## EPA Updates for FDP

**Federal Demonstration Partnership** 

January 2021

#### Updates

Open Research Opportunities

• EPA Implementation of Office of Management and Budget Regulatory Changes to 2 CFR 200

• EPA revised regulations 2 CFR 1500

## **Open Research Opportunities**

#### **Open EPA Research Opportunities**

- <u>Deployment of Innovative Water Technologies for Very Small Drinking</u> <u>Water Systems, Areas Served by Private Wells and Source Waters</u> - -Closes January 12, 2021
- <u>Viral Pathogen and Surrogate Approaches for Assessing and</u> <u>Improving Risk-Based Treatment Performance in Water Reuse</u> <u>Applications</u> - Closes January 13, 2021
- <u>18th Annual P3 Awards: A National Student Design Competition</u> <u>Focusing on People, Prosperity and the Planet</u> - Closes February 9, 2021

- The Office of Management and Budget (OMB) published final guidance on August 13, 2020, and aside from two provisions published in <u>RAIN-2020-G05</u>, are effective November 12, 2020.
- EPA updated many policies, guidance and accompanying Recipient/Applicant Information Notices (RAIN) to implement these regulatory changes.

- GPI 16-01, PA Subaward Policy
- <u>RAIN-2018-G03-R</u>, <u>Revisions to EPA's Conflict of Interest and</u> <u>Subaward Policy</u>
  - EPA has revised the Subaward Policy and related Frequent Questions to conform to OMB's revisions to the definition of Subrecipient in 2 CFR 200.1 and the regulatory coverage in 2 CFR 200.101, *Applicability*, which now provides that Federal agencies may receive subawards from pass-through entities when authorized by Federal statutes

- Grants Policy Issuance 15-02, EPA's Financial Assistance Conflict of Interest (COI) Policy
- <u>RAIN-2018-G03-R</u>, <u>Revisions to EPA's Conflict of Interest and</u> <u>Subaward Policy</u>
  - EPA has revised the COI Policy to update citations to 2 CFR Part 200

- <u>EPA Guidance on Participant Support Costs</u> (see Related Resources at the bottom of the page)
- <u>RAIN-2018-G05-R1</u>
  - EPA has revised the RAIN and issued final EPA Guidance on Participant Support Costs (PSC Guidance) to incorporate regulatory changes to 2 CFR 1500 on participant support costs (PSC). The final PSC Guidance provides information on how EPA interprets the definition of participant support costs at 2 CFR 1500.1

- EPA General Terms and Conditions effective November 12, 2020 or later
  - EPA has updated multiple terms and conditions to implement OMB's regulatory changes to 2 CFR 25, 2 CFR 170, 2 CFR 183, and 2 CFR 200 in the August 13, 2020 final guidance. Terms and Conditions are applicable to EPA Assistance Agreements and Monetary Amendments Issued on or after November 12, 2020

- EPA Office of Research and Development Research Terms and Conditions effective November 12, 2020 or later
  - EPA has updated multiple terms and conditions to implement OMB's regulatory changes to 2 CFR 25, 2 CFR 170, 2 CFR 183, and 2 CFR 200 in the August 13, 2020 final guidance. Research Terms and Conditions are applicable to ORD Research grants and cooperative agreements issued on or after November 12, 2020

#### • Frequent Questions about Closeouts

• EPA has updated frequent questions about closeouts to reflect the regulatory changes to 2 CFR 200.334, Closeout, regarding the number of days for recipients to submit closeout reports and liquidate all financial obligations from 90 days to 120 days after the end date of the period of performance



- EPA revised our financial assistance regulations to provide more flexibility to recipients of Environmental Protection Agency (EPA) financial assistance and streamline dispute procedures for applicants and recipients of EPA financial assistance and are effective November 12, 2020. (<u>https://www.govinfo.gov/content/pkg/FR-2020-09-</u> <u>30/pdf/2020-16894.pdf</u>)
- EPA added a provision at 2 CFR 1500.1(a) clarifying that allowable participant support costs under 2 CFR 200.1, Participant support costs, may include rebates or other subsidies provided to program participants or program beneficiaries when authorized by the statutory authority for the financial assistance program.

- EPA has revised 2 CFR 1500.7 to provide that recipients may add all program income to their EPA funds for use under the purposes and conditions of the assistance agreement even if program income exceeds the amount anticipated at time of award.
- The revision will allow recipients to deduct the cost of generating program income from gross program income to determine net program income provided these costs have not been charged to any Federal award or the terms of the agreement do not preclude deducting the cost of generating program income.

• EPA has revised 2 CFR 1500.9 to clarify the scope of the limitation on the allowability of costs for individual consultant fees on EPA assistance agreements to be consistent with the policy EPA announced in 69 FR 18380 (April 7, 2004).



- EPA has revised the 2 CFR part 1500, subpart E, disputes procedures to exempt the following decisions from the procedures.
  - Decisions to decline to fund noncompetitive applications and not to award incremental or supplemental funding based on the availability of funds or agency priorities.
  - Decisions on requests for reconsideration of Specific conditions under 2 CFR 200.208.
  - Decisions to deny requests for no-cost extensions under 2 CFR 200.308(e)(2), 40 CFR 35.114(b), and 40 CFR 35.514(b).
  - Denials of requests for EPA approval of procurement through noncompetitive proposals under 2 CFR 200.320(c)(4)

EPA has also eliminated reviews of Dispute Decision Official (DDO) decisions by the Director of the Office of Grants and Debarment or Regional Administrators as currently provided for in 2 CFR 1500.17 through 1500.19. These reviews will be replaced by a procedure that allows applicants and recipients to petition the DDO to reconsider adverse dispute decisions on an expedited basis. Regional Administrators may act as DDOs or designate another official to be the DDO.

#### **Contact Information**

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