



Commonwealth of Pennsylvania
GOVERNOR'S OFFICE

MANAGEMENT DIRECTIVE

110.2
Number

Subject:

Request for Approval of Federal Funds

By Direction of:

Robert A. Bittenbender, Secretary of the Budget

Date:

January 14, 1985

1. **PURPOSE.** To establish policy and procedures for requesting the approval of Federal funds.

2. **SCOPE.** This directive is applicable to all agencies required by Act 117 of 1976 to have Federal funds specifically appropriated by the General Assembly.

3. **OBJECTIVE.** To insure that the appropriation and authorization of Federal funds are consistent with budgetary considerations and legislative requirements.

4. **DEFINITIONS.**

a. Appropriations Committees - the House and Senate Majority and Minority Appropriations Committees.

b. Federal Appropriation - an authorization made by an act of the General Assembly for the expenditure of a specified amount of Federal funds for a stated purpose as required by Act 117 of 1976. For purposes of this directive the term includes Federal restricted receipts which do not include a specific dollar amount but also must be established by the General Assembly.

5. **POLICY.**

a. Effective immediately, all requests for approval of or amendments to Federal fund appropriations or executive authorizations must be submitted in conformance with this directive and the current annual administrative circular entitled Appropriation, Authorization and Expenditure of Federal Funds.

b. Each agency will complete and submit three copies of Form STD-242, Request for Approval of Federal Funds (RAFF), to the Deputy Secretary of the Budget, Office of the Budget, under the following conditions:

(1) Initial request for the budget year appropriation: At the same time (usually February or March) that copies of legislative appropriation hearing materials are submitted.

(2) Updating initial request for the budget year appropriation: Any time after the initial request is submitted that an agency determines an amendment is required. The initial submission plus the amendments will be the basis of the draft Federal Augmentation Appropriation Bill.

(3) Initial request for a budget year executive authorization: After the budget year appropriation requests are submitted, but not later than June 1 of each year.

(4) Updating initial request for a budget year executive authorization: Any time after the initial request is submitted that an agency determines an amendment is required.

(5) For a current or prior year appropriation: A package of amendments will normally be submitted to the Appropriations Committees twice each fiscal year, in the fall and in the spring, by the Office of the Budget. Agencies are to submit RAFFs to the Office of the Budget as soon as it is determined that a new or revised appropriation is needed. The Office of the Budget will use the RAFFs as the basis for periodic amendments to the Federal Augmentation Appropriation Act.

(6) For a current or prior year executive authorization: Any time it is determined that a new request is needed or an amendment to an existing executive authorization is required.

c. It is important that all items be completed and fully explained. Incorrect or incomplete information may hinder action on the request. Incorrectly prepared forms will be returned to the preparing agency for correction.

6. RESPONSIBILITIES.

a. Agencies shall: (1) prepare and submit RAFFs at the times designated in Policy; and (2) insure that all requests for Federal Block Grant appropriations have been coordinated with the block grant lead agency.

b. The Office of the Budget shall review all requests submitted and: (1) prepare a draft bill for Federal appropriations and forward it with agency forms to the Appropriations Committees; and (2) Prepare for the Governor's approval and issue executive authorization notification letters as necessary.

7. PROCEDURES.

a. Forms STD-242 will be available from the Department of General Services beginning about May 1985. Until then, the attached form may be photocopied and used.

b. The following procedures apply to the submission of Forms STD-242.

Procedure 1: Initial Request for Approval of Federal Appropriations for the Budget Year.

Action By	Step	Action
Agency.	1.	Completes form for each requested Federal appropriation and Federal restricted receipt. Obtains necessary internal approval.
	2.	Contacts lead agencies of Federal Block Grant appropriations to insure that amounts are consistent with block grant plans and the latest estimate of block grant funding.

Action By	Step	Action
Agency.	3.	Forwards copy of forms to the Deputy Secretary of the Budget, OB, at the same time the legislative hearing package is submitted. Also includes information copy in legislative hearing package which is submitted, usually in February or March, to each appropriations committee.
Office of the Deputy Secretary of the Budget.	4.	Reviews information to determine: <ul style="list-style-type: none"> a. Accuracy and completeness. b. Conformance with current legislative, budgetary, and policy considerations. c. Whether appropriation or executive authorization is required.
	5.	Discusses with agency as necessary.
	6.	Prepares draft Federal Augmentations Appropriation Bill which is forwarded to the Legislature.
	7.	Requests from agencies any updates to the initial submission not already submitted.
Agency.	8.	Submits additional and revised RAFFs to the Office of the Budget as soon as it is determined a new appropriation or revision is required and explains the need for change.
	9.	Repeats steps 1 and 2 of this procedure.
	10.	Forwards three copies of the RAFF to the Deputy Secretary of the Budget.
Office of the Deputy Secretary of the Budget.	11.	Repeats steps 4 and 5 of this procedure.

Action By	Step	Action
Office of the Deputy Secretary of the Budget.	12.	Forwards updated draft Federal Augmentations Appropriations Bill to the House and Senate Appropriations Committees with forms to support proposed changes to the initial submission.

Action By	Step	Action
Office of the Deputy Secretary of the Budget.	7.	Prepares a draft Federal Augmentations Appropriation Amendment Bill and forwards to the House and Senate Appropriations Committees with a complete set of supporting forms.

Procedure 2: Supplemental Request for Approval of Federal Appropriations for a Current or Prior Fiscal Year.

Action By	Step	Action
Agency.	1.	Determines that an initial or additional legislative appropriation of Federal funds is required.
	2.	Completes form and obtains necessary internal approvals.
	3.	Contacts lead agencies of Federal Block Grants to insure that agency appropriation amounts are consistent with block grant plans and the latest estimate of block grant funding.
	4.	Immediately forwards three copies of the RAFF to Deputy Secretary of the Budget, OB.
Office of the Deputy Secretary of the Budget.	5.	Reviews to determine: <ul style="list-style-type: none"> a. Accuracy and completeness. b. Conformance with current legislative, budgetary, and policy considerations. c. Whether appropriation or executive authorization is required. (NOTE: Sees to issuance of executive authorization if required.)
	6.	Discusses with agency as necessary.

Procedure 3: Request for Approval of Federal Executive Authorizations for Budget Year and Additional Federal Executive Authorizations for Current Year.

Action By	Step	Action
Agency.	1.	Determines that an initial or additional executive authorization of Federal funds is required.
	2.	Completes forms and obtains necessary internal approvals.
	3.	Forwards to Deputy Secretary of the Budget: <ul style="list-style-type: none"> a. By June 1 for the upcoming Budget year. b. As needed for the current year.
Office of the Deputy Secretary of the Budget.	4.	Reviews to determine: <ul style="list-style-type: none"> a. Accuracy and completeness. b. Conformance with current legislative, budgetary, and policy considerations. c. Whether appropriation or executive authorization is required.
	5.	Prepares for the Governor's approval and issues executive authorization notification letter.
	6.	Notifies agency if appropriation action by the Legislature is required.

c. The following instructions apply to the preparation of Forms STD-242.

(1) **Authorization number.** Each agency should identify each request sequentially within the calendar year, regardless of the fiscal year affected. Thus, the first request of 1985 should be 85-1.

(2) **Date prepared.** Self-explanatory.

(3) The following numbered instructions corresponds with the numbers on the form STD-242:

1. **Federal Appropriation Title and Symbol.** Enter title and symbol number as shown on the latest expenditure symbol notification or on the latest budget request, or enter suggested title and "new" if no symbol number has been assigned.

2. **State Agency.** Enter the name of the agency to which the Federal funds from this grant are to be appropriated (requesting agency).

3. **Action Requested.** Self-explanatory.

4. **Supplemented Appropriation (Title/Symbol).** Enter title and expenditure symbol number of the State appropriation/executive authorization which is to be supplemented by the Federal funds requested.

5. **Contact Person (Telephone Number).** Enter the name and telephone number of the person who completed the form within the requesting agency.

6. **Restricted Receipt/Revenue Title and Symbol.** Enter the name of the restricted receipt or revenue title to which these Federal funds are credited. Enter "NA" if the funds do not flow through a restricted receipt or revenue.

7. **Federal Grant Program Title.** Enter the name of this Federal grant program as it appears in the Catalogue of Federal Domestic Assistance (CFDA) or as it appears in the Governor's Executive Budget.

8. **Federal CFDA No.** Enter the program number of this Federal grant program as it appears in the Catalogue of Federal Domestic Assistance.

9. **Purpose.** Check the appropriate box to indicate the purpose for which this RAF F is submitted.

10. **Federal Granting Agency/Division.** Enter the name of the Federal agency making this program funding available to the State agency completing this form.

11. **Type of Program.** Check "on-going" if this is a program which is continuing over a number of years. Check "one time" if this is a short-term project grant which is of limited duration. Identify the time frame during which the program will operate (i.e., if this is funding for a 12-month program starting 1/1/85 and ending 1/1/86, enter those dates).

12. **Federal Grant Authorizations.** Identify the Federal law which establishes this program.

13. **Funding.** All funding shown in this section should be entered in thousands of dollars and rounded to the nearest thousand with the last three digits dropped (e.g., \$36,985 becomes \$37). Prior to entering any dollar figures, the appropriate State fiscal year periods should be entered under the columns labeled "Actual," "Available," and "Request." All information must be based on the State, not the Federal fiscal year. Dollar figures should be entered as follows:

Carry-over. Enter the unexpended balance of previously appropriated funds which are available for appropriation during the next State fiscal year. These funds may include part of an encumbrance if, historically, part of the year-end encumbrance is liquidated and funds are carried forward for use in the next fiscal year.

New Funding Available. Enter the new or additional Federal funds received during the State fiscal year. If all or part of the funds shown are reimbursements for prior year State expenditures, indicate this fact under item 18 and include the dollar amount if the amount is less than the total on the lines for "New Funding Available."

Federal Appropriation. Enter the Federal funds expenditures from both carry-over and revenues for the appropriate fiscal year. This figure is the total amount

requested for appropriation or authorization in the request year. Under the Actual year, the Federal appropriation line should reflect commitments and expenditures through June 30 of the last complete fiscal year and should be based on the Bureau of Financial Management Report No. 12 or its equivalent as of June 30 of the appropriate year. Under the Available year, the Federal appropriation line should reflect the amount currently appropriated or authorized for expenditure. In the case of the submission for the legislative budget hearings, the amount must agree with the Governor's Budget. If any appropriation or authorization was provided or is pending subsequent to the Governor's Budget, asterisk the number shown and explain in item 18. Under the Request year, the Federal appropriation line should reflect the total amount requested for appropriation or authorization. In the case of the submission for the legislative budget hearings, the amount must agree with the amount shown in the Governor's Budget. If later and more accurate information is available, asterisk the number shown and explain in item 18.

If the submission is to request an amendment to the present State fiscal year Federal Appropriation Act or current authorization, enter under Available year, on the Federal Appropriation line, the amount of funds now appropriated/authorized; and enter under Request year, on the Federal Appropriation line, the new total appropriation or authorization being requested.

Estimated Expenditures. Under Available year, this line should reflect the latest best estimate of the amount of this appropriation that will be expended during the current fiscal year.

Ending Balance. Enter the unexpending balance from the Federal appropriations line above. Normally, this amount will be the same as the carry-over amount entered in the next State fiscal year. These funds may include part of an encumbrance if, historically, part of the year-end encumbrance is liquidated and funded.

Required Matching.

On the appropriate lines, enter the required minimum State and (if applicable) Other matching fund dollars and percentages for this grant program. If the Federal share is 100 percent, enter 100 percent on the Federal Appropriation line. If the matching percentage is variable for one or all of these slots, enter an asterisk in the appropriate slot and use the section "Match Explanation" to give the basis on which the match varies.

100% Federal Completion. Enter the number of positions that are 100% funded from this Federal appropriation.

14. *Is the amount requested an increase or decrease from the amount available in previous years?* In comparison to previous years, is this a different level of Federal funds? If yes, identify in item 18 the factors which produced the change. For example: the Federal contribution is a lower percentage each year, the Federal government is phasing out the program, this is a new program, etc.

15. *Are these funds discretionary?* Answer yes if the funds may be used for other projects or programs than proposed in this appropriation. Explain the alternate use under item 18.

16. *Are these administrative funds for a restricted receipt?* Self-explanatory.

17. *What is the Federal lapse date?* Identify the date when the Federal funds will be withdrawn from the State if not encumbered or expended.

18. *Grant description and resu Its.* Describe briefly, but specifically, the purpose of the grant and activities to be performed. Provide a timetable if appropriate. Does the agency have any flexibility in the use of the funds, such as determining the specific projects or activities to be undertaken? If so, explain the nature of agency discretion. Include a brief description of how funds will be used; administrative costs, contracts, grants,

etc. If used to administer a restricted receipt, identify the restricted receipt title and amount in item 16. Describe the expected results in terms of a major program measure. Specifically identify the accomplishments expected from the program. The measures should help identify what impact the expenditure of these funds will have on accomplishing the objective of the program. If this RAFF is for a change in a current year appropriation, explain briefly why the change is being requested (e.g., revised carry-over amount, increased grant award from Federal government, etc.). This section is also to be used to explain or add to the information contained above. If comments are added to explain an entry above, please identify the section being explained.

