groups as shown above. The first four groups measure adequate law enforcement and sufficient patrol, and sufficient education programs. This approach will ensure a balanced program as well as a minimum acceptable program.

The following provides formulas for point determinations.

NOTE: Numbers denoted by (*) within the formulas are constants used to reach a score range that is more easily recorded and tracked.

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Group I Officers and Equipment

a. Patrol Activity

The formula for determination of the points for patrol activity is as follows: This formula is based on 1 patrolman/3,000 registered boats with a maximum score of 80.

$$\frac{240{,}000^{*}\ (L1 + L2 + L3)}{\#\ \text{of Registered Boats}} = P1$$

L1 = Total Number of Full Time Officers
L2 = Total Number of Part Time Officers
L3 = Total Number of Other Officers

P1 = Total number of points not to exceed 80.

b. Patrol Equipment

This formula is based on 1 boat or vehicle/4500 registered boats with a maximum score of 80. The formula is as follows;

$$\frac{(B1(2) + B2 + A + V)\ 360{,}000^{*}}{\#\ \text{of Registered Boats}} = P2$$

B1 = # of boats that are radio equipped
B2 = # of boats that are not radio equipped
A = # of Aircraft
V = # of other patrol vehicles (trucks, cars, ATV) P2

= Total number of points not to exceed 80.

Group II Enforcement Activity

a. Law Enforcement Activity

$$\frac{C \times 1200^{*}}{\#\ \text{of Registered Boats}} = P3$$

C = # of boardings/inspections or 4 times the # of citation reports issued.

This formula is based on boarding 5% of the registered boats with a maximum point score of 80.

P3 = Total number of points not to exceed 80.

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b. Boating Accident Reporting

neliness = 5 pts for 100% on time
= 4 pts for <100% but > 80% on time
= 0 pts for < 80% on time

Completeness = 5 pts for 100% all reports complete
= 4 pts for <100% but > 80% all reports complete
= 0 pts for < 80% all reports complete

Accuracy = 5 pts for 100% all reports accurate
= 4 pts for <100% but > 80% all reports accurate
= 0 pts for < 80% all reports accurate

P4 = Total number of points not to exceed 15.

Group III Officer Training

a. Officer Initial Training (Minimum of 32 hours)

$$\frac{(\text{Total \# of Officers Trained})}{L1 + L2 + L3} \times 60^* = P5$$

L1 = Full Time RBS Officers
L2 = Part Time/Seasonal RBS Officers
L3 = Other RBS Officers

P5 = Total number of points not to exceed 60.

b. Officer Continuing Training (in-service performed IAW state agency guidelines)

$$\frac{(\text{Total \# of RBS officers receiving training})}{L4} \times 15^* = P6$$

L4 = Total # of RBS Officers (L1 + L2 + L3)

P6 = Total number of points not to exceed 45.

Group IV Boating Safety Education

Public education and training requirements will be based on the number of registered boats (RB) within the state and the number of persons attending a RBS course meeting the minimum national boating education standards.

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a. Courses (classroom, home study, web based) to educate at least 2% annually.

$$\frac{E1 \times 5{,}000^*}{\text{\# Registered Boats}} = P7$$

E1 = # of boat operators attending a RBS course meeting the minimum national boating education standards from all providers as reported by the state.

P7 = Total number of points not to exceed 120.

b. Other education and outreach programs (distribution of materials, in-school programs, and dealer cooperative programs)

Dealer Programs

Yes = 25 pts = P8
No = 0 pts = P8

In-school Programs

Yes = 25 pts = P9
No = 0 pts = P9

Materials Distribution

$$\frac{(\text{\# pieces distributed}) \times 16^*}{\text{\# Registered Boats}} = P10$$

This formula is based on distribution of # of pieces produced equal to 156% of the registered boats with a maximum point score of 25.

P10 = Total number of points not to exceed 25.

c. Public Service Announcements (PSA)

PSA TV (produced or aired, including social media) = A1

Yes = 10 pts = A1
No = 0 pts = A1

Radio PSA (produced or aired, including social media) = A2

Yes = 10 pts = A2
No = 0 pts = A2

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Newspaper/Magazine PSA (including social media) = A3

Yes = 10 pts = A3
No = 0 pts = A3

A1 + A2 + A3 = P11

P11 = Total number of points not to exceed 30.

<u>Group V Administration</u>

a. Assigned Boating Law Administrator responsible of the administration and fiscal control of the program.

Yes = 20 pts = P12
No = 0 pts = P12

b. Assigned Law Enforcement coordinator.

Yes = 20 pts = P13
No = 0 pts = P13

c. Assigned Education coordinator.

Yes = 20 pts = P14
No = 0 pts = P14

d. Adequate Administrative reporting (required reports submitted

on time) Good (on time) = 20 pts = P15
Fair (NLT 30 days past due) = 10 pts = P15
Poor (over 30 days past due) = 0 pts = P15

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CHAPTER 3 – FEDERAL ASSISTANCE AND STATE ALLOCATIONS

3.1 **Purpose**. This Chapter provides guidance on the availability, eligibility, and allocation of Federal financial assistance provided to states to administer State RBS programs.

3.2 **Applicability and Scope**. The guidance provided in this Chapter is applicable to Federal financial assistance administered by the USCG for State RBS programs. The material is intended as amplification for further interpretation of the provisions of laws and regulations on the availability, eligibility, and allocation of Federal funds, and is not intended to supersede any Federal requirement.

3.3 **Availability**. Federal financial assistance for State RBS programs from the Boat Safety Account of the Sport Fish Restoration and Boating Trust Fund is authorized by 46 U.S.C. § 13107(a).

3.4 **Eligibility**. States with approved RBS programs may receive Federal financial assistance from the Sport Fish Restoration and Boating Trust Fund established by Section 26 U.S.C. § 9504, if the State demonstrates to the USCG's satisfaction that:

a. The program submitted by a State to the USCG is consistent with Chapters 61, 123, and 131 of Title 46 U.S.C. and the Federal regulations implementing those statutes.

b. Amounts received will be used to further develop and carry out a State RBS program containing the minimum requirements of 46 U.S.C. § 13103(c).

c. Sufficient State matching amounts are available from general State revenue, undocumented vessel numbering and operator license fees, State marine fuel taxes, or from a fund constituted from the proceeds of those taxes and established to finance a State RBS program. The matching amount must be monetary.

d. The program submitted by the State designates a State lead agency or authority to carry out or coordinate carrying out the State RBS program, including the requirement that the designated State agency or authority submit required reports that are necessary and reasonable to carry out the program and that are in the form prescribed by the Secretary.

3.5 **Distribution of Federal Financial Assistance**. Federal funds appropriated for State RBS programs will be distributed as follows:

a. An amount equal to 17.315 percent of the Dingell-Johnson Sport Fish Restoration Act (16 U.S.C. § 777c) will be made available to the Secretary of the department in which the USCG is operating for coordination of a national RBS program and administration of State RBS programs under section 13107 of title 46.

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b. Not more than 5 percent of the amount available for allocation and distribution in a fiscal year may be allocated for national boating safety activities of national nonprofit public service organizations [46 U.S.C. § 13104(c)].

c. The balance will be allocated and distributed for State RBS programs.

3.6. **Computation of State Allocations**. 46 U.S.C. § 13108 requires the USCG to determine, during the second quarter of a FY and on the basis of computations made under 46 U.S.C. § 13106 and submitted by the States for the preceding FY, the percentage of the amounts available to which each eligible State is entitled for the next FY. In accordance with 46 U.S.C. § 13104(a), State allocations will be determined as follows:

a. One-third allocated equally each FY among eligible States.

b. One-third allocated among eligible States that maintain a State vessel numbering system approved under 46 U.S.C. § 12302 and a marine casualty reporting system approved under 46 U.S.C. § 6102. The amount allocated each FY to each eligible State will be in the same ratio as the number of vessels numbered in that State bears to the number of vessels numbered in all eligible States.

c. One-third allocated so that the amount allocated to each eligible State will be in the same ratio as the total State expenditures for the RBS program during the prior fiscal year bears to the amounts expended by all eligible States for RBS programs during that FY.

3.7. **Availability of Allocations**. Under 46 U.S.C. § 13105 amounts allocated to a State are available for obligation by that State for a period of three years after the date of allocation. The date of allocation is the date the States are formally notified in writing by the USCG of the amount of allocation. Federal funds unobligated by a State at the end of the three years will be withdrawn and will be available with other amounts to be allocated during that FY. States will be notified of the potential loss of funds.

NOTE: Notification of amount of final allocation is normally provided by the end of the 1st quarter of the federal fiscal year (December 31).

3.8. **Limitation on Amounts Distributed**. 46 U.S.C. § 13104(b) limits the amount of Federal funds that a State can receive in a FY to not more than one-half of the total cost incurred by that State in developing, carrying out, and financing that State's RBS program in that FY.

NOTE: In compliance with 46 U.S.C. § 13104(b) and 48 U.S.C. § 1469a(d), the USCG will enforce the statutory requirement governing the State RBS Grant Program that local matching funds be provided by the Insular Areas for allocation amounts as determined by the Grants Officer.

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CHAPTER 4 – FINANCIAL ADMINISTRATION

4.1 **Purpose**. The purpose of this Chapter is to provide guidance on the general requirements, standards and procedures for the administration of RBS funds.

4.2 **Applicability and Scope**. Administrative requirements and standards for Federal financial assistance, namely the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are published in the Code of Federal Regulations under 2 C.F.R., Part 200, which can be accessed at www.ecfr.gov. The material contained in this Chapter is intended as amplification for interpreting the requirements of applicable laws and regulations and to provide established USCG procedures. However, the contents of the Chapter are not intended to supersede any Federal requirement.

4.3 **Availability of Federal Funds**. The following general provisions are applicable to RBS Grant Program funding.

a. A State's allocation of Federal financial assistance remains available for expenditure or obligation by that State for RBS program functions/activities for three years following the date of the final allocation notice issued by the USCG.

b. A State may apply for all or part of its Federal allocation, but not more than the amount of the State's matching funds for that FY.

(1) If a State applies for less than the amount allocated to that State for the FY, the balance of the allocation remains available for the remainder of the three years (see Section 3.7).

(2) A State may apply for its remaining allocation if sufficient State matching amounts become available during the FY. If not, the balance may be carried forward and added to the allocation for the subsequent FY, subject to the matching share provision. The State may not apply for Federal funds in excess of the total amount available to that State.

(3) If the State agency's authority to expend Federal funds is subject to appropriation by the State Legislature, the State may not request more than the amount authorized by the State legislature.

c. Federal funding for a State RBS program is provided for the twelve-month period of performance from October 1 to September 30 of the following year. When the USCG enters into a RBS Financial Agreement with a State, the entire RBS program is approved (includes provisional approvals). The RBS Financial Agreement includes anticipated total RBS program costs. When the RBS Financial Agreement is accepted, the State is committed to provide its share from general State revenue unless the Financial Agreement is subsequently amended (see Sections 4.8 and 4.9). Failure to meet this commitment may result in disallowance of all or part of the requested Federal share.

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4.4 **State Program**. An approved State RBS program must contain the program elements (functions/activities) listed in Section 2.3 of this Publication. Federal financial assistance is provided to supplement the State matching amounts provided for the RBS program and is intended for use in accomplishing the program purposes as provided by the authorizing laws. Unless changed by subsequent State law, a State RBS program approved by the USCG under 46 U.S.C. § 13103 continues in effect, whether or not the program is supported by Federal financial assistance.

4.5 **Application for Federal Financial Assistance**. Eligible States are required to apply for federal RBS funds on an annual basis, even if sufficient carryover funds are available, in order to have their activities programmatically approved. The Grants Management Branch (CG-BSX-22) generally publishes the State RBS Notice of Funding Opportunity (NOFO) each May with an application deadline of September 30. The NOFO is published on www.grants.gov and includes specific instructions on how to apply, as well as any required forms and/or documents needed for submission. States are encouraged to review the NOFO carefully, as its requirements become a part of the approved application package.

NOTE: To ensure States, U.S. Territories, and nonprofit organizations do not discriminate in their programs and activities, the USCG Civil Rights Directorate may conduct Title VI compliance reviews of grant recipients receiving funds under the National Recreational Boating Safety Program. States will receive guidance directly from the Office of Civil Rights at USCG Headquarters on Title VI compliance and required documentation needed for compliance. A compliance statement may be made part of the Program Narrative.

a. The information contained in the application package is the basis upon which the Grants Management Specialist determines whether the proposal meets eligibility requirements and the standards for approval. Once approved, the application package becomes a contractual agreement between the USCG and the State. The application package and applicable instructions are available at www.grants.gov.

b. The application must be submitted by the State authority or agency designated to carry out, or coordinate carrying out, the State RBS program.

c. The application requires a narrative description of all ongoing and planned RBS activities that are anticipated by the State during the period of performance, regardless of the source of funds for these activities. The Program Narrative must address each program function/ activity to be funded, even though the application is submitted as a single program. A Program Narrative that does not provide sufficient detail on the goals and objectives of a State's RBS program may result in the Grant Management Specialist delaying or denying approval of a grant application. States may choose to write a strategic plan that describes their program and clearly identifies goals and objectives. Documents such as these, which serve multiple purposes, may be accepted as the State's program narrative. The Program Narrative should also include a description of the budget and should correspond to the SF-424A. This may be submitted as a separate budget narrative.

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4.6 **Intergovernmental Review**. If a State has selected the RBS program for review under Executive Order 12372, the State review process must be followed. A 60-day comment period is provided by Executive Order 12372. Any comments must accompany the application. If the program was not selected for review or no comments were made, this should be indicated in item 16 of the Application for Federal Assistance (SF-424).

4.7 **Review and Approval of Applications**. Applications will be reviewed by the USCG State Program Coordinator and Grants Management Specialist.

a. If the review identifies omissions or raises questions, the applicant will be contacted to obtain additional information to resolve the issues.

b. When determined to be fully satisfactory, the application will be approved and the Financial Agreement will be submitted to the State by the Grants Officer once funding is finalized for the fiscal year.

4.8 **Financial Agreement**. The Financial Agreement is used to contract with and distribute to the State RBS funds for carrying out work the approved programs, activities, etc., as described in the State's application. The Financial Agreement may also include other conditions, either explicitly or by reference. Upon execution by the Grants Officer, the Financial Agreement is a contractual obligation of the Federal Government for payment of a proportionate share of the allowable costs of the State RBS program. A State requesting project funds indicates acceptance of the award and its associated terms and conditions per DHS and USCG. Signature by an authorized official of the State commits the State to provide the non-Federal share to carry out the work described in the application.

NOTE: Section B of the RBS Financial Agreement specifies that amounts received will be used to develop and carry out the State RBS program objectives, and to pay travel and associated costs for attendance of State RBS program personnel at national and regional RBS centric conferences and meetings.

4.9 Amendment to Financial Agreement and/or Approved Application Documents. An amendment to the RBS Financial Agreement must be submitted to the State Program Coordinator and Grant Management Specialist for approval prior to the close of the original RBS Financial Agreement period of performance. If the amendment involves changes in any of the documents supporting the RBS Financial Agreement, attach a copy of the applicable revised document(s). An amendment must be submitted for approval in any of the following circumstances:

a. The addition or deletion of any program function/activity.

b. Increasing or decreasing the total Federal funding obligated by the RBS Financial Agreement.

c. A qualifying budget revision as described in section 4.14 Budget Revision.

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4.10 **Responsibility**. It is the responsibility of the State to implement adequate procedures for the proper management of State RBS Funds. The State will provide the USCG with periodic financial reports as required in Chapter 6 of this Publication.

4.11 **Financial Management Systems**. States will follow their own laws and procedures to expend and account for Federal funds, including sub-grants to others. However, States, as well as their sub-grantees and cost-type contractors, must have sufficient control and accounting procedures to permit preparation of required reports and to establish that Federal funds have not been used for unauthorized purposes.

4.12 **Standards for Financial Management Systems**. Federal standards for financial management systems are outlined in 2 C.F.R. § 200.302(b). Financial management systems established by the States to administer the State RBS program must meet the following conditions. Other aspects may be added at the discretion of the designated State agency.

a. The system must provide accurate, current, and complete disclosure of the financial status of the State RBS program.

b. The records must adequately identify the source and application of funds, i.e., where the funds came from (Federal, State) and for what the funds were disbursed (personnel, fringe benefits, equipment, etc.). The records must also contain the following information for each function/activity: authorizations, obligations, unobligated balances, assets, expenditures, income, and interest. Records are to be supported by source documentation.

c. The financial management system will provide for effective control over and accountability for all funds, property, and other assets.

d. The system must provide comparison of budgeted amounts and actual expenditures by function/activity and fiscal period.

e. There must be written procedures for the State to request payment based on a reimbursement basis.

f. The system must include procedures for determining allowable costs and, where applicable, the allocation of costs between RBS and other programs.

4.13 **Budget Information**. The financial elements of the State RBS program are defined in the Budget Information (SF-424A) of the approved application.

a. Budget elements are defined as follows:

(1) By function/activity (Administration, Law Enforcement, Education, Navigational Aids (NAVAIDS), Boat Registration/Titling, and Public Access).

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(2) By object class (Personnel, Fringe Benefits, Travel, etc.).

(3) By Federal fiscal quarter.

b. The State must monitor expenditures by each budget classification, compare actual expenditures to the anticipated rate of expenditure, compare expenditures to performance, assure that expenditures by category are within established budgets, and, under the conditions outlined in Section 4.14, formally request approval of budget revisions from the USCG.

4.14. **Budget Revision**. Budget revision refers to the shifting of funds, both Federal and non-Federal, from one function/activity within the approved financial plan to another. The need for revision of the budget should be considered whenever the financial status or program performance review indicates that there has been significant deviation from the cost or performance estimates made at the time of the Financial Agreement. It is necessary for proper management that the performance program and the budget are kept current.

a. States must request prior approval from the USCG when a revision is necessary for any of the following:

(1) A final budget is submitted once the Final Allocation Chart has been distributed to the States.

(2) There is a change in scope or objective of the program.

(3) The revisions involve the addition of items requiring approval in accordance with the provisions of 2 C.F.R. § 200.407.

(4) The transfer of funds among direct cost categories or programs, functions, and activities in which the Federal share exceeds the Simplified Acquisition Threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent (10%) of the total approved budget.

(5) A transfer of funding from a non-construction activity to a construction activity or vice versa.

b. States do not need prior approval from the USCG to make the following changes to their budget:

(1) The use of allowable State funds in furtherance of State RBS program objectives over and above the minimum share included in the approved budget.

(2) The transfer of amounts budgeted for direct costs to absorb authorized increases in indirect costs.

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4.15 **Audit Requirements**. Federal standards covering audit procedures are contained in 2 C.F.R., Part 200, Subpart F.

a. Audits will be conducted by the State or an independent auditor in accordance with generally accepted government auditing standards for financial and compliance audits.

b. The provisions of 2 C.F.R., Part 200, Subpart F do not limit the authority of the USCG to audit State programs. However, if independent audits conducted by the States meet the requirements of 2 C.F.R., Part 200, Subpart F, the USCG will rely on them and any additional audit work will build upon the work already done.

c. Specific guidance for audit compliance requirements and suggested audit procedures for this program are provided in Chapter 6 of this Publication.

4.16 **Allowable Costs**. Costs incurred in carrying out the State RBS program are divided into two major types – direct and indirect – and are governed by the principles set forth in 2 C.F.R., Part 200, Subpart E.

a. Direct costs are those that can be clearly identified as being incurred in performance of State RBS activities. Typical direct costs are:

(1) Compensation of employees for their time and efforts devoted specifically for State RBS activities.

(2) Cost of materials and equipment acquired specifically for State RBS activities.

(3) Other items of expense incurred specifically to carry out State RBS activities.

(4) Services furnished specifically for State RBS activities by other agencies.

b. Indirect costs are those incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved.

(1) Indirect costs are allowable only if an approved cost allocation plan is in effect to distribute indirect costs to the several direct functions benefited. If a State agency already has a cost allocation plan that has been audited and approved by its cognizant Federal agency, supporting documentation should be included with the application for State RBS Grant funds that is sent to the USCG. If such a plan has not been developed, the State agency should assemble adequate supporting documentation and contact the Federal agency responsible for the approval and audit of its indirect cost rates and cost allocation plans.

(2) Guidelines for determining items that may be included in indirect costs and methods of allocation are available in 2 C.F.R., Part 200, Appendix VII.

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c. Specific examples of costs that are allowable under the provisions of this Federal financial assistance program are:

(1) Costs of administering and enforcing the State RBS program.

(2) Costs of facilities, equipment, and supplies for RBS education and law enforcement.

(3) Personnel costs for employees who work in the State RBS programs (see Section 4.18 of this Chapter).

(4) Costs of State RBS training, including salaries of instructors, costs of operating training facilities, costs of training equipment and supplies, and costs of travel and per diem related to such training.

(5) Costs for public State RBS education, e.g., the cost of safety-related exhibits at boat shows or educational programs developed for the general public, various segments of the boating community, and the public school system

(6) Costs related to administering and operating State vessel numbering and titling systems, including investigations of stolen boats.

(7) Costs of establishing local watercraft controls required for the safety of boaters.

(8) Costs of establishing and enhancing existing waterway markers and other appropriate aids to navigation to the extent they benefit the State RBS program. Neither State funds nor Federal financial assistance can be used to maintain markers and other navigational aids for which the USCG is responsible.

(9) Costs for emergency assistance to recreational boaters.

(10) Costs related to safety inspections of recreational boats.

(11) Costs of inspecting boat liveries and livery boats.

(12) Costs of issuing permits for and patrolling races or regattas where such permits and patrols are required to ensure the safety of participants and spectators.

(13) Costs of attending RBS meetings and conferences, both in-State and out-of-State, when such meetings and conferences are clearly beneficial to the State RBS program.

(14) Costs of State RBS research projects.

(15) State payments to political subdivisions for allowable costs in support of the State RBS program.

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(16) Costs for the investigation of accidents involving recreational boats, including costs for body or vessel recovery, that are directly related to a recreational boating accident or the investigation thereof.

(17) Costs for acquisition, construction, repair and maintenance of public access sites identified in the State application approved by the USCG.

(a) Costs for public access sites other than for the State RBS program are not allowable.

(b) Maintenance is defined as all commonly accepted practices necessary to keep the public access site(s) operating in a state of good repair and to protect it from deterioration resulting from normal wear and tear. Activities that allow the facility to function include routine recurring maintenance, such as minor repairs, and non-routine cyclical maintenance, which is major maintenance or renovation activities conducted at intervals normally greater than 1 year. General upkeep (e.g., mowing lawns, daily cleaning, etc.) is not an allowable cost of the State RBS program budget.

4.17 **Equipment.** A State will use, manage, and dispose of equipment acquired with funds from the Federal RBS financial assistance program in accordance with State laws and procedures.

4.18 **Personnel Compensation.** Many States have personnel whose duties are not limited to the State RBS program. For example, State RBS duties may be performed by Fish and Game or Conservation personnel who enforce State RBS laws as well as hunting or fishing laws. Title 2 C.F.R., § 200.430 requires that the salaries and wages of such personnel be supported by appropriate time distribution records that equitably distribute the time and effort.

a. A State may establish its own procedure(s) to comply with the requirements of 2 C.F.R., § 200.430, or it may use the alternative method below, which has been approved by the Department of Health and Human Services.

b. **Alternative Method for Time Distribution**. Each pay period, or at least once a month, prepare a time sheet that covers all employees whose costs are chargeable to more than the RBS program and includes the following information:

(1) Name and Social Security number of each employee.

(2) Total salary of each employee.

(3) Total hours each employee worked.

(4) Percent of employee's time charged to State RBS program.

(5) Hours for each employee that were charged to the State RBS program.

(6) Amount of employee's salary charged to the State RBS program.

(7) Certification by the next higher supervisor.

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4.19 **Program Income**. Program income means gross income earned by the State that is directly generated by a supported RBS activity or earned as a result of the RBS award during the period of performance. Program income includes, but is not limited to, income from fees for services performed, the use or rental or real or personal property acquired under the RBS award, the sale of commodities or items fabricated under the RBS award, license fees and royalties on patents and copyrights associated with the State RBS program, and principal and interest on loans made with RBS award funds. Interest earned on advances of RBS funds is not program income. Program income does not include rebates, credits, discounts, and interest earned on any of them. Regulations governing program income can be found in 2 C.F.R., § 200.307.

a. Per the Terms and Conditions of the Financial Agreement, program income is to be spent on allowable State RBS expenditures and applied to the State's share of expenditures as described by the cost sharing or matching method in 2 C.F.R. § 200.307(e)(3).

b. Taxes, special assessments, levies, fines, and other such revenues raised by the State are not program income.

4.20 **Payments**. After it has expended part or all of its non-Federal share, a State may submit a request for payment in the Automated Standard Applications for Payments (ASAP, www.asap.gov) module.

a. Payments will be made by reimbursement. The State expends funds for the State RBS program under its usual procedures. When submitting the quarterly Federal Financial Report, SF-425, the State determines the portion of program expenditures that are considered to be the Federal share. The reimbursement request(s) should match the cumulative Federal share of expenditures reported for the quarter(s). Please note that the State must liquidate all obligations incurred under the Federal award within ninety (90) calendar days after the end of the period of performance.

b. Payments will be made by Electronic Funds Transfer from the Department of the Treasury. It is the responsibility of the State to ensure that the USCG Finance Center has on file a current Vendor Express Form (ACH), which provides information on the State's agency and financial institution.

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CHAPTER 5 – PROCUREMENT

5.1 **Purpose**. This Chapter supplements the basic administrative requirements of 2 C.F.R., Part 200 related to the procurement of property and/or services under the State RBS program.

5.2 **Applicability and Scope**. This Chapter is applicable, in general, to the procedures for procurement of property and services under the State RBS program.

5.3 **Procurement Procedures**. When procuring property and services under a grant as per 2 C.F.R. § 200.317, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with 2 C.F.R. § 200.322, Procurement of Recovered Materials, and ensure that every purchase order or other contract includes any clauses required by 2 C.F.R. § 200.326, Contract Provisions.

5.4 **Contract Provisions**. Any clauses or conditions required by Federal statutes and Executive Orders and their implementing regulations must be included in any contract or purchase order. The non-Federal entity's contracts must contain the applicable provisions described in 2 C.F.R., Part 200, Appendix II—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards.

a. Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. § 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

b. All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

c. Equal Employment Opportunity. Except as otherwise provided under 41 C.F.R., Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60- 1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 F.R. §§ 12319, 12935; 3 C.F.R., Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R., part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

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d. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R., Part 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions

e. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R., Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

f. Clean Air Act (42 U.S.C. §§ 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. §§ 1251-1387), as amended. Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

g. Mandatory standards and policies relating to energy efficiency that are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. §§ 6201, et seq.).

h. Debarment and Suspension (Executive Orders 12549 and 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R., Part 180, that implement Executive Orders 12549 (3 C.F.R., Part 1986 Comp., p. 189) and 12689 (3 C.F.R., Part 1989 Comp., p. 235), "Debarment and Suspension." The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

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i. Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352). Contractors that apply or bid for an award of $100,000 or more must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

55 **Responsibilities**. The State is responsible for:

a. The settlement of administrative issues (e.g., source evaluation, protests, disputes and claims) resulting from State procurement actions without recourse to the Federal Government.

b. The supervision and inspection of services, materials, supplies and construction provided under contract, purchase order, or agreement to ensure compliance with stipulations, specifications, or conditions.

c. The maintenance of records for detailed documentation of procurement.

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CHAPTER 6 – REPORTING AND RECORDS RETENTION

6.1 **Purpose**. This Chapter provides guidance on the maintenance of records and the completion and submission of financial reports for State RBS program expenditures under 46 U.S.C. §§ 13106-13107 and of other reports required of the States for the RBS program. Exhibit 6-1 establishes a schedule of reports and their due dates.

6.2 **Applicability and Scope**. The guidance provided in this Chapter is applicable to reporting and records retention for Federal financial assistance for State RBS programs administered by the USCG. The material is a summary of the requirements of the regulations in 2 C.F.R., §§ 200.327, 200.333 and 33 C.F.R., Parts 173 and 174, and is not intended to supersede any existing laws and regulations.

6.3 **Responsibility**. Under 46 U.S.C. § 13103, the designated State authority or agency will submit required reports in the form prescribed by the USCG. States with approved RBS programs are responsible for managing the day-to-day operations of grant and sub-grant activities as required under 2 C.F.R., Part 200.331. States must monitor each program function or activity to ensure compliance with applicable Federal requirements and that performance goals are being achieved.

6.4 **Financial Reports**. The designated State authority or agency will submit financial reports in accordance with the requirements in 2 C.F.R. §200.327.

a. **Federal Financial Report**. SF-425 is used to report the State's RBS program expenditures.

(1) An SF-425 must be submitted to the financial coordinator not later than thirty (30) days after the end of each quarter. Prior approval is required for any late submissions. Submissions more than forty-five (45) days beyond the due date must be requested on agency letterhead by the State's agency authorized representative. A final report will be submitted within ninety (90) days after the end of the period of performance. The fourth quarter and final reports maybe combined into a single report provided the report is completed and submitted by the fourth quarter due date. The SF-425 should be prepared on a cash basis.

(2) The State must liquidate all obligations incurred under the Federal award within ninety (90) calendar days after the end of the performance period.

(3) The USCG will use the SF-425 to monitor program expenditures to ensure that goals for the program activities are achieved.

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(a) RBS program expenditures must be allowable under 46 U.S.C. § 13106(a) and 13107(b) and meet the requirements of 2 C.F.R., Part 200, Subpart E. RBS expenditures reported on the SF-425 must occur during the period covered by the report. Subject to the amount of Federal funds available, States will determine the Federal share of total program expenditures reported for the period.

(b) The Federal share cannot exceed one-half of the total program expenditures.

(4) The total State expenditures reported in the final SF-425will be considered for purposes of computing allocations under 46 U.S.C. § 13104(a)(3).

(5) Amounts authorized by the Financial Agreement but not expended at the end of the FY will be carried forward as part of the next FY program.

b. **State Boating Safety Program Expenditures**. The State Boating Safety Program Expenditures is a supplemental report form. This form was developed for States to report expenditures by object class (mirroring Section B of the SF-424A) and enables comparison of actual program expenditures to what was projected in the States' applications. This form does not have an OMB approval number. The submission is voluntary and is used by the program as a monitoring tool.

c. **Request for Reimbursement**. Reimbursement requests are submitted via ASAP. The request must not exceed the total expenditures for the program period as reported on the SF-425.

6.5 **Performance Report**. The annual Performance Report should accompany the final SF-425 and must be submitted within ninety (90) days after the end of the period of performance. The Performance Report will contain brief information on the following:

a. A comparison of actual accomplishments to the objectives established for the period in the Program Narrative submitted with the application for the Federal fiscal year.

b. The reasons why established objectives were not fully met.

c. Additional pertinent information including, when appropriate, analysis and explanation of cost variances.

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6.6 **Certification of Numbered Vessels**. One-third of the Federal funds designated for State RBS grants is allocated to the States based on the number of vessels numbered in that State in ratio to the number of vessels numbered in all eligible States. Not later than 31 January of each year, the State must submit a "Certification of Numbered Vessels" to report the number of current State Certificates of Number outstanding as of 31 December of the preceding year. Only vessels that are validly numbered in accordance with Federal requirements in 33 C.F.R., Parts 173 and 174 can be counted for purposes of the allocation. The certification should not include documented vessels, vessels that are exempted from display of the State-issued number, or numbers issued to manufacturers or dealers. The State should ensure that lapsed registrations are purged and that only active files are counted for purposes of the certification.

NOTE: The "State Registration Data" CGHQ-3923, which is due prior to 1 March of each year, will be used to compile statistical data on vessels for other RBS purposes. In addition to vessels numbered in accordance with Federal requirements, a State may use the "Commercial" section of CGHQ-3923 to reflect documented vessels that are required to be registered in the State and vessels that are issued Certificates of Number but are exempted from display of the State-issued number.

6.7 **Boating Accident Report**. In accordance with 33 C.F.R., Parts 173 and 174, a Boating Accident Report must be filed whenever an accident results in loss of life or disappearance from a vessel; an injury that requires medical treatment beyond first aid; or property damage in excess of $2,000 or complete loss of the vessel. States are required to forward copies of the reports or electronically transmit report data to the USCG within thirty (30) days of their receipt of the report. The report data forwarded to the USCG is entered into the national database of recreational boating accident statistics.

6.8 **Audit Reports**. The Single Audit Act Amendments of 1996 (31 U.S.C. §§ 7501-7507) requires States that receive $750,000 or more a year in Federal funds to have an audit made for that year. 2 C.F.R., Part 200, Subpart F provides Federal requirements for implementation of the Single Audit Act.

a. **Frequency**. Audits will be made annually unless the State has a constitutional or statutory requirement for less frequent audits. For those States, the USCG will permit biennial audits.

b. **Scope of Audit**. The Single Audit Act provides that:

(1) The audit will be performed by an independent auditor in accordance with generally accepted government auditing standards for financial and compliance audits.

(2) The audit will cover the entire operations of a State or, at its option, may cover departments, agencies or establishments that received, expended, or otherwise administered Federal financial assistance during the year.

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6.9 **Retention and access requirements for records**. All financial and programmatic records, supporting documents, statistical records, and other State records that are required in support of the RBS program must be maintained for three years following the date of the final SF-425 for the grant period.

a. Copies made by microfilming, photocopying, or electronic methods may be substituted for the original records.

b. Access to records will be provided to the USCG, the DHS Inspector General, and the Comptroller General of the United States, or any of their authorized representatives. Unless required by Federal, State or local law, grantees are not required to permit public access to their records.

c. Retention and access requirements are further defined in 2 C.F.R. §§ 200.333-337.

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SCHEDULE OF REPORTS AND DUE DATES

FINANCIAL REPORTS

Standard Form	Frequency	Period Covered	Due Date
Federal Financial Report SF-425	Quarterly and Annually (Final Report)	10/01/FY-12/31/FY 01/01/FY-03/31/FY 04/01/FY-06/30/FY 07/01/FY-09/30/FY 10/01/FY-09/30/FY	01/30/YR 04/30/YR 07/30/YR 10/30/YR 12/30/YR
*State Boating Safety Program	" " Expenditures (Not OMB approved)	"	
*Supplemental form to the SF-425. Developed for States to report expenditures by object class.			

NON-FINANCIAL REPORTS

Application for Federal Assistance	Annually		09/30/FY
Performance Report	Annually	10/01/FY-09/30/FY	12/31/FY
Certification of Numbered Vessels	Annually	01/01/YR-12/31/YR	01/31/YR
Report of Certificates of Number Issued to Boats	Annually	01/01/YR-12/31/YR	**Prior to** 03/01/YR
Boating Accident Report	Whenever an accident results in: Loss of life or disappearance from a vessel; an injury which requires medical treatment beyond first aid; or property damage in excess of $2,000 or complete loss of the vessel.		Within 30 days of report to State

FY = Federal Fiscal Year YR = Calendar Year

Exhibit 6-1

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CHAPTER 7 – PROGRAM FACILITIES

7.1 **Purpose (General)**. This Chapter provides guidance for the acquisition, construction and repair of facilities necessary to support State RBS program activities.

7.2 **Applicability and Scope**. The guidance provided in this Chapter is applicable, in general, to facilities acquired, constructed, and repaired with RBS Grant program funds. The material is intended as guidance for further interpreting requirements of applicable laws and regulations, and is not intended to supersede any Federal requirements.

7.3 **Eligible Purposes**. A program facility must be necessary to carry out program functions/activities and should be needed for a duration of time adequate to justify the capital investment. Program facilities include those facilities necessary to accomplish recreational boating law enforcement, vessel registration and titling, or training and education activities, e.g., offices, classrooms, or facilities for storage and repair of boats, vehicles and equipment.

7.4 **Documentation**. Budget Information (SF-424C) and a narrative providing the following information for each facility being acquired, constructed or repaired should be submitted with the program application:

a. **Need**. Explain why a new facility is needed or an existing facility needs enlargement, improvement, or repair.

b. **Objective**. Provide a concise statement of what the project will accomplish in terms of the stated need. For example:

(1) Construct a 2,000-square foot shed at (specified location) on Lake George to house patrol boats during the boating season.

(2) Renovation of regional vessel registration/titling office in Johnson City.

(3) Construct a 3,000-square foot combination office/classroom facility for State RBS program personnel at (station) on Lake Mead.

c. **Location**. Identify and provide a map to the specific location of the facility to be constructed or improved. The map must be detailed enough so that a person could drive to the location using the map provided.

d. **Approach**. Describe the work and how it will be done. Detailed site plans and specifications are not needed unless specifically requested by the State Program Coordinator.

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e. **Estimated Cost**. Provide the work schedule, estimated total cost, amount of Federal and/or State funds to be used, and the anticipated cost by year for the project.

7.5 **Allowable Costs**. Costs for development and construction of facilities designed or intended for multiple use (e.g., facilities designed or used for vessel registration/titling that are also used to issue fishing and hunting licenses) must have the funds proportionally allocated from the State RBS program's and various State funds. If the non-RBS program purposes are incidental to the primary use, costs do not need to be allocated.

7.6 **Maintenance**. Maintenance means all commonly accepted practices necessary to keep the facility operating in a state of good repair and to protect it from deterioration resulting from normal wear and tear. Activities that allow the facility to function include routine recurring maintenance such as minor repairs, and non-routine cyclical maintenance, which is major maintenance or renovation activities conducted at intervals normally greater than one year. General upkeep (mowing lawns, daily cleaning, etc.) is not an allowable cost of the State RBS program budget.

7.7 **Real Property**. Real property acquired with Federal funds for a facility to be used in the State RBS program will be administered in accordance with Federal regulations in 2 C.F.R. § 200.311.

a. Title to real property will vest in the State or its sub-grantee.

b. Real property must continue to serve the purposes for which it was acquired, and the State or its sub-grantee will not dispose of or encumber its title or other interests in the property.

c. When the real property is no longer needed for the originally authorized purpose, the State or the sub-grantee will request disposition instructions from the State Program Coordinator.

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CHAPTER 8 – PUBLIC ACCESS SITES

8.1 **Purpose (General)**. This Chapter provides guidance on the development and construction of facilities that provide access to water resources for the use and enjoyment of recreational boaters.

8.2 **Applicability and Scope**. The guidance provided in this Chapter is applicable, in general, to all public access sites acquired, constructed, and repaired by RBS Grant program funds. The material is intended as guidance for further interpreting requirements of laws and regulations applicable to State recreational boating public access sites. The guidance in this Chapter is not intended to supersede any Federal requirements.

8.3 **Eligible Purposes**. A public access site is defined as a facility provided for the ingress and egress of the recreational boater to the body of water for the purposes of recreation, to include boat ramps, wharfs, dry storage facilities with launch capabilities, and marinas. State RBS public access sites will have objectives related to the following:

a. Elimination of overcrowding and congestion of waterways to enhance the safety of recreational boaters.

b. Equitable access to waters of the State for various forms of recreational boating, such as, cruising, water-skiing, fishing, hunting, or use of personal watercraft, and will address the needs of the handicapped.

c. Developing or improving areas to enhance use and enjoyment of water resources by recreational boaters.

d. Providing for the protection and safety of the facilities and the users of the facilities.

8.4 **Documentation**. Budget information (SF-424C) and a narrative providing the following information for each public access site being acquired, developed, or repaired should be submitted with the program application.

a. **Need**. State the reason why a new facility is needed or an existing facility needs to be improved, e.g., reduce congestion or repair damage.

b. **Objective**. Provide a concise statement of what the project will accomplish in terms of stated need. For example:

(1) Develop a six-lane boat launching ramp, parking for 75 vehicle/boat trailer units, and toilet facilities on Lake Mead at (the specified location).

(2) Reduce congestion by construction of an additional boat launching ramp and 25 additional parking spaces for vehicle/boat trailer units at (existing site) on Lake George.

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(3) Renovation of (existing site) to provide access for the handicapped.

c. **Location**. Identify the specific location of the facility to be constructed or improved and provide a map designating the location. The map must be detailed enough so that a person could drive to the location using the map provided.

d. **Approach**. Describe the work and how it will be done. Detailed site plans and specifications are not needed unless specifically requested by the Program coordinator. If applicable, describe third party arrangements for operation of the facility, including how revenue from any user fees will be handled.

e. **Estimated Cost**. Provide the work schedule, estimated total cost, and the anticipated cost by year for accomplishing the objectives. The work schedule will include the components of the major structures to be constructed such as boat ramps, parking lots, or toilet facilities.

8.5 **Allowable Costs**. Costs are allowable only for those public access sites that are identified in RBS applications approved by the USCG. The costs for development and construction of facilities designed for multiple use will be allocated among the various programs that receive benefits from the facility. If the non-RBS program purposes are incidental to the primary use, costs need not be allocated.

8.6 **Maintenance**. Maintenance means all commonly accepted practices necessary to keep the public access site operating in a state of good repair and to protect it from deterioration resulting from normal wear and tear. Activities that allow the facility to function include routine recurring maintenance such as minor repairs, and non-routine cyclical maintenance, which is major maintenance or renovation activities conducted at intervals normally greater than one year. General upkeep (e.g., mowing lawns, daily cleaning, etc.) is not an allowable cost of the State RBS program budget.

8.7 **Real Property**. Real property acquired with Federal funds for a public access site under the RBS program will be administered in accordance with Federal regulations in 2 C.F.R. § 200.311.

a. Title to real property will vest in the State or its sub-grantee.

b. Real property must continue to serve the purposes for which it was acquired, and the State or its sub-grantee will not dispose of or encumber its title or other interests in the property.

c. When the real property is no longer needed for the originally authorized purpose, the State or the sub-grantee will request disposition instructions from the State Program Coordinator.

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8.8 **Special Provision**. The following provision is specifically applicable to public access sites supported by Federal financial assistance provided for the State RBS program: On- site notification will be maintained at each facility to make the public aware that the public access site is supported by the Sports Fish Restoration and Boating Trust Fund administered by the USCG to assist the State's RBS program. The following language is recommended for this purpose;

"This (Project/public access facility) was paid for in (whole/part) by funds from the Sport Fish Restoration and Boating Trust Fund administered by the U.S. Coast Guard"

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CHAPTER 9 – ENFORCEMENT ACTIONS

9.1 **Purpose.** This guidance establishes the procedures to be followed by USCG personnel administering grants in support of the State RBS program.

9.2 **Applicability and Scope.** The guidance contained in this part is applicable to the State RBS program authorized by the following chapters of Title 46 U.S.C.:

a. Recreational Vessels (46 U.S.C. §§ 4301-4312)
b. Reporting Marine Casualties (46 U.S.C.§§ 6101-6104).
c. Numbering Undocumented Vessels (46 U.S.C. §§ 12301-12309).
d. State Boating Safety Programs (46 U.S.C. §§ 13101-13109).
e. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R., Part 200).

9.3 **Requirements.** It is the responsibility of the State(s) to comply with the programmatic terms and conditions stated in the USCG State RBS Program's Funding Opportunity Announcement (FOA). The terms and conditions stated in the FOA are a binding legal contract and all States must fully comply. All States and Territories are funded based on their agreement to comply with all terms and conditions stated in the FOA. Submission of State applications acknowledges approval of the proposed recommendation of enforcement from the USCG.

9.4 **Background.** In order to receive funding from the State RBS Program, the eligibility requirements must be met from 46 U.S.C. § 13103(c). A State must also comply with financial accounting and reporting requirements as set forth in 2 C.F.R., Part 200, grant terms and conditions documents, and this publication.

9.5 **Policy.** The USCG will monitor State grant recipients via desk reviews, on-site and remote compliance assessments, and analysis of required reporting.

a. The appropriate State Program Coordinator will make the initial determination whether a State is compliant and will initiate the first contact with the State detailing any concerns.

b. A State will be in compliance with the RBS grant program when all applicable grant conditions of an approved program, including budget management and control, draw down and reimbursement requests, program income, matching funds, financial reporting, and programmatic performance and reporting are successfully met.

c. A State that fails to comply with one or more of the eligibility requirements stated in 46 U.S.C. § 13103, or fails to adhere to grant agreement requirements or conditions, whether stated in a Federal statute, regulation, assurance, application, or notice of award will be considered non-compliant.

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d. The USCG may suspend or terminate funding of a grant in whole, or in part, if the USCG determines that a State is not meeting the following requirements:

(1) Not complying with the requirements of the State RBS program or with other applicable provisions of Federal law;
(2) Not making satisfactory progress toward the goals or strategies in the application and information as reflected by performance and status reports;
(3) Not adhering to grant agreement requirements or conditions, whether stated in a Federal statute, regulation, assurance, application, or notice of award;
(4) Not submitting reports in a timely manner, filing inaccurate information in an application, periodic report, or other document;
(5) Not submitting for prior approval for any significant changes that the State anticipates being made to the application before implementing those changes.

9.6 <u>Programmatic Enforcement Actions.</u> The following enforcement actions may be taken by the Grants Officer:

a. State will be notified via a signed document that will be delivered either through the mail or electronically that the State's RBS program is considered "non-compliant" with one or more of the eligibility requirements as defined in 46 U.S.C. § 13103. The State will have 30 business days after the date of receipt of notification from the USCG to provide a corrective action plan (CAP) to the USCG. Upon USCG approval of the proposed CAP, the State will be notified in writing that the State RBS Program is "provisionally approved" pending completion of the CAP. This will allow for the State's continued eligibility to receive funding and fulfill the terms and conditions of the grant without interruption. Upon successful completion of the approved CAP, the USCG will notify the State that its program is now "approved".

b. If following the 30-day notice to provide a CAP the State fails to do so or if the State does not meet the CAP deadline(s) to correct the non-compliant issue(s), the USCG will notify the head of the State agency in which the State RBS Program is administered. This notification will detail the non-compliance and include a copy of the State's first notification from the USCG. If the State responds within 30 business days of the second notice, and upon providing an acceptable CAP, the State RBS program will be considered "provisionally approved."

c. If the State fails to submit a CAP or correct non-compliant issues by CAP deadlines, the USCG may, for each non-compliant element, withhold an amount equal to no more than 25% of the total grant allocation a State would normally receive. If the State has already received all funds available for the fiscal year via reimbursement, then the USCG will withhold funds for the following fiscal year. The notification for this withholding will be sent to the responsible agency head.

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d. Upon successful completion of the approved CAP within the time limits specified within the plan, amounts withheld may once again be made available to the State for obligation provided the original allocation availability has not expired.

e. If a State fails to come into compliance after all other alternatives have been exercised, then a State may be found to be ineligible to receive Federal Financial Assistance under this program.

9.7 **Financial Enforcement Actions**. The following enforcement actions may be taken by the Grants Officer:

a. A State that fails to provide a quarterly financial report within the 30 days following the end of the quarter will not be able to draw funds for reimbursement of approved activities until such time as the required reports are provided and approved by the Grant Management Specialist.

b. A State that fails to provide a final financial report within the 90 days following the end of the Federal fiscal year will not be able to draw funds for reimbursement of approved activities until the required reports are provided and approved by the USCG Grant Management Specialist.

c. A State that fails to provide any of the required financial reports by the time the estimated allocation is finalized for distribution within the second quarter of the next Federal fiscal year will not be eligible to receive reimbursement for approved activities covered by the missing reports for the prior Federal fiscal year.

9.8 **Appeal Procedures.** The USCG permits State RBS grant recipients to appeal certain post-award adverse administrative decisions made by USCG grant officials. The USCG has established a grant appeals procedure.

a. The USCG will assume jurisdiction for the following adverse determinations;

(1) Termination, in whole or in part, of a grant for failure of the recipient to carry out its approved project in accordance with the applicable law and the terms and conditions of award or for failure of the recipient otherwise to comply with any law, regulation, assurance, term, or condition applicable to the grant.

(2) Determination that an expenditure is not allowable under the grant has been charged to the grant or that the recipient has otherwise failed to discharge its obligation to account for grant funds.

(3) Denial (withholding) of a non-competing continuation award for failure to comply with the terms of a previous award.

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(4) Determination that a grant is void (i.e., a decision that an award is invalid because it was not authorized by statute or regulation or because it was fraudulently obtained).

b. The formal notification of an adverse determination will contain a statement of the recipient's appeal rights. The recipient must submit a request for review to the Grants Officer detailing the nature of the disagreement with the adverse determination and providing supporting documents in accordance with the procedures contained in the notification.

c. The request for review must include a copy of the adverse determination, must identify the issue(s) in dispute, and must contain a full statement of the recipient's position with respect to such issue(s) and the pertinent facts and reasons in support of the recipient's position. In addition to the required written statement, the recipient will provide copies of any documents supporting its claim. This appeal must be signed by the agency head and/or authorized representative.

d. The State's request for review must be submitted no later than 30 business days after the written notification of the adverse determination is received; however, an extension may be granted by the Grants Officer if the recipient can show good cause why an extension is warranted.

e. The Grants Officer will make recommendations to the Program Manager (Chief, Boating Safety Division, CG-BSX-2) for consideration in any decisions. The Program Manager is the deciding authority for first-level appeals. Should the State desire to challenge the decision of the Program Manager, an appeal following the same procedure as above may be filed with the Program Office Chief (Chief, Office of Auxiliary and Boating Safety, CG-BSX), who is the final decision making authority.

f. For issues other than those in sub-paragraph a above, the State may request reconsideration of any decision by the Coast Guard (CG-BSX-2) through the Program Branch Chief or the Grants Officer, as appropriate. If unsatisfied with the decision of the Branch Chief, the State may request reconsideration by the Program Manager and then the Program Office Chief. The Program Office Chief is the final decision making authority. Upon the State making the Branch Chief aware of the request for reconsideration, the Branch Chief will inform the State what information is needed. The request for reconsideration should be timely and within 30 days of the original decision from which the State is making the request for reconsideration. If the request for reconsideration is for a decision that is older than 30 days, the State must explain the delay, and the Coast Guard has the option to consider the otherwise untimely request for reconsideration.

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