



Sandra R. Manning, CGFM  
Director  
Procurement and Grants Office

August 27, 2002

Dear Grantee,

Subject: Guidance Letter Number 302- Non-Competing Continuation Process

During a project period in which all grant or cooperative agreement recipients receive multi-year Federal assistance, Non-Competing Continuation Awards are made based on availability of funds and evidence of satisfactory performance. In the past, awards were made in response to annual continuation applications submitted by grantees. The application for this type of continuation award included multiple forms, an interim progress report, and other documents. In order to simplify the process and reduce the amount of documentation that a grantee must submit, the Interim Progress Report will now serve as the grantee's non-competing continuation application. This report will enable the Centers for Disease Control and Prevention (CDC) to make decisions about continued funding. A discussion of the process follows:

**Effective Date**

This new policy is effective August 30, 2002.

This policy does not apply to research grantees at this time.

**Non-Competing Continuation Requirements Letter**

The Procurement and Grants Office (PGO) and program officials will jointly determine the contents of the Non-Competing Continuation Requirements Letter. PGO will send this letter to you no less than 45 days before the established due date for your Interim Progress Report. The letter will contain the following items:

- Anticipated amount of the continuation award.
- Request for a detailed line item budget in the amount of the continuation award.
- Guidance concerning additional information needed to support proposed subcontracts.
- Program guidance for the upcoming budget period-including any changes in programmatic priorities (within the existing scope of the grant/cooperative agreement).
- Request for any additional necessary documentation (i.e. updated assurances, IRB approvals, rate agreements).
- Notification that the progress report is due no less than 90 days before the end of the budget period.
- Notification that a late or incomplete report may cause a delay or reduction of the award.

### **Contents of the Interim Progress Report**

In this report, list (in detail) the programmatic and financial activities conducted during the current budget period, as well as proposed activities and objectives for the upcoming budget period. The Principal Investigator and Business Office Official must sign the Interim Progress Report. Include the following items in the report:

1. **Current Budget Period Activities Objectives:** For each objective, provide a brief report that reflects current status, any barriers encountered, and how the barriers were addressed. If applicable, include the reasons that goals were not met, and a discussion of any assistance needed to resolve the situation. Use the following format:
  - Objective
  - Status (Met, Ongoing, or Unmet)
  - Discussion
  
2. **Current Budget Period Financial Progress:** Provide an estimate of the overall obligations for the current budget period.
  - Based on the current rate of obligation, if you anticipate **unobligated funds** at the end of the current budget period, provide detailed actions to be taken to obligate that amount. If these funds will not be obligated, and they are still required to support the program, request that they be carried over to the new budget period.
  - If you anticipate **insufficient funds**; provide detailed justification of the shortfall, list the actions to be taken to bring the obligations in line with the authorized funding level, or request supplemental funds.
  
3. **New Budget Period Program Proposed Activity Objectives:** List proposed objectives for the upcoming budget period. These objectives must support the intent of the original program announcement. (If CDC programmatic priorities have changed, you will receive a letter containing guidance on the new priorities.) Each objective must contain a performance or outcome measure that assesses the effectiveness of the project. For each objective, list activities that will be implemented. Provide a timeline for accomplishment. Identify and justify any redirection of activities. Explain the methods you will use to implement the new, redirected activities.
  
4. **Detailed Line-Item Budget and Justification:** Provide a detailed, line-item budget (utilize form 424A) and justification of the funding amount requested to support program activity for the upcoming budget period.
  
5. **Additional Requested Information:** Submit any additional information that may be requested in the Non-Competing Continuation Requirements Letter. (i.e. updated assurances, IRB approvals, rate agreements)

**Submission and Deadline for Interim Progress Report**

CDC must receive the Interim Progress Report no later than 90 days prior to the end of the current budget period. Submit the original report and two copies to your Grants Management Specialist.

**Late or Incomplete Interim Progress Reports**

You must submit your report on time, as late or incomplete applications may result in an enforcement action such as a delay in the award and/or a reduction in funds. CDC will only accept requests for a deadline extension on rare occasions, after you have provided adequate justification.

**Processing of the Interim Progress Report**

PGO and Program will review the interim progress report for completeness. PGO will provide an analysis of the financial/business documentation, and program will provide an analysis of the technical/programmatic documentation. Based on the analysis of all documentation, the availability of funds, and the best interest of the government, PGO and program will decide jointly whether to award the continuation. CDC may withhold an award due to delinquent reports, failure to show satisfactory progress, inadequate stewardship of Federal funds, or failure to meet the terms and conditions of the award. PGO and program officials will sign a memo documenting the analysis and recommendation. This memo will be part of the official grant file.

**Other Documents Required to Support the Non-Competing Continuation Process**

Annual Financial Status and Progress Reports are due 90 days after the end of the budget period. Final Financial Status and Progress Reports are due 90 days after the end of the project period.

Please feel free to contact your Grants Management Specialist or Grants Management Officer if you have questions.

Sincerely,

  
Sandra R. Manning, CGFM

Director

Procurement and Grants Office

cc: James D. Seligman  
Associate Directors for Management and Operations  
CIO Project Officers  
PGO Staff