

EPA's Implementation of OMB Uniform Grants Guidance

**FEDERAL DEMONSTRATION PARTNERSHIP
JANUARY 12, 2015**

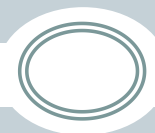


Uniform Administrative Requirements



- Previously located at 40 CFR Parts 30 and 31 and are applicable to awards made before 12/26/14
- EPA-specific regulations:
 - Supplement 2 CFR 200 in cases where EPA has more specific requirements (statutory or regulatory requirements and long standing EPA policy)
 - Codified at 2 CFR 1500 and effective 12/26/14

December 26, 2014



- **If you received awards prior to December 26, 2014 use the following regulations:**
 - Uniform Administrative Requirements: 40 CFR 30 or 31
 - Cost Principles by entity type: A-21, A-87 or A-122
 - Audit Requirements: A-133 \$500,000+ threshold
- **If you receive awards on or after December 26, 2014 use the following regulations:**
 - Uniform Administrative Requirements: 2 CFR 200 and 1500
 - Cost Principles: 2 CFR 200 Subpart E
 - Audit Requirements: 2 CFR 200 Subpart F \$750,000+ threshold

Amendments



- Unobligated balances and any new funding through an amendment (supplemental or incremental) on or after 12/26/14 will follow the Uniform Grants Guidance (2 CFR 200)
 - Unobligated balances is defined at 2 CFR 200.98.
- This approach is consistent with the August and November 2014 [OMB FAQs](#) on Effective Date and Incremental Funding

Examples of effective date and governing regulations



- **Example 1**
 - Grant or cooperative agreement awarded prior to 12/26/14 and no new funding applied
 - ✦ 40 CFR 30 or 31 and applicable OMB Cost Principles
- **Example 2**
 - Grant or cooperative agreement awarded prior to 12/26/14 and new funding applied after 12/26/14
 - ✦ 2 CFR 200 and 1500 for unobligated balances or unspent funds and any new funding
- **Example 3**
 - Grant or cooperative agreement awarded after 12/26/14
 - ✦ 2 CFR 200 and 1500

EPA Specific Regulations



- **Subpart A – Acronyms and Definitions - Reserved**
- **Subpart B – General Provisions**
 - 1500.1 Adoption of 2 CFR 200
 - 1500.2 Applicability
 - 1500.3 Exceptions
 - 1500.4 Supersession
- **Subpart C - Pre-Federal Award Requirements and Contents of Federal Awards**
 - 1500.5 Fixed Amount Awards
- **Subpart D - Post Federal Award Requirements**
 - Standards for Financial and Program Management
 - 1500.6 Retention requirements for records
 - 1500.7 Program Income
 - 1500.8 Revision of budget and program plans

EPA Specific Regulations



- **Subpart D - Post Federal Award Requirements**
 - Procurement Standards
 - 1500.9 General Procurement Standards
 - 1500.10 Use of the same architect or engineer during construction
 - Performance and Financial Monitoring and Reporting
 - 1500.11 Quality Assurance
- **Subpart E – Disputes**
 - 1500.12 Purpose and scope of this subpart
 - 1500.13 Definitions
 - 1500.14 Submission of Appeal
 - 1500.16 Determination of Appeal
 - 1500.17 Request for review
 - 1500.18 Notice of receipt of request for review
 - 1500.19 Determination of request for review

EPA Specific Regulations



- **Applicability - 2 CFR 1500.2**
 - EPA continues the practice of our grant regulations being applied to foreign public entities.
- **Exceptions – 2 CFR 1500.3**
 - EPA continues the practice to approve exceptions on a case by case base.
 - Previous grant regulation 40 CFR 30.4 and 40 CFR 31.6(a) and (b) allowed for this same authority.
- **Supersession – 2 CFR 1500.4**
 - Clearly outlines that effective 12/26/14 2 CFR 1500 supersedes 40 CFR 30 and 31

Accessing Governing Regulations



- How do I access the governing regulations for awards made prior to 12/26/14?
 - [Annual version](#) of the Code of Federal Regulations
 - 40 CFR Subchapter B – Grants and Other Federal Assistance ([Parts 30-49](#)) was last updated in 2013
 - Applicable [OMB Circulars](#)
- Current governing regulations, updated daily
 - [eCFR](#) - Electronic Code of Federal Regulations
 - [Title 2](#) → [Subtitle A](#) → [Chapter II](#) → [Part 200](#)

EPA Specific Regulations



- **Fixed Award Amounts – 2 CFR 1500.5**
 - EPA has not previously used Fixed Award Amounts and will provide additional guidance, issued by Office of Grants and Debarment, to implement them if individual grant programs choose to use this funding mechanism.
- **Retention requirements for records – 2 CFR 1500.6**
 - EPA has specific record retention requirements in some of our statutes – CERCLA is one example where the record retention period is longer than 3 years.
- **Program Income – 2 CFR 1500.7**
 - Implementing long standing internal EPA practices
 - ✦ Governmental revenues – permit fees are not program income
 - ✦ Default use of program income for EPA is additive

EPA Specific Regulations



- **Program Income – 2 CFR 1500.7**
 - Brownfields Revolving Loan – To continue the mission of the Brownfields Revolving Loan fund, recipients may use grant funding prior to using program income funds generated by the revolving loan fund. Recipients may also keep program income at the end of the assistance agreement as long as they use these funds to continue to operate the revolving loan fund or some other brownfield purpose as outlined in their closeout agreement.
- **Revision of budget and program plans – 2 CFR 1500.8**
 - EPA has exercised the option available in UGG to allow Pre-Awards costs

EPA Specific Regulations



- **General Procurement Standards – 2 CFR 1500.9**
 - EPA continues previous grant regulations on consultant cap
 - Previous grant regulation 40 CFR 30.27 (b)
- **Use of the same architect or engineer during construction**
 - EPA continues previous grant regulations on this requirement
 - Previous grant regulation 40 CFR 31.36(k)
- **Quality Assurance**
 - EPA continues previous grant regulations on QA
 - Previous grant regulation 40 CFR 30.54 & 40 CFR 31.45
- **Disputes**
 - EPA continues previous grant regulations on Disputes
 - Previous grant regulation 40 CFR 31 Subpart F

New Policy Requirements and Policy Updates



- **Developed a Policy on Financial Assistance Conflict of Interest**
 - <http://www.epa.gov/ogd/coi.htm>
 - This is distinct from and different than EPA policies governing scientific integrity.
- **Developed new General T&Cs to implement and reference 2 CFR 200**
 - Recipients of EPA Office of Research Development (ORD) research awards must follow the acknowledgement requirements outlined in the research Terms and Conditions (T&Cs) available at: <http://www.nsf.gov/awards/managing/rtc.jsp>. A Federal-wide workgroup is currently updating the Federal-Wide Research Terms and Conditions Overlay to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and when completed recipients of EPA ORD research must abide by the research T&Cs.

New Policy Requirements and Policy Updates



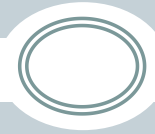
- Updated boilerplate language with new regulatory citations in RFAs
- Revising EPA Indirect Cost grant policies/guidance to reflect new requirements such as 10% flat rate and one time extension of rate
- Changes to our grants system
 - Update Notice of Award - governing regulations
- Updating regulatory citations in grant forms through Information Collection Request amendment
- Updating program grant guidance documents

Council on Financial Assistance Reform (COFAR)



- Please visit <https://cfo.gov/cofar/> for additional information on this government-wide initiative
- Information includes:
 - COFAR membership and priorities
 - COFAR trainings (webinars) on Uniform Grants Guidance
 - FAQs on Uniform Grants Guidance
 - Uniform Grants Guidance metrics: [OMB memo M-14-17](#)

Contact Information



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