

by attachment C to OMB circular A-102.

(n) A budget revision is required in advance when the scope of the grant is to be changed through (1) addition or elimination of a project, (2) reduction in the State's grant program of 5 percent or more of enrollees, and/or (3) determination that the grantee will not utilize Federal funds in amount in excess of \$5,000 or 5 percent of the Federal grant, whichever is greater. A budget revision must also be submitted when the State's matching ratio is reduced. No budget revision may be submitted later than March 31 following the end of the operating year. Procedures in attachment K of OMB circular A-102 will be followed.

(o) Grantees shall comply with the provisions of attachments N and O of OMB circular A-102 in regard to non-expendable personal property and procurement standards.

(p) The Secretaries or their designees shall periodically review the conduct of the program of the State.

(q) Grantees will supervise those projects in the State being administered by subgrantees and contractors. Subgrantees and contractors will be required to operate in accordance with the procedures outlined in these regulations and the grant agreement with the State. Periodic inspection of subgrantee projects will be made by the grantee under the direction of the program agent or his designee. Grantees or subgrantees may contract with any public agency or organization or any private nonprofit agency or organization which has been in existence for at least 5 years.

(r) Grantees will meet the financial audit requirements of attachment G to OMB circular A-102 and will require the same of subgrantees. Copies of audits will be made available to the Secretaries upon request.

(s) Grantees shall provide accidental injury compensation and tort claims coverage under State laws for its enrollees. Enrollees shall be employed without regard to State personnel laws, rules, and regulations applicable to full-time employees. It is not intended that State enrollees be covered for retirement, unemployment compensation, health and life insurance

purposes, or that they earn or be granted leave-with-pay or sick leave; such charges shall not be considered a qualifying expense for Federal cost-share purposes.

(t) If the grantee fails to comply with the grant award stipulations, standards, or conditions, the Secretaries may jointly suspend the grant, in whole or in part, pending corrective action. Subsequent to or during any period of suspension of the grant, the Federal Government shall not be obligated to reimburse the grantee for any incurrence of obligations for suspended projects other than direct pay of enrollees and then only for a period of time which both the Secretaries shall determine to be reasonable. In addition, the Secretaries may jointly terminate the grant, in whole or in part. Termination shall be effected by notice of termination. Upon receipt of a notice of termination, the grantee shall:

(1) Discontinue further commitments of grant funds for the terminated project(s).

(2) Cancel all sub-grants or contracts, where possible, scheduled for payment with funds budgeted for the terminated project(s).

(3) Within 90 days after receipt of the notice of termination for the entire grant, supply either of the Secretaries with a financial status report, along with a refund check for any unused portion of funds advanced, or a request for reimbursement for allowable expenditures incurred in the grant program.

§ 26.6 Request for grant.

(a) Of the amount available for Youth Conservation Corps projects, 30 percent will be allocated for State projects. All States will be given an opportunity to participate in the program. Allocated funds not needed by a State will be reallocated, based on the merit of proposals submitted in accordance with paragraph (c) of this section.

(b) Pursuant to section (4)(c)(1) of Public Law 93-408, States may receive grants up to but not to exceed 80 percent of the cost of funding any project from the Federal Government. The

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combined Federal/State costs of individual projects and other program expenses as established in the grant application determine the Federal/State cost-sharing ratio. Matching State costs can consist of either direct expenditures or services of an in-kind nature.

(c) Application for Federal Assistance (Standard Form 424) will be used by applicants in applying for grants under this program. Application forms will be supplied to Program Agents. Only a Program Agent may submit an application. A single grant application must be submitted for the entire summer program within each State. A separate application must be used for non-summer projects. A non-summer project is defined as one which extends beyond September 30, or begins prior to May 1.

(d) The Secretaries have designated individuals for each State who will jointly represent them. Grant applications (original and two copies) must be submitted to the designated representative of either Secretary. January 1 has been established as the deadline date for acceptance of applications for each operating year. Names and addresses of designated representatives will be furnished to each State. The Secretaries' representatives must jointly approve grant proposals. Approval or disapproval of proposals will be documented by a formal letter to the Program Agent. The Secretaries' representatives will also be available for technical assistance and will monitor the program.

§26.7 Application format and instructions.

Grant application must be made using the Office of Management and Budget approved form (SF-424) entitled "Federal Assistance." Specific instructions and requirements which must be followed are included in the Secretaries' State Grant Procedures Handbook. General instructions for completing the form by part numbers are:

(a) Part I—(SF-424 Cover Sheet, Sections I and II) shall be completed.

(b) Part II—(Budget Data). See YCC State Grant Procedures Handbook for definitions of cost categories and for budget narrative instructions.

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(c) Part III—(Program Narrative Statement). Complete a separate description of each project, which will include the following information (Items 13, 14, 15, and 16 may be consolidated, if common to all projects):

- (1) Project number.
- (2) Project name and address.
- (3) Project location (nearest city or town and county).
- (4) Name of grantee, sub-grantee and/or contractor.
- (5) Land Ownership class(es) benefiting from the program—State, county, municipal or other non-Federal public lands (identify).
- (6) Number of male and female youth planned for project, including youth leaders.
- (7) Type of project (7-day residential; 5-day residential; non-residential; other).
- (8) Length of session(s) (e.g., number of weeks) and proposed beginning and ending dates per session.
- (9) Cost of project.
- (10) Description of living conditions, if residential project (types of facilities, age, condition, tents, cabins, dormitories, food service).
- (11) Project staff (number and position titles).
- (12) Work-learning program. (Describe major projects, planned units of production if applicable, and any constraints that are anticipated. Explain how environmental learning will be integrated into projects.)
- (13) Complete calculation for daily rate of enrollee pay, including deduction for food lodging.
- (14) Description of health and safety program.
- (15) Description of enrollee recruiting and selection system. (The Statewide recruiting and selection plan may be substituted.)
- (16) Description of staff recruiting and selection system, including affirmative action measures to be taken.

(d) Part IV—(Assurances) is preprinted within Attachment M, Exhibit M-5, OMB Circular A-102, and is to be included as part of the application. The following assurance is not preprinted and must be included by the grantee in the grant application: The grantee agrees to administer tests and questionnaires; conduct interviews;