

Chapter 900 - Grants

0900 GENERAL (New 1/63)

Research of general public interest and benefit is a concern of state government and should be furthered, provided that such research does not unduly interfere with prescribed state programs and functions, and is in accord with the intent and desire of the State Legislature and state law. The following provisions relating to the acceptance and administration of public and private organization grants for research are not intended to interfere with or discourage the furtherance of desirable research. Neither are they intended to prohibit the incidental use of state equipment and facilities or otherwise discourage the personal study and development of state-employed scholars and professional personnel. These provisions are intended to establish uniform general principles concerning the administration of grant funds, reasonable use of state employees, and reasonable recovery of the state's expense in the performance of grant-funded projects.

Many private or public organizations grant funds to finance research and other projects which involve state employees, facilities, and operating costs. These projects are generally, but not necessarily always, of public interest and concern.

0910 RESEARCH GRANTS ADMINISTERED BY STATE AGENCIES OR AUXILIARY ORGANIZATIONS (New 1/63)

The Legislature has authorized and appropriated funds to some departments specifically to conduct research in connection with the department's authorized functions and programs. These departments administer grant funds through normal state financial procedures.

Many grants are made that involve state employees, facilities, and operating costs of state agencies and institutions that the Legislature has not specifically authorized for the performance of research and for which no appropriation of state funds have been made for this purpose. Often such grants are accepted and administered by "auxiliary" organizations and corporations formed by state employees of the agency or institution involved. The research is performed at the state institution or agency using state facilities and often by or under the direction of state employees. It is probable that many of these grants are awarded in recognition of the state facility and state employment of the personnel involved.

0911 MANDATED STATE CLEARINGHOUSE'S ROLE (Revised 03/03)

1. The State Clearinghouse (SCH) reviews federally funded grants mandated by Executive Order (E.O.) 12372, Appendix I of the Catalog of Federal Domestic Assistance. Any state, independent, or local agency applying or planning to apply for federal funds should contact the SCH and verify that their Catalog of Federal Domestic Assistance Number (CFDA Number) is one of the grants subjected to state review. The SCH requires that a federal Standard Form 424 (usually the front application page) be submitted at least 30 to 60 days prior to the final deadline set by the federal agency. The SCH does not set nor know the final deadlines for grants and will accept a federal Standard Form 424 at any time. The applicant is responsible for submitting their grant application in sufficient time to meet all deadlines. State agencies and departments who apply for federal funds are responsible for including a provision for recovery of indirect costs as described in Government Code sections 13332.01 and 13332.02 and reiterated in SAM section 8755.1
2. In addition, the SCH **does not** have information on federally funded grants. Information can be obtained by calling the federal agency funding the grant or by looking in the Catalog of Federal Domestic Assistance.
3. The SCH will send a letter to the applicant at the end of the review period. If the SCH does not receive comments on a grant, the review will close 30 days after submittal. If comments are received, then the review period will close 60 days after submittal. All grant applications are sent out for review in the State Clearinghouse Newsletter. Federal agencies who require this letter will contact the SCH.
4. The SCH does not deal with form CA-189, only the federal Standard Form 424 and those grants mandated for review by E.O. 12372.
5. **General Review.** Once a federal Standard Form 424 (see Appendix C) has been submitted to the SCH and assigned a number, it is put out for review in the State Clearinghouse Newsletter. This newsletter is sent to all state agencies, area clearinghouses, local libraries, university libraries, and private citizens (at their request). The SCH requires that a federal Standard Form 424 (usually the front application page) be submitted at least 30 to 60 days prior to the final deadline set by the federal agency. If the SCH does not receive comments on a grant, the review will close 30 days after submittal. If comments are received, then the review period will close

60 days after submittal. All comments will be forwarded to the applicant.

6. This review process is standard for all grants that are listed under E.O. 12372. A grant that does not fall under the E.O. 12372 should not be submitted to the SCH. Not all federally funded grants fall under E.O. 12372 for state review.
7. This is the only role of the SCH in relation to federally funded grants. The SCH does not play a role in the review, awarding, or funding of state grants.

0912 FEDERAL GRANTS
(Revised 6/12)

Review By Department of Finance (DOF)

Pursuant to the provisions of Government Code Section 13326, advance approval for application to the federal government is delegated to agencies/departments, except requests for federal funds for the following:

1. "New" activities not included in the budget,
2. Activities which have been previously denied by the Administration or the Legislature, and
3. Sensitive policy issues. The determination of a "sensitive policy" issue is at the discretion of the agency/department making the request for federal funds.

Budgeted Grant Requests

Requests for federal funds which can be anticipated should be included and justified as part of the departmental budget request. For budgeted grant requests, the applicant must file federal Standard Form 424 with the SCH prior to the publication of the Governor's Budget document for the fiscal year for which the grant is requested. The remittance advice for receipt of a budgeted grant request should cite the SCH identification number.

Unbudgeted Grant Requests

Requests for federal grants that were not anticipated ("unbudgeted") must be forwarded to DOF if they meet any of the criteria specified above (Items 1, 2 and 3 - Review By DOF). For each grant request meeting this criteria, departments must submit a "Federal Grant Request" form DF-24. See Appendix D. Agency approval must be obtained prior to submission to DOF, except that departments which do not report to an agency secretary are to submit their requests directly to DOF. Forms must be submitted to DOF at least 10 working days prior to the federal deadline for application. Constitutional Officers, the University of California, and the California State University are not required to obtain DOF approval. Departments are also responsible for determining if any request for unanticipated federal funds meets the criteria for legislative notification set forth in Control Section 28.00 of the annual Budget Act. If requests meet the notification criteria, departments are also responsible for submitting the appropriate Section 28.00 materials to DOF along with the "Federal Grant Request" form DF-24.

After approval is received by DOF for an unbudgeted grant request, the applicant must also file federal Standard Form 424 with the SCH.

Employer/Taxpayer Identification Number for Grant Requests

The federal Standard Form 424 must include the Employer/Taxpayer Identification Number that was assigned to the department by Internal Revenue Service. (See also SAM section 8422.19)

State, Metropolitan, and Regional Clearinghouses

For a list of Areawide, Metropolitan, and Regional Clearinghouses, see Appendix B.

The address and telephone number of the SCH is:

California State Clearinghouse
Office of the Governor
Office of Planning and Research
1400 Tenth Street
Sacramento, California 95814

Telephone: (916) 445-0613

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- A. [Flowchart for Federal Assistance Review](#)
 - B. [California State and Areawide Clearinghouses](#)
 - C. [Application for Federal Assistance](#)
 - D. [Federal Grant Request](#)