Chapter VII

Appendix

Grants Policy Issuance (GPI) 08-05: Burden Reduction for State Grants

Purpose

This policy codifies and summarizes actions taken by EPA to address major grant-related issues identified under the Agency's State Reporting Burden Reduction Initiative. These actions cover State grant awards, as described below, in the following areas:

- **A.** Bundling of Assurances/Certifications
- **B.** Financial Status Reports
- **C.** Grant Workplan Progress Reports Submitted under 40 C.F.R. § 31.40
- **D.** Cost Reviews

Effective Date

This policy will be effective for all new awards made on and after October 1, 2008.

A. Bundling of Assurances/Certifications

As authorized by GPI-08-01, Regional Grants Management Offices (GMOs) may receive and maintain "bundled" assurances/certifications for Regionally awarded grants to State agencies under 40 C.F.R. Part 35.

B. Financial Status Reports (FSRs)

For State grants awarded under 40 C.F.R. Part 35 Subpart A, FSRs will be submitted no more frequently than annually, unless a recipient is considered "high risk" under 40 C.F.R. § 31.12.

C. Grant Workplan Progress Reports Submitted under 40 C.F.R. § 31.40

1. Attachment 1 lists general frequencies, applicable to selected State grant programs, for formal grant workplan progress reports submitted under 40 C.F.R. § 31.40 (§ 31.40 workplan progress reports). Regions and National Program Managers may require more frequent § 31.40 workplan progress reports (not to exceed quarterly reporting) only: 1) where agreed to by a State and documented in the grant award terms and conditions; or 2) where there are performance issues, including Agency concerns with the timely and appropriate expenditure of funds by the recipient. The Office of Grants and Debarment (OGD) may periodically revise Attachment 1 to add general § 31.40 workplan progress report frequencies for other State grant programs after consultation with National Program Managers, Regions and the States.

This policy applies to the frequency of §31.40 workplan progress reports; it does not affect other State reporting to EPA such as reporting to Agency data systems or reporting required by National Program Guidance or by statute or regulation. Nothing in this policy limits the ability of Regions and States to negotiate different frequencies (no more frequent than quarterly and no

less frequent than annually) for § 31.40 workplan progress reports as part of the joint evaluation process under 40 C.F.R. § 35.115.

2. A number of the grants listed in Attachment 1 may be combined into Performance Partnership Grants (PPGs). For grants that are included in a PPG, unless otherwise agreed to by a State and subject to the conditions in Section C.1: 1) the Agency will require semi-annual **§** 31.40 workplan progress reports only for those Attachment 1 programs approved for semi-annual reporting; and 2) annual **§** 31.40 workplan progress reporting will be required for all programs included in the PPG.

3. The EPA Project Officer or designated technical representative will be the Agency's single point of contact for receiving **§** 31.40 workplan progress reports for State grants awarded under 40 C.F.R. Part 35 Subpart A.

4. On August 18, 2008, OGD approved a class deviation from 40 C.F.R. § 35.6650. Under the terms of the class deviation, State recipients of cooperative agreements under 40 C.F.R. Part 35 Subpart O will have 60 days from the end of each reporting period to submit interim progress reports.

5. On July 8, 2008, the Agency received a request from the Association of State and Territorial Solid Waste Management Agencies (ASTSWMO), on behalf of the 50 States, the District of Columbia and the Territories of the U.S. Virgin Islands, Puerto Rico, Guam, American Samoa, and the Northern Mariana Islands, regarding grants under Section 128(a) of the Comprehensive Environmental Response, Compensation and Liability Act. Specifically, ASTSWMO asked the Agency to ease the reporting burden on States receiving Section 128(a) funding by extending a semi-annual reporting requirement to 60 days rather than the current 30 days. Consistent with the flexibility provided by 40 C.F.R. § 31.40, EPA will allow Section 128(a) State recipients to submit semiannual progress 60 days after the reporting period.

D. Cost Reviews

In March 2007, OGD issued interim, streamlined cost review procedures for State grants awarded under 40 C.F.R. Part 35, Subpart A. These procedures applied to State applicants that submitted an adequate internal controls assurance concerning their personnel and travel management systems and were not deemed high-risk. GPI-08-04, issued on September 30, 2008, contains final cost review procedures, which take into account feedback on the interim policy from EPA offices and the States.

E. Review and Evaluation

In consultation with the State Grants Subgroup, OGD will review this policy periodically to ensure its effectiveness and make any necessary revisions.

G. Waivers

In response to a written request from the appropriate Senior Resource Official, the OGD Director may approve waivers to this guidance on an individual or class basis because of national security concerns, circumstances of unusual or compelling urgency, unique programmatic considerations, or because the waiver would be in the public interest.

H. Roles and Responsibilities

For covered awards, Program Offices and Grants Management Offices must ensure that the provisions of this guidance are followed, as appropriate, in the review of grant applications, in the development of grant terms and conditions and during grant oversight.

ATTACHMENT 1

This Attachment lists general frequencies for the submission of 40 C.F.R. § 31.40 grant workplan progress reports covering selected State grant programs. As noted in Section C. 1. of the GPI, for individual grants awarded under these programs, Regions may require more frequent § 31.40 workplan progress reports (not to exceed quarterly reporting) only where agreed to by a State or where there are performance issues, including Agency concerns with the timely and appropriate expenditure of funds.

General State Grant Progress Report Frequencies

NPM	CFDA	Title	Frequency	Rationale
OAR	66.001	Categorical Grant: Air Pollution Control Program Support	Annual	
OAR	66.032	Categorical Grant: State Indoor Radon Grants	Annual	
OAR	66.034	PM2.5 Air Monitoring (Sec. 103)	Variable	Frequencies may range from annual to quarterly depending on fund utilization/ equipment supply status.
OW	66.460	Categorical Grant: Non-point Source Implementation Grants (Sec. 319)	Annual/ Semi-annual	Frequencies may range from annual to semi-annual depending on fund utilization and other relevant factors.
OW	66.432	Categorical Grant: State Public Water System Supervision (PWSS)	Annual	
OW	66.419	Categorical Grant: Water Pollution Control State, Interstate, and Tribal Program Support(Sec. 106)	Annual	
OW	66.461	Categorical Grant: Regional Wetland Program Development Grants	Semi-annual	Competitive grant that does not lend itself to annual reporting. The program has quantitative national measures that require semi-annual reporting.
OW	66.433	Categorical Grant: State Underground Water Source Protection(UIC)	Annual	
OW	66.472	Categorical Grant: Beach Monitoring and Notification Program Implementation Grants	Annual	
OW	66.478	Categorical Grant: Water Security Training and Technical Assistance	Semi-annual	This is a relatively new grant program and as such, more frequent reporting is needed. Demonstrated progress in funds utilization will be a key factor in moving this to annual reporting in later years.

NPM	CFDA	Title	Frequency	Rationale
OW	66.458	Infrastructure Assistance: Capitalization Grants for Clean Water State Revolving Funds	Annual	
OW	66.468	Infrastructure Assistance: Capitalization Grants for Drinking Water State Revolving Funds	Annual	
OW	66.454	Water Quality Management Planning 604(b)	Annual	
OPPTS	66.714	Categorical Grant: Pesticide Environmental Stewardship Regional Grants	Annual	.
OPPTS	66.707	Categorical Grant: TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals (404(g))	Annual	
OPPTS	66.718	Categorical Grant: National Community-Based Lead Outreach and Training Grant Program	Annual	
OPPTS	66.718	Categorical Grant: National Community-Based Lead Outreach and Training Grant Program (Vulnerable Populations)	Annual	
OPPTS	66.708	Categorical Grant: Pollution Prevention Grants Program	Semi-annual	Competitive grant that does not lend itself to annual reporting. The program has quantitative national measures that require semi-annual reporting.
OSWER	66.801	Categorical Grant: Hazardous Waste Management State Program Support	Annual	
OSWER	66.804	Categorical Grant: State and Tribal Underground Storage Tanks Program	Semi-annual	States agreed to semi-annual
OSWER	66.818	Categorical Grant: Brownfields Assessment and Cleanup Cooperative Agreements	Semi-annual	Can range from semi-annual to annual depending on regional and state agreements
OSWER	66.809	Superfund State and Indian Tribe Core Program Cooperative Agreements (under Subpart O)	Variable	Frequency will be negotiated by the Region and State and may vary depending on the nature of a State's Core Program
OSWER	66.816	Headquarters And Regional Underground Storage Tanks Program (LUST Trust Fund Grants (Part 35))	Semi-annual/ Quarterly	Reporting varies, as negotiated on a state-by-state basis
OECA	66.700	Categorical Grant: Consolidated Pesticide Enforcement Cooperative Agreements	Semi-annual	Allows the regions to assess the states progress toward meeting their compliance monitoring commitments in 49 states

NPM	CFDA	Title	Frequency	Rationale
OECA	66.701	Categorical Grant: Toxic Substances Compliance Monitoring Cooperative Agreements	Semi-annual	Allows the Regions to assess the states progress toward meeting their inspection commitments and enables the Regions to implement mid-course corrections
OECA	66.709	Categorical Grant: Multi-Media Capacity Building Grants for States and Tribes (Sector Program)	Semi-Annual	Reasonable oversight and adequate grants management for a competitive grant that does not lend itself to annual reporting
OEI	66.608	Categorical Grant: Environmental Information Exchange Network Grant Program and Related Assistance	Semi-Annual	Competitive grant that does not lend itself to annual reporting. Because of the highly technical nature of this project and the fact that each grant has only a two year life (pending no extensions), semi-annual reporting allows for closer monitoring of progress or identifying problems a grantee may have during the life of the grant
OCIR	66.605	Performance Partnership Grants	Reporting Frequency identified for each included program	Program grants requiring annual reports and those requiring semi-annual reports may be combined into a single PPG. In these cases, states will be required to submit annual reports addressing all included programs, and semi-annual reports addressing only those programs with semi-annual reporting requirements. Alternatively, at the state's discretion, states may submit semi-annual reports addressing all programs included in the PPG.