

EPA REGION 1 NEW GRANTEE WORKSHOP

JUNE 21 & 28, 2017



Financial Awareness



Topics

- ◉ Rules & Regulations
- ◉ Monitoring & Compliance Reviews
- ◉ Non-Profit Review
- ◉ What Should Be in Your Files
- ◉ Teamwork
- ◉ Top 10 Audit Findings
- ◉ Takeaways



Rules & Regulations

- ◉ Federal Grant & Cooperative Agreement Act
- ◉ 2 CFR 200 & 1500 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
 - > 2 CFR 200 – All Federal Awards
 - > 2 CFR 1500 – All EPA Awards





Rules & Regulations

- ◎ Uniform Grant Regulation 2 CFR 200 & 1500
 - 1. Uniform Administrative Requirements
 - > Definitions – 2 CFR 200 Subpart A
 - > General Provisions – 2 CFR 200 Subpart B
 - > Pre-Award – 2 CFR 200 Subpart C
 - > Post-Award – 2 CFR 200 Subpart D
 - 2. Cost Principles – 2 CFR 200 Subpart E
 - 3. Audit Requirements – 2 CFR 200 Subpart F
 - > Now have a \$750,000 threshold
 - 4. EPA Specific – 2 CFR 1500 Subpart A-E



Rules & Regulations

⦿ For RLF Grants

Program Income - 2 CFR 1500.7(c)

“Brownfields Revolving Loan. To continue the mission of the Brownfields Revolving Loan fund, recipients may **use grant funding prior to using program income** funds generated by the revolving loan fund. Recipients may also **keep program income at the end of the assistance agreement** as long as they use these funds to continue to operate the revolving loan fund or some other brownfield purpose as outlined in their closeout agreement.”



OMB Uniform Grants Guidance

◎ Change in Grant Regulations

1. Uniform Administrative Requirements

- a. Old: 40 CFR 30 & 31
- b. New: 2 CFR 200 Subpart A - D

2. Cost Principles

- a. Old: A-21, A-87 & A-122
- b. New: 2 CFR 200 Subpart E

3. Audit Requirements

- a. Old: A-133 & \$500,000 threshold
- b. New: 2 CFR 200 Subpart F & \$750,000 threshold



Monitoring & Compliance Reviews

- ◉ Baseline Monitoring
 - > Administrative Baseline
 - > Programmatic Baseline
- ◉ Advanced Monitoring
 - > Administrative
 - > Programmatic
- ◉ IG Review (Program & Grantee)
- ◉ Online Non-Profit Grants Training



Non-Profit Review

- ◉ Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards (**over \$200,000 in federal funds**)
 - > Accounting procedures
 - > Audited financial statements (2 CFR 200 Subpart F or other audit, if available)
 - > Conflict of interest policies
 - > Personnel & timekeeping policies
 - > Procurement policies
 - > Property management policies
 - > Record retention policies
 - > Travel policies



What Should Be in Your Files

- ◉ Official EPA Project File (Six Part Folder)
 - > Part 1 – Application
 - > Part 2 – Correspondence (During Application)
 - > Part 3 – Assistance Agreement
 - > Part 4 – Correspondence (During Grant Period)
 - > Part 5 – Financial Information
 - > Part 6 – Monitoring & Technical/Quarterly Reports



Teamwork

- ◎ EPA Team
 - > Project Officer
 - > Grant Specialist (will be identified in C.A.)
 - > Financial Specialist (Sharen Rheinhardt)
- ◎ Grantee Team
 - > Project Manager
 - > Authorized Representative
 - > Financial/Accounting
- ◎ EPA and grantee teams must work together for successful project implementation



10 Most Common Audit Findings

1. Untimely report submissions
2. Lack of documentation
3. Inadequate monitoring of sub-recipients
4. Inadequate time/effort reports
5. Inadequate reports (Federal Financial Reports)
6. Co-mingling of funds
7. Excess cash on hand
8. Unallowable costs
9. Inappropriate changes
10. Conflicts of interest



Takeaway Message

- ◉ Work as a team with us
- ◉ Documentation is key
- ◉ Know your program (indirect costs are not allowed in Brownfields Program)
- ◉ Make sure your files are ready for review at all times



Questions

