



STATEMENT BY

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BEFORE THE
COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION
UNITED STATES SENATE

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Mr. Chairman and Members of the Committee, I am pleased to appear before you today to discuss our ongoing review of the Department of Commerce's discretionary funding programs. We have undertaken this review at the Committee's request. Consistent with your request, our review will report on the criteria developed, either statutorily or administratively, to guide Department officials in making discretionary funding decisions, and the extent to which the applicable criteria are appropriately applied. Clearly, we share the Committee's interest in ensuring that discretionary funding decisions are merit-based and federal dollars are well spent.

Six agencies within the Department of Commerce administer 71 discretionary funding programs. They are the National Oceanic and Atmospheric Administration, with 49 programs; the Economic Development Administration, with 8 programs; the National Institute of Standards and Technology, with 5 programs; the International Trade Administration, with 4 programs; the Minority Business Development Agency, with 3 programs; and the National Telecommunications and Information Administration, with 2 programs.

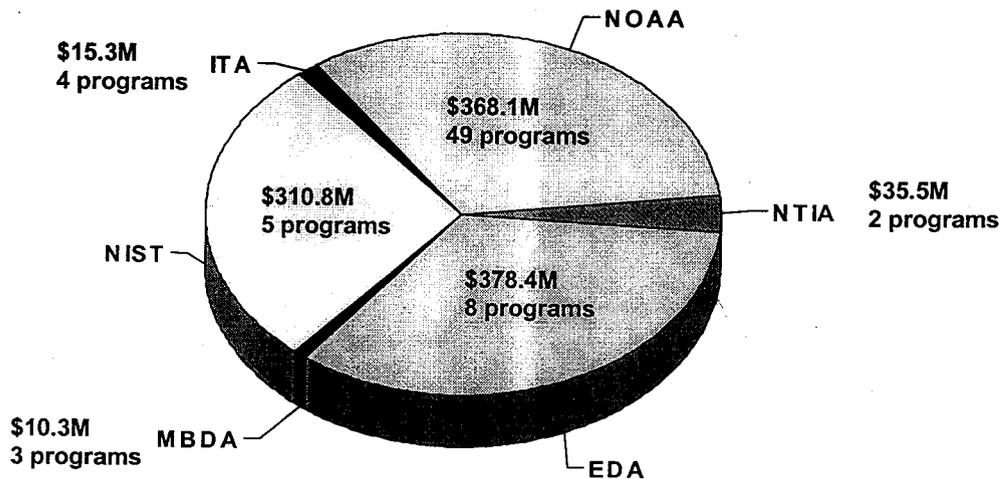
In fiscal year 1997, these agencies made more than 2,800 awards, representing more than \$1 billion in financial assistance to state and local governments, educational institutions, nonprofit and for-profit organizations, and individuals. The average annual funding level of an award is \$388,500; however these amounts range from \$60,000 for an EDA planning grant to as much as \$6 million for an ATP joint venture agreement. EDA led the Department in discretionary awards spending, with more than \$378 million obligated in fiscal year 1997, followed by NOAA, with more than \$368 million, NIST, with nearly \$311 million, NTIA, with \$35.5 million, ITA, with \$15.3 million, and MBDA, with more than \$10 million.

Discretionary funding programs involve a significant portion of the Commerce Department's budget and operations. If they are not properly administered, such programs are particularly susceptible to fraud, waste, and misuse of funds. For these reasons, we have long recognized the need to routinely invest the resources needed to properly oversee and evaluate them. Hence, we administer an active program of reviews – which includes audits, inspections, and investigations – aimed at better ensuring that these programs are well-managed, represent the best use of taxpayers' dollars, and achieve their intended objectives. Our reviews range from working closely with the Department to identify and screen out potentially problematic award recipients before they receive federal funds to conducting broad-based program evaluations. Let me briefly highlight some of the work and the types of financial assistance-related reviews conducted by our office:

Commerce Discretionary Funding Programs

FY 1997 Obligations by Agency

Department Total = \$1.1 billion



- Pre-Award Screening

We actively participate in the Department's pre-award screening process aimed at identifying and screening out potentially problematic recipients of federal grants, loans, loan guarantees, or cooperative agreements before they receive federal funding. As appropriate, we recommend that the agency deny, delay, or approve an award, sometimes with special conditions to better protect the government's financial interests. As part of this process, we also conduct limited background reviews of proposed recipients. If significant adverse information is revealed as a result of a background review, we notify the grants officer, who is then responsible

for consulting with the program officer and with us prior to making a final award decision. The emphasis here is on prevention – identifying and fixing as many potential problems as possible before the funds are awarded. There is growing recognition that taking an “up-front” proactive approach in these circumstances is beneficial to the government.

Recently, we conducted a government-wide survey of the policies, procedures, and practices used by OIGs and their respective agencies to identify and screen out potentially problematic financial assistance recipients before they receive federal funding. The survey was conducted as a special initiative of the President’s Council on Integrity and Efficiency (PCIE). Although most of the OIGs that participated in the survey did not have an active pre-award screening process, we found overwhelming support within the IG community for greater coordination in identifying problem recipients as early in the process as possible. The survey identified a number of “best practices” as well as recommendations, including one that the PCIE determine the feasibility of developing, within the OIG community, an interagency database to facilitate the exchange of information on problem financial assistance recipients.

- Accounting System Surveys

We often conduct accounting system surveys of selected first-time recipients of federal financial assistance awards to determine whether they are (1) claiming costs that are reasonable, allowable, and allocable and (2) complying with the financial terms and conditions of their awards. Rather than waiting until projects are completed, we conduct these surveys early in the award period to reduce the likelihood that future cost claims will be questioned. The recipients also benefit by

receiving immediate feedback from OIG auditors on improving their financial management systems and complying with federal requirements. More often than not, we identify weaknesses. The majority of recipients concur with our findings and agree to take prompt corrective actions.

- Cost and Compliance Audits

We also conduct financial audits of individual awards to assess their compliance with laws, regulations, and award terms; the adequacy of their accounting systems and internal controls; allowance of costs; and the degree to which they have achieved the intended results. In addition to the awards that we select, we work closely with Commerce grant and program officials in selecting other awards for audit.

- Program Reviews

We conduct a variety of reviews, including audits, inspections, and program evaluations, of Commerce financial assistance programs. The scope of these reviews may vary depending on the specific review objectives to be met, but, as a rule, they seek to provide a rather broad overview of how the programs are being administered and what they are accomplishing. For example, we recently issued program evaluation reports on NOAA's Coastal Zone Management and Sea Grant programs; audit reports on NOAA's Vessel Buyout and Northwest Emergency Assistance programs and NIST's Advanced Technology and Manufacturing Extension Partnership programs; and an inspection report on MBDA's Minority Business Opportunity Committee Program. Each of these reports provided valuable insight into these financial assistance programs and concurrently provided

the Department and individual agency managers with recommendations for improving these programs.

- Investigations

Where appropriate, we also conduct investigations of individual financial assistance recipients when we receive allegations of wrongdoing or uncover evidence of serious misuse of award funds through our audit and inspection work. Over the years, our investigative efforts in the financial assistance area have resulted in criminal convictions of grantee employees for embezzlement of program funds and making false statements to the government, recovery of millions of dollars under the False Claims Act and the Program Fraud Civil Remedies Act, and debarment of financial assistance recipients. We view our investigatory function as an important component of our overall mission to prevent and detect fraud and abuse in departmental programs by deterring potential misconduct and protecting public funds.

Following are examples from our semiannual reports to the Congress that illustrate the types of cases that have resulted from our financial assistance program-related investigations:

- We recovered more than \$1.2 million from a corporation, its president, and its director of operations in settlement of a lawsuit under the False Claims Act, which charged the defendants with improperly diverting \$400,000 of a \$1 million loan to the company from an EDA grant.

A certified public accounting firm and its managing partner were convicted on charges arising out of the firm's operation of a minority business development center funded by an MBDA cooperative agreement. We later obtained a \$1 million judgment against the managing partner for damages and civil penalties under the False Claims Act.

- A former employee of a nonprofit organization was convicted of embezzlement and money laundering when an OIG investigation revealed that he had diverted nearly \$270,000 from a revolving loan fund capitalized with an EDA grant. The defendant was sentenced to two years in prison and ordered to make restitution.

As I hope my testimony makes clear, the Committee's request for a comprehensive review of the Department's discretionary awards processes and practices is consistent with our long-term interests as well as our current review priorities.

In developing our strategy for our discretionary funding program review, we recognized that it would be best to conduct the review in two phases: a survey phase, which we have completed; and an individual program audit phase, which is underway. During the survey phase, we identified and examined the body of laws, regulations, and other guidance applicable to the administration of federal financial assistance programs. We also examined the authorizing legislation for each Commerce financial assistance program and classified each program as either a "full discretion" program or a "limited discretion" program, based on the extent to which the legislation limits the agency's authority to independently determine the recipients and funding levels of the awards made under the program. Finally, we examined the fiscal year 1997 appropriations legislation and accompanying committee and conference reports to identify all earmarked projects.

During the second phase of our review, we are conducting individual audits of the award selection processes of each program we have classified as a "full discretion" program. We will evaluate the adequacy of each programs' established award procedures. For those programs whose procedures are deemed adequate, we will determine whether the procedures were followed in making awards in fiscal year 1997. For those programs whose procedures are considered to be inadequate or lacking, we will review how the fiscal year 1997 award decisions were made. Finally, we will examine the earmarks identified for each program and determine their significance and impact on fiscal year 1997 award decisions. We plan to issue individual reports with recommendations on each program, followed by a capping report summarizing the results of our individual audits and providing recommendations for the Department.

Today, I would like to share with you the results of our survey and some of our very preliminary observations from the individual program audits. However, in deference to our audit process, which provides for a period of agency review and comment, most of my remarks will be general in nature, rather than aimed at specific programs.

SURVEY RESULTS

Technically, all Commerce financial assistance programs are discretionary, rather than entitlement, programs. However, examination of the authorizing legislation for these programs revealed that these laws provide for varying degrees of discretion in making awards. We found that the authorizing legislation for 37 of the Department's 71 discretionary funding programs placed no significant limitations on the Department's ability to independently determine the recipients or funding levels of the awards made under those programs. We classified these 37 programs as "full discretion" programs. Since the authorizing legislation for the remaining 34 programs placed significant

limitations on the Department's discretionary funding decision authority, we classified them as "limited discretion" programs.

Commerce Discretionary Funding Programs

Number of Programs

Commerce Agency	Total	Limited Discretion	Full Discretion
NOAA	49	31	18
EDA	8	2	6
NIST	5	0	5
ITA	4	1	3
MBDA	3	0	3
NTIA	2	0	2
TOTAL	71	34	37

Commerce "Full Discretion" Programs

Awards made under the 37 programs classified as "full discretion" programs accounted for about \$808 million, or 72 percent, of the Department's \$1.1 billion in discretionary funding obligations in fiscal year 1997. Five of these programs had no obligations in recent years and appear to be inactive. We are conducting individual audits of each of the remaining 32 programs. A list of the 37 programs classified as "full discretion" programs

and their fiscal year 1997 awards and obligations, by Commerce agency, is provided as Appendix I.

Commerce “Limited Discretion” Programs

Awards made under the 34 programs classified as “limited discretion” programs accounted for \$311 million, or 28 percent, of the funds obligated by the Department for financial assistance in fiscal year 1997. Most of the programs are administered by NOAA, with 31, followed by EDA, with two, and ITA, with one. In fiscal year 1997, NOAA made 738 awards amounting to almost \$280 million and EDA made 383 awards amounting to more than \$31 million under their “limited discretion” programs.

The authorizing legislation for the 34 programs that we have classified as “limited discretion” programs limits the Department’s discretionary funding decision authority in a variety of ways. For example:

- We noted that some legislation specifies the recipients and provides a formula for award amounts, such as in NOAA’s Coastal Zone Management program, whereby only coastal states receive funding based on a legislated formula.
- Other legislation specifies the universe of eligible recipients as well as a geographic limitation for funding, such as in NOAA’s Environmental Research Laboratories Cooperative Institutes program, whereby only major state universities located near NOAA’s environmental research laboratories are eligible recipients.
- There also are legislative provisions that entitle those who meet legislatively specified requirements to receive financial assistance, such as in NOAA’s Fishing

Vessel and Gear Damage Compensation Fund, whereby U.S. commercial fishermen are eligible for financial assistance if they have suffered vessel damage caused by a foreign vessel.

- Certain legislation provides ongoing funding to specified recipients, such as in EDA's Support for Planning Organizations, whereby non-competitive continuation grants, averaging \$60,000 a year, are routinely awarded to eligible economic development districts.
- Other legislation designates particular recipients, such as in ITA's Special Projects program, whereby funding is limited to recipients specifically named by Congress in annual appropriations for the program.

Commerce Discretionary Funding Programs

FY 1997 Awards and Obligations

Commerce Agency	<u>Total Awards</u>		<u>Limited Discretion Awards</u>		<u>Full Discretion Awards</u>	
	Number	Amount	Number	Amount	Number	Amount
NOAA	1,180	\$368,071,517	738	\$279,674,367	442	\$88,872,150
EDA	1,047	378,423,794	383	31,173,097	664	347,250,697
NIST	381	310,775,431	0	0	381	310,775,431
ITA	53	15,323,055	0	0	53	15,323,055
MBDA	47	10,340,303	0	0	47	10,340,303
NTIA	155	35,525,963	0	0	155	35,525,963
TOTAL	2,863	\$1,118,460,063	1,121	\$310,847,464	1,742	\$808,087,599

A list of the Department's 34 "limited discretion" programs, their fiscal year 1997 awards and obligations, and the legislative requirements that limit their discretionary award decisions is provided as Appendix II.

Earmarks

Appropriations laws and their accompanying committee and conference reports are another way in which discretionary funding decision authority can be limited. We reviewed the Department's fiscal year 1997 appropriations legislation and reports to identify "earmarks" – projects funded by the appropriations law or recommended for funding in the accompanying reports. Through our individual program audits, we plan to gauge the significance and impact of these earmarks on the Department's discretionary award decisions.

Our survey identified a total of 74 awards, representing approximately \$52 million in fiscal year 1997 obligations, related to congressional earmarks. Fifty-one, or 78 percent, of these awards, representing \$28 million in obligations, were made under programs we had already classified as "limited discretion" programs. All but one of these awards, an EDA award for \$260,000, were made through NOAA programs, consistent with their authorizing legislation which directed that award recipients under those programs would be identified in the appropriations legislation.

The remaining 23 awards, representing \$24 million in obligations, were made under the programs otherwise classified as "full discretion" programs. Although earmark-related awards represented less than six percent of the total amount obligated by these programs, they represented a significant proportion of fiscal year 1997 discretionary awards

obligations of four Commerce programs we had classified as “full discretion” programs. Earmark-related awards amounted to \$17.4 million, or 73 percent, of these programs’ financial assistance obligations in fiscal year 1997.

Commerce “Full Discretion” Programs

FY 1997 Awards and Obligations Earmarked vs. Non-Earmarked

Commerce Agencies	Number of Programs	Total Awards		Earmarked Awards		Non-Earmarked Awards	
		Number	Amount	Number	Amount	Number	Amount
EDA	1	192	\$165,571,603	2	\$3,350,000	190	\$162,221,603
ITA	1	15	13,545,274	8	12,335,853	7	1,209,421
NIST	1	142	206,382,169	1	2,500,000	141	203,882,169
NOAA	6	130	24,257,879	12	5,810,100	118	18,447,779
MBDA	0	0	0	0	0	0	0
NTIA	0	0	0	0	0	0	0
TOTAL	9	479	\$409,756,925	23	\$23,995,953	456	\$385,760,972

Lists of the Department’s earmark-related awards and fiscal year 1997 obligations, by Commerce agency and program, are provided as Appendices III and IV, respectively.

PRELIMINARY OBSERVATIONS FROM INDIVIDUAL PROGRAM AUDITS

Although our individual program audits are still underway, our preliminary observations from these audits indicate that there are opportunities for improving the Department's discretionary funding processes and practices to enhance competition and better ensure merit-based selections. Some programs seem to do a better job than others in ensuring that award selections are merit-based.

Encouraging the maximum practical amount of competition is the most effective method of ensuring that financial assistance awards are made on the basis of merit. One of the primary purposes of the Federal Grant and Cooperative Agreement Act (31 U.S.C. §6301 et seq.) is to encourage competition in the award of federal financial assistance to the maximum extent practicable in order to fairly and objectively identify and fund, based on merit, the best possible projects proposed by applicants, and thereby more effectively achieve program objectives.

The Office of Management and Budget has issued regulations on administering competition-based financial assistance programs for use by federal agencies. An interagency study group, convened in 1979 by the Office of Management and Budget to examine competition in financial assistance programs, determined that financial assistance award processes should include three elements in order to ensure effective competition. These elements, which we strongly endorse, were discussed in OMB's June 1980 report, *Managing Federal Assistance in the 1980's*. They are:

- Widespread solicitation of eligible applicants and disclosure of essential application and program information in written solicitations;

- Independent application reviews that consistently apply written program evaluation criteria; and,
- Written justification for award decisions that deviate from recommendations made by application reviewers.

Moreover, OMB has issued the following guidelines of particular relevance to federal financial assistance programs:

- OMB Circular A-123, *Guidelines for Agency Internal Controls*, requires agencies to establish written procedures for all programs and administrative activities, including those of the agency's financial assistance programs, that, among other things, provide reasonable assurance that activities are effectively and efficiently managed to achieve the goals of the agency.
- OMB Circulars A-102 and A-110, *Uniform Administrative Requirements for Grants and Cooperative Agreements*, require agencies to provide the public with advance notice in the *Federal Register*, or by other appropriate means, of their intended funding priorities for discretionary assistance programs unless such priorities are established by federal statute.

Commerce has formally embraced these guidelines in developing and issuing policies and procedures for the Department's discretionary funding programs. These policies and procedures require that (1) all Commerce financial assistance awards be made on the basis of competitive reviews unless a special waiver is obtained, (2) competitive review processes meet minimum standards established by the Department, and (3) all Commerce

agencies publish, at least annually, a notice in the *Federal Register* soliciting award applications.

In our initial review of the 32 “full discretion” programs, we found that all had formal, written procedures for making competitive awards; however, most of the awards made under 11 of the programs in fiscal year 1997 were noncompetitive. The most frequently used justification for the noncompetitive awards was the absence of any other source that could meet program objectives. However, we are finding that little, if any, efforts had been made to seek out other sources by announcing the funding opportunities in the *Federal Register* or through some other public forum. Also, some of the noncompetitive awards appear to have been made in response to congressional earmarks. We are carefully examining the noncompetitive awards made under these programs to determine whether they were justified.

Among the 21 programs whose fiscal year 1997 awards were based on competitive reviews, we made the following observations:

- Applications Solicitation Phase

Of the programs examined to date, we noted that some had received relatively few proposals in response to their solicitations. Competition in discretionary assistance programs begins with wide-spread solicitation of eligible applicants. This helps ensure that federal programs receive multiple applications responsive to program objectives and provides potential applicants with an open opportunity to apply for assistance. Solicitation methods may need to be tailored to reach all eligible applicants, and the use of multiple solicitation methods is important for large, diverse applicant pools since they may not have easy access to a single information source.

On the surface, it appears that the solicitation methods used by these programs may need to be changed in order to generate a larger number of applications.

We also found some programs that were not providing unsuccessful applicants with explanations for not funding their proposals. Federal discretionary assistance programs can help ensure a sufficient, steady stream of responsive applications by providing eligible applicants with meaningful feedback and constructive criticism.

- Applications Review Phase

In some programs, we are finding applications review panels made up solely of program staff. While program officials play an important role in the selection process, the use of knowledgeable reviewers outside the program office or agency to evaluate applications can provide an independent perspective. Agency officials can also do more to achieve an independent review process by requiring that application reviewers be approved at higher levels than program staff or project officers.

- Applications Selection Phase

~~We found several instances where program officials are not adequately documenting justifications for selections when they deviate from panel recommendations.~~

Deviations from key competitive processes may be necessitated by legitimate managerial or legislative requirements. However, because such deviations may constrain the degree of competition for program funds, written justification or review of these decisions by higher level agency officials provides for consideration of the trade-offs between full competition and other, potentially conflicting, program objectives. In one program, program officials at one point were inappropriately

adjusting review panels' merit-based scores in lieu of documenting their justifications for deviating from panel recommendations, which can compromise the integrity of the merit-ranking process. However, agency officials said that they have since discontinued this practice.

We look forward to completing our review of the Department's discretionary funding programs and to reporting to the Department and the Committee on our findings and recommendations. I would like to take this opportunity to mention that this review parallels another Department-wide review we have recently begun – an assessment of the Department's use of memoranda of understanding, interagency agreements, and other special instruments in transferring funds.

This concludes my statement, Mr. Chairman. I would be pleased to answer any questions you or other Members of the Committee may have.

Appendices (4)

DEPARTMENT OF COMMERCE
FULL DISCRETION PROGRAMS
FY 1997

CFDA NUMBER BY AGENCY	PROGRAM	OBLIGATIONS	NO. OF AWARDS
EDA			
11.300	Public Works and Infrastructure Development	\$165,571,603	192
11.303	EDA-Technical Assistance	10,988,000	143
11.304	EDA-Public Works Impact	4,644,400	8
11.305	EDA-State and Local Economic Development Planning	3,486,000	47
11.307	Special Economic Development and Adjustment Assistance	161,951,194	268
11.312	Research and Evaluation	609,500	6
ITA			
11.112	Export Promotion-Market Development Cooperator	13,545,274	15
11.114	Special American Business Internship Training Program	451,560	32
11.115	American Business Center Program	1,326,221	6
MBDA			
11.800	Minority Business Development Centers (MBDCs)	8,504,911	38
11.801	Native American Program (NAP)	1,835,392	9
NIST			
11.603	National Standard Reference Data System (NSRDS)	57,896	1
11.609	Measurement and Engineering Research & Standards	44,270,814	193
11.611	Manufacturing Extension Partnership	59,864,552	43
11.612	Advanced Technology Program (ATP)	206,382,169	142
11.613	State Technology Extension Program	200,000	2

CFDA NUMBER BY AGENCY	PROGRAM	OBLIGATIONS	NO. OF AWARDS
NOAA			
11.426	Financial Assistance for Ocean Resources Conservation & Assessment Program	\$417,380	4
11.427	Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements	8,309,617	75
11.430	Undersea Research	10,892,536	13
11.431	Climate and Atmospheric Research	35,568,424	169
11.433	Marine Fisheries Initiative (MARFIN)	1,663,319	21
11.440	Research in Remote Sensing of the Earth and Environment	3,274,608	6
11.454	Unallied Management Projects	1,217,050	6
11.455	Cooperative Science and Education Program	2,223,980	23
11.462	Hydrologic Research	532,973	8
11.463	Habitat Conservation	6,546,958	7
11.467	Meteorologic and Hydrologic Modernization Development	4,934,376	7
11.472	Unallied Science Program	4,064,623	12
11.473	Coastal Services Center (CSC)	1,895,651	7
11.476	Small Business Innovation Research Program	7,330,655	84
NTIA			
11.550	Public Telecommunication Facilities - Planning and Construction (PTFP)	16,412,988	103
11.552	Telecommunications & Information Infrastructure Assistance Program (TIIAP)	<u>19,112,975</u>	<u>52</u>
TOTAL		<u>\$808,087,599</u>	<u>1,742</u>

DEPARTMENT OF COMMERCE
LIMITED DISCRETION PROGRAMS
FY 1997

CFDA NUMBER BY AGENCY	PROGRAM	OBLIGATION	NO. OF AWARDS	LEGISLATIVE RESTRICTIONS
EDA				
11.302	EDA-Support for Planning	\$21,098,097	371	Restricted to specified recipients, about 300 Economic Development Districts, receiving non-competitive continuation awards.
11.313	Trade Adjustment Assistance	10,075,000	12	Restricted to companies or individuals damaged by imports, assistance centers funded with continuation awards.
ITA				
11.113	ITA-Special Projects	0	0	Restricted to recipients identified by Congress in appropriations law.
NOAA				
11.400	Geodetic Surveys and Services	1,351,141	3	Restricted to recipients identified by Congress in the appropriations law.
11.405	Anadromous Fish Conservation Act Program	1,690,481	16	Exempted from competition and authorized for sole-source awards by 1992 NOAA Authorization Act.
11.407	Interjurisdictional Fisheries Act	2,879,210	42	Exempted from competition and authorized for sole-source awards by 1992 NOAA Authorization Act and restricted to state agencies, in 23 states, authorized to regulate commercial fisheries and no state may receive less than 1/2 of 1 percent or more than 6 percent of the funds appropriated.
11.408	Fishermen's Contingency Fund (Title IV)	0	0	Restricted to U.S. commercial fishermen for damage/loss of fishing gear and economic loss.
11.409	Fishing Vessel and Gear Damage Compensation Fund (Section 10)	0	0	Restricted to U.S. commercial fishermen for damage, loss, or destruction of their fishing vessel by foreign vessels.
11.415	Fisheries Obligation Guarantee Program	24,550,000	19	Loan guarantees not competed against each other but based on qualifying need.

CFDA NUMBER BY AGENCY	PROGRAM	OBLIGATION	NO. OF AWARDS	LEGISLATIVE RESTRICTIONS
NOAA				
11.417	Sea Grant Support	\$60,553,844	119	Restricted to 29 eligible major universities' centers.
11.419	Coastal Zone Management Administration Awards	47,723,916	35	Restricted to 35 coastal states and U.S. territories and each must receive no less than one percent of the amount appropriated each fiscal year, 80 to 90 percent is allocated by formula.
11.420	Coastal Zone Management Estuarine Research Reserve	7,078,537	94	Restricted to 35 coastal states and U.S. territories managing 22 designated estuarine reserves.
11.428	Intergovernmental Climate Program (Regional Centers)	1,466,645	5	Restricted to six regional climate centers for non-competitive continuation awards.
11.429	Marine Sanctuary Program	338,608	3	Restricted to 13 designated marine sanctuaries.
11.432	Environmental Research Laboratories Cooperative Institutes	42,197,832	63	Restricted to 11 major state universities located near OAR's research laboratories.
11.434	Cooperative Fishery Statistics	1,400,994	11	Exempted from competition and authorized for sole-source awards by NOAA 1992 Authorization Act and restricted to state-mandated fishery conservation agencies.
11.435	Southeast Area Monitoring and Assessment Program (SEAMAP)	734,380	9	Exempted from competition and authorized for sole-source awards by NOAA 1992 Authorization Act and restricted to state-mandated fishery conservation agencies located in 10 southern states.
11.436	Columbia River Fisheries Development Program	15,684,091	12	Exempted from competition and authorized for sole-source awards by NOAA 1992 Authorization Act and restricted to three Pacific Northwest states.
11.437	Pacific Fisheries Data Program	4,372,102	10	Exempted from competition and authorized for sole-source awards by NOAA 1992 Authorization Act and restricted to four Pacific coastal states.

CFDA NUMBER BY AGENCY	PROGRAM	OBLIGATION	NO. OF AWARDS	LEGISLATIVE RESTRICTIONS
NOAA				
11.438	Pacific Salmon Treaty Program	\$1,783,232	3	Exempted from competition and authorized for sole-source awards by NOAA 1992 Authorization Act and restricted to four states under the Pacific Salmon Treaty.
11.439	Marine Mammal Data Program	1,087,200	6	Exempted from competition and authorized for sole-source awards by NOAA 1992 Authorization Act and restricted to six state agencies involved in marine mammals listed in the Marine Mammal Protection and Endangered Species Act.
11.441	Regional Fishery Management Councils	8,844,600	10	Restricted to eight mandated councils.
11.443	Short-Term Climate Fluctuations	200,000	3	Restricted to one recipient qualified to conduct climate-related studies.
11.444	Aquaculture Program	452,000	1	Restricted to continuation grants in Hawaii and Alaska by the October 26, 1989, Congressional Record.
11.445	Stock Enhancement of Marine Fish in the State of Hawaii	0	0	Restricted to one project and one sole-source recipient in Hawaii and Washington states.
11.449	Independent Education and Science Projects & Programs	112,899	1	Restricted to a non-competitive award to two nonprofit organizations in Colorado.
11.450	Integrated Flood Observing & Warning System (IFLOWS)	295,269	3	Restricted to seven states under a memorandum of agreement.
11.452	Unallied Industry Projects	37,399,887	222	Three industry disaster non-competitive, first-come-first served, assistance programs; SE fishing gear damage, NE vessel buyback, and certain hurricane and other storm damage assistance.
11.457	Chesapeake Bay Studies	1,815,143	19	Restricted to Chesapeake Bay states, Maryland, Virginia, and District of Columbia, implementing the 1987 Chesapeake Bay Agreement.

CFDA NUMBER BY AGENCY	PROGRAM	OBLIGATION	NO. OF AWARDS	LEGISLATIVE RESTRICTIONS
NOAA				
11.458	Alaska Salmon Enhancement	\$0	0	Exempted from competition and authorized for sole-source awards by NOAA 1992 Authorization Act and restricted to the State of Alaska agency responsible for conserving Pacific salmon resources
11.468	Cooperative Institute for Applied Meteorological Studies (CIAMS) and Cooperative Institute for Tropical Meteorology (CITM)	307,718	3	Restricted to non-competitive awards to Texas A&M and Florida State Universities.
11.469	Congressionally Identified Construction Projects	12,699,813	3	Restricted to recipients identified by Congress in the appropriations law.
11.470	Office of Administration Special Programs	400,000	3	Restricted to historically black colleges.
11.474	Atlantic Coastal Fisheries Cooperative Management Act	<u>2,254,825</u>	<u>20</u>	Restricted to 15 Atlantic coastal states.
TOTAL		<u>\$310,847,464</u>	<u>1,121</u>	

**DEPARTMENT OF COMMERCE
CONGRESSIONALLY EARMARKED AWARDS
FULL DISCRETION PROGRAMS
FY 1997**

CFDA NUMBER BY AGENCY	RECIPIENT	PROJECT	AWARD NUMBER	AMOUNT
EDA				
11.300	Silverton, OR	Economic Development	Unknown	\$1,600,000
11.300	Brownsville, TX	Economic Development	Unknown	1,750,000
ITA				
11.112	National Textile Center	Market Develop Program	99-22-07400	7,500,000
11.112	Textile/Clothing Technology Corporation	Market Develop Textile/Clothing	99-26-07300-32	3,000,000
11.112	World Trade Center Pittsburgh	Market Cooperative Develop Program	97-3137	238,769
11.112	Free Trade Alliance - San Antonio	Market Cooperative Develop Program	97-3136	63,209
11.112	Export Managers Association of California Export Small Business Development Center	Market Cooperative Develop Program	97-3135	399,763
11.112	Garment Industry Development Corporation	Market Cooperative Develop Program	97-3134	335,640
11.112	Economic Development Corporation of Honolulu	Market Cooperative Develop Program	97-3139	398,552
11.112	New Jersey Technology Council	Market Cooperative Develop Program	97-3149	399,920
NIST				
11.612	Israel Embassy Foundation	Advanced Technology Program (ATP)	70NANB6H0005	2,500,000

CFDA NUMBER BY AGENCY	RECIPIENT	PROJECT	AWARD NUMBER	AMOUNT
NOAA				
11.427	Commission	Interstate Shellfish Sanitation Commission	NA67FD0260	250,000
11.454	Virginia Institute of Marine Science	ICCAT (Advisory Committee)	NA76FM0155	150,000
11.454	Joint State of Alaska	Alaska Groundfish Monitoring Crab Research	NA67FM0212	237,500
11.454	Alaska Fish and Game Association	Alaska Groundfish Monitoring Rockfish Research	NA77FM0209	237,500
11.454	Bering Sea Fishermen's Association	Alaska Groundfish Monitoring CDQ Implementation/Bering Sea	NA76FM0565	285,000
11.455	University of Rhode Island, CMER Joint Federal/State	Narragansett Bay Pollution/Stock	NA77FE0493	328,100
11.463	Valley Zoological Society	Rancho Nuevo Turtles	NA66FZ0468	154,800
11.472	Peter Smith at Waldemar Nelson International, LA	Gulf of Mexico Mariculture	NA77FL0150	293,000
11.472	SC Dept. of Natural Resources	RECFIN	NA77FL0290	233,900
11.472	University of Southern Mississippi	Gulf of Mexico Technologies	NA76FL0446	1,464,000
11.472	University of Rhode Island, CMER Joint Federal/State	Narragansett Bay Pollution/Stock	NA77FL0379 & 380	845,300
11.473	University of Rhode Island	National Coastal Data Center	7A60C0512	1,331,000
TOTAL				<u><u>\$23,995,593</u></u>

DEPARTMENT OF COMMERCE
CONGRESSIONALLY EARMARKED AWARDS
LIMITED DISCRETION PROGRAMS
FY 1997

CFDA NUMBER BY AGENCY	RECIPIENT	PROJECT	AWARD NUMBER	AMOUNT
EDA				
11.313	Homestead Air Force Base	Defense Conversion	Unknown	\$260,000
NOAA				
11.400	State of South Carolina	Demo. Project National Height System	7A60G0531	275,000
11.407	Gulf States Marine Fisheries Comm.	Interstate Fish Commissions	NA56F10085	322,700
11.407	Atlantic States Marine Fisheries Comm.	Interstate Fish Commissions	NA77F10027	233,300
11.407	Pacific States Marine Fisheries Comm.	Interstate Fish Commission	NA67F10353	233,300
11.417	University of Alaska	Fishery Observer Training	NA46RG0104	417,000
11.417	NCRI	Development Institute	NA76RG0163	950,000
11.417	Various	Sea Grant - Zebra Mussel Research	Various	2,300,000
11.417	State of California	Sea Grant - Oyster Disease	NA56RG0477	85,300
11.417	State of Delaware	Sea Grant - Oyster Disease	NA56RG0147	93,100
11.417	State of Louisiana	Sea Grant - Oyster Disease	NA46RG0096	109,000
11.417	State of Maryland	Sea Grant - Oyster Disease	NA46RG0091	593,700
11.417	State of New Jersey	Sea Grant - Oyster Disease	NA76RG0091	44,400
11.417	State of South Carolina	Sea Grant - Oyster Disease	NA46RG0484	177,600
11.417	State of Virginia	Sea Grant - Oyster Disease	NA56RG0141	241,900
11.417	State of Washington	Sea Grant - Oyster Disease	NA76RG0119	142,100

CFDA NUMBER BY AGENCY	RECIPIENT	PROJECT	AWARD NUMBER	AMOUNT
NOAA				
11.420	University of New Hampshire	Research Activities in Reserve	7A70R0357	\$1,768,000
11.420	State of South Carolina	National Estuarine Research Reserves Construction	NA77OR0174	174,200
11.420	State of Florida	National Estuarine Research Reserves Construction	NA77Or0411	77,300
11.420	State of Delaware	National Estuarine Research Reserves Construction	NA77OR0314	90,000
11.420	Puerto Rico	National Estuarine Research Reserves Construction	NA77OR0458	10,000
11.420	Puerto Rico	National Estuarine Research Reserves Construction	NA77OR0171	75,000
11.420	State of Rhode Island	National Estuarine Research Reserves Construction	NA77WP0161	175,000
11.420	State of Georgia	National Estuarine Research Reserves Construction	NA77OR0172	49,000
11.420	State of Oregon	National Estuarine Research Reserves Construction	NA77OR0381	200,000
11.420	State of California	National Estuarine Research Reserves Construction	NA77OR0173	55,000
11.420	State of Alabama	National Estuarine Research Reserves Construction	NA77OR0170	80,000
11.428	South Carolina Dept. of Natural Resources (SERCC)	Regional Climate Centers	NA56WP0195	293,400
11.428	Cornell University (NERCC)	Regional Climate Centers	NA76WP0273	293,400

CFDA NUMBER BY AGENCY	RECIPIENT	PROJECT	AWARD NUMBER	AMOUNT
NOAA				
11.428	University of Illinois (MWRCC)	Regional Climate Centers	NA76WP0274	\$293,300
11.428	Univ. of NE (HPRCC)	Regional Climate Centers	NA76WP0421	293,300
11.428	Louisiana State University (SRCC)	Regional Climate Centers	NA76WP0422	293,300
11.432	Cooperative Institute for Arctic Research University of Alaska, Fairbanks	International Fisheries Commission/Arctic Council Sustainable Development	NA67RJ0147	450,000
11.432	University of Hawaii (JMAR) Interstate Shellfish Sanitation	Pelagic Fisheries Research/Managem	NA67RJ0154	1,900,000
11.432	University of Alaska, Fairbanks	Arctic Research Program	046A7RJ0147	518,000
11.432	University of Colorado	Arctic Research Program	NA67RJ0153	24,000
11.434	Gulf States Marine Fisheries Comm.	RECFIN	NA57FT0457	485,100
11.437	Pacific States Marine Fisheries Comm.	RECFIN	NA77FN0486	233,800
11.437	Pacific States Marine Fisheries Comm.	RECFIN	NA77FN0345	914,300
11.437	State of Alaska	Alaska Groundfish Monitoring Crab FMP	NA67FN0273	237,500
11.439	Alaska Native Harbor Seal Comm.	Fisheries Management	NA76FX0284	97,600
11.439	State of Alaska	Marine Mammal Protection Act	NA66FX0476	102,000
11.439	State of Alaska	Harbor Seal Research	NA57FX0367	458,500
11.439	Alaska Eskimo Whaling Comm	Harbor Seal Research	NA67FX0173	315,000
11.439	State of Alaska	Stellar Sea Lion Recovery Plan	NA57FX0256	739,500

CFDA NUMBER BY AGENCY	RECIPIENT	PROJECT	AWARD NUMBER	AMOUNT
NOAA				
11.439	North Pacific Marine Science Foundation	North Pacific University MM Consortium	NA66FX0455	\$322,000
11.439	North Slope Borough	Marine Mammal Protection Act Bowhead Whales	NA76FX0387	97,600
11.439	North Slope Borough	Beluga Whale Committee	NA67FX0197	175,000
11.444	Oceanic Institute	Hawaiian Fisheries Development	NA76FV0539	782,000
11.445	Oceanic Institute	Hawaii Stock Management	NA76FY0059	950,000
11.469	Univ. of New Hampshire	New Hampshire Environmental Technology Center	NA76AB0384	<u>8,500,000</u>
TOTAL				<u>\$28,000,500</u>