# Module 5 – Managing a Grant

# Welcome

Welcome to the U.S. Environmental Protection Agency (EPA) Office of Grants and Debarment’s (OGD) “Managing a Grant” training module.

This module provides grant recipients with guidelines and information about managing an EPA grant in accordance with EPA’s grant regulations and the terms and conditions of the award.

Time needed to complete this module: Approximately 60 minutes.

# What You Will Learn

After you complete this module, you will be better prepared to:

# Comply with regulations that apply to all EPA grants

# Fulfill the terms and conditions for specific types of grants

# Submit financial reports and progress reports

# Follow applicable requirements for purchasing goods and services with grant funds

# Manage subawards and participant support costs

* Request payments
* Respond to EPA monitoring activities and audits

# Request changes to a grant agreement

# Address noncompliance issues and follow dispute procedures

For this training, "grants" will be used as a general term to refer to both grants and cooperative agreements.

“What’s the difference between a grant and cooperative agreement?” pop up text:

Depending on the nature of EPA’s involvement in a project, applicants will either receive a “grant agreement” or a “cooperative agreement.”

A “grant” is an agreement when EPA is not involved in carrying out project activities.

In a cooperative agreement, EPA has substantial involvement in conducting project activities. The responsibilities shared between EPA and the recipient are clearly outlined and accepted before the agreement is awarded. “Substantial involvement” refers to close EPA collaboration with the recipient in executing the project scope of work, and the terms of the cooperative agreement will describe EPA’s anticipated involvement. A cooperative agreement does not give EPA the right to direct the recipient as if it were an EPA contractor providing services to the Agency.

# How to Navigate

Use the Back and Next buttons at the bottom right of the screen to proceed through the module. You will proceed one slide at a time, although you can revisit slides at any time using the Menu pane on the left. If you need to leave the module, the last slide to be completed will be saved, and you will be able to return to that location later.

Click the Next button at the bottom right to get started!

# Guidelines for Managing a Grant

Let’s begin by reviewing how to set up a grant project file and then we will discuss the regulations and requirements that guide grants management.

# Setting up a Grant Project File

At the beginning of a grant project, recipients should set up a grant project file to maintain relevant financial and programmatic information related to the grant.

Contents of the grant project file should include:

* Grant application, work plan, and all accompanying documents
* Grant agreement
* Federal Financial Reports and progress reports
* Payment requests with supporting documentation
* Any changes to the award agreement or other written approvals
* Purchase records for project equipment, supplies, materials, or services
* Information about contracts, subawards, and payments to program beneficiaries
* Records of correspondence with EPA

Financial records, supporting documents, and all other records pertinent to a federal award must be retained for a minimum of 3 years from the date the final Federal Financial Report is submitted unless an audit or other review requires that the records be maintained for a longer period. Some grant programs (such as the Superfund Program) have longer record retention periods.

We will discuss many of the required grant project file contents throughout this module.

# Grant Regulations

The Office of Management and Budget's (OMB) [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl) regulations, located at 2 Code of Federal Regulations (CFR) Part 200, were officially implemented in December 2014.

The regulations serve as a government-wide framework for grants management and provide an authoritative set of rules and requirements for federal grant awards. The regulations were developed to reduce administrative burdens on award recipients and prevent the waste and misuse of federal funds.

The regulations outline grant requirements for federal and non-federal entities in several subparts, including:

* [Subpart A, Acronyms and Definitions](https://www.ecfr.gov/cgi-bin/text-idx?SID=087cfa2565bbb70d431b0b4d00c8fd8a&mc=true&node=sp2.1.200.a&rgn=div6)
* [Subpart B, General Provisions](https://www.ecfr.gov/cgi-bin/text-idx?SID=087cfa2565bbb70d431b0b4d00c8fd8a&mc=true&node=sp2.1.200.b&rgn=div6)
* [Subpart C, Pre-Federal Award Requirements and Contents of Federal Awards](https://www.ecfr.gov/cgi-bin/text-idx?SID=087cfa2565bbb70d431b0b4d00c8fd8a&mc=true&node=sp2.1.200.c&rgn=div6)
* [Subpart D, Post Federal Award Requirements](https://www.ecfr.gov/cgi-bin/text-idx?SID=087cfa2565bbb70d431b0b4d00c8fd8a&mc=true&node=sp2.1.200.d&rgn=div6)
* [Subpart E, Cost Principles](https://www.ecfr.gov/cgi-bin/text-idx?SID=087cfa2565bbb70d431b0b4d00c8fd8a&mc=true&node=sp2.1.200.e&rgn=div6)
* [Subpart F, Audit Requirements](https://www.ecfr.gov/cgi-bin/text-idx?SID=087cfa2565bbb70d431b0b4d00c8fd8a&mc=true&node=sp2.1.200.f&rgn=div6)

# Uniform Grants Guidance

Under [2 CFR 1500](https://www.ecfr.gov/cgi-bin/text-idx?SID=9dad727f830d7c452669df30fc406fee&node=pt2.1.1500&rgn=div5), EPA adopted the regulations at 2 CFR 200 and promulgated additional regulations specific to EPA. OMB’s regulations at 2 CFR 200 and EPA’s specific regulations at 2 CFR 1500 are commonly referred to together as the Uniform Grants Guidance. The Uniform Grants Guidance provides useful information about grant requirements, such as standards for financial and program management and how to identify allowable costs.

# Terms and Conditions Transition Slide

Let’s review how recipients comply with terms and conditions of grant agreements.

# Complying with Grant Terms and Conditions

The grant agreement between EPA and the recipient organization specifies terms and conditions that establish a legally binding agreement. Terms and conditions cover topics such as:

* Filing Standard Form (SF) 425 Federal Financial Reports
* Submitting progress reports as required
* Using minority- and women-owned business enterprises
* Limiting lobbying activities

You should plan to regularly review the terms and conditions throughout the project to ensure that your organization remains in compliance with all requirements.

We will discuss some common terms and conditions on the next few slides.

# Filing Financial Reports

EPA requires that recipients periodically complete and submit to EPA’s Las Vegas Finance Center (LVFC) the SF 425 Federal Financial Report, which recipients use to report on the financial progress of grants. The frequency of submitting the Federal Financial Report is specified in the grant terms and conditions.

# Final Federal Financial Report

Recipients are required to submit a final Federal Financial Report no later than 120 days after a grant is completed.

Federal Financial Reports require recipients to disclose information about:

* Cash receipts and disbursements
* Federal funds authorized and expended
* The cost share or matching funds required from recipient during the reporting period
* Program income
* Indirect cost expenditures

# Submitting Progress Reports

# EPA grant recipients are required to periodically submit progress reports to their EPA Project Officer, sometimes referred to as interim reports, as outlined in the terms and conditions. The purpose of progress reports is for recipients to summarize technical progress and activities completed under the grant, identify activities planned for the upcoming reporting period, and document expenditures.

# You should also use the progress reports to identify any potential problems that may interfere with achieving the goals of the project.

# Determining the Frequency and Contents of Progress Reports

# Check the terms and conditions of your grant agreement and the work plan for specifics on reporting frequency and what to include in the progress reports. If you are unsure of what to include, contact the EPA Project Officer who is assigned to the grant agreement.

A final progress report will also be required at the completion of the grant.

In general, if you have spent about half of the total grant budget amount, you should be about half-way through the grant project activities

# Documenting Environmental Results in Progress Reports

Recipients must address how they are achieving the environmental outputs and outcomes specified in the grant work plan in the interim and final progress reports. EPA is committed to ensuring that grant projects achieve environmental results because the Agency spends a significant portion of its budget on grants. EPA's [Policy for Environmental Results under EPA Assistance Agreements](https://www.epa.gov/grants/epa-order-57007a1-epas-policy-environmental-results-under-epa-assistance-agreements) requires that applicants identify in work plans the outputs and outcomes that will be achieved under a proposed project and how they will be measured.

Reviewing progress reports is one mechanism EPA uses to ensure that environmental results are being achieved as specified in grant work plans. Progress reports should also provide a satisfactory explanation of why outputs or outcomes were not achieved if they were not met.

An **output** is an environmental activity, effort, or associated work product related to an environmental goal or objective that will be produced or provided over a period of time. Outputs may be quantitative or qualitative, but must be measurable during a grant project period. For example:

* Distributing 5,000 informational newsletters about the importance of waste reduction and recycling.
* Conducting four town hall meetings.
* Removing 20,000 tons of toxic waste.

An **outcome** is the result, effect, or consequence that will occur as a result of an environmental activity under a grant. Outcomes may be environmental, behavioral, health-related, or programmatic, and may not necessarily be achievable within your grant’s project period. Some examples are:

* Increased public awareness of (and participation in) recycling, as evidenced by a 20-ton reduction in solid waste per month, and a 10-ton increase in collection of recycled materials per month.
* Better grasp of public concerns and increased communication with the public, as evidenced by survey results showing a 30 percent increase in public understanding and support of environmental efforts in the community.
* Improved general health in the community, as evidenced by a 5 percent reduction in local emergency room visits within 2 years and an overall reduction of cancer rates in the long term.

# Other Potential Terms and Conditions

If more than $250,000 is budgeted for procuring supplies, equipment, construction, or services, your grant agreement will include a term and condition that requires you to complete and submit EPA Form 5700-52A “[MBE/WBE Utilization Under Federal Grants and Cooperative Agreements](https://www.epa.gov/grants/epa-grantee-forms).” The term and condition will also be included if a subaward is over the $250,000 threshold.

As specified in EPA’s Disadvantaged Enterprises (DBE) Policy, recipients are required to consider qualified DBEs for contract work under grant projects. Recipients use EPA Form 5700-52A to document their efforts.

Other terms and conditions may require the recipient to submit invention or property reports, depending on the nature of the grant activities.

“Which enterprises qualify as MBE or WBE?”

A minority business enterprise (MBE) is a business concern that is:

1. At least 51 percent owned by one or more minority individuals, or, in the case of a publicly owned business, at least 51 percent of the stock is owned by one or more minority individuals, and
2. Whose daily business operations are managed and directed by one or more of the minority owners

A woman business enterprise (WBE) is a business concern that is:

1. At least 51 percent owned by one or more women, or, in the case of a publicly owned business, at least 51 percent of the stock is owned by one or more women, and
2. Whose daily business operations are managed and directed by one or more of the women owners

# Procurement, Subawards, and Participant Support Costs

Let’s review requirements for purchasing goods and services with grant funds, subawards, and participant costs.

# Procuring Supplies or Contractor Services

Costs for contractual services may have been included in your grant work plan if procuring a contractor or consultant is necessary for certain project activities. In addition, you may need to purchase equipment, goods, or supplies to complete a project. In these cases, your grant agreement will include terms and conditions that define EPA’s policies regarding procurement.

# EPA’s Best Practices Guide

EPA’s [Best Practice Guide for Procuring Services, Supplies, and Equipment under EPA Assistance Agreements](https://www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements) provides guidance designed to ensure that purchases made with grant funds are made at a reasonable price in a fair and open competition. Procurements are divided into 3 categories.

* Micro-purchases ($10,000 or less)
* Simplified acquisition ($250,000 or less)
* Procurements exceeding the simplified acquisition threshold (above $250,000)

Refer to the Best Practices Guide to learn more about procedures for identifying and selecting eligible bidders.

# Guidelines for Procuring Supplies or Contractor Services

In general, follow these guidelines for all grants:

* Conduct fair and open competitions for all contracts and procurements of goods and services in excess of the micro-purchase threshold (currently $3,500), and equitably distribute micro-purchases among qualified suppliers
* Provide opportunities for disadvantaged businesses to compete for goods or services
* Avoid purchasing unnecessary goods or services
* Document all procurement contracts with written agreements
* Establish procedures for administering contracts

# Competition Procedures

As outlined in [2 CFR 200.319](https://www.ecfr.gov/cgi-bin/text-idx?SID=c41242215306b9079bd2e65da2ef5c3e&mc=true&node=se2.1.200_1319&rgn=div8), a recipient’s procurement procedures must ensure that all solicitations:

• Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition.

• Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

# When to Obtain Prior Approval from EPA

Recipients must obtain prior approval from EPA when they intend to contract for goods or services that were not described in the scope of work or budget narrative that EPA approved at the time of the award. This requirement does not apply to contracts for supplies, materials, equipment, or general support services.

# When to Notify EPA about a Procurement

You must, upon the request of EPA’s Project Officer or Grants Specialist, provide documentation to support procurements in excess of the simplified acquisition threshold (currently $250,000) when you:

* Make a purchase where a fair and open competition will not be conducted or because only one bid or offer was received in response to a competition.
* Specify a brand name product in a solicitation for procuring supplies or equipment.
* Award a contract to someone other than the low bidder.
* Modify the scope of a contract or increase the contract amount by more than the simplified acquisition threshold.

Under a fair and open competition, all eligible bidders may compete, and decisions are unbiased and geared toward procuring goods and services at the best value.

General procurement standards under grants are provided in [2 CFR 200.31](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.318)8 and [2 CFR 200.31](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.319)9.

# Subawards

Under some grant projects, the primary grant recipient, referred to as the pass-through entity, will issue awards, called subawards, to other organizations or individuals for certain activities. A subaward is when a secondary organization receives an award of financial assistance from a pass-through entity to carry-out part of the pass-through entity’s award. Subawards do not include purchased goods and services, and for-profit firms and individual consultants are rarely considered subrecipients.

By contrast, a contract or contractor is an individual, organization, or for-profit company that receives grant funding to provide goods or services for the recipient’s own use.

# Managing Subawards

Pass-through entities must monitor the activities of subaward recipients to ensure that subawards are used for authorized purposes in compliance with federal statutes, regulations, and terms and conditions, and that subaward performance goals are achieved as required by [2 CFR 200.332.](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR031321e29ac5bbd/section-200.332) EPA’s [Subaward Policy for EPA Assistance Agreement Recipients](https://www.epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients) outlines the requirements and procedures for monitoring and managing subawards and clarifies how to distinguish between a subaward and a contract.

# Participant Support Costs

Some EPA-funded projects involve payments to or on behalf of program beneficiaries. For example, you may support the participation of an individual in your grant project through the payment of stipends, travel allowances, and similar participant support costs. These transactions are neither procurement contracts nor subawards.

Participant support costs include stipends paid to interns who are not employees of your organization, registration fees for community members attending conferences, and travel support for individuals who are not employees of your organization to enable them to participate in training, work groups, and research projects.

You must have EPA’s approval to pay participant support costs before incurring this type of cost. See EPA’s [Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](https://www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance-agreements) for more information on participant support costs.

# Grant Payments Transition Slide

Now that we have learned about the regulations and requirements that guide grant management, let’s review how to request grant payments.

# Requesting Payments

EPA makes payments for grants through the Department of Treasury’s [Automated Standard Application for Payments](https://www.fiscal.treasury.gov/fsservices/gov/pmt/asap/asap_home.htm) (ASAP) system. ASAP is an electronic payment system that enables federal agencies to quickly and securely disburse funds to recipient organizations. Detailed steps for how to enroll in ASAP are provided by EPA at the time of the grant award. EPA policy regarding the use of the ASAP system and disbursing funds promptly is provided in [RAIN-2018-G06](https://www.epa.gov/grants/rain-2018-g06-r) EPA Requirements for Enrolling in the Automated Standard Application for Payments (ASAP) System and Disbursing EPA Funds Within 5 business Days of Drawdown.

Once you are enrolled in ASAP, EPA will enter into the ASAP account a spending authorization based on your grant. You will request payment through an online connection with ASAP.

If a financial institution is acting as an agent of your organization, that institution may request your payment through the Federal Reserve's FEDWIRE system.

# Payment Schedule

Recipients will typically receive payment the day after a request is submitted. You may also specify that payment be provided at a future date (up to 32 calendar days from the date of the payment request). In emergencies, EPA can issue same day payments.

# Frequency of Payment Requests

EPA requires, and also monitors, that recipients request only the amount of payment necessary to cover immediate cash needs. Under the general terms and conditions of an EPA grant, recipients must disburse funds drawn within five business days to employees, contractors, subrecipients, and other payees. See [RAIN-2018-G06](https://www.epa.gov/grants/rain-2018-g06-r). Therefore, you should request payment on an “as-needed” basis rather than drawing down funds in even amounts over the life of the grant agreement.

You should also ensure that any contractors or subrecipients under your grant request funds to cover their immediate expenses only.

# Monitoring

Let’s review grant recipients are required to respond to EPA monitoring activities and audits.

# EPA’s Monitoring of Grants

EPA conducts various types of monitoring activities to identify potential problems with grants as soon as possible as well as situations in which technical assistance from EPA might be necessary. These types of monitoring activities include:

* Reviewing progress reports and financial reports
* Conducting baseline and advanced monitoring activities
* Conducting audits

However, recipients are ultimately responsible for managing the day-to-day operations of their grant, including the activities of contractors and subaward recipients.

# Reviewing Progress Reports and Financial Reports

As already discussed, EPA requires recipients to periodically complete and submit Federal Financial Reports and progress reports. EPA Project Officers and Grants Specialists review these reports to:

* Confirm that the amount of funds expended under the grant align to the technical progress and activities that have been completed
* Determine whether the grant outputs and outcomes specified in the work plan are being achieved
* Identify any other potential problems that could interfere with the achievement of project goals

# EPA Baseline and Advanced Monitoring

# EPA conducts several types of comprehensive monitoring of grants:

# Programmatic Baseline Monitoring – Involves the periodic review of a recipient’s progress in, and compliance with, the scope of work, terms and conditions, and regulatory requirements of a specific award. EPA Project Officers are responsible for conducting programmatic baseline monitoring at minimum on an annual basis for all of their active grants.

# Programmatic Advanced Monitoring – Provides an in-depth assessment of a grant’s programmatic and technical progress and management and how well the project is meeting expectations. During programmatic advanced monitoring reviews, EPA Project Officers compare the recipient’s work plan with actual progress made under the award, examine finances to ensure funds are available to complete the project, and ensure that all programmatic statutory and regulatory requirements are being met. EPA’s general policy is to conduct programmatic advanced monitoring on a minimum of 10 percent of its grantees or recipients annually. During programmatic advanced monitoring EPA may visit the grant recipient’s facility.

* Administrative Baseline Monitoring – Involves the review of a recipient’s compliance with the financial and administrative requirements and terms and conditions of a grant. EPA Grants Specialists are responsible for conducting administrative baseline monitoring at least annually for all of their active grants.
* Administrative Advanced Monitoring (AAM) - Provides an in-depth assessment of a recipient’s written policies and procedures and includes transaction testing of a sample of drawdowns to ensure the recipient has the proper administrative and financial management systems in place to administer federal funds. This analysis is typically conducted in the form of either a desk review or an on-site review. AAM reviews involve comparing the recipient’s drawdowns with back-up documentation to confirm that funds were spent on allowable costs and that they were properly allocated to the grant, as well as ensuring compliance with regulations and terms and conditions. EPA typically conducts a minimum of 15 AAM reviews annually.

# Audits

Audits are in-depth examinations of a grantee’s financial records, management systems, and work progress. EPA’s Office of Inspector General (OIG) periodically examines EPA grants to ensure that grant funds are being used efficiently and effectively. Audits may involve assessing the allowability of grant costs and compliance with grant requirements and terms and conditions.

Setting up a comprehensive and organized grant file, as discussed at the beginning of this module, will greatly facilitate your response in case your organization undergoes an audit.

# Single Audits

Any non-federal entity that expends $750,000 or more in federal awards during a fiscal year must undergo what is called a “Single Audit.” A Single Audit is typically conducted by an independent certified public accountant and examines a grantee’s entire operations, including ensuring that financial statements are presented in accordance with generally accepted accounting principles; assessing internal controls to confirm they are sufficient to minimize risk of noncompliance; and ensuring adherence to federal statutes, regulations, and the terms and conditions of federal awards. Details about conducting Single Audits can be found in [2 CFR 200 Subpart F – Audit Requirements](https://www.ecfr.gov/cgi-bin/text-idx?SID=087cfa2565bbb70d431b0b4d00c8fd8a&mc=true&node=sp2.1.200.f&rgn=div6). In addition, a public database of completed Single Audits is available through the [Federal Audit Clearinghouse](https://harvester.census.gov/facweb/).

# Audits Based on EPA Concerns

An EPA Project Officer or Grants Specialist may also initiate an audit based on concerns about a recipient’s performance or financial management. If you have already undergone a Single Audit, any subsequent OIG audit may build on the results of the Single Audit.

# Requesting Changes

Now let’s review the types of grant agreement changes that may be necessary under an award and considerations for grant compliance.

# Requesting Changes after an Award Has Been Made

If changes to your grant agreement become necessary for your project to succeed, contact your EPA Project Officer as soon as possible to discuss the changes. Be mindful that all changes must be within the scope of the grant agreement and the majority of changes must be approved by EPA. Even if a change does not specially require approval by EPA, through regulation or the terms and conditions of the grant, it is very good practice to communicate changes to avoid potential pitfalls.

# Steps to Request a Change

Depending on the complexity of changes to a grant agreement, different steps may be required for the grant to comply with federal and EPA regulations. To request a change, submit to your EPA Project Officer and Grants Specialist a written request, including a justification for the proposed revisions.

Some types of changes require the prior approval of an authorized EPA official before they can be implemented, while other changes can be implemented without EPA’s approval but still require you to notify EPA. Authorized EPA officials for approvals required by regulation are Grants Management Officers or Award Officials. If changes to an award agreement are significant, a formal amendment may be necessary.

# Complying with the Grant

As noted earlier, you should plan to regularly review the grant terms and conditions throughout the project to ensure compliance with all requirements. Common issues that may lead to non-compliance include:

* Missing receipts or invoices to document grant purchases
* Inadequate documentation of personnel costs such as using budgeted amounts rather than actual periods of time that employee spent on grant work
* Not submitting (or submitting late) progress reports or Federal Financial Reports or MBE/WBE reports
* Lack of progress on the grant
* Requesting payment or drawing down funds that are not based on actual expenses
* Lack of compliance with terms and conditions

# Remedies for Noncompliance

If a grantee fails to comply with federal statutes, regulations, or the terms and conditions of the award, EPA may impose specific conditions on the award. EPA may also:

* Temporarily withhold cash payments pending correction of the deficiency by the grantee
* Disallow all or part of the cost of an activity or action not in compliance
* Suspend or terminate the award
* Initiate suspension or debarment proceedings
* Withhold further federal awards for the project or program

Serious violations of the terms and conditions of EPA grants may lead to a Government-wide suspension or debarment from federal programs. Learn more about EPA’s [Suspension and Debarment Program](https://www.epa.gov/grants/suspension-and-debarment-program).

# Award Termination

EPA may terminate the grant project when appropriate efforts are not forthcoming to meet project goals or there is a documented lack of compliance with award terms and conditions. However, EPA recognizes that not all projects will meet the goals outlined in a grant work plan. If a recipient makes a good faith effort to follow the work plan and complete the project, EPA may not take adverse action even if project goals are not fully met.

Recipients may also decide to terminate a grant on their own, and may do so by sending written notification to the EPA Project Officer and Grants Specialist describing the reasons for termination, the effective date, and, in the case of partial termination, the portion of the award to be terminated.

# Disputes

EPA has written procedures for handling disagreements that may occur between EPA staff and an organization during execution of a grant project. It is EPA’s goal to resolve disputes at the lowest level possible. However, if a recipient is unable to reach an informal resolution with EPA staff, the recipient can request a written final decision from an EPA Disputes Decision Official, who is an individual designated by regulation to resolve disputes concerning grants.

Within 15 calendar days after the request has been received, the Disputes Decision Official will provide a written notice acknowledging receipt. The Disputes Decision Official will issue a decision within 180 calendar days from the date the request is received unless a longer period is necessary based on the complexity of the legal, technical, and factual issues presented.

Some matters, such as the denial of a recipient’s request for an exception to regulations, are not subject to dispute. Additional information about EPA’s dispute procedures can be found in [2 CFR 1500, Subpart E – Disputes](https://www.ecfr.gov/current/title-2/subtitle-B/chapter-XV/part-1500/subpart-E).

# Review of What You Have Learned

You have reached the end of the module, so let’s review what you have learned.

# What You Have Learned

You have reached the end of the “Managing a Grant” training module! You should now understand how to:

# Comply with regulations that apply to all EPA grants

# Fulfill the terms and conditions for specific types of grants

# Submit financial reports and progress reports

# Follow applicable requirements for purchasing goods and services with grant funds

# Manage subawards and participant support costs

* Request payments
* Respond to EPA monitoring activities and audits

# Request changes to a grant agreement

# Address noncompliance issues and follow dispute procedures

Continue to the next slide to take a brief knowledge check and to receive your module completion certificate.

# Thank you!

You have completed this module.

# Acronyms/Terms

Accurate Data:

The actual amount of income for grant project activities must be recorded when received.

Acquisition Cost of Equipment:

The net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus that are necessary to make the equipment usable for a grant project.

Administrative Advanced Monitoring (AAM):

Provides an in-depth assessment of a recipient’s written policies and procedures and includes transaction testing of a sample of drawdowns to ensure the recipient has the proper administrative and financial management systems in place to administer federal funds.

Administrative Baseline Monitoring:

Involves the review of a recipient’s compliance with the financial and administrative requirements and terms and conditions of a grant.

Administrative Capability Questionnaire:

EPA Form 6600-09

Administrative terms and conditions:

Address such matters as payments, statutory requirements, and required administrative reports.

Allocable costs:

The goods or services involved are chargeable or assignable to a cost objective in accordance with the relative benefits the grant receives.

Allowable costs:

Costs necessary and reasonable for the performance of the grant that are consistent with the policies and procedures that apply uniformly to both EPA grant activities and other activities of an organization.

Allowable travel costs:

Travel costs under a grant that are consistent with those normally allowed in like circumstances in an organization’s non-federally funded activities and in accordance with written travel reinforcement policies.

AOR:

Authorized Organization Representative

Appropriations:

Funds devoted to a purpose described in the appropriation act, funding for grants.

ASAP:

Automated Standard Application for Payments

Audits:

In-depth examinations of a grantee’s financial records, management systems, and work progress.

Authority:

Permission to award specific types of grants, described in environmental program statutes.

Authorizations:

Refers to the ability of the recipient’s financial management system to record, track, and document managerial/supervisory approvals, such as for payroll, travel, and purchases.

Awarding agency:

Refers to federal agency that made a specific award.

CFR:

Code of Federal Regulations

Closeout:

The systematic process EPA uses to determine that a recipient has completed all of the required.

CMIA:

Treasure-State Cash Management Improvement Act

Cognizant agency:

The federal agency with the largest dollar value of awards with an organization.

Competitive Grant Opportunities:

EPA generally invites all eligible applicants to submit applications. EPA reviews and evaluates applications against criteria disclosed in the competitive announcement and makes selections.

Complete Data:

The accounting system must record all transactions, even those that are unallowable under the grant.

Continuing Environmental Program (CEP) Grants:

Allotment of funds is initially made based on factors contained in a statute, regulation, or Agency guidance that provides EPA some discretion in selecting recipients and the amount of funding. Most CEP grants are awarded non-competitively to governmental units each year to support ongoing state, tribal and local environmental programs. Most CEP grants may also be called “categorical grants” because they can only be used for specific purposes authorized by a statute and are funded from a line item in the State and Tribal Assistance Grant appropriation.

Contract:

For the purpose of obtaining goods and services for a non-federal entity's own use, creates a procurement relationship with a contractor.

Contractor:

An individual, organization, or for-profit company that receives grant funding to provide goods or services for the grant recipient’s own use.

Cooperative agreement:

EPA has substantial involvement in conducting project activities. The responsibilities shared between EPA and the recipient are clearly outlined and accepted before the agreement is awarded.

COSO:

Committee of Sponsoring Organizations of the Treadway Commission

Current Data:

All income and costs must be posted in the accounting system at or as near to the time they are incurred as possible.

DBE:

Disadvantaged Business Enterprise

Direct Charges:

Costs that can be assigned to a specific budget category.

Discretionary Grants:

EOA retains considerable authority in selecting the recipient, determining the amount of the award, and/or negotiating and approving the grant work plan.

EPA:

U.S. Environmental Protection Agency

EPA Grants Specialist:

Main point of contact for any questions or communications of an administrative nature (which may include questions about forms, the budget, or administrative reports).

EPA Project Officer:

Main point of contact for any questions or communications related to the work being done under the project (including programmatic progress reports).

Equipment:

Under a grant, equipment is defined as personal property that has a useful life of more than 1 year and an acquisition cost of $5,000 of greater.

Expenditures:

Amount of money spent under the grant, including payments to subrecipients and contractors.

FAIN:

Federal program and federal award identification

FFR:

425 Federal Financial Report

GAAP:

Generally accepted accounting principles

GCDDO:

EPA’s Grants Competition Disputes Decision Official, an EPA employee who was not involved in the grant competition; he or she works outside of the EPA Program Office that conducted the competition.

GPI:

Grants Policy Issuance

Grant:

A legal instrument of financial assistance between a federal awarding agency and a non-federal entity used to enter into a relationship with the principal purpose of transferring anything of value from the federal awarding agency to a non-federal entity to carry out a public purpose as authorized by United States law.

Grant number:

Unique, eight-digit number (which is preceded by a one or two-character program code), how a grant will be identified in all documents and communications with EPA.

Indirect Costs:

Costs that are not readily identifiable with a particular activity but are necessary to the general operation of the organization and the conduct of the proposed project (such as general administration expenses).

Inputs:

Grant funds, matching funds, efforts of the recipient.

Interim reports:

Sometimes referred to as progress reports, summarize technical progress and activities completed under a grant.

LVFC:

EPA’s Las Vegas Finance Center

MBE:

Minority-owned Business Enterprise, a business concern that is at least 51 percent owned by one or more minority individuals, or, in the case of a publicly owned business, at least 51 percent of the stock is owned by one or more minority individuals, and whose daily business operations are managed and directed by one or more of the minority owners.

MTDC:

Modified total direct costs, refers to all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $25,000 of each subaward (regardless of the period of performance of the subawards under the award).

Non-Competitive Grant Opportunities:

Made based on statutory, regulatory, or published program guidance allocation funding formulas for continuing environmental program support for units of government; other organizations are not invited to apply.

Non-Discretionary Grants:

Also known as formula grants, awarded primarily to state, tribal, and local governments. Congress directs these grants through an authorizing statute to one of more types of entities that meet the eligibility criteria. The amount of the grant is determined by a formula prescribed by the statute and implementing EPA regulations.

NPTCD:

The National Policy, Training and Compliance Division

Obligations:

When used in connection with a non-federal entity's use of funds under a federal award, refers to orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-federal entity during the same or a future period.

OGD:

EPA’s Office of Grants and Debarment

OIG:

EPA’s Office of Inspector General, periodically examines EPA grants to ensure that grant funds are used efficiently and effectively.

OMB:

Office of Management and Budget

Outcome:

The result, effect, or consequence that will occur as a result of an environmental activity under a grant. Outcomes may be environmental, behavioral, health-related, or programmatic, and may not be necessarily achievable within your grants project period.

Output:

An environmental activity, effort, or associated work products related to an environmental goal or objective that will be produced or provided over a period of time. Outputs may be quantitative or qualitative, but must be measurable during a grant project period.

Participant support costs:

Stipends, travel allowances, and similar funds that support participation of an individual in a grant project.

Pass-through entity:

Primary grant recipient when subawards are made as part of a grant.

Personal Property:

Property of any kind, except real property, that has a physical existence (including equipment and supplies).

PI:

Program income, non-federal gross income that is directly generated by a grant-related activity and received by a recipient.

PII:

Personally identifiable information, PII means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.

Procurement contractor:

An individual consultant, instructor or other expert who is not an employee of the recipient that receives grant funding to provide commercially available goods or services.

Programmatic Advanced Monitoring:

Provides an in-depth assessment of a grant’s programmatic and technical progress and management and how well the project is meeting expectations.

Programmatic Baseline Monitoring:

Involves the periodic review of a recipient’s progress in and compliance with, the scope of work, terms and conditions, and regulatory requirements of a specific award.

Programmatic terms and conditions:

Address the timing and content of progress reports and special performance requirements.

Prudence:

Exercising sound business judgment given a recipient’s responsibility to use federal funds efficiently.

RAIN:

Recipient/Applicant Information Notice

Reasonable costs:

In its nature or amount, it does not exceed what a prudent person would pay under the circumstances prevailing at the time the decision was made to incur the cost.

SAM:

Federal government’s System for Awards Management

SF:

Standard form

Single audit:

When an independent certified public accountant examines an organization’s entire operations, including ensuring that financial statements are presented in accordance with generally accepted accounting principles; assessing if internal controls are adequate to minimize risk of noncompliance; and verifying adherence to federal statutes, regulations, and the award terms and conditions.

Source documentation:

Invoices, receipts, bills. Online transaction confirmations, and other items.

Subaward:

When an organization receives an award of financial assistance from the pass-through entity to carry out part of the pass-through entity’s grant project.

Subrecipients:

Recipients of subawards.

Substantial involvement:

Refers to close EPA collaboration with the recipient in executing the project scope of work, and the terms of the cooperative agreement will describe EPA’s anticipated involvement.

Substantial involvement terms and conditions:

Refer to activities to be performed by EPA, usually the project officer.

Terms and Conditions:

Legal requirements imposed on a recipient by statute, regulation, program guidance, or the grant award itself. These conditions may apply to all grants or certain classes of grans, or they may be tailored for an individual award.

UEI:

Unique Entity Identifier

Unallowable costs:

Those that EPA will not reimburse as part of a grant.

Uniform Grants Guidance:

OMB’s regulations at 2 CFR 200 and EPA’s specific regulations at 2 CFR 1500. Provides useful information about grant requirements, such as standards for financial and program management and how to identify allowable costs.

Unit cost data:

An estimate of how much it costs an organization to complete a single activity when that activity recurs regularly.

Unobligated balances:

The total federal funds authorized under a grant minus the grant expenditures and any unliquidated obligations, which are obligations incurred, but not yet paid (including amounts due to subrecipients and contractors).

WBE:

Women-owned Business Enterprise

Workspace:

The online, cloud-based environment used by Grants.gov to manage the application process.