

# REGION 1 RLF WORKSHOP

JUNE 5, 2012



Cost Share  
Review & Documentation



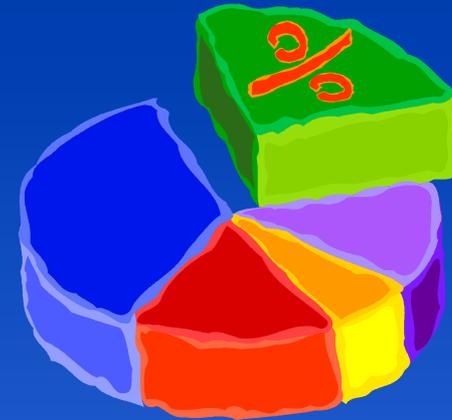
# Topics

- ◉ Statutory Requirement
- ◉ Meeting the Cost Share Requirement
- ◉ Cost Share Resources
- ◉ Planning & Documentation
- ◉ The Rules



# Statutory Requirement

- Cost Share of 20% Required per CERCLA § 104(k)(9)(B)(iii)
- Cost Share is the portion of your project(s) not funded from your grant





# Meeting the Cost Share Requirement

- The cost share must be met with eligible & allowable costs.
- Adequate documentation is required for all eligible and allowable costs.
- The RLF Grant recipient is required to meet the cost share.
  - ✓ It can be passed on to your borrowers & subgrantees
- See 40 CFR § 30.23



# Meeting the Cost Share Requirement

- Cost Share contributions must be:
  - > **Verifiable** - from your records
  - > **Non-Federal** - unless authorized by source (HUD)
  - > **Necessary & Reasonable** - for project objectives
  - > **Allowable** – under applicable cost principles
  - > **Identified** - in approved budget
  - > **Allocable** – to eligible project activities



**Cannot be counted as other Grant's Cost Share**



# Cost Share Resources

- ◎ Cash
- ◎ Non-Federal Grants
- ◎ Labor
- ◎ Materials
- ◎ Supplies
- ◎ Services





# Cost Share Resources

## Cash & Non-Federal Grants

### ◎ Cash

- ✓ Municipal funds
- ✓ Private developer funds
- ✓ Donations



### ◎ Non-Federal Grants

- ✓ State grants
- ✓ Private organization funds
- ✓ Can use HUD funding as it is allowed by statute



# Cost Share Resources

## Borrower & Subgrantee Labor

### ◎ Value

- ✓ Established personnel rates of borrower/subgrantee personnel
- ✓ Conform to applicable cost principles



### ◎ Timing

- ✓ After loan and/or subgrant is signed, unless approved by your Project Officer

### ◎ Records

- ✓ Time and Effort Reports
- ✓ Payrolls





# Cost Share Resources

## Volunteer Labor

- ◎ **Value Estimate** (Hourly Rate)
  - ✓ Non-Profit Has Similar Employee
    - Rate Non-Profit Pays Its Own Workers
  - ✓ Non-Profit Does Not Have Similar Employee
    - Pay for Similar Work, Same Labor Market
  - ✓ Can Include Fringe Benefits
  - ✓ Fair and Reasonable
    - Show How Derived
- ◎ **Records**
  - ✓ Same as Borrower & Subgrantee Labor, to the extent feasible
- ◎ **Safety & Health Concerns**





# Cost Share Resources

## Third Party & Other Organization Labor

- ◎ **Value Estimate** (Hourly Rate)
  - ✓ Employee's Regular Rate
  - ✓ Can Include Fringe Benefits
  - ✓ No Overhead
- ◎ **Examples, Partner Assistance**
  - ✓ Site Manager
  - ✓ QA Officer
  - ✓ Other Programmatic Activities
- ◎ **Must be Verifiable By Records**





# Cost Share Resources

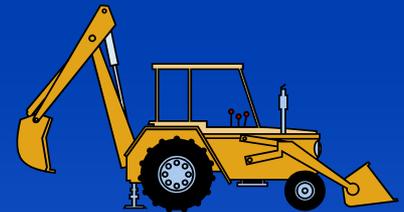
## Materials, Supplies & Equipment

### ◎ **Materials & Supplies**

- ✓ Fair market value at time of purchase or donation
- ✓ Examples (clean fill, containment plastic, fencing & signage)

### ◎ **Equipment Loaned**

- ✓ Fair Rental Rate
- ✓ Age and Condition Considered





# Cost Share Resources

## Other Services

- ⦿ **Cleanup Waste Disposal Fee Waiving**
- ⦿ **Cleanup Waste Transportation**
- ⦿ **Site Security** (police detail)
- ⦿ **Dust Control**
- ⦿ **Clearing & Demolition** (essential for cleanup)
- ⦿ **Analytical Work** (confirmation sampling)
- ⦿ **Outreach** (public notices, meeting space)



# Planning & Documentation

## ○ Have a Plan

- ✓ Who, What, Where, When
- ✓ Will you have one or two loans that meet your entire cost share?
- ✓ Will you choose not to pass the cost share on to subgrantees?
- ✓ Will you choose not to pass the cost share on to non-profits?





# Planning & Documentation

## ◎ Document, Document, Document

- ✓ Cost, Benefit, Service, Hours, Value, Rate
- ✓ Basis for Valuation
- ✓ Be Clear and Specific



## ◎ Reporting

- > Include your progress toward meeting the cost share in your Quarterly Reports

## ◎ Monitor Status Periodically

## ◎ Get Documentation When Cost Share Activity Occurs!



# The Rules

- ◎ **EPA Regulations** - 40 CFR 30.23
- ◎ **OMB Cost Principles**
  - > Governmental Entities - 2 CFR Part 225
  - > Non-profits - 2 CFR Part 230
- ◎ **Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations** - OMB Circular A-110
- ◎ **RLF Grant Terms and Conditions**