

# Grants Management Glossary



## Need help with new terms?

This glossary contains descriptions of terms commonly used in grants management.

### A

**Allocable Costs:** A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to the Federal award or cost objective, in accordance with the relative benefits received.

**Allowable Cost:** A cost incurred by a recipient is allowable if it is: (1) reasonable for the performance of the award; (2) allocable; (3) conforms with any limitations or exclusions set forth in the Federal cost principles, applicable to the organization incurring the cost or in the Notice of Grant Award (NGA), as to the type or amount of cost; (4) consistent with regulations, policies, and procedures of the recipient, applied uniformly to both federally supported activities and other activities of the organization; (5) accorded consistent treatment as a direct or indirect cost; (6) determined in accordance with generally accepted accounting principles; and (7) not included as a cost in any other federally supported award (unless specifically authorized by statute).

**Amendment:** Process of altering an award's budget or another aspect of an approved grant in order to accomplish proposed objectives. An amendment to the budget is needed when making any revisions to the approved project that would: (1) require any transfer of funds between object class budget categories that results in a greater

than 10% deviation of the total approved budget; (2) involve expenditures for items or services not approved in the scope of the original project plan; or (3) require additional funding.

### B

**Budget:** The estimated costs with narrative to support the project or program that the Federal awarding agency or pass-through entity approves during the Federal award process or in subsequent amendments to the Federal award. It may include the Federal and non-Federal share of the award or only the Federal share, as determined by the Federal awarding agency or pass-through entity. The budget is established by filling out the SF-424A.

### C

**Catalogue of Federal Domestic Assistance (CFDA) Number:** A five-digit number assigned to most grants and cooperative agreements funded by the Federal Government. The applicant can search by CFDA number to find grant opportunities in Grants.gov.

**Close-Out:** Process by which the Federal awarding agency or pass-through entity determines that all applicable administrative actions and required work of the Federal award have been completed, and takes actions as described in 200.343 Close-Out.

**Cognizant Agency:** (1) Cognizant agency for audit; and (2) cognizant agency for indirect costs; are not always the same agency. A cognizant agency for audit means the Federal agency designated to carry out the responsibilities described in the Uniform Guidance Responsibilities. A list of cognizant agencies for audit may be found at the Federal Audit Clearinghouse website. A cognizant agency for indirect costs is the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals. For State and local governments, see Appendix V of the Uniform Guidance.

**Commercial Driver's License Program Implementation (CDLPI) Grant:** An FMCSA discretionary grant that provides financial assistance to various entities to achieve compliance with the requirements of 49 CFR Parts 383 and 384. Additionally, the CDLPI Grant program provides financial assistance for any entity capable of executing national projects that aid States in compliance efforts and will improve the national Commercial Driver's License (CDL) program.

## Grants Management Glossary—Continued

### **Commercial Motor Vehicle (CMV):**

49 CFR 383.5 defines CMV for applicability of CDLPI and CMV Operator Safety Training Grant awards as a motor vehicle or combination of motor vehicles used in commerce to transport passengers or property with the characteristics listed below. Operators of these vehicles are required to hold CDLs.

Combination Vehicle (Group A)—having a gross combination weight rating or gross combination weight of 11,794 kilograms or more (26,001 pounds or more), whichever is greater, inclusive of a towed unit(s) with a gross vehicle weight rating or gross vehicle weight of more than 4,536 kilograms (10,000 pounds), whichever is greater; or

Heavy Straight Vehicle (Group B)—having a gross vehicle weight rating or gross vehicle weight of 11,794 or more kilograms (26,001 pounds or more), whichever is greater; or

Small Vehicle (Group C)—does not meet Group A or B requirements but that either: (1) is designed to transport 16 or more passengers, including the driver; or (2) is of any size and is used in the transportation of hazardous materials, as defined in this section.

In addition, 49 CFR 390.5 defines CMVs for applicability of MCSAP and HP Grant awards as any self-propelled or towed motor vehicle used on a highway in interstate commerce to transport passengers or property when the vehicle: (1) has a gross vehicle weight rating or gross combination weight rating, or gross vehicle weight or gross combination weight, of 4,536 kg (10,001 pounds) or more, whichever is greater; (2) is designed or used to transport more than 8 passengers (including the driver) for compensation; (3) is designed or used for the transport of more than 15 passengers, including the driver, and is not used to transport passengers for compensation; or (4) is used in transporting material found by the Secretary of Transportation to be hazardous under 49 U.S.C. 5103, and transported in a quantity requiring placarding under regulations, prescribed by the Secretary under 49 CFR, subtitle B, chapter I, subchapter C.

**Conflict of Interest:** Mandatory disclosures require Federal agencies to have policies on conflict of interest in Federal awards, and require Non-Federal Entities (NFEs) to disclose to Federal agencies any conflict of interest or relevant violation of Federal criminal law.

**Contract:** A legal instrument by which a recipient agrees to purchase property or services needed to carry out the project or program under an award. The term, as used in this guidance, does not include a legal instrument, even if the recipient considers it a contract, when the substance of the transaction meets the definition of a subaward.

**Contractor:** Individual or organization which: (1) provides goods and services within normal business operations; (2) provides similar goods or services to many different purchasers; (3) normally operates in a competitive environment; (4) provides goods or services that are ancillary (necessary to support the primary activities) to the operation of the Federal program; and (5) is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

**Cooperative Agreement:** Also a grant, but with substantial involvement between FMCSA and the recipient to carry out the activity contemplated by the award.

**Corrective Action Plan (CAP):** This is a plan in response to an audit finding that lays out action to be taken by the auditee that: (1) corrects identified deficiencies; (2) produces recommended improvements; or (3) demonstrates that audit findings are either invalid or do not warrant auditee action.

**Cost Objective:** A program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc.

**Cost Principle:** Federal criteria from 2 CFR 200 that is used to determine if costs can be charged to a grant.

**Cost Sharing:** The portion of project costs not paid by Federal funds.

## D

### **Delphi Invoicing System (iSupplier):**

The invoicing tool used by FMCSA that allows grant recipients to submit invoices electronically. Grant recipients will be given access through the Division Administrator or Program Officer and will be required to complete training prior to accessing the system.

**Direct Costs:** Allowable, allocable, necessary, and reasonable costs, in accordance with cost principles.

**Disallowed Costs:** Charges to a Federal award that the Federal awarding agency or pass-through entity determines to be unallowable, in accordance with the applicable Federal statutes, regulations, or the terms and conditions of the Federal award.

**Discretionary Grant:** A grant (or cooperative agreement) for which the Federal awarding agency, generally, may: (1) select the recipient from among all eligible recipients; (2) decide to make or not make an award based on the programmatic, technical, or scientific content of an application; and (3) decide the amount of funding to award (e.g., High Priority Grant and Commercial Driver's License Program Implementation Grant).

**DUNS Number:** A nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify entities. A non-Federal entity is required to have a DUNS Number in order to apply for and receive a grant award. Note that it is also required to register with SAM.gov.

## Grants Management Glossary—Continued

### E

#### **E-Business Point of Contact (EBiz POC):**

A user registered in Grants.gov as an organization applicant who is responsible for the administration and management of grant activities for his or her organization. The EBiz POC is likely to be an organization's chief financial officer or authorizing official. The EBiz POC authorizes representatives of their organization to apply on behalf of the organization (see Standard AOR and Expanded AOR). There can only be one EBiz POC per DUNS Number. This role is established in Grants.gov and this POC has the authority to designate Authorized Organization Representatives (AORs), which are the persons permitted to submit applications in Grants.gov.

#### **Employer Identification Number (EIN):**

Also known as a Federal Tax Identification Number, this is a unique nine-digit number assigned by the Internal Revenue Service (IRS) to business entities operating in the U.S. for the purposes of identification. This number is required to register for a DUNS Number and an account with the System for Award Management (SAM).

**Equipment:** Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost of \$5,000 or more. However, if the State threshold is below \$5,000, then that standard applies.

#### **Expanded Authorized Organization**

**Representative (AOR):** An AOR is a member of an organization who is authorized by the EBiz POC to submit applications in Grants.gov on behalf of the organization. An applicant user with an Expanded AOR role is authorized to submit any applications on behalf of the organization and has privileges that allow the user to modify organization-level settings in Grants.gov.

**Expenditures:** Charges made by a non-Federal entity to a project or program for which a Federal award was received. The charges may be reported on a cash or accrual basis, as long as the methodology is disclosed and is consistently applied.

### F

**Federal Audit Clearinghouse:** The clearinghouse designated by the Office of Management and Budget as the repository of record, where non-Federal entities are required to transmit reporting packages required by the Uniform Guidance for single audits.

**Federal Award Identification Number (FAIN):** A unique identifying number assigned to all Federal financial awards.

**Federal Fiscal Year (FFY):** The fiscal year is the accounting period for the Federal Government, which begins on October 1 and ends on September 30.

**Federal Motor Carrier Safety Administration (FMCSA):** An agency of the U.S. Department of Transportation that regulates the motor carrier industry in the U.S., and whose primary mission is to prevent commercial motor vehicle-related crashes, injuries, and fatalities.

**FMCSA Division Administrator or Program Officer:** The main point of contact in the field or program office that is responsible for the oversight and monitoring of grant awards.

**FMCSA Program Office:** Establishes National Grant program priorities. Reviews grant program application activities and provides application support for program objectives.

**FMCSA Service Center (SC) State Program Manager (SPM):** Provides technical expertise to Division Offices. The SPM assists in the oversight and monitoring of grant awards.

**Federal Program:** (1) all Federal awards which are assigned a single number in the Catalog of Federal Domestic Assistance (CFDA); (2) When no CFDA number is assigned, all Federal awards to non-Federal entities from the same agency made for the same purpose must be combined and considered one program; (3) Notwithstanding parts (1) and (2) of this definition, a cluster of programs, including (1) research and development (R&D); (2) student financial aid (SFA); and (3) "other clusters," described in the definition of Cluster of Programs in the CFR.

**Federal Share:** The percentage of the total project costs that are reimbursed by Federal funds. The Federal share varies by grant and is set by Congress in authorizing legislation.

**Finding:** A determination, made by the auditor or Division Administrator/Program Officer responsible for monitoring the award, which outlines where: (1) the grant recipient failed to comply with laws and regulations; (2) internal controls are deficient; or (3) there was a situation of illegal acts or fraud.

**Formula Grant:** Allocations of Federal funding to States and territories, determined by distribution formulas in the authorizing legislation and regulations. To receive a formula grant, the entity must meet all the eligibility criteria for the program, which are pre-determined and not open to discretionary funding decisions. Formula grants typically fund activities of a continuing nature and may not be confined to a specific project. Common elements in formulas include population and other demographic information. The only FMCSA formula grant is the Motor Carrier Safety Assistance Program (MCSAP) Grant.

## Grants Management Glossary—Continued

### G

**Grant Agreement:** A legal instrument of financial assistance between an agency and a recipient, where the principal purpose is to carry out a public purpose and not to acquire property or services for the government's direct benefit or use.

**Grants Management Office (GMO):** The Grants Management Office is responsible for: (1) fiscal and business management, and administrative issues relating to the specific grant; (2) execution of all grant amendments; (3) signing the grant agreement; and (4) maintaining GrantSolutions.gov.

**Grantee:** The grantee is the entity receiving the award and is responsible for the use of the grant funds—including those awarded to any sub-recipients. The grantee is also responsible for implementing the project plan in compliance with the terms and conditions.

**Grantor:** Awards the grant and is responsible for overseeing the administrative and financial management aspects of the grant.

**Grants.gov:** Designated by the Office of Management and Budget as the single access point for all grant programs offered by 26 Federal grant-making agencies. It provides a single interface for agencies to announce grant opportunities and for all applicants to find and apply for those opportunities.

**GrantSolutions.gov:** The grants management solutions system developed by the Grants Center of Excellence (COE) to serve both grant-making agencies and award recipients.

### H

**High Priority (HP) Grant:** A discretionary grant program provided by FMCSA and designed to provide Federal financial assistance to enhance Motor Carrier Safety Assistance Program (MCSAP) Commercial Vehicle Safety Plan (CVSP) activities and maintain innovative technology and/or new project(s) not included in the CVSP that will have a positive impact on CMV safety.

### I

**Improper Payment:** Includes any payment that: (1) should not have been made; (2) was made in an incorrect amount; (3) was made to an ineligible party; (4) was for an ineligible good or service; (5) was for any duplicate payment; (6) was for goods or services not received; (7) does not account for credit for applicable discounts; or (8) has insufficient or lack of documentation that prevents a reviewer from discerning whether a payment was or was not proper.

**Indirect Costs:** Costs incurred for a common or joint (non-direct) purpose of benefiting more than one cost objective and not readily assignable to the other cost objectives.

**Indirect Cost Rate:** A device for determining fairly and conveniently within the boundaries of sound administrative principles, what proportion of indirect cost each program should bear. It is the ratio of allowable indirect expenses over a direct cost base that assigns a share of indirect costs in relation to the benefits received. Approval of this rate is required by the cognizant agency before it can be claimed on an invoice.

**Innovative Technology Deployment (ITD) Program (formerly known as CVISN):** A key component of FMCSA's drive to improve commercial motor vehicle safety by providing funds to carry out the deployment of innovative technology that supports commercial vehicle information systems and networks.

**Internal Controls:** A process, implemented by a non-Federal entity, designed to provide reasonable assurances regarding the achievement of objectives in the following categories: (1) effectiveness and efficiency of operations; (2) reliability of reporting for internal and external use; and (3) compliance with applicable laws and regulations.

### K

**Key Contacts Form:** A required form that collects information from applicants that FMCSA uses to assign grantee roles and responsibilities in GrantSolutions. The authorized individuals on this form can accept any FMCSA grant award.

### M

**Maintenance of Effort (MOE):** The level of effort Lead State Agencies are required to maintain each fiscal year in accordance with 49 CFR 350.301 for the Motor Carrier Safety Assistance Program (MCSAP) Grant. Also referred to as "maintenance of expenditure" and "level of effort."

**Matching Costs:** Portion of eligible project/program costs not borne by the Federal Government that a grantee is required to contribute to accomplish the purposes of the grant.

## Grants Management Glossary—Continued

### N

**Necessary Cost:** Costs needed for the performance of the Federal award.

**Notice of Funding Opportunity (NOFO):** A public notice for competitive grants and cooperative agreements, which the Federal awarding agency uses to announce specific funding opportunities. The NOFO generally: (1) provides summary information of the funding opportunity; (2) is available for application for at least 45 calendar days; and (3) contains full text of funding opportunities.

**Notice of Grant Award (NGA):** Official grant award document notifying grantee that a grant has been made.

**Non-Federal Entity:** A State, local government, Native American Tribal government, institution of higher education (IHE), person, or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

### P

**Pass-through Entity:** A non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal grant award.

**Period of Performance (POP):** The time during which the non-Federal entity may incur new obligations to carry out work authorized under the Federal award. The Federal awarding agency or pass-through entity must include start and end dates of the period of performance in the Federal award.

**Program Income:** Gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance. Program income includes, but is not limited to, income from: (1) fees for services performed; (2) the use or rental of real or personal property

acquired under Federal awards; (3) the sale of commodities or items fabricated under a Federal award; (4) license fees and royalties on patents and copyrights; and (5) principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not considered program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, fines, credits, discounts, and interest earned on any award(s).

**Project Cost:** Total allowable costs incurred under a Federal award and all required cost sharing and voluntary committed cost sharing, including third-party contributions.

**Property:** Property can be either real property or personal property, defined as: (1) real property: land, including land improvements, structures, and appurtenances thereto, but excludes movable machinery and equipment; or (2) personal property: property other than real property. It may be tangible, having physical existence, or intangible.

### R

**Reasonable Costs:** A cost is reasonable if it, in its nature and amount, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

**Recipient:** A non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal grant award.

### S

**Standard Form-270 (SF-270):** The form that is used to request reimbursement of the costs incurred.

**Standard Form-424s:** A family of forms that includes the SF-424, the Application for Federal Assistance; SF-424A, the Budget Information for Non-Construction Programs; and the SF-424B, Assurances for Non-Construction Programs. These forms serve as the cover page(s) to the application.

**Standard Form-425 or Federal Financial Report (SF-425 or SF-FFR):** This form is similar in concept to the SF-PPR (see below), but instead of reporting on activities, it reports on grantees' quarterly financial information. Filed via GrantSolutions, this form provides FMCSA an accurate picture of all obligations against the grant to date, not just those invoiced.

**Standard Form Disclosure of Lobbying Activities (SF-LLL):** A required form used to report lobbying activities and identify the name of the individuals performing lobbying services.

**Standard Form - Performance Progress Report (SF-PPR):** Activities report that grantees submit on a quarterly basis to their FMCSA Division Administrator/ Program Officer on what they have been working on with their grant funds.

**Subaward:** An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a program (e.g., making program decisions) for which the recipient received Federal support. A subaward may be provided through any form of legal agreement, including an agreement that the recipient calls a contract. The subaward/subgrantee: (1) has its performance measured in relation to whether objectives of a Federal program were met; (2) has responsibility for programmatic decision making; (3) has responsibility to adhere to applicable Federal program requirements specified in the Federal award; and (4) in accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

## Grants Management Glossary—Continued

**Subrecipient/subgrantee:** A non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program, but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

**Supplies:** All tangible personal property, other than that described in Equipment (200.33). For example, a computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life.

**System for Award Management (SAM):** Validates applicant information and electronically shares the secure and encrypted data with the Federal agencies' finance offices to facilitate paperless payments through Electronic Funds Transfer (EFT). SAM stores organizational information, allowing Grants.gov to verify identity and to pre-fill organizational information on grant applications. The applicant must register for a DUNS Number and a login.gov account prior to registering with SAM.gov.



**Uniform Guidance:** Also known as Title 2 of the Code of Federal Regulations Part 200, it establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities.

### Helpful links and resources



Visit FMCSA's Grants Management Training page for additional resources and links to the Grants Management eLearning Series.

For questions, reach out to the Point of Contact listed in the Notice of Funding Opportunity or the [Field Office Point of Contact](#).