

Multipurpose Grants to States and Tribes
Questions & Answers
As of June 2, 2016

Administrative Questions

1. Q: What level of coordination is necessary within states?

A: Multipurpose grant funding is available for any eligible activities under STAG-funded continuing environmental programs, which are listed on page 3 of the guidance. Depending on the state, a variety of state agencies (e.g., environment, health, agriculture) may undertake these activities. The coordination may vary among states and may require a centralized office, such as a governor's office, to identify the state priorities to fund and whether to accept partial funding (see 65/35 split questions below). If there is cooperation among the applicable state agencies, the primary agency that will receive multipurpose funding may undertake the coordination. When the state informs their EPA region of their multipurpose grant plan, they should confirm that the decisions were coordinated among the applicable state agencies.

2. **NEW** – Questions related to grant application process:

- a. Q: Does a single grant application have to be submitted for a state, or can multiple state agencies receive multipurpose grant funding as long as the total amount of the grant applications does not exceed the state's allocation?

A: The funds can be split into multiple grants, if that's what the state wants to do. EPA's preference is for one grant or performance partnership grant (PPG) amendment, but there are circumstances where states may wish to have multiple grants or PPG amendments. The decision needs to come from the state. If the state wishes to have multiple agencies receive multipurpose grant funding, EPA can award all the funds to one state agency and then that agency can provide funding to other state agencies to carry out multipurpose grant activities, in accordance with applicable state laws and 2 CFR Part 200. EPA will provide additional information on this option in the near future. The other option is for EPA to directly award multipurpose grant funding to each state agency that the state has identified to carry out multipurpose grant activities.

If multiple state agencies are interested in the funding opportunity, the state may need to coordinate with a central state office, like a governor's office, to decide what activities within the state should be funded with their multipurpose grant funding. The cumulative amount of grant applications/amendments submitted by a state **cannot** be greater than the total amount of funding available for the state.

- b. Q: What is the deadline for submitting multipurpose grant applications to grants.gov?

A: EPA's intends to award all multipurpose grant funding by September 30, 2016. In order to meet this deadline, states should submit draft applications to their region by June 17, 2016, with final applications being submitted through Grants.gov shortly thereafter. States should work with their respective EPA region to ensure timely submission of their grant applications and/or amendments.

- c. Q: How do I find the multipurpose grant application in Grants.gov?

A: Go to <http://www.grants.gov/web/grants/applicants/download-application-package.html> and enter EPA-CEP-02 in the Funding Opportunity Field. This only applies to new standalone multipurpose grants awarded under CFDA 66.204. Performance Partnership Grant applications are available under EPA-CEP-01, using CFDA 66.605.

- d. Q: What forms are needed for a complete grant application?

A: In addition to the SF-424 listed in Grants.gov, the applicant should submit an SF-424A, SF-424B, detailed workplan, budget detail, and other administrative supporting documents requested by the EPA region. This only applies to new standalone multipurpose grants. For amending an existing PPG, at a minimum the recipient will need to submit an amended SF-424, SF-424A, and workplan. When amending an existing PPG, recipients should include the word "Multipurpose" somewhere in the project field (field 15) of the SF-424A. Recipients should contact their regional contact listed on page 6 for further information on what forms are needed.

- e. Q: Are multipurpose grants subject to Executive Order 12372?

A: Yes. From the CFDA for multipurpose grants (66.204):

"This program is eligible for coverage under E.O. 12372, 'Intergovernmental Review of Federal Programs.' An applicant should consult the office or official designated as the single point of contact in his or her State for more information on the process the State requires to be followed in applying for assistance, if the State has selected the program for review."

3. Questions related to 65/35 percent funding split:

- a. Q: Once the money is received into a PPG, does the 65% air work still apply? Can this money supplement existing PPG/air work?

A: This money can supplement existing air work. If a state wishes to have their multipurpose grant funding added to a PPG, they will need to identify in their workplan what air-related work they will accomplish with their air funding and what state-identified activities they will accomplish with their state-identified priorities funding. However, when multipurpose grant funds are added to a PPG, they will lose their programmatic identity and do not have to be tracked. In accordance with PPG policy and procedure, recipients will be held accountable for achieving the additional negotiated workplan commitments associated with the multipurpose funding they receive.

- b. Q: Can a state accept partial multipurpose grant funding (i.e., less funding than the full amount allocated for the state)? How will accepting partial funding impact a state's ratio of air and state-identified work?

A: Yes. If known at the time, a state should notify EPA that they intend to apply for less than their allocation amount when they notify EPA whether they will accept

multipurpose funding. Otherwise, they should let EPA know the amount they intend to apply for before they submit their grant application/amendment to EPA.

If a state requests partial funding, the state should specify whether they want less air or state-identified priority money. A new 65/35 percent calculation is not redone on the new total amount for the state. For example, if a state is eligible for \$100,000 total, then they can request less than \$65,000 for air or less than \$35,000 for state-identified priorities. States cannot request a reduction in their air funding and an increase in their state-identified funding (see next question and example below).

- c. Q: Does a state have to spend at least 65 percent of their funding on air-related work? Can a state redirect some of their air-related funding to non-air state-identified priorities?

A: A state that accepts the full amount of multipurpose funding they are eligible for must use at least 65 percent of their funding on air-related activities. A state can request partial air funding, but they cannot redirect funding from air to non-air state-identified priorities (see question a. above).

- d. Q: Can a state use all of their funding on air-related activities?

A: Yes.

Example of a state's funding options

State A is eligible for \$100,000 total. They have the following options:

Option A

- Request \$0 – \$65,000 for air-related work; and,
- Request \$0 – \$35,000 for state-identified priorities.

Option B

- Request \$65,001 – \$100,000 for air-related work; and,
- Request \$0 – \$34,999 for state-identified priorities; and,
- The total amount requested does not exceed \$100,000.

State A **does not** have the option of requesting >\$35,000 for state-identified priorities.

4. Q: Why are local agencies not eligible to apply when EPA can award grants directly to local agencies under the Clean Air Act (CAA)?

A: Section 105 of the Clean Air Act authorizes EPA to provide grants to “air pollution control agencies,” which are defined to include local agencies “with responsibility for enforcing ordinances or laws relating to the prevention and control of air pollution.” However, the FY16 Consolidated Appropriations Act authorizes EPA to award multipurpose “grants to States and federally recognized tribes.” While the Appropriations Act authorizes these funds for activities covered by Section 105 of CAA, it does not provide EPA with the authority to provide multipurpose grant funding directly to locals. States may choose to provide this funding to sub-

recipients (including local government agencies), in accordance with 2 CFR 200.331 and the EPA Subaward Policy (see page 1 of guidance under “Eligible Recipients”).

5. Q: There is a statement on page 3 of the guidance that says: “States must follow the applicable statutes, regulations, policies, and guidance of the applicable programs listed above.” Some of the regulations, statutes, etc., have requirements that conflict with the multipurpose guidance, such as match and cost-share. How should states handle these conflicts?

A: The intent of this statement is that only the activities that are allowable under the statutes, regulations, policies, and guidance of the STAG-funded CEPs listed on page 3 are eligible for the state-identified priority portion of the multipurpose grant funding. The cost-share and match requirements of these programs does not apply to multipurpose grant funding.

6. Q: Is this one-time money or will this program and funding continue in the future?

A: EPA is treating this as one-time money although Congress may choose to provide this funding in future years.

7. Q: When do multipurpose grant funds expire?

A: See page 5 of the grant guidance, under “Project Period Length.” This section states:

Existing EPA grant policies apply to this funding, which limit project periods for continuing environmental programs, such as Performance Partnership Grants, to no more than five years and other grants to no more than seven years. However, because this funding is for high priority activities, EPA expects multipurpose grant activities to have shorter project periods that are typically no more than two years.

If a state wants to have their multipurpose grant funding added to a PPG that needs to be extended beyond the five-year limit, they may request an extension that is consistent with established grants policies. This would require a waiver from the five-year limit, and may only extend the multipurpose grant activities of the PPG.

EPA’s [GPI 12-06, “Timely Obligation, Award and Expenditure of EPA Grant Funds,”](#) also applies to this funding.

8. **NEW** – Q: If multipurpose funds are added to a PPG with a project period ending in 2018 or beyond, does that mean the multipurpose grant activities can continue for more than two years?

A: As noted in the previous question and answer, multipurpose grant activities should be timely and typically take no more than two years to complete. When added to a PPG with a project period beyond 2018, the multipurpose grant-related deliverables should typically be completed within two years.

9. Q: Can multipurpose grant funding be added to any of a state’s existing grants for one of the STAG-funded continuing environmental programs (CEPs) listed on page 3?

A: No. The only existing grants that multipurpose grant funding can be added to are performance partnership grants (PPGs), or existing consolidated grants for the territories in EPA Region 9 (see “Grant Funding Options” on page 4 of guidance). States can receive stand-alone multipurpose grants if they do not have a PPG or do not wish to have this funding added to a PPG. States can choose to do work related to the programs listed on page 3 under a PPG or stand-alone multipurpose grant; they just can’t have these funds added to a stand-alone grant of one of the STAG-funded CEPs (i.e., multipurpose funds cannot be added to a Clean Air Act Section 105 grant).

10. Q: If a state has a PPG that is expiring at the end of September 2016, can they have their multipurpose grant funding added to their new PPG that will start in October 2016?

A: If the state wants their funds added to a PPG, they should have them added to the new PPG, provided that the funds can be awarded before September 30, 2016.

11. Q: Is there a workplan template for multipurpose grants?

A: In the spirit of flexibility, there is no standard workplan template for multipurpose grants. However, the EPA regional contacts listed on page 6 of the guidance have an example workplan template that applicants can use for standalone multipurpose grants. If the funds will be added to a PPG, the state will be amending the existing PPG’s workplan and following that format. At a minimum, the state will need to identify the activities tied to the air-related funding and which activities are tied to the state-identified priorities. The same is true for a new stand-alone multipurpose grant. Additionally, the workplan needs to include environmental results, as required by EPA Order 5700.7A1 (see page 5 of the guidance).

States should contact their respective EPA regional contact listed on page 6 of the guidance for more details about grant workplans.

12. Q: Are pre-award costs allowed?

A: Yes, but the grant recipient should check with their EPA project officer. Pre-award costs are allowed, consistent with 2 CFR 200.458. If these costs would be allowed after the grant is awarded, then they could be granted pre-award costs by the applicable EPA region.

13. Q: Can states reimburse themselves with multipurpose grant funding for activities or projects that conclude before they receive their multipurpose grant funds?

A: No. States can reimburse themselves for pre-award costs associated with their multipurpose grant funding, in accordance with 2 CFR 200.458. However, a project or activity that is complete before the grant begins would not qualify for pre-award costs.

14. Q: What are the progress reporting requirements for multipurpose grant funds?

A: For non-high risk recipients, the progress reporting frequency is annual for new standalone multipurpose grants. These funds do not change the reporting frequency of existing PPGs, which typically is annual.

15. Q: Page 5 of the grant guidance says that EPA headquarters will provide the regions with terms and conditions that are applicable to multipurpose grant funding. What are they?

A: There are no new national terms and conditions that were created for multipurpose grant funding. The typical grant terms and conditions apply to this funding. As with other grants, EPA Regions may develop additional terms and conditions, as needed.

Programmatic Questions

1. Q: Can a state use their 65% air-related funding for activities related to greenhouse gas reduction activities?

A: Yes, this is an eligible activity for a state's air-related funding. See page 2 for further information.

2. Q: On page 2, the guidance says, "States will use at least 65% of their funding for core air work and state-led climate activities." Do the "state-led climate activities" have to be air-related? For instance, water programs support many climate-related activities.

A: The state-led climate activities covered by 65% of a state's funding should be air-related activities to address climate change. On the top of page 2, the guidance says: "65 percent of each state's funding will be available to support core air regulatory work, including but not limited to National Ambient Air Quality Standards (NAAQS) implementation, including designations and State Implementation Plans (SIPs); CAA permitting (see details below); and state-led activities to address climate change." In this section "state-led activities to address climate change" are an example of core air regulatory work. States can do non-air climate activities, as long as they are eligible under one of the STAG-funded CEPs listed on page 3. Those activities would be funded with the resources available to states for state-identified priorities.

3. Q: Do radon activities fall within the air-related (65%) or state-identified priorities (35%) funding?

A: Radon activities can be funded with either category of funding.

4. Q: Can state-identified priorities include underground storage tank (UST) prevention activities even though these activities are now mostly funded with Leaking Underground Storage Tank (LUST) Trust funds? Will this create a pick-and-stick issue for states that have UST prevention cooperative agreements that are funded with LUST trust funds?

A: States can use their multipurpose grant funding for state-identified priorities on UST prevention activities authorized under 2007(b)(f)(2) of the Solid Waste Disposal Act. This will not impact any pick-and-stick issues related to a state's existing UST prevention cooperative agreement that is funded with LUST Trust funds.

Past Questions that are No Longer Relevant

EPA provide the following questions earlier, but they are no longer necessary now that all states and territories have communicated to EPA their interest in receiving multipurpose grant funding.

1. Q: Who in the states will EPA communicate with about multipurpose grant funding?

A: The communication may vary by EPA region. To the greatest extent possible, EPA regions should communicate with each state agency that currently receives a STAG-funded continuing environmental program (CEP) grant from EPA. The list of these programs is available on page 3 of the guidance. If states need more information about their multipurpose funding, they should contact their respective EPA regional contact listed on page 6 of the guidance.

2. Q: What does the state need to do to properly notify the EPA region whether or not the state will accept multipurpose grant funding? Who needs to submit this notification?

A: The state should email a signed statement from an authorized state official that clearly indicates whether or not the state will accept or decline multipurpose grant funding. The statement should include language similar to: "The state of [insert state name] accepts/declines FY 2016 multipurpose grant funding. The state of [insert state name] understands that acceptance of these funds is pending EPA approval of forthcoming grant application(s) and/or amendment(s)." The statement needs to include the contact information and title of the authorized state official.

At a minimum, the authorized state official should be the primary state agency that receives STAG-funded continuing environmental program (CEP) awards from EPA. States should submit only **one** notice to their EPA region. If the state has not already done so, they need to coordinate among the state agencies that receive STAG-funded CEP awards and inform their EPA region as soon as possible which state agencies they want funded and how. This would include whether the state wants their funds added to: an existing PPG, a new PPG, a new stand-alone grant, multiple stand-alone grants, or a combination. When states notify their region of their multipurpose grant plan, they should confirm that they coordinated their decision with the applicable state agencies. States should provide this information to their EPA region prior to submitting their grant application(s) or amendment(s).