

Federal Funds Policy

Authority, Purpose, and History

This policy is promulgated under authority of the Utah Code Annotated, 1953, Sections 63-38e-101, 63-38e-102, 63-38e-201, 63-38e-203, 63-38e-204, 63-38-2 and Presidential Executive Order 12372, issued July 14, 1982.

The purpose of the policy is to adopt a review and consultation procedure consistent with the provisions of the state federal funds procedures and the Executive Order 12372.

Upon issuance of Presidential Executive Order 12372, the provisions of federal Office of Management and Budget Circular A-95 were revoked. The Order redefined the review process expected to occur between federal agencies and state and local governments for federal financial assistance. The change provided the State of Utah with an opportunity to design its own review process.

During the 2004 General Session, the Utah State Legislature passed House Bill 231, *Review and Approval of Federal Monies Received by the State*. This bill established procedures for review and approval of state agency efforts to obtain federal funds or participate in new federal programs. Higher education institutions, political subdivisions, and non-state entities are not subject to the review. Statute requires that an agency submit a federal funds request to the Governors Office of Planning and Budget no later than three months after submitting a federal funds request, and, where possible, before formally submitting a federal funds request to the federal government. Approval must be given before obligating the State to accept or receive federal funds or to participate in a new federal program.

State Single Point of Contact

The Governor's Office of Planning and Budget is designated as the Single Point of Contact (SPOC) for the State of Utah for all activities under the Executive Order.

Responsibilities of the Governor's Office of Planning and Budget

The responsibilities of the Governor's Office of Planning and Budget include the following:

- A. Receiving all items submitted for review by state agency applicants which would include the federal Standard Form 424, as well as the State Budget Impact Form (BIF).
- B. Assigning the State Application Identification (SAI) number to each item upon receipt of all information.
- C. Preparing and reporting a monthly status report to the Legislative Executive Appropriations Committee.

All items received for review each calendar month will be listed. Information in the report will include;

- the name of the state agency applicant
- the State Application Identification number
- the federal dollar amount and state match funding, if applicable
- a brief description of the purpose of the application
- other information as needed.

D. Considering each application for inclusion on the next monthly report to the Executive Appropriations Committee. Items which meet certain criteria set in statute shall be included on the report.

E. Preparing an annual federal funds report to be submitted to the Legislative Fiscal Analyst at the same time the Governor submits the confidential draft budget under Section 63-38-2.

F. Archiving applications assigned State Application Identification numbers.

G. Acting as a liaison between the State of Utah and federal agencies.

Responsibility of Applicants

A. State Agency Applicants

All state agencies applying for federal financial assistance must submit a federal Standard Form 424 as well as the State Budget Impact Form to the Governor's Office of Planning and Budget no later than three months after submitting a federal funds request, and, where possible, before formally submitting a federal funds request to the federal government. This requirement includes all applications for continuation, supplemental or renewal grants.

B. Other Applicants

Applicants other than state agencies will be responsible for determining whether or not the financial aid program of concern is available for review under the terms of the Executive Order 12372. If the application is subject to the Executive Order, the applicant should mark the box on the application indicating the grant may be subject to Executive Order 12372, however, it has not been selected by the State for review. The review applies only to state agency applicants.

Emergency Financial Assistance

According to 63-38e-102-3, UCA, the Governor need not seek legislative review or approval of federal funds received by the state when the Governor has declared a State of emergency and the federal funds are received to assist disaster victims.