
Learner Manual – Module 2 Assistance Agreement Awards

TRIBAL, U.S. TERRITORIES AND INSULAR AREAS ADMINISTRATIVE AND FINANCIAL GUIDANCE MANUAL FOR ASSISTANCE AGREEMENTS

*“A Nation is a stable, historically developed community of people
who share territory, economic life, distinctive culture, and language.”*

Office of Environmental Justice, U.S. EPA

U.S. Environmental Protection Agency
Updated August 2013



This manual was originally developed by the U.S. Environmental Protection Agency for Tribal Nations, but content also pertains to U.S. Territories and Insular Areas. Exception: U.S. Territories and Insular Areas are treated as states under Part 31 (and also under Part 35, Subpart A for PPGs, unlike Tribes that are covered under Subpart B).

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Module 2: Assistance Agreements

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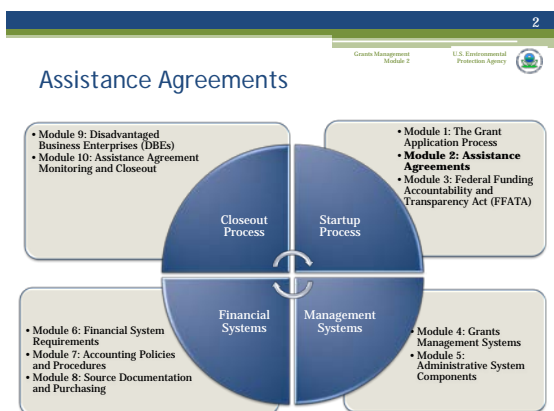
Tribal, U.S. Territories and Insular Areas Administrative and Financial Guidance for Assistance Agreements

Module 2:
Assistance Agreements

Grants Management Module 2 U.S. Environmental Protection Agency

Communication supports program goals and objectives.

Close contact between Region 8, EPA, and the Center for Disease Control (CDC) enabled students to successfully complete a hazardous waste operations and emergency response class. More students passed the certification test than in any previous training group. (HAZWOPER class at Turtle Mountain Community College, Region 8, 2008)



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Grants Management Module 2 U.S. Environmental Protection Agency

Funds

- In fiscal year 2010, more than \$210 million dollars were available to Tribal Nations and Consortia in assistance agreement funding and technical assistance for work related to environmental projects.
- Some grant programs require the grantee to match all or a percentage of the federal award.

Preliminary Information

Why does EPA give assistance agreement awards?

A large part of the Environmental Protection Agency (EPA)'s mission is to partner with American Indians and Native Alaskans (AI/NA) to protect the environment and public health. The goals of this mission are accomplished by awarding federal funds to Tribal Nations and Tribal Consortia to conduct environmental programs and projects.

How much money is awarded in assistance agreements?

When EPA awards funds for a public purpose, it uses a legal instrument, called an assistance agreement, which may be either a grant or cooperative agreement. The U.S. Government is not substantially involved in projects funded by grant agreements; involvement is greater in the case of cooperative agreements. In fiscal year 2010, more than \$210,000,000 were available to Tribal Nations and Consortia in assistance agreement funding and technical assistance work related to environmental projects.



Many awards require the recipient to match funds provided by the federal government. Match or cost share requirements are identified in the Catalog of Federal Domestic Assistance (CFDA) listing. Match is not negotiated. The CFDA sets forth the match requirements. There can either be a statutory match, regulatory match, or match imposed as a matter of policy.

Module 2: Assistance Agreement Awards

For example, in a 100% or an even match, if the grant totals \$1,000,000, then the Tribal Nation is required to contribute \$1,000,000. Some grant programs require the grantee to match a percentage of the federal award. For example, the grant totals \$1,000,000 and the match is 25 percent; the recipient must contribute \$250,000 to cover project costs. In general, match costs or contributions may be provided by the Tribal Nation, state government, or other entity. Any additional funding provided by the grantee would constitute voluntary match or leveraging. Contact your EPA Project Officer to determine if match funds are required.

More Than 55 EPA Programs



All of EPA's assistance agreement programs are listed in the [Catalog of Federal Domestic Assistance \(CFDA\)](#).

What kinds of assistance agreement programs are available?

EPA's environmental statutes are the legal basis for funding assistance agreements. All of EPA's assistance agreement programs are listed in the [Catalog of Federal Domestic Assistance \(CFDA\)](#), which is maintained by the [General Services Administration \(GSA\)](#). Currently, EPA has more than fifty programs listed in the catalog.

What does your Tribal Nation need? Plan ahead!

Policies, Procedures, and Processes

Policy is a rule or goal, a course of action set by a governing organization.

Procedure refers to the actions taken to conform to a rule, a prescribed series of steps taken to achieve the goal, or the way in which policy goals are achieved.

Process refers to a formal set of operational tasks performed or procedural steps taken, such as regular duties performed the same way each time.

What needs to be in place before the award is received?

Does your program have the essential systems, policies, procedures, and documentation necessary for compliance with EPA assistance agreement regulations? Establish internal control procedures to ensure your systems can comply with federal grant projects.

Policy is a rule or goal, a course of action set by a governing organization. Policies apply to all programs and projects.

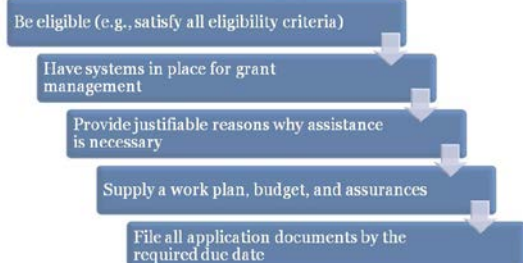
Procedure refers to the actions taken to conform to a rule, a prescribed series of steps taken to achieve the goal, or the way in which policy goals are achieved. Procedures are usually set by administrative or management personnel to help a department or project function efficiently.

Process refers to a formal set of operational tasks performed or procedural steps taken, such as regular duties performed the same way each time. Processes are essential to effective completion of repetitive tasks.

Use the *EPA Administrative and Financial Onsite Review Questionnaire* (provided in **Activity 10.c** and the **Appendix**) to periodically examine the systems, procedures, and controls set up at the organizational level. EPA Project Officers and Grants Specialists, along with single auditors and others periodically review for compliance but are in no way a substitute for a sound fiscal system.

Sample policies and procedures are provided throughout Module 7 and in the **Appendix**.

To be selected for an EPA assistance agreement award, an applicant must:



Module 2: Assistance Agreement Awards

How do we receive an assistance agreement award?

To receive an EPA assistance agreement award, an applicant must:

- Be eligible (e.g., satisfy all eligibility criteria)
- Have systems in place for grant management
- Provide justifiable reasons why assistance is necessary
- Supply a work plan, budget, and assurances
- File all application documents by the required due date
- Be selected for the award

their ability to manage federal award funds.

Debarred entities cannot receive grant funding.

Debarred entities are listed in the System for Award Management at <https://www.sam.gov>.

Some grant programs require Tribal Nations to obtain Treatment as a State (TAS) eligibility approval. Programs that may require TAS eligibility are listed at

<http://www.epa.gov/tribal/laws/tas.htm>. If you have questions about the nature of TAS eligibility in a certain grant program or you want to learn more about Treatment as a State, contact your EPA regional or program official. Contact information is provided at

<http://www.epa.gov/tribal/contactinfo/index.htm>.

Stay Off the High Risk List!

High risk designation does not prohibit a Tribal Nation from applying for and receiving awards, but it can reduce their chances of being selected to receive a new award.

Most grant recipients have no trouble complying with federal regulations. However, a few experience problems that cause federal agencies to question the recipient's ability to manage grants effectively. Organizations that have a history of difficulty with audits may be designated as high risk for accounting reasons only. This level of risk can usually be remedied by conducting a more in-depth OMB Circular A-133 single audit.

Organizations that are unable to remedy these problems in a timely manner may be required to work more closely with EPA regional office staff.

High risk designation *does not prohibit* a Tribal Nation from applying for and receiving awards, but it can reduce their chances of being selected to receive a new award. The **debarred list** *does prohibit* a Tribal Nation from receiving awards, so make sure your organization stays "off the list". Talk to your regional EPA managers often.

If high risk problems continue, the organization can be debarred. Organizations identified on the debarred list have failed to comply with regulations to the degree that federal agencies no longer trust

A Tribal Nation *might* NOT receive an EPA assistance agreement award if the proposed project involves an organization:

- Never cited for non-compliance
- Complies with regulations
- Listed as a high risk agency
- Never cited with high risk audit findings
- All of the above are correct.

Responsibilities Timeline: Startup

TIME→	Application	Startup	Management	Closeout	After
ACTION	<ul style="list-style-type: none"> • Locate award opportunity. • Complete application package. • If NOT already in place, write administrative and financial management policies and procedures. 	<ul style="list-style-type: none"> • Read award carefully. • Get training. • Learn regulations. • Contact EPA regional office. • Meet with Tribal grant management staff. 	<ul style="list-style-type: none"> • Keep accurate records. • Submit reports (quarterly, semi-annually, or annually as directed). • Conduct internal audit. 	<ul style="list-style-type: none"> • Submit progress reports. • Complete all fund transfers. • Submit financial status reports. 	<ul style="list-style-type: none"> • Secure records. • Maintain records for the number of years specified (typically 3-10).

The Award

We got the award! Now what do we do?

Congratulations on receiving an EPA assistance agreement award. Everyone involved is responsible for the success of the funded project. EPA wants to help you make the most of this opportunity.

Module 2: Assistance Agreement Awards

Learner Notes

Learner Notes

This is a great time to stop and take a hard look at a real award document. Review your assistance agreement award. If you do not have an award document, you may use the example in **Activity 2.a**, located online at www.petetribal.org.

Learner Notes

Learner Notes

Visit the EPA website at <http://www.epa.gov>. You will find some exercises to do in **Activity 2.b** (found at www.petetribal.org).

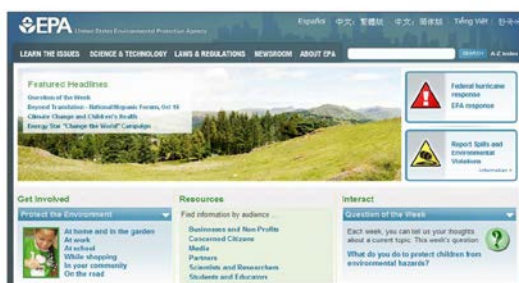
Who is responsible for the success of an assistance agreement award program?

- A. EPA
- B. The Tribal Nation
- C. Regional EPA Officers
- D. Project Managers
- E. All of the above are correct.

What types of assistance are available to a Tribal Nation after receiving an assistance agreement award?

- A. Administrative and financial guidance manual
- B. Training sessions
- C. Web-based training modules
- D. Regional support personnel
- E. All of the above are correct.

EPA Assistance: More than Money



Where can we get more information?

Federal funding requirements are complex. EPA provides assistance to help recipients meet those regulations in a timely and professional manner.

The *Tribal Administrative and Financial Guidance Manual for Assistance Agreements* is just one of the many types of assistance available. Training is also available through your regional EPA office. Visit the EPA website or contact your EPA Regional Coordinator to learn about other types of assistance.

Where can we learn how to manage our award?

- A. EPA website
- B. EPA Regional Office
- C. Guidance manual
- D. Training
- E. All of the above are correct.



Managing the Process

What are the rules and regulations?


The alphabet soup of rules and regulations can be confusing to even the most seasoned grants manager. A little time spent examining them can save a lot of time and trouble later on. Copies of the applicable rules and regulations are provided in the **Appendix**.

Learner Notes

Learner Notes

This is a good time to become familiar with the EPA rules and regulations with which an award recipient is expected to comply. Take a few minutes to learn how to read them by completing **Activity 2.c** (found online at www.petetribal.org).

When in doubt...
ask your EPA Project Officer.

- Project Officers (PO)  focus on programmatic components like work-plan accomplishments and budget.
- Grants Specialists (GS)  focus on administrative and fiscal components like written procedures and accounting systems.

How do we know if we are managing the assistance agreement award correctly?

The Tribal Nation is responsible for evaluating its own compliance during the life of the grant. EPA Project Officers and grant specialists will also evaluate compliance. Some responsibilities overlap, such as compliance with “terms and conditions” and revision of budgets. Project Officers focus on programmatic components like work-plan accomplishments and budget. Grants Specialists focus on administrative and fiscal components like written procedures and accounting systems. If you are in doubt which person to contact, you should contact your Project Officer and pose your questions. They will let you know whether you need to involve the Grants Specialist.

Contact List with Tracking Document

Surname	First Name	Responsibility	Questions	Dates	Comments
Title					
Org.					
Address					
City	State	Zip Code			
Phone	Fax				
Email	Website				

How can we keep track of all the people involved in this process?

Create a list of contacts for each project. Keep essential information handy.

- Track dates for each contact made and record what was discussed and decided in your project file.
- Track due dates for reports and project evaluator visitation dates.
- Record questions as they arise, so you have them with you when you talk to the responsible party.
- Communicate with your Project Officer often.

Learner Notes

Learner Notes

Activity 2.d (found online at www.petetribal.org) asks you to copy contact information from your award document to the **Contact Information with Tracking Document**. A full page **Contact Information with Tracking Document** form is provided in the **Appendix**. You may add as many additional pages as necessary and should update contact information often.



Who do we contact when we have a question?

There are a total of eleven (11) regional Grants Administrative Units. One is located in Washington, D.C. at EPA Headquarters. Ten are located in EPA Regional Offices across the country. Headquarters and regional office contact information are listed in the **Appendix**.

Each Grants Management Office (GMO) has its own unique website. Regional websites are accessible through the EPA’s main website address, <http://www.epa.gov/>. Click on “Contact Us” at the bottom of the page. Then click on the number for your region or select your state/territory from the drop-down menu. You can also find EPA regional office contacts “where you live” at the American Indian Environmental Office Tribal Portal, <http://www.epa.gov/tribalportal/>. The American Indian Environmental Office Tribal Portal is under the American Indian Environmental Office (AIEO) which is within the new Office of International and Tribal Affairs (OITA).

Learner Notes

Visit the American Indian Environmental Office Tribal Portal, <http://www.epa.gov/tribalportal/>. **Activity 2.e** (found at www.petetribal.org) asks you to record contact information for your EPA regional personnel from this website onto your *Contact Information with Tracking Document* form.



The Grants Specialist and Project Officer work in the regional office that serves your area of the country. They are your primary points of contact. They can answer any questions you might have.

The Grants Specialist is designated during the application process. The Grants Specialist is responsible for ensuring administrative compliance with regulations, statutes, and policy.

You will be assigned a Project Officer during the application process. If you already have an established relationship with EPA, you probably already have a Project Officer. The Project Officer should be the person you go to first with any program questions or concerns not covered in the manual or explained on EPA websites.



EPA Project Officer Role

- The EPA Project Officer (PO) arranges:
 - Regular meetings
 - Phone calls
 - Programmatic report filing deadlines
- Significant changes in the project must be negotiated with the PO.

What does the Project Officer do?

The Tribal Nation’s Project Manager should be in constant contact with its assigned EPA Project Officer. Your EPA Project Officer is there to help make your assistance agreement a success. They can assist you with issues or questions that come up as you are implementing your work plan and help guide you through the applicable requirements.

Module 2: Assistance Agreement Awards

The EPA Project Officer arranges regular meetings, phone calls, and programmatic report filing deadlines with you. Significant changes in the project must be negotiated with the Project Officer. Significant changes are defined in other sections of this manual. Contact information for all persons involved in the project should be updated regularly, at least once per year.

Reporting requirements are explained in Modules 3, 6, and 9 of this *manual*.

Personnel work in tandem.

How do we contact EPA?

The only way for EPA to know if training is useful to you is to receive feedback. Please share your comments and suggestions by contacting EPA.



Map a Planning Calendar

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Jan			Planning Report to EPA						Planning Report to EPA			
Joe	Balance Sheet to JFC	Balance Sheet to JFC	Balance Sheet to JFC	Balance Sheet to JFC	Balance Sheet to JFC	Interim Financial Report to LVFC	Balance Sheet to JFC	Balance Sheet to JFC	Balance Sheet to JFC	Balance Sheet to JFC	Balance Sheet to JFC	Final Financial Report to LVFC



Contact EPA

U.S. Environmental Protection Agency
 Ariel Rios Building
 1200 Pennsylvania Avenue, N.W.
 Washington, DC 20460
 Tel: (202) 272-0167
 TTY (speech- and hearing-impaired)
 (202) 272-0165
<http://www.epa.gov>Contact us>

The above address is for EPA Headquarters. For specific questions contact your EPA Regional Office. The address and contact information can be found in your grant award document.

A good way to keep track of important events during the award period is to map out a Grants Management Planning Calendar with your Project Officer.

Learner Notes

Activity 2.f (online at www.petetribal.org) asks you to draft a *Grants Management Planning Calendar* for your award project. If you do not have your award document, you may use the sample work plan provided for this exercise.



Typical Reporting Schedule

Report	Due	Send To
Quality Assurance Plan (if required by the program)	As stated in the award "terms and conditions," usually within 60 days after accepting the award	EPA Regional Office
Work product/deliverables (progress reports)	As stated in the award "terms and conditions"	EPA Regional Project Officer
Disadvantaged Business Enterprise (DBE) Utilization (EPA Form 5700-52A)	As stated in the award "terms and conditions"	DBE Regional Coordinator
U.S. EPA Payment Request (EPA Form 190 or SF 271 for construction)	Advance or reimburse every one to two weeks	Las Vegas Finance Center (LVFC)
Federal Financial Report (SF 425)	15 days after end of each calendar year (January 15)	Las Vegas Finance Center (LVFC)
Final Performance / Technical Report	Within 90 days after end of project period	EPA Regional Project Officer
Final Federal Financial Report (SF 425)	Within 90 days after end of budget period	Las Vegas Finance Center (LVFC)

Application and Review Process



Application and Review Process

What do we need to know about assistance agreement awards?

Assistance Agreement Awards

When an award is made, the recipient (that's you) receives an award package.

An EPA assistance agreement award package contains:

- An award letter
- The award document, explaining the "terms and conditions" for your project

When does the agreement become legally binding?

An assistance agreement award is a binding agreement between the Tribal Nation and EPA. Both parties promise to work closely together. There are times when the Tribal Nation will need to communicate with EPA:

- At the start to initiate the project
- During the project period when written program and financial reports are due to EPA
- During compliance review audits when EPA may visit to review the Tribal Nation's policies and procedures as well as the project files, which reflect monitoring and tracking
- During closeout

Recipients demonstrate their commitment to carry out an award by either:

1. Drawing down funds within 21 days after the EPA award or amendment mailing date; or
2. Not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award mailing/issuance date.

(Keep copies for your files.)

A Tribal Nation demonstrates commitment to carry out an award by either:

1. Drawing down funds within 21 days after the EPA award or amendment mailing date; or
2. Not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award mailing date.

Read ALL information very carefully.

Who is responsible for making sure the project will meet award specifications?

The assistance agreement is part of a government-to-government relationship and the authorized certifying official should be an elected representative of the Tribal Nation. It is the authorized certifying official's responsibility to read the award document very carefully to ensure that all of the requirements as specified in the assistance agreement award document are understood and can be met.

These requirements include compliance with federal regulations as stated in 40 CFR Part 31. Regulations require the Tribal Nation to write policies and procedures for administrative and financial systems to meet these requirements.

The Authorized Certifying Official (the same person who signed off on the proposal) must be:

- Authorized by the Tribal Nation
- Accountable to the Tribal Nation and EPA
- Responsible for complying with agreed upon "terms and conditions"

Does the award document need to be signed to legally bind the Tribal Nation to the agreement?

- A. Yes
- B. No
- C. Only if the award is greater than \$50,000
- D. Only if the award is greater than \$500,000
- E. None of the above.



Reflection

Reflection

Pause a moment to consider how your organization handles administrative functions.

- How does your organization keep up-to-date on federal regulations, legal decisions, OMB Circulars, and the like?
- Who is your Nation's authorized certifying official?

Start the Project

1. Read the award document very carefully.
2. Keep a copy of the official award in your files.
3. Set up accounts.
4. Meet with project team.
5. Begin record keeping.

How do we get started once the award is received?

Get the project off to a good start. Take the following initial steps.

1. Read the award document very carefully.



1. The project manager should:
 - a. Read the award document very carefully.
 - b. Be able to explain to each member of the project team their responsibilities for the:
 - Work plan
 - Budget
 - "Terms and conditions"
 - Reporting requirements

2. Keep a copy of the official award in your files.

- Meet with EPA regional Grants Specialist and Project Officer.

Do not make any changes to the award document.

2. Keep a copy of the official award in your files.

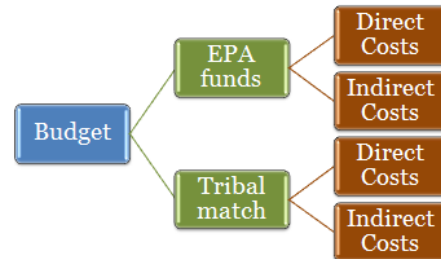
The Tribal Nation’s Project Manager should contact the EPA Grants Specialist partner within three weeks (21 calendar days) of the receipt of the award document. Tell the Grants Specialist that you have accomplished all the steps toward good grants management operations.

Misunderstandings and problems can be avoided if everyone fully understands what can and cannot be accomplished in the project. If you do not understand something, ask the EPA Project Officer or EPA Grants Specialist to explain.

Do NOT make any changes to the award document. All changes must be made in concurrence with EPA. EPA must make all changes after the agreement is official. To make sure changes are made quickly and accurately, discuss all proposed changes with the EPA Grants Specialist or Project Officer immediately.

Track receipt of all documentation exchanged with EPA.

3. Set up accounts.



3. Work with accounting staff to establish a separate set of accounts for the grant award and the Tribal Nation’s match (if a match is required) in your financial system and enter the award and match budget into the accounting system.

Policies and procedures must comply with cost principles outlined in the Office of Management and Budget (OMB) Circular A-87, revised from the Code of Federal Regulations (CFR) Title 2 Grants and Agreements, Part 225 Cost Principles for State, Local and Indian Tribal Governments (hereafter referred to as OMB Circular A-87).

Learner Notes

Learner Notes

Practice writing policies and procedures in **Activity 3.a** (found online at www.petetribal.org).

4. Meet with project team.

- Review budget.
- Review administrative procedures.
- Review financial and accounting procedures.
- Determine deadlines for reporting.
- Assign respective duties.
- Design strategies for success.

Module 2: Assistance Agreement Awards

- Meet with the project team to review the budget that has been put into the financial system and to review the Tribal Nation's grants management policies and procedures.

The Tribal Nation should work with accounting staff to set up a separate set of budget accounts for the award. The project budget is submitted to accounting to enter it into their accounting system.

Everyone involved in the project (e.g., grant directors, project staff, and accountants – all key people who will have responsibility working on your project) should meet to discuss the new award. They should go over specific details of the assistance award, like deadlines for reporting, drawing down funds, budget line items, allowable costs, and so on.

Files should be kept in a fire-proof cabinet. Grant recipients are held accountable even when files are lost due to natural phenomenon like fire, flood, and human error.

It is a good idea to backup electronic files regularly. There are many internet-based remote backup options available, but electronic records can also be stored in an out-of-office location. It is important to backup electronic files in case something happens to the originals. Paper files should be copied and kept in two different locations, just in case.



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5. Begin record keeping.

- Each grant must have its own file(s).
- Color code paper folders, may provide additional designation.
- Keep electronic copies.
- File must be safe from theft, fire, and water damage.



- Start a file of records including:
 - A copy of the assistance agreement and the award letter
 - The grants management calendar and tracking chart
 - Work plan and budget detail
 - Notes and communications

Keep all documentation in a separate file. Though grant documentation is legally the property of the Tribal Nation, it should be kept in its own file – preferably in the same labeled and color coded folders as the files kept at the regional office – so records are easily available to project auditors for review.

EPA regional directors highly recommend files match the files held at the regional office.

Files should be:

- Color coded
- Kept in both paper and electronic format
- Safely secured

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What is the *first* thing we should do after receiving the assistance agreement award document?

- Notify our administration.
- Contact the EPA regional office.
- Read the document carefully.
- Start a new file for the project.



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Terms and Conditions

There are three types of “terms and conditions” that may be included in an award document:

- Administrative – applicable to all grant programs
- Programmatic – specific to a particular grant program
- High Risk – additional requirements for recipients classified as “high-risk” agencies

Terms and Conditions

What types of “terms and conditions” are in an assistance agreement award document?

There are three types of “terms and conditions” that may be included in an award document:

- Administrative (applicable to all grant programs)
- Programmatic (specific to a particular grant program)
- High Risk (additional requirements for recipients classified as “high-risk” agencies)

Module 2: Assistance Agreement Awards

What are administrative “terms and conditions”?

Administrative

Applicable administrative provisions for EPA assistance agreements can be found in Title 40 of the Code of Federal Regulations (CFR), Chapter 1, Subchapter B, Part 31. For example, an administrative term or condition might read:

“In accordance with EPA guidance and OMB Circular A-87, as appropriate, the Tribal Nation agrees that it will use assistance funds (Federal or non-Federal share) for fully authorized and budgeted project activities only.”

What are the programmatic “terms and conditions”?

Programmatic

Programmatic “terms and conditions” are listed in the assistance agreement award document under “Programmatic Conditions”. For example:

The Tribal Nation agrees to submit biannual progress reports to the EPA Project Officer partner within thirty days after the end of each reporting period.

“Substantial involvement terms and conditions” may be included if the project is awarded under a cooperative agreement.

The EPA Project Officer partner will participate in planning sessions for each phase of the project for the purpose of providing technical input.

What are the high risk “terms and conditions”?

High Risk

High Risk is a classification that is given to any recipient, regardless of affiliation (whether they are a state, local, or Tribal government, non-profit, college, or university) when the recipient:

- Has a history of unsatisfactory performance
- Is not financially stable
- Has a management system that does not meet the management standards set forth in 40 CFR Part 31

- Has not conformed to the “terms and conditions” of a previous award, or
- Is otherwise considered not responsible

When a grantee is considered to be high risk, EPA works closely with the grant recipient in order to help them understand and meet the programmatic and/or administrative requirements of the grant.

Examples of high risk “terms and conditions”:

- Payments are made on a reimbursement basis and not automatic drawdown
- Restricting grant recipient from proceeding to the next phase of a project until performance in previous phases is acceptable
- Requiring the grant recipient to submit more detailed financial reports
- The EPA Project Officer reviews the grant recipient’s project progress more closely and more often when the grant recipient is classified high risk.

Having the above “terms and conditions” in an award does not mean the grantee is necessarily classified as “high risk”. Many of these steps are taken for other reasons as well. Each federal agency has its own definition for high risk. An **audit** high risk classification does not mean **EPA** automatically considers the grantee to be a high risk.

When officially classified as a high risk agency, however, the grantee’s name is added to a list of past award recipients classified as high risk and is circulated to other agencies. This could delay or even prevent anyone with a high risk classification from receiving funds from other federal agencies, not just EPA.

An organization that habitually fails to comply with regulations will be placed on the debarred list. **An organization that is on the debarred list cannot receive EPA assistance agreement awards.**

Stay off the Debarred List!

- Organizations identified on the debarred list have failed to comply with regulations to the degree that federal agencies no longer trust their ability to manage federal award funds.
- **Debarred entities cannot receive grant funding.**
- Debarred entities are listed in the Excluded Parties List System at <https://www.sam.gov>



Learner Notes

Learner Notes
Activity 3.b (found at www.petetribal.com) asks you to examine the “terms and conditions” listed in your assistance agreement award document. Share your observations with those seated at your table, as terms and conditions may vary between programs and regions.

An organization **will not** receive an EPA assistance agreement award if it is:

- A. Cited for non-compliance
- B. Not following regulations
- C. Listed as a high risk agency
- D. Identified on EPA’s debarred list
- E. All of the above



How might a high-risk classification affect our award?

- A. It may delay the application process.
- B. Project progress may be reviewed more frequently.
- C. We may be required to submit more detailed reports than other award recipients.
- D. It may be more difficult for us to win another award in the future.
- E. All of the above are correct.



Reporting and Monitoring

How often should we communicate with EPA regional officials?

A very important part of having a good program is frequent contact with the Project Officer and the Grants Specialist. **Monthly communication should be sufficient to keep things running smoothly, but you are encouraged to ask questions whenever issues arise.**

Module 2: Assistance Agreement Awards

It is good to let EPA know about the things you are able to achieve with the assistance agreement as well as difficulties you encounter. Address issues before they become problems. It is better to address issues as they come up rather than wait until the end of the project.

Communicate with the EPA Project Officer (PO) on programmatic technical issues related to the project. The EPA Project Officer is the project specialist. Inform your Project Officer if problems arise that could jeopardize the completion of the project. The Project Officer will work with the Tribal Nation to rectify the situation. Communicate with the EPA Grants Specialist (GS) on administrative and budget issues. The Grants Specialist provides technical assistance to the Tribal Nation on administrative, financial, and accounting issues.

Contact both if uncertain about who to contact regarding a particular question or issue. In this instance, email is the best method of communication, as the question or issue can be posed to both at the same time.

as well as the Tribal Nation's project files, which reflect monitoring and tracking. A compliance review may also be called a limited desk review. Take advantage of this opportunity to identify weaknesses in systems and obtain suggestions that may help you work more efficiently. This is your chance to get free accounting advice.

Copies of the *EPA Administrative and Financial Onsite Review Questionnaire* are provided in the **Appendix** and in **Module 10**.

Discussion

Discussion

What operational processes does your organization have for:

- Submitting programmatic progress reports?
- Establishing a process to track, monitor, and report on environmental results?

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How often should we communicate with regional officials?

- A. Daily
- B. Weekly
- C. Monthly
- D. Semi-annually
- E. Annually



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Compliance Reviews

- EPA has the right to review a grant recipient's:
 - Administrative and Financial Systems
 - Policies and procedures
 - Project Files
 - Personnel
 - Internal Controls
 - Monitoring, Tracking, and Reporting Process

What is a compliance review?

Compliance Reviews occur when EPA visits to review the Tribal Nation's policies and procedures

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Closeout

- Submit all final reports.
- Receive an EPA Closeout Letter.
- Keep records safe for as long as indicated in the "terms and conditions" of the agreement.



What is closeout?

Final reporting takes place when the project is within ninety (90) days of completion and/or time for the assistance agreement to expire. The assistance agreement goes into the final closeout phase.

Reports

The closeout phase requires the submission of:

- Final project and financial reports
- Disadvantaged Business Enterprise reports

Regional offices may request additional forms.

Check your award “terms and conditions” for requirements specific to your award.

Closeout Letter

Once all of the required documents have been submitted and accepted by the various EPA partners, the Tribal Nation will receive a closeout letter. The Grants Specialist sends the closeout letter to the address specified on the award document.

Retention

Records must be made available for review by EPA should any questions arise after the agreement is completed. Records retention requirements depend on the program. Typically records are kept for a minimum three (3) years after the final financial Status Report is submitted. Some programs require records to be kept for up to ten (10) years.

EPA suggests:

- Program records be kept as long as they are needed
- Financial records be disposed of when the retention period ends

As long as the files are available, they can be audited. **Retention dates freeze when the organization is under an audit.** This can prolong the time records are required to be kept on file. Contact your Grants Specialist, if you are unsure of your retention dates.

When grant support is continued or renewed at annual or other intervals, the retention period for the records of each funding period starts on the day the grantee or subgrantee submits to the awarding agency its single or last expenditure report for that period. However, if grant support is continued or renewed quarterly, the retention period for each year's records starts on the day the grantee submits its expenditure report for the last quarter of the Federal fiscal year. In all other cases,

the retention period starts on the day the grantee submits its final expenditure report. If an expenditure report has been waived, the retention period starts on the day the report would have been due.

Discussion

Discussion

How does your organization manage:

- Policies and procedures to ensure compliance with the financial requirements in 40 CFR Part 31.20(b)?
- An internal auditor, audit staff, or other financial expert that provides for an independent review of the:
 - Accounting and financial management process
 - Cash receipts and payments
 - Safeguarding of assets
- Policies and procedures to ensure compliance with closing out assistance awards after the performance and budget periods, as required in 40 CFR Part 31.50?

40 CFR Part 31 is available online at <http://ecfr.gpoaccess.gov> and provided in this manual's **Appendix**. Essential forms are available online at <http://www.epa.gov/ogd/forms/forms.htm> and in the **Appendix**.



When can we dispose of the files?

- A. EPA receives the final report
- B. It varies, usually 3- 10 years. Check with the Project Officer
- C. The Tribal Nation receives a closeout letter from EPA
- D. All project funds are spent
- E. Ninety days after the award expires



Attachment to Module 2

Answers to Quizdom Actionpoint Questions

Slide	Question (bold font indicates correct answer)	Explanation
9	<p>A Tribal Nation might NOT receive an EPA assistance agreement award if the proposed project involves an organization:</p> <ul style="list-style-type: none"> A. Never cited for non-compliance B. Complies with regulations C. Listed as a high risk agency D. Never cited with high risk audit findings E. All of the above are correct. 	<p>High risk agencies are organizations that have been cited for not complying with federal regulations. A Tribal Nation with a history of non-compliance might have that record counted against them when they are being scored by reviewers in a competitive program. It doesn't necessarily knock them off the list, but it can hurt their chances.</p>
13	<p>Who is responsible for the success of an assistance agreement award program?</p> <ul style="list-style-type: none"> A. EPA B. The Tribal Nation C. Regional EPA Officers D. Project Managers E. All of the above are correct. 	<p>The "terms and conditions" of the agreement make each party responsible for the conditions that apply to them.</p>
17	<p>What types of assistance are available to a Tribal Nation after receiving an assistance agreement award?</p> <ul style="list-style-type: none"> A. Administrative and financial guidance manual B. Training sessions C. Web-based training modules D. Regional support personnel E. All of the above are correct. 	<p>The manual, training sessions, and regional support personnel are already in place to assist Tribal Nations. Web-based training modules will be available soon.</p>
20	<p>Where can we learn how to manage our award?</p> <ul style="list-style-type: none"> A. EPA website B. EPA Regional Office C. Guidance manual D. Training E. All of the above are correct. 	<p>EPA is dedicated to assisting Tribal Nations in as many user-friendly ways as possible.</p>

Module 2: Assistance Agreement Awards

Slide	Question (bold font indicates correct answer)	Explanation
35	<p>Who must sign the assistance agreement award document to legally bind the Tribal Nation to the agreement?</p> <p>A. Yes</p> <p>B. No</p> <p>C. Only if the award is greater than \$50,000</p> <p>D. Only if the award is greater than \$500,000</p> <p>E. None of the above.</p>	<p>OGD has eliminated the requirement for recipients to submit a signed Affirmation of Award for new awards or amendments. Recipients demonstrate their commitment to carry out an award by either:</p> <ol style="list-style-type: none"> 1) Drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) Not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award mailing date.
45	<p>What is the first thing we should do after receiving the assistance agreement award document?</p> <p>A. Notify our administration.</p> <p>B. Contact the EPA regional office.</p> <p>C. Read the document carefully.</p> <p>D. Start a new file for the project.</p>	<p>All of these are important first steps. However, before anything else, read the document to be sure you fully understand what it says. Then call a meeting of all involved in its successful completion.</p>
51	<p>An organization will not receive an EPA assistance agreement award if it is:</p> <p>A. Cited for non-compliance</p> <p>B. Not following regulations</p> <p>C. Listed as a high risk agency</p> <p>D. Identified on EPA's debarred list</p> <p>E. All of the above are correct.</p>	<p>A Tribal Nation with a history of non-compliance might have that record counted against them when they are being scored by reviewers in a competitive program. An organization that habitually fails to comply with regulations will be placed on the debarred list. An organization that is on the debarred list cannot receive EPA assistance agreement awards.</p>
54	<p>How might a high-risk classification affect our award?</p> <p>A. It may delay the application process.</p> <p>B. Project progress may be reviewed more frequently.</p> <p>C. We may be required to submit more detailed reports than other award recipients.</p> <p>D. It may be more difficult for us to win another award in the future.</p> <p>E. All of the above are correct.</p>	<p>High-risk classification can make it more difficult to receive and report on a grant now and in the future. It also requires more frequent interaction with EPA during the award period.</p>

Module 2: Assistance Agreement Awards

Slide	Question (bold font indicates correct answer)	Explanation
58	<p>How often should we communicate with regional officials?</p> <ul style="list-style-type: none"> A. Daily B. Weekly C. Monthly D. Semi-annually E. Annually 	<p>Monthly communication should be sufficient to keep things running smoothly, but you are encouraged to ask questions whenever issues arise.</p>
63	<p>When can we dispose of the files?</p> <ul style="list-style-type: none"> A. EPA receives the final report B. It varies, usually 3- 10 years. Check with the Project Officer C. The Tribal Nation receives a closeout letter from EPA D. All project funds are spent E. Ninety days after the award expires 	<p>Records must be saved for three to ten years following closeout. The award period can be extended for various reasons. Ask your EPA grants specialist for the exact dates of your records retention period.</p>