

## Learner Manual – Module 10

### Assistance Agreement Monitoring and Closeout

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# TRIBAL, U.S. TERRITORIES AND INSULAR AREAS ADMINISTRATIVE AND FINANCIAL GUIDANCE FOR ASSISTANCE AGREEMENTS

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*“A Nation is a stable, historically developed community of people who share territory, economic life, distinctive culture, and language.”*

*Office of Environmental Justice, U.S. EPA*

U.S. Environmental Protection Agency  
*Updated May 2010*



This manual was originally developed by the U.S. Environmental Protection Agency for Tribal Nations, but content also pertains to U.S. Territories and Insular Areas. Exception: U.S. Territories and Insular Areas are treated as states under Part 31 (and also under Part 35, Subpart A for PPGs, unlike Tribes that are covered under Subpart B).

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## Module 10: Assistance Agreement Monitoring and Closeout

### Tribal, U.S. Territories and Insular Areas Administrative and Financial Guidance for Assistance Agreements

Module 10:  
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Monitoring and Closeout

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agreement projects. The EPA Project Officer, the EPA Grants Specialist, and the Tribal Nation's award personnel need to communicate regularly about the grant work plan, budget, and administrative issues.

When EPA reviews a program, the reviewer:

- Reads the grant recipient's written policies and procedures, then
- Applies those policies and procedures to
  - Program records and
  - Project budgets,
- To ensure compliance with original intent of the award.

### Compliance Checklist

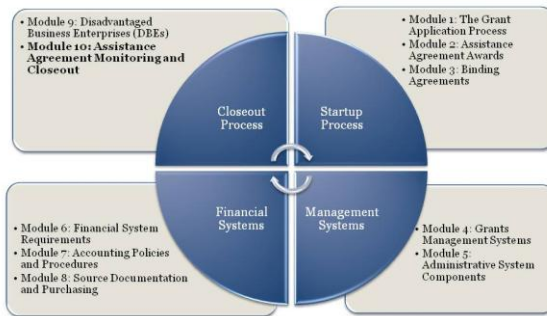
The Office of Grants and Debarment or the Office of Inspector General may visit your organization to see how you are managing your assistance agreement. **Some previous on-site visits have resulted in disallowance of costs, stop-work actions, and even termination of awards** because the organizations lacked adequate financial and administrative systems.

Table 1: Sample Compliance Checklist

In order to avoid this, you **MUST** do the following:

- Have a financial management system **that tracks all costs expended** for your project. You can use a simple spreadsheet to track your costs and identify those costs to your project by using your grant identification number.
- Compete all procurement transactions. If competition is not performed, you must have on file a sole-source justification.
- Perform a cost or price analysis **on every procurement transaction** and keep it in your file.
- Have the following internal policies on file:
  - ✓ Time Sheets: Each employee must have a time sheet to show the amount of time spent on the project. Time sheets should **at a minimum** be signed and dated by either the employee and the supervisor.
  - ✓ Personnel Policy

### The Grants Management Process



### Project Monitoring



- EPA and Tribal Nations work together to ensure project success.
- Both parties are responsible for monitoring the administrative and financial progress of the award.

### Working Together

#### Who monitors the project?

Once a final assistance award document is in place and work has begun, the recipient needs to monitor the administrative and financial progress of the award. EPA is there to help.

The EPA and Tribal Nations work together to deliver and improve the performance of environmental protection with assistance

## Module 10: Assistance Agreement Monitoring and Closeout

- ✓ Travel Policy: Travel costs can be charged on an actual, per diem, or mileage basis. If you do not have a written travel policy, Federal rates for travel will be enforced.
- ✓ Procurement Policy
- ✓ Codes of Conduct: You must have a policy that ensures that no conflict of interest will involve contract selection, award or administration using these grant funds.
- ✓ Disadvantage Business Enterprise Utilization: You must have a DBE policy that ensures you have made positive efforts to utilize small businesses, minority-owned firms, and women's enterprises.

- ✓ Each account should be assigned a number in your chart of accounts to track all costs to the appropriate project. For instance, you may want to use your EPA grant identification number or your own internal identification number to track the costs of the project. To better understand financial statements, the Small Business Administration has a tutorial at: <http://www.sba.gov/managing/financing/state-ment.html>.
- ✓ You **MUST** be prepared to provide documentation that supports the costs, if you are ever audited or visited by an EPA on-site team.

Table 3: Sample Compliance Checklist (continued)

It would be a good idea to hire an accountant to construct a financial system if you do not already have one. If this poses a financial burden on your organization, there are some low cost alternatives available:

- ✓ You can contact a local university's business school and offer an internship to a graduate student for accounting services at very low costs.
- ✓ You can contact your local chamber of commerce and ask for a list of affordable accounting services.

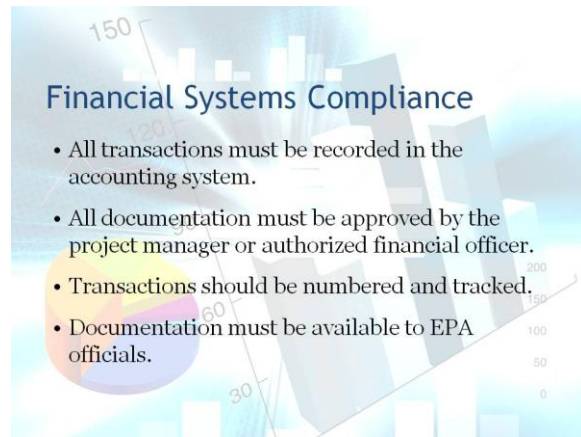


Table 2: Sample Compliance Checklist (continued)

### Financial Systems Checklist

We are devoting a separate section to financial systems because it is extremely important to have an adequate system in place to ensure that Federal funds are being used properly. At a minimum:

- ✓ **ALL** monetary transactions in connection to the project should have sales invoices, checks, freight bills, etc. as documentation, and these transactions **MUST** be recorded in an accounting system.
- ✓ **ALL** documentation must be approved by the project manager or other authorized person who has authority over charges to the project.



### Typical Reporting Schedule

Report Type	Purpose for Report	When to submit	Who receives
Quality Assurance Plan (if required by the program)	To ensure the integrity of environmental data collected	60 days after accepting the grant award	EPA Regional Office
Progress Report	To track the performance of your project	As stated in award "terms and conditions"	EPA Regional Office
U.S. EPA Payment Request (EPA Form 390 or SF 271 for construction)	Advance or reimburse every one to two weeks	As stated in award "terms and conditions"	Las Vegas Finance Center
MBE/WBE Utilization (EPA Form 5700-52A)	To ensure that efforts have been made to use minority & women owned businesses	As stated in award "terms and conditions" Usually semi-annually (4/30 and 10/30) or annually (10/30) and a final is due within 90 days after the end of the project period	EPA Regional DBE Coordinator
Final Performance / Technical Report	To summarize the activities under the grant and how they achieved the objectives laid out in the original work plan	Within 90 days after the end of the project period	EPA Regional Project Officer
Final Federal Financial Report (SF 425)	To reconcile any over- or underpayments in grant funds	Within 90 days after the end of the budget period	Las Vegas Finance Center

## Module 10: Assistance Agreement Monitoring and Closeout

Table 4: Sample Compliance Checklist (continued)

### Reporting Requirements Checklist

Throughout the life of your grant, you will have to submit various reports to the EPA Regional Office (usually the Project Officer), the Office of Grants and Debarment (OGD), and the Las Vegas Finance Center (LVFC). The chart above is designed to help you keep track of the various reports you **MUST** submit.

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### Changes

The EPA Project Officer must be notified of any and all changes to the original project proposal.

- Revisions to the objectives or scope of the project
- Moving costs from one cost category to another (can be done by letter)
- Changes in key personnel
- Time extensions for your project period
- Acquiring third party services

Table 5: Sample Compliance Checklist (continued)

### Changes to Your Proposal Checklist

You must notify the EPA Project Officer of all changes to your proposal. If in doubt, ask.

This includes:

- ✓ Revisions to the objectives or scope of the project
- ✓ Moving costs from one cost category to another (can be done by letter)
  - Ex. Decreasing travel costs to increase personnel costs
- ✓ Changes in key personnel
- ✓ Time extensions for your project period
- ✓ Acquiring third party services
  - Ex. Awarding sub-grants or contracts that were not specified in the original budget

### Remember!

- Document...Document...Document.
- Make sure costs are allowable.
- Read the award before signing it.

### Important Things To Remember Checklist

- Always Document!
  - ✓ When auditors look through your file and do not see any form of documentation, they will assume that EPA has not approved any of the actions you have taken.
  - ✓ Documentation includes all communications, memos, e-mails, etc.
- Make sure that the costs are allowable!
  - ✓ EPA will not pay for *any* type of cost. If an auditor finds unallowable costs were paid through this grant, **you will have to return the money**. Examples of unallowable costs include alcohol, lobbying, and paying off bad debts.
  - ✓ You can check to see if costs are unallowable at:  
[http://www.whitehouse.gov/omb/circulars/a087/a87\\_2004.html](http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html).
- Read your award document before signing it!
  - ✓ Your award document outlines all the activities and requirements that you will be held responsible for. When you sign the award document, you are agreeing to **ALL** of the terms and conditions in the document.





### If a problem arises...

- Contact your EPA:
  - Grants Specialist
- OR
- Project Officer



### *What if things aren't going so well?*

It is very important that anytime a Tribal Nation has a problem that jeopardizes, or has the potential to jeopardize, the completion of a project, you contact the EPA Project Officer or Grants Specialist without delay.



### **Learner Notes**

**Activity 10.a** gives you a chance to share your own “war stories”.



### Communication with EPA



- Communication takes place:
  - Over the phone:
    - Write a summary of the conversation.
  - Via email:
    - Print the conversation.
  - Through U.S. Mail:
    - Copy the letter or memo.
- Save communications in the file folder!
- Incorporate communication into written progress reports.

### *Why should we contact EPA representatives when we encounter a problem?*

Contacting the appropriate EPA representative shows that the Tribal Nation is effectively monitoring the award and managing its programs. It also demonstrates that the Tribal Nation has identified a problem and is willing to address it or wants EPA to make the necessary changes.

During work on the award, both the Tribal Nation and EPA will encounter issues that need to be resolved. Working together they can address these issues and ensure progress is made according to the project, budget, and work plan.

To eliminate confusion or misunderstandings, here are a few tips:

- If communication takes place over the telephone, summarize what was said in writing and save it in your project files.
- If communication occurs through email, print the conversation and save it in your project files.
- If you receive correspondence via U.S. Mail, save it in your project files.

Information transmitted between EPA and the Tribal Nation should be documented in writing and incorporated into written progress reports. It is important that a recipient begin organizing documents and records from the very beginning of the project.

## Module 10: Assistance Agreement Monitoring and Closeout

### Who monitors an EPA award project?

- A. EPA grants specialist
- B. EPA project officer
- C. Tribal Nation's administrative contact
- D. Tribal Nation's project personnel
- E. All of the above



### Why should we contact the EPA project officer and/or grants specialist when a problem arises?

- A. They can help us solve the problem.
- B. EPA must document and evaluate the problem.
- C. Problems must be reported to the EPA director.
- D. EPA can send a specialist out to solve the problem.
- E. All of the above are possible solutions.



### The Monitoring Process

- Perform cost reviews
- Follow cost principles
- Ensure charges are reasonable, allocable, and allowable
- Assign costs consistently
- Adhere to the "terms and conditions" of the agreement

### The Monitoring Process

#### How does our Tribal Nation benefit from cost reviews?

In order for an award to be fully successful, **the Tribal Nation should perform cost reviews** of the charges and follow the cost principles in OMB Circular A-87. Tribal responsibilities include knowing the cost principles so that charges to the assistance agreement are reasonable, allocable, and allowable.

There must also be consistency in assigning costs to the grant. Costs must be treated consistently for all work in the Tribal Nation, regardless of the source of funding. Direct costs are always assigned as direct costs and indirect costs are always

assigned as indirect costs. Also, make sure that any "terms and conditions" related to costs in the award letter are strictly followed.

### Cost Reviews Keep the Budget Balanced

BUDGET vs. ACTUAL December 31, 2008				
		Budget	Actual	Remaining
Income				
025-4000 Income		45,000.00	40,000.00	5,000.00
Total Income		45,000.00	40,000.00	5,000.00
Expense				
025-5000 Salary		22,000.00	20,500.00	1,500.00
025-5900 Fringe Benefits		3,700.00	3,500.00	200.00
025-6000 Contract Labor		7,000.00	5,000.00	2,000.00
025-6320 Supplies		5,000.00	4,800.00	200.00
025-6500 Equipment Rental		1,200.00	1,200.00	0.00
025-6650 Group Meetings		600.00	400.00	200.00
025-6700 Travel		2,800.00	2,100.00	700.00
025-6800 Indirect		2,700.00	2,500.00	200.00
Total Expense		45,000.00	40,000.00	5,000.00
Net Income		00.00	00.00	00.00

Sample Comparison of Budget and Actual Expenses

#### How do we monitor the work plan?

The Tribal Nation and EPA work together to monitor progress. The Tribal Nation reports the progress in writing. The reporting requirements and schedule are sometimes included in the award "terms and conditions".

For example:

*In accordance with 40 CFR 31.40, the recipient agrees to submit performance reports that include brief information on each of the following areas:*

- 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period,*
- 2) the reasons for slippage if established outputs/outcomes were not met; and*
- 3) additional pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs.*

**Conditions will vary by award agreement.**

The Tribal Nation must submit written reports at least annually, and no more than quarterly, depending on the "terms and conditions" in the award document. Reports are the Tribal Nation's responsibility. The EPA may or may not send reminders of due dates for progress reports. Written reports must satisfy the requirements of 40 CFR 31.40(b). Some EPA programs provide specific report formats that must be used and completed as directed.

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In addition to written reports on the work plan, **progress reports** contain financial and administrative information. This information accurately reflects allowable costs that have been incurred.

Reports reflect a Tribal Nation's project budget (i.e., showing funds authorized, spent, and remaining to be spent). It is good practice to associate expenditures with specific tasks being performed. This is done to show progress on the work plan objectives, outputs, and environmental outcomes.

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### File Regular Federal Financial Reports

Federal Expenditures and Unobligated Balance:	
a. Total Federal funds authorized	\$10,000.00
a. Federal share of expenditures	\$9,000.00
a. Federal share of unliquidated obligations	
a. Total Federal share (sum of lines e and f)	\$9,000.00
a. Unobligated balance of Federal funds (line d minus g)	\$1,000.00
Recipient Share:	
a. Total recipient share required	\$5,000.00
a. Recipient share of expenditures	\$1,500.00
a. Remaining recipient share to be provided (line i minus j)	\$3,500.00

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### What is required in a cost review?

- A. Consistent treatment of costs
- B. Compliance with award "terms and conditions"
- C. Determination of reasonable, allocable, and allowable costs
- D. Alignment with federal cost principles
- E. All of the above



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### Auditing Assistance Agreements

Internal Audits  
EPA programs and projects

External Audits  
Grantee programs and projects

- Administrative systems
- Financial systems
- Personnel
- Accounting records

## Auditing Assistance Agreements

### EPA Audits

#### How does EPA monitor assistance agreement awards?

EPA is authorized to audit EPA financially-assisted activities of any recipient organization, including Tribal Nations. However, it is federal policy to place maximum reliance on a recipient's own audits like the OMB A-133 single audit (discussed below in this section), if it is carried out in accordance with applicable federal audit standards.

Auditing is described in detail here so that you will be prepared should your Tribal Nation be selected for EPA auditing. EPA audits both internal and external programs. Audits ensure compliance with regulations and keep systems operating efficiently. Audits are required by law; they should not be viewed as a form of punishment or discipline.

*Everyone gets audited at one time or another; it is part of the system.*

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### Internal Audits

- Audits ensure compliance with regulations and keep systems operating efficiently.
  - Internal audits of EPA programs are conducted by the EPA Office of Inspector General (OIG).

### Internal Audits

The EPA Office of Inspector General (OIG) audits EPA programs and their award recipients to assure that EPA follows all the required rules and regulations in carrying out awards. Internal audits test the effectiveness of financial operations, operating procedures, program results, and resource management.

Internal audits are evaluations that examine the programs or operations of federal agencies. Tribal Nations may be expected as part of an internal audit to provide information about the performance of a federal agency that is not already included in the annual financial reports.



## Module 10: Assistance Agreement Monitoring and Closeout

### Sample FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted <b>United States Environmental Protection Agency</b>		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) <b>GA 97312300</b>		Page <b>1</b>	Of Pages		
3. Recipient Organization (Name and complete address including Zip code) <b>Tribal Nation 123 JayHawk Dr Las Cruces, NM 84752</b>							
4a. DUNS Number <b>12345687987</b>	4b. EIN <b>12-3456789</b>	5. Recipient Account Number of Identifying Number (To report multiple grants, use FFR Attachment)		6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual		
8. Project/Grant Period From: (Month, Day, Year) <b>9/1/2000</b>		To: (Month, Day, Year) <b>9/30/2009</b>		9. Reporting Period End Date (Month, Day, Year) <b>1. 9/30/2009</b>			
10. Transactions				Cumulative			
(Use lines a-c for single or multiple grant reporting)							
<b>Federal Cash (To report multiple grants, also use FFR Attachment):</b>							
a. Cash Receipts				<b>Not Required by EPA</b>			
b. Cash Disbursements							
c. Cash on Hand (line a minus b)							
(Use lines d-o for single grant reporting)							
<b>Federal Expenditures and Unobligated Balance:</b>							
d. Total Federal funds authorized				<b>\$10,000.00</b>			
e. Federal share of expenditures				<b>\$9,000.00</b>			
f. Federal share of unliquidated obligations							
g. Total Federal share (sum of lines e and f)				<b>\$9,000.00</b>			
h. Unobligated balance of Federal funds (line d minus g)				<b>\$1,000.00</b>			
<b>Recipient Share:</b>							
i. Total recipient share required				<b>\$5,000.00</b>			
j. Recipient share of expenditures				<b>\$1,500.00</b>			
k. Remaining recipient share to be provided (line i minus j)				<b>\$3,500.00</b>			
<b>Program Income:</b>							
l. Total Federal program income earned							
m. Program income expended in accordance with the deduction alternative							
n. Program income expended in accordance with the addition alternative							
o. Unexpended program income (line l minus line m or line n)							
11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
				g. Totals:			
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:							
13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)							
a. Typed or Printed Name and Title of Authorized Certifying Official <b>John Brown, President</b>					c. Telephone (Area code, number and extension) <b>(505) 987-6543 ext. 1212</b>		
					d. Email address <a href="mailto:jbrown@lccc.edu">jbrown@lccc.edu</a>		
b. Signature of Authorized Certifying Official <i>John Brown, President</i>					e. Date Report Submitted (Month, Day, Year) <b>10/15/2009</b>		
					14. Agency use only: Federal Share Calculation <b>85.71%</b>		
Standard Form 425 OMB Approval Number: 0348-0061 Expiration Date: 10/31/2011							

#### Paperwork Burden Statement

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0060), Washington, DC 20503.

Table 6: Sample Federal Financial Report, SF425

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The Office of the Inspector General Hotline number is 1.888.546.8740 for all non-government locations outside the Washington, D.C. metropolitan local calling area and 202.260.4977 for those inside the area.

### External Audits

- Audits ensure proper use of taxpayer money.



- External audits are conducted by:
  - The award recipient
  - Divisional Office of the Assistant Inspector General of Audits (DIGA)
  - EPA Regional Grants Management Official
  - Government Accountability Office (GAO)

### External Audits

EPA Program Offices require external audits of assistance agreements because grantees must demonstrate that they are properly monitoring taxpayer money. External in this instance means not directly controlled by EPA. These are the audits that a grantee performs on its own financial systems.

### Grantee Audits



Examples of grantee (external to EPA) audits include:

- Pre-award audits are reviews conducted to evaluate prospective cost or pricing data.
- OMB Circular A-133 single audits are financial and compliance audits that conform to OMB Circular A-133 requirements.
  - The OMB Circular A-133 single audit is mandated by statutory law. It **must** be complete and **cannot** be waived.

- The cost of an OMB A-133 single audit is an allowable cost. Applicants should generally include audit costs in their indirect cost rate (or financial and administrative cost pool).

- Indirect cost audits review the assignment of indirect costs to funding sources. The same rate should apply to each source. They ensure only allowable costs are included in the indirect costs allocated to federal agencies.
- Interim and final cost audits are reviews conducted to assess the allowability of costs claimed under the assistance agreement or contract. They ensure compliance with the applicable requirements and award conditions.

Requests for an audit are made by EPA on Form 5700-29 the Assistance Audit Request form. The Project Officer submits the form directly to the appropriate Divisional Office of the Assistant Inspector General of Audits (DIGA), but to the extent possible the Project Officer should coordinate requests for audits with the Grants Management Official.

External audits are used to test the effectiveness of a grant recipient's:

- Financial operations
- Operating procedures
- Program results
- Resource management
- All of the above

Who may conduct audits of EPA award programs?

- EPA's Inspector General's Office (OIG)
- Government Accountability Office (GAO)
- The Tribal Nation receiving the award
- EPA's Program Office
- All of the above



### ***What audit is absolutely required of all recipients with a total of \$500,000 or more annually in federal awards?***

The Office of Management and Budget establishes consistent and uniform audit requirements and defines federal responsibilities for implementing and monitoring such requirements for states, local governments, Tribal Nations, and other non-profit organizations receiving federal funds.

**An OMB A-133 single audit is required whenever a Tribal Nation expends \$500,000 or more of federal funds per accounting year.** Tribal Nations that expend less than \$500,000 in an accounting year are exempt from an OMB A-133 single audit but records must be available for review or audit by appropriate officials of the federal agency and general accounting office.

The Tribal Nation chooses the dates for their accounting year. The accounting year can align with either the fiscal or calendar year. Check with your accounting department to find out when your accounting year begins and ends.

### ***What is an OMB Circular A-133 single audit?***

Audit as referred to in the General Assistance Program (GAP) is the single audit required by OMB Circular A-133. This is an organization-wide audit of the Tribal Nation's entire accounting system. It is used to determine if the Tribal Nation is using Generally Accepted Accounting Principles (GAAP) to account for all of the funds they receive from the government.

OMB A-133 single audits do not limit the authority of federal agencies, including the EPA Inspector General or the Government Accountability Office, to conduct or arrange for additional audits. Any

additional audits are to be planned and performed in such a way as to build upon work performed by other auditors.

OMB Circular A-133 is provided in the [Appendix](#).



### **A Successful Audit**

For a successful audit, you **MUST**:

- Have a financial management system that tracks **all** costs expended.
- Complete all procurement transactions, or have on file a sole-source justification.
- Perform a cost or price analysis on **every** procurement transaction and keep in your file.
- Have the following internal policies on file:
  - Time Sheets
  - Personnel Policy
  - Travel Policy
  - Procurement Policy
  - Codes of Conduct
  - DBE Utilization

### ***How should we prepare for an audit?***

To have a successful OMB A-133 single audit, a Tribal Nation must have all the financial and administrative systems in place to produce the required financial statements to be submitted to personnel performing the audit.

**Audits may be performed before, during, or after the completion of a project.** The project file should be maintained in audit ready status at all times.

Audits made in accordance with OMB Circular A-133 can replace any financial audit required under individual federal awards. To the extent OMB A-133 single audits meet a federal agency's needs; the agency should rely upon and use these audits.

Auditors can examine all records related to expenditures, such as:

- Source documents
- Payroll
- Time and effort sheets
- Interviews with employees

***Make sure the budget matches the list of expenditures.***

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### Up-to-Date Audits

- Tribal Nations must have a current audit.
- Ensure “internal controls” are in place and operating.
- Play it safe; hire a professional auditor.



### How current must our audit be?

Tribal Nations must have a current audit. Audits should be conducted on a yearly basis. Methods that a Tribal Nation may use to make sure their internal controls are in place and operating:

- Employ someone within the Tribal Nation to perform a cursory audit function and report directly to Tribal leaders.
- Employ an external auditor to perform review functions that are more extensive than just a review of the books and records.

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### When are audits conducted?

- Before the award period begins
- During the award period
- After the award period
- After closeout but before retention ends
- All of the above



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### Audit Expenses

The cost of an OMB Circular A-133 single audit is an allowable cost.

**However**, an EPA grant **cannot** cover the full cost of an audit, unless the project is 100% funded by EPA funds.

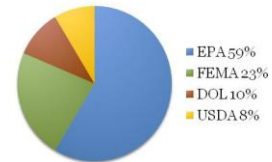
### Are audit expenses reimbursable?

The cost of a single audit is an allowable cost; however, an EPA grant cannot cover the full cost of an audit, unless the project is 100% funded by EPA funds. If the Tribal Nation receives other sources of funding, then the cost of audit must be allocated fairly and equitably between funding sources. The cost of an audit should be prorated to all federal funds, not just EPA funds. Applicants should either include audit costs in their indirect cost rate or, if the cost is not included in the indirect cost rate, as a direct cost to the assistance agreement.

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### Allocation of Audit Expenses

- Determine the percentage of money received by the Tribal Nation from each federal agency.
- Allocate the cost of an audit fairly and equitably between funding sources.
- Include in the negotiated Indirect Cost Rate



EPA – Environmental Protection Agency  
 FEMA – Federal Emergency Management Agency  
 DOL – Department of Labor  
 USDA – United States Department of Agriculture

EPA is not the only federal agency granting money; therefore, an EPA General Assistance Program (GAP) grant, for example, should not be paying for the total cost of the audit. The GAP grant should only pay for a portion of the cost. One way to allocate this cost is to determine the percentage of money received from each federal agency and to share the costs proportionally.

**Include the cost of a yearly OMB Circular A-133 single audit in your calculated indirect cost rate.** This method insures the money is available when you need it.

View the OMB Circular A-133 at <http://www.whitehouse.gov/omb/circulars/a133/a133.html>, or download a copy at <http://www.whitehouse.gov/omb/circulars/a133/a133.pdf>. This document is also provided in the **Appendix**.



## Module 10: Assistance Agreement Monitoring and Closeout



### **What needs to be reported after an OMB A-133 single audit?**

You need to explain corrective actions and provide a copy of the findings section of an OMB A-133 single audit if there were any findings, material weaknesses, or reportable conditions identified. The Tribal Nation is responsible for follow-up and corrective action on all audit findings. The Tribal Nation needs to prepare a corrective action plan for all current year audit findings. If you have any questions, please contact your EPA regional audit coordinator.

Following is the current standard headquarters' administrative condition for grant awards:

### **Reflection**

Consider your own situation.

- How do you conduct audits?
- Who is responsible for ensuring audits are conducted properly and on a regular basis?
- What is audited?
- What staff assists in the audit process?
- How might your audit process be improved?

### **Learner Notes**

Have you been through an audit? If so, share what you learned. **Activity 10.b** may help you to better understand your own situation.

*In accordance with OMB Circular A-133, which implements the single Audit Act, the recipient hereby agrees to obtain a single audit from an independent auditor if it expends \$500,000 or more in total Federal funds in any fiscal year. Within nine months after the end of a recipient's fiscal year or 30 days after receiving the report from the auditor, the recipient*

*shall submit a copy of the SF-SAC and a Single Audit Report Package.*

*For fiscal periods 2002 to 2007 recipients are to submit hardcopy to the following address:*

*Federal Audit Clearinghouse  
1201 East 10<sup>th</sup> Street  
Jeffersonville, IN 47132*

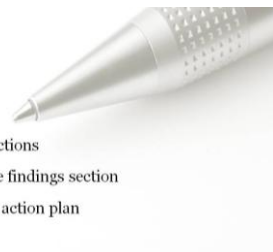
*For fiscal periods 2008 and beyond the recipient MUST submit a copy of the SF-SAC and a Single Audit Report Package, using the Federal Audit Clearinghouse's Internet Data Entry System. Complete information on how to accomplish the 2008 and beyond Single Audit Submissions you will need to visit the Federal Audit Clearinghouse Web site: <http://harvester.census.gov/fac/>*

### **How do we pay for auditing?**

- A. EPA award funds
- B. Other grant funds
- C. In-kind donations
- D. Tribal Nation's general budget
- E. All of the above

### **Audit Reports**

- Explain corrective actions
- Provide a copy of the findings section
- Prepare a corrective action plan
- Fix any problems





## Module 10: Assistance Agreement Monitoring and Closeout



*By working together,  
we make the world beautiful again.*

### What is closeout?

The closeout of an assistance agreement award is a systematic process followed to make sure that all technical work (e.g., products, construction) and administrative requirements (i.e., the final Financial Status Report sent to and approved by EPA) have been finalized.

- The Las Vegas Finance Center conducts a **financial** closeout.
- The EPA regional office conducts **project** closeout.

### When do we closeout an award?

Project closeout is initiated when a project ends due to completion or termination.

- Completion of a project occurs when all of the objectives have been met.
- A project may be terminated because of:
  - Insufficient funds
  - Non-funding of a renewal, or a
  - Decision by a Tribal Nation and/or EPA not to continue the project or program

### What happens if we cannot comply with the terms of an award?

EPA may take an *enforcement action* against an award recipient, should that recipient fail to comply with regulations or “terms and conditions” of the agreement. The consequences of noncompliance vary according to individual circumstances. EPA can take several enforcement actions, such as disallowing certain costs or terminating the agreement. EPA or the award recipient may also terminate the agreement for convenience; however, this termination would not be part of an enforcement action but the result of a mutual agreement.

Enforcement action options are described in 40 CFR 31.43(a), provided in the **Appendix**.

### Closeout Requirements

TIME→	Application	Startup	Management	Closeout	After
<b>ACTION</b>	<ul style="list-style-type: none"><li>• Locate award opportunity.</li><li>• Complete application package.</li><li>• If NOT already in place, write administrative and financial management policies and procedures.</li></ul>	<ul style="list-style-type: none"><li>• Read award carefully.</li><li>• Get training.</li><li>• Learn regulations.</li><li>• Contact EPA regional office.</li><li>• Meet with Tribal grant management staff.</li></ul>	<ul style="list-style-type: none"><li>• Keep accurate records.</li><li>• Submit progress reports (quarterly, semi-annually, or annually as directed).</li><li>• Conduct internal audit.</li><li>• Submit Financial Reports as directed.</li></ul>	<ul style="list-style-type: none"><li>• Submit final progress reports.</li><li>• Complete all fund transfers.</li><li>• Submit final financial status reports.</li></ul>	<ul style="list-style-type: none"><li>• Secure records.</li><li>• Maintain records for the number of years specified (typically 3-10).</li></ul>

### Closeout Requirements

Closeout is a process for finalizing an assistance agreement award project.

### Closeout

- Closeout is a systematic process to ensure that all work requirements and administrative demands have been finalized.
- Closeout is initiated when a project ends due to completion or termination.



### Required Closeout Documents

**All closeout  
documents are due  
within  
90 calendar days  
after grant project /  
budget period ends**

## Module 10: Assistance Agreement Monitoring and Closeout

### Which documents do we need for the closeout process?

All closeout documents are due within ninety (90) calendar days after the project or budget period of the grant ends. **Submit the closeout documents to the appropriate EPA regional office representatives.** Check the “terms and conditions” of the award for contact information.

### Send Closeout Documents To:

#### Project Officer:

- Final Performance/Technical Report

#### Grants Specialist:

- Documents required by the EPA regional office or specific grants program

#### DBE Coordinator:

- Final EPA Form 5200-52A *MBE/WBE Utilization Under Federal Assistance Agreements and Interagency Agreements Report*

Submit to the **Project Officer** the Final Performance/Technical Report. This is the final progress report to summarize activities conducted under the grant. It explains how the recipient achieved the objectives described in the work plan. Instructions for other required documents are provided in the “terms and conditions” of the award.

Submit to the **Grants Specialist** any documents required by the EPA regional office or specific grants program. Documents that may be required, if applicable, include:

- Invention Disclosure Report
- Federally Owned Property Report, if a Tribal Nation used any federally owned property.
  - A Tribal Nation must make sure of the proper disposal of this property before closeout can be completed.
  - A Tribal Nation must send a list of federally owned property to the Grants Specialist (as stipulated in 40 CFR 31.50(b)).
  - Once the Grants Specialist receives the Tribal Nation’s list of federally owned property, the EPA must notify the Tribal Nation of what is to be done with that property (see “terms and conditions” of the grant award).

- Property Inventory of all Federally Owned Property
- The *Lobbying and Litigation Certification for Grants and Cooperative Agreements* (EPA Form 5700-53) is no longer required by the federal government, but may still be required under certain programs and in some regional offices.

Submit to the **DBE Coordinator** the Final *MBE/WBE Utilization Under Federal Assistance Agreements and Interagency Agreements Report*, EPA Form 5200-52A. The DBE Utilization form ensures the grantee made efforts to use minority and women owned businesses.

### Las Vegas Finance Center

- Final Payment Request (EPA Form 190 or SF 271 for construction)
- Final Federal Financial Report (SF 425)

The **Las Vegas Finance Center** may require a final Payment Request (EPA Form 190 or Standard Form 271 for construction). The final Federal Financial Report (SF 425) enables reconciliation of any over- or under-payments in grant funds. Final financial forms should be submitted within ninety (90) days after the end of the budget period.

**Please be advised. The Federal Financial Report (FFR) Standard Form (SF) 425 replaced Standard Forms 269, 269A and 272, 272A on October 1, 2009.**

### Closeout Reporting

Report Type	Purpose for Report	When to submit	Who receives
MBE/WBE Utilization Form (EPA Form 5700-52A)	To ensure that efforts have been made to use minority & women owned businesses	Within 90 days after the end of the budget period	EPA Regional DBE Coordinator
Final Performance / Technical Report	To summarize the activities under the grant and how they achieved the objectives laid out in the original work-plan	Within 90 days after the end of the project period	EPA Regional Project Officer
Final Federal Financial Report (SF 425)	To reconcile any over- or underpayments in grant funds	Within 90 days after the end of the budget period	Las Vegas Finance Center

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### Additional Requirements

**Some regions and/or grant programs may require submission of additional forms for closeout.**

**Please refer to the “terms and conditions” of your grant award for a description of closeout requirements or call your EPA Regional Grants Specialist.**

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### Las Vegas Finance Center

- The LVFC may send a letter to notify the recipient that:
  - A draw from ASAP is necessary
  - A final EFT payment is being made to their account
  - Return of funds is due to EPA
- Deobligation of funds greater than \$5,000 is based on the final financial status report

#### ***What does the Las Vegas Finance Center do?***

**The Las Vegas Finance Center sends financial closeout notifications to recipients when the award's budget period expires.**

First Letter – “Reminder Letter” is generated and mailed or email to recipients within 10 days after the budget period end date. The regional closeout guidance page is included with the letter.

Second Letter – “Overdue Notification” is generated and mailed or emailed to recipients.

- Region 7 sends to recipients 60 days after the budget period.
- Headquarters and all other Regions' send to recipients 90 days after the budget period.

Assistance Adjustment Notice (AAN) is sent to recipients to notify them the grant is financially closing and one or more of the following actions must be accomplished:

- To notify the recipient that a draw from ASAP is necessary.
  - Accounts are opened for 30 days from the date of the AAN.
- To notify the recipient that a final EFT payment is being made to their account.

- To notify the recipient that a return of funds is due to the EPA.
- To notify the recipient of deobligation of funds greater than \$5,000 based on the final Federal Financial Report.

LVFC may also send a copy of the financially closed FFR back to the recipient for their records. Bill for Collection – Is sent to notify the recipient that a return of funds is due to the EPA.

- Initial bill is sent with the corresponding Assistance Adjustment Notice.
- Subsequent bills will be sent showing principal and interest accrued due to non-payment of initial debt.

The Tribal Nation must immediately **refund** to EPA any balance of unobligated (unencumbered) cash advanced that the grantee is not authorized (in writing) to retain for use on other assistance agreements.

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### During Closeout

- A final accounting of expenditures is submitted.
- Project work is assessed.
- Closeout procedures are set by the EPA regional office.
- A “closeout letter” is sent to the recipient with the official closeout date.
- All assistance agreements are subject to an audit, which can occur after the agreement is closed out.



#### ***What happens during closeout?***

Closeout at the project end date ensures a final accounting of expenditures by the Tribal Nation and an assessment by the EPA that all technical work has been completed and is satisfactory. Closeout follow procedures are established by regional and headquarters' Grants Management Officials. You should receive a “closeout letter” stating the official closeout date.

All assistance agreements are subject to an audit. An assistance agreement may be closed out before an audit is conducted. In this case, the official closeout date may be delayed.

***Keep anything with a signature in a safe place.***



## Module 10: Assistance Agreement Monitoring and Closeout

It is important for a Tribal Nation to understand that:

- The award may be audited at a later date.
- An audit or review may start any time up to the date that records for an assistance agreement are no longer required to be maintained by a Tribal Nation.
- Tribal Nations are responsible for maintaining records for the length of the record retention period specified for that particular program (as stipulated in 40 CFR Part 31.42(b) and Part 35.6705 for Superfund grants).

The regulations for post-award monitoring and closeout are provided in the **Appendix**, 40 CFR Part 31.40-31.52.

- Funding decisions
- Scope of work/work plan
- Significant actions and decisions
- Cost records
- Correspondence

### The Onset of Records Retention

Records retention begins when the final Federal Financial Report (FFR) (SF 425) is submitted to the Las Vegas Finance Center.



Closeout is a systematic process to end an award when the award:

- A. Audit reveals discrepancies
- B. Project runs out of supplies or equipment
- C. Partners decide it is completed or terminated
- D. Policies and procedures fail to comply with EPA regulations
- E. All of the above



### When does retention begin?

The start date of the retention period is governed by 40 CFR 31.42(c) *Retention and access requirements for records*.

*(c) Starting date of retention period — (1) General. When grant support is continued or renewed at annual or other intervals, the retention period for the records of each funding period starts on the day the grantee or subgrantee submits to the awarding agency its single or last expenditure report for that period. However, if grant support is continued or renewed quarterly, the retention period for each year's records starts on the day the grantee submits its expenditure report for the last quarter of the Federal fiscal year. In all other cases, the retention period starts on the day the grantee submits its final expenditure report. If an expenditure report has been waived, the retention period starts on the day the report would have been due.*

### Records Retention

TIME→	Application	Startup	Management	Closeout	After
ACTION	<ul style="list-style-type: none"><li>• Locate award opportunity.</li><li>• Complete application package.</li><li>• If not already in place, write administrative and financial management policies and procedures.</li></ul>	<ul style="list-style-type: none"><li>• Read award carefully.</li><li>• Get training.</li><li>• Learn regulations.</li><li>• Contact EPA regional office.</li><li>• Meet with Tribal grant management staff.</li></ul>	<ul style="list-style-type: none"><li>• Keep accurate records.</li><li>• Submit progress reports (quarterly, semi-annually, or annually as directed).</li><li>• Conduct internal audit.</li><li>• Submit Financial Reports as directed.</li></ul>	<ul style="list-style-type: none"><li>• Submit final progress reports.</li><li>• Complete all fund transfers.</li><li>• Submit final financial status reports.</li></ul>	<ul style="list-style-type: none"><li>• Secure records.</li><li>• Maintain records for the number of years specified (typically 3-10).</li></ul>

### Records Retention

#### Which records should be retained?

Records retention requirements apply to all supporting documentation, including documentation of:

- The project application
- Preaward reviews

***The date the grantee submits the Final Federal Financial Report to the LVFC is the official award end date and records retention start date, unless otherwise arranged.***

## Module 10: Assistance Agreement Monitoring and Closeout

For reimbursement programs, records retention requirements start with the final payment request. This request is made with either the U.S. EPA Payment Request (EPA Form 190-F-04-001) or the Outlay Report and Request for Reimbursement for Construction Programs (SF 271) form.

If litigation, claim, negotiation, audit, or other action involving the record stated before the end of the retention period is still in progress, Tribal Nations must keep records until either the completion of the action and resolution of all issues which arose from the action, or until the end of the established retention period, whichever is later. If an audit is underway prior to closeout, all issues must be resolved before closeout can take place.

Formal closeout can occur only when both the Tribal Nation and EPA are satisfied:

- With the final product
- That all eligible costs have been accepted
- That all repayments have been received
- That all “terms and conditions” contained in the assistance agreement have been met

The timing of closeout depends primarily on the type of agreement. Closeout of most assistance agreement awards begin when the project period has expired and final paperwork is submitted and approved by EPA. Ninety days prior to the project expiration date, the EPA partner may send a “reminder letter” to the Tribal Nation regarding closeout requirements.

### Records Retention

- Records are retained for at least three years.
- Retention may be required for up to ten years.



***Do NOT dispose of records until the full post award phase has passed.  
Be safe; save project files one extra year past the retention end date.***

### ***How long should assistance agreement award records be kept on file?***

Records should be retained for at least three years. Check the “terms and conditions” of your award document for the records retention period that applies to your grant.

### Access to Records

- Timely and reasonable access to:
  - Documents
  - Personnel
- Must be granted to:
  - U.S. Government
  - Tribal Nation
- Throughout the records retention period



### ***Who has the right to access our Tribal Nation's award records?***

EPA, the Inspector General, the Comptroller of the United States, or any other duly authorized representative has the right to timely and unrestricted access to any books, documents, papers, or other records of the Tribal Nation that are pertinent to the awards. They have the right to conduct audits, examinations, and take excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to Tribal personnel for the purposes of interviews and discussions related to such documents. The rights of access in this paragraph are not limited to the required retention period but shall last as long as records are retained.

Likewise, the grant recipient has the right to access EPA records and personnel regarding the award.

Post award reviews may be done at any time during the three-year post-award period. Post award reviews may include accessing records, interviews with personnel, and other tasks performed during the award period.



## Module 10: Assistance Agreement Monitoring and Closeout

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### Who has the right to access our Tribal Nation's award records?

- A. EPA officials
- B. The Inspector General
- C. Comptroller of the United States
- D. Duly authorized federal representatives
- E. All of the above



#### Learner Notes

“The best defense is a prepared offense.”  
Examine your systems in **Activity 10.c**.  
Complete the *EPA Administrative and Financial Onsite Review Questionnaire*.

## Conclusion

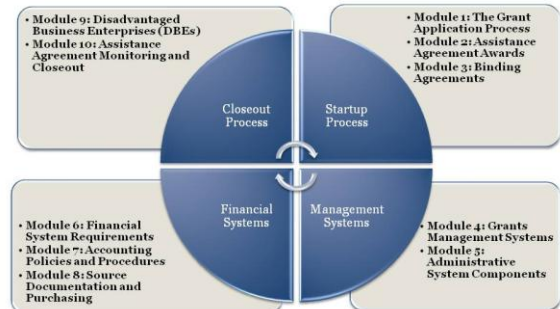
67

### Conclusion

- If the regional EPA office wants something different than what is presented in this Manual, then follow their directions.
  - These are the standards.
  - Regional requirements may vary.

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### The Grants Management Process



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### Questions? Contact:

**Frank Roth**  
Policy Team Leader  
U.S. Environmental Protection Agency  
Office of Grants and Debarment  
1200 Pennsylvania Avenue, N.W.  
Mail Code: 3903R  
Washington, DC 20460  
202-564-5311  
[roth.francis@epa.gov](mailto:roth.francis@epa.gov)

**Elizabeth January**  
Program Analyst  
U.S. Environmental Protection Agency  
5 Post Office Square – Suite 100  
Mail Code: ORA01-3  
Boston, MA 02109-3912  
617-918-1315  
[janeuary.elizabeth@epamail.epa.gov](mailto:janeuary.elizabeth@epamail.epa.gov)

Forms available for download at <http://www.epa.gov/ogd/forms/forms.htm>

### What if we still have unanswered questions or concerns?

EPA hopes you have found this manual and assistance training helpful. Contact your EPA Regional Office with any other concerns regarding regional policies and procedures. If there are any lingering questions or concerns, contact Jeanne Conklin or Elizabeth January.

EPA grantee forms are available online at <http://www.epa.gov/ogd/forms/forms.htm>.  
Code of Federal Regulations can be accessed at <http://ecfr.gpoaccess.gov>.  
Office of Management and Budget Circulars are available at <http://www.whitehouse.gov/omb/circulars/>.

#### Learner Notes

The Qwizdom questions and answers can be found in the Attachment section of this *Manual*. The Attachment section is located after the Activities for Module 10 at the end of this book.

## Activities for Module 10

### Activity 10.a What if...?

*Anticipate the unexpected.  
List some of the problems you might encounter that could potentially jeopardize your project.*

1. What might go wrong?

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2. How might you be able to avoid these problems?

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3. What might you need to do to work around these problems?

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*If \_\_\_\_\_ happens, we can \_\_\_\_\_.*

*For example: EPA awards you with a grant to collect data on rare species living in your area. The scientist most qualified to analyze this data is diagnosed with cancer and therefore unable to work on the project until next year. Notify your EPA Project Officer. Draft a new project schedule based on the dates the scientist provides for his return to work. Ask EPA for an extension on the project. Complete as much of the work as possible with field researchers. Collate the data for easier analysis.*

### Activity 10.b

#### Types of External Audits

*Match the following descriptions to the type of audit they describe.*

**Indirect Cost Audits  
Interim and Final Cost Audits  
OMB A-133 Single Audits  
Pre-award Audits**

- 
- Reviews of financial and administrative compliance
- 
- Reviews conducted to evaluate prospective cost or pricing data
- 
- Reviews conducted to assess the allowability of costs claimed under the assistance agreement or contract; they ensure compliance with the applicable requirements and award conditions
- 
- Reviews conducted to determine whether prospective indirect cost rates properly allocate allowable costs

### Activity 10.c Compliance Review

*A certain percentage of award recipients are randomly chosen each year in each region for an onsite compliance review. Don't be caught by surprise when your program is selected. Get a sneak preview of the official review form. Be prepared!*

On the following pages:

1. Examine the *EPA Administrative and Financial Onsite Review Questionnaire* to be sure your program is ready.
2. Answer the questions to the best of your ability at this time.
3. Highlight, tab, or otherwise mark the questions you are unable to answer.
4. Ask your Program Manager or EPA Project Officer for clarification.

## EPA Administrative and Financial Onsite Review Questionnaire

### I. Organization Policies and Procedures

#### A. General Information / Policies and Procedures.

Many of these questions have “Yes” or “No” answers. For “Yes” answers, please provide the specific reference to your policies and procedures. Please explain all “No” and “Not Applicable” answers.

Thank you in advance for completing this questionnaire.

Note: 40 CFR 31 and OMB Circular A-87 (codified as Title 2 CFR 225) references apply to States, Local Governments, and Indian Tribes.

1.	Who or which office(s) in your organization is/are responsible for reviewing, approving, and signing applications, awards, and amendments?	
2.	Who or which office(s) in your organization is/are responsible for monitoring and overseeing assistance agreements once received from EPA?	
3.	Do you have a current Organizational Chart? Show or explain any non-profit or for profit organization and/or entities your affiliated with.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4.	How does your organization keep up-to-date on federal regulations, legal decisions, OMB Circulars, etc.?	
5.	Does your organization have provisions for seeking written prior approvals for specific revisions, from the awarding agency under certain conditions? (40 CFR 31.30)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6.	The Code of Federal Regulations (40) and OMB Circulars require organizations receiving federal assistance agreements to have written policies and procedures for the following areas. (40 CFR 31.20 and 31.21) Do your policies and procedures address the items described below?	
a.	Personnel, including qualifications for each position, duties and responsibilities, salary ranges, EEO, annual performance appraisals, types and levels of fringe benefits, and standards of conduct governing duties and responsibilities including disciplinary actions for not adhering to the standards, for employees engaged in the award and administration of contracts. (OMB A 87 / 2 CFR Part 225, Appendix B, section 8)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

b.	Time reporting, tracked to each project; (OMB A 87 / 2 CFR Part 225, Appendix B, Section 8.h)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

c.	Redistributions (Chargeback's); (i.e., other organizational department costs; written, established rates required)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

d.	Payroll processing and internal controls; (OMB A 87 / 2CFR Part 225, Appendix B, Section 8.h)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

e.	Overtime (if allowed); (OMB A-87 / 2CFR Part 225, Appendix B, section 8)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

f.	Vacation and Sick Leave (if offered by your organization); (OMB A 87 / 2 CFR Part 225, Appendix B, section 8.d)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

g.	Compensatory time (if allowed).	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

h.	Equipment and property purchases including cost and price analysis, purchase, use of, inventory and disposition of at the end of the project; (40 CFR 31.31, 31.32 & 31.36(f))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

(A cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability when you do not have other proposals to compare costs against. A price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices, and similar indicators, together with discounts.)

i.	Electronic Funds Transfers (EFT) drawdowns from EPA's accounts. Does your policy address who is authorized to request payment from the federal government, what procedures are used to verify that the request are accurate, and when drawdown of funds will occur etc.; (40 CFR31.20(b)(7) and 31.21)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

j.	Receipt and deposit of advanced payments (40 CFR 31.21 (c)&(e))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

k.	Records retention. (40 CFR 31.42)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
l.	Travel, authorizations, vouchering after the trip and, if required, trip reporting; (OMB A 87 / 2CFR Part 225, Appendix B, section 43)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
m.	Procurement Standards for supplies, expendable property, equipment, real property, and services. Standards for contracting, purchasing, consultant agreements, sub-awards or grants (if applicable, especially for monitoring sub grantees) and other types of awards that transfer federal funds outside of your organization; (40 CFR 31.36, 40 CFR 31.37 and 31.40(a))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
n.	Provisions for utilizing Small Businesses, Minority Owned Firms, Women's Business Enterprises, and Labor Surplus Area Firms (where possible) (40 CFR Part 33)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
o.	Program income. Is it identified, authorized, accounted for, and are limitations placed on its use; (40 CFR 31.25)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
p.	Cost sharing, matching, and In-Kind contributions. Is it identified, accounted for and reported; (40 CFR 31.24 and OMB A 87 / 2CFR Part 225, Appendix B, section 12)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
7.	Do you have the following documents for each grant award:	
a.	Original application and certifications; (SF 424, 424A, et al.)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
b.	Work plans and/or statement of work;	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
c.	Initial award and all amendment documents;	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
d.	Request for and approvals of scope and/or budget changes; (40 CFR 31.30 (a),(b) & (c))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A



e.	Financial Status Reports and reimbursement requests, if applicable; (40 CFR 31.41(b))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
f.	Payment requests backed up by financial records to support the request; (40 CFR 31.20(a)(2))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
g.	Progress reports; (40 CFR 31.40(b))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
h.	Contracts / Subgrants; (40 CFR 31.37)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
i.	Purchases; (40 CFR 31.32 for equipment, 40 CFR 31.33 for supplies)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
j.	Consultant agreements; (40 CFR 31.36(j))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
k.	Correspondence and approvals, including emails to and from EPA officials.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

## II. Accounting and Financial Management

Many of these questions have “Yes” and “No” answers. For “Yes” answers, please provide the specific reference to your policies and procedures. Please explain all “No” and “Not Applicable” answers.

### A. Accounting

1.	Does your organization have an accounting manual? (40 CFR 31.20) The CFR requires certain accounting practices / procedures addressed in the questions below to be written.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2.	Does your organization’s accounting and financial management system(s) follow Generally Accepted Accounting Principles (GAAP)? (OMB A 87 / 2CFR Part 225, Appendix B, section 8)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

3.	Does your organization's accounting and financial management system(s) provide accurate, current and complete disclosure of the financial results of each federally-sponsored project or program (i.e. each award is accounted for separately) (40 CFR 31.20(b)(1)), and produce financial reports in accordance with the requirements of 40 CFR 31.41?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4.	Does your organization's financial management system(s) provide records that adequately identify the source and application of funds for federally-sponsored activities, such as authorizations, obligations, unliquidated obligations, assets, outlays, income, and interest? (40 CFR 31.20,.21 &.22)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5.	Does your organization's accounting and financial management system(s) provide accurate, current and complete disclosure of the financial results of each federally-sponsored project or program (i.e. each award is accounted for separately) (40 CFR 31.20(b)(1)), and produce financial reports in accordance with the requirements of 40 CFR 31.41?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6.	Does your organization have written policies and procedures to ensure that costs are reasonable, allocable, and allowable? (40 CFR 31.20 (b)(5); OMB Circular A-87 / 2CFR Part 225, Appendix A, Section C)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
7.	Does your organization monitor allowable costs to ensure they are charged to the grant within the specified period? (40 CFR 31.23)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.	Does your financial management system(s) report and provide for a comparison of outlays or grant project expenditures, with budget amounts for each grant project/award or have the capability to do so? (40 CFR 31.20(b)(4))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
9.	Does your organization have budgetary controls to preclude incurring excess expenditures? (40 CFR 31.20(b)(4))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
10.	Does your accounting system have provisions for reviewing and monitoring project budgets and program plans, and reporting and rectifying deviations that may occur in them? (40 CFR 31.20(b)(4) and 31.30)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

11.	Do you have a current audit? (40 CFR 31.26)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
12.	If your organization expended more than \$500,000 of Federal funds in the most recent fiscal year, did you obtain an audit in accordance with OMB Circular A-133? (40 CFR 31.26(a))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
13.	If your organization had an OMB A-133 Single Audit performed, were there any findings, material weaknesses, or reportable conditions identified? If there were, briefly explain or provide a copy of the findings section and your corrective actions taken.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
14.	If your organization requests reimbursement for indirect costs under the grant award, does your organization have an approved indirect cost rate? (OMB Circular A-87 / 2CFR Part 225, Appendix E)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
15.	Does your organization have written procedures for drawing grant funds and issuing payments? (40 CFR 31.20(b)(7) and 31.21 (b) and (c)) Note: Payment requests should be restricted to immediate needs, i.e. drawing down funds 3 to 5 working days in advance of disbursements.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
16.	What type of accounting and financial management system(s) does your organization use? Name of automated system(s)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
17.	Are accounting records supported by source documentation? (40 CFR 31.20(b) (6))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

**B. Personnel / Timekeeping**

(Reference: OMB Circular A-97 / 2 CFR Part 225, Appendix B, section 8)

Many of these questions have “Yes” or “No” answers. For “Yes” answers, please provide the specific reference to your policies and procedures. Please explain all “No” and “Not Applicable” answers.

1.	Does your organization have written payroll policies and procedures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2.	Do your employees record: actual hours worked directly on all projects, indirect or administrative time not charged directly to a project, and leave taken?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

3.	For those employees required to work away from the office, are actual hours worked documented?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4.	Do payroll registers and reports match up with costs for each employee whose compensation is charged to an assistance agreement?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5.	Are timesheets required to be signed by the individual or supervisor?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

*C. Personnel / Payroll*

Many of these questions have “Yes” or “No” answers. For “Yes” answers, please provide the specific reference to your policies and procedures. Please explain all “No” and “Not Applicable” answers.

Does your organization’s written policies and procedures provide for the following controls for the payroll function?

1.	Does the policy provide adequate separation of duties?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2.	Are salaries and wage rates established, authorized, and approved in your organization to ensure equity?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3.	Does your payroll process ensure that all deductions from employee’s salaries are authorized by the employee, and proper?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4.	How are payrolls distributed?	<input type="checkbox"/> EFT <input type="checkbox"/> Manual Checks <input type="checkbox"/> Both
5.	If checks are distributed manually, are there sufficient controls to ensure that payroll checks are distributed to the correct employee?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

*D. Travel* (Ref: OMB Circular A-87/ 2 CFR 225, Appendix B, section 43)

Many of these questions have “Yes” or “No” answers. For “Yes” answers, please provide the specific reference to your policies and procedures. Please explain all “No” and “Not Applicable” answers.

1.	Does your organization have written travel policies and procedures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

2.	Are internal controls in place to ensure that employees follow your organization's travel policy, i.e. levels of review prior to authorizing payment and that the travel was associated with the specific grant project?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3.	Are internal controls in place to ensure that travel and time reporting support the employee's activities while on travel?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4.	Do the policies and procedures include provisions to ensure that travel costs are allowable, allocable, and reasonable?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

*E. Matching, Cost Sharing, In-Kind Contributions and Program Income*

40 CFR 31.24 (a) to (e) provides criteria on the acceptability, purpose, and types of contributions made in relation to cost sharing or matching purposes, and the support for such. 40 CFR 30.24 and 31.25 addresses the accounting for Program Income related to federally funded projects.

Many of the questions below have "Yes" or "No" answers. For "Yes" answers, please provide the specific reference to your policies and procedures. Please explain all "No" and "Not Applicable" answers.

1.	Does your organization currently have any Matching, Cost Sharing and/or In-Kind costs included in any active awards or anticipate any of these types of costs in the foreseeable future? No ____ (Skip this entire section) Yes ____ (Please complete the rest of this section.)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2.	Do any of the matching costs come from another federal grant(s)? (If Yes, it must be authorized in the terms and conditions of the assistance agreement)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3.	Are these costs identified in the approved grant project budget?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4.	Does your organization track, record, report and verify these costs?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5.	Are all matching costs verifiable from accounting records and valued according to applicable OMB Circular cost principles?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

OMB Circular A-87 / 2CFR Part 225, Appendix B, paragraphs 8 & 12



6.	Has any program income been used to satisfy the recipient's contribution for any current award or added to the funds committed for the project?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

7.	Is there a term and condition in the award that permits the use of program income for match requirements or for adding it to the funds committed to the project?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

8.	If there is no term and condition, has the program income been deducted from the total allowable project cost?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

*F. Procurement / Contracts / Subagreements*

Many of these questions have "Yes" or "No" answers. For "Yes" answers, please provide the specific reference to your policies and procedures. Please explain all "No" and "Not Applicable" answers.

1.	Does your organization have written procurement policies and procedures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

2.	Has your organization awarded contracts or subagreements under any of the award agreements being reviewed? (Agreements refer to subgrant(s). Subgrant(s) mean an award of financial assistance in the form of money, or property in lieu of money, made under a grant by a grantee to an eligible subgrantee, subrecipient or by a subrecipient to a lower tier subrecipient. This includes financial assistance when provided by contractual legal agreement, but does not include procurement purchases of goods and services.) (40 CFR 31.3)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

3. Were contracts awarded in accordance with your organization's contracting policy and does this policy comply with 40 CFR Part 30.40 to 30.48 or Part 31.36 & .37, as described below:

a.	Contains a written code of conduct that addresses conflict of interests and disciplinary actions. (40 CFR 31.36(b)(3))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

b.	Provides for competing transactions in a free and open manner. (40 CFR 31.36(c))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

c.	Provides for a review to avoid unnecessary purchases, a review of lease vs. purchase alternatives (when appropriate), conducting solicitations with a clear scope of work and bidder requirements, conserving natural resources, and utilizing small, MBE and WBE firms when possible. (40 CFR 31.36(c)(3))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
d.	Requires performing and documenting a cost analysis for sole source procurements. (A cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability when you do not have other proposals to compare costs against.) (40 CFR 31.36(f))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
e.	Requires performing and documenting a price analysis for competitive bidding and small purchase procurement actions. (A price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices, and similar indicia, together with discounts.) (40 CFR 31.36(f))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
f.	Requires documenting the basis for all procurement selections, justifying a lack of competition and basis for award cost and price. (40 CFR 31.36 (b)(9))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
g.	Provides for the Grantor's pre-award review of the procurement when the award or contract modification exceeds \$100,000, is not competed, or only one bid is received. (40 CFR 31.36(g)(2))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
h.	Discusses purchase/agreement /contract cost thresholds (small purchases vs. major procurements) and personnel required to approve procurements.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
i.	Have provisions that no contract or sub award will be entered into with parties that are debarred, suspended, or excluded from Federal assistance programs. ( 40 CFR 31.35)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4.	Do any of your organization's contracts for grant projects exceed the Federal Small Purchases threshold, (\$100,000)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

5.	If Yes, did EPA request to review the contract prior to award? (40 CFR 31.36(g)(2))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6.	If Yes, did EPA provide written comments?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
7.	Does your organization use a pre-qualified list of persons, firms, or products to acquire goods and services?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8.	Did your organization follow its procurement policies to place and update vendors on the list?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
9.	Has your organization established an affirmative procurement system for recycled materials and compliance with environmental statutes? (40 CFR 31.13)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
10.	Does your organization have internal control processes to ensure that only required goods and services are acquired in quantities needed? (40 CFR 31.36(b)(4))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
11.	Does your organization have internal control processes to ensure that only acceptable goods and services are paid for by the accounting/finance department? (40 CFR 31.20(b)(5))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
12.	Does your organization have guidelines for documenting its contract files?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
13.	Has your organization awarded contracts to consultants under current assistance agreements?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
14.	Are internal controls for consulting agreements in place to ensure that your organization does not charge EPA assistance agreements more than the authorized direct salary cap? (40 CFR 31.36(j))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

15.	Do your consulting agreements specify the services to be provided, engagement duration, reporting requirements, work location, and pay rates including base rate, fringe benefits, and overhead?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

*G. Small Businesses, Minority Owned Firms, Women' Business Enterprises and Labor Surplus Area Firms (where applicable). (40 CFR Part 33)*

For "Yes" answers, please provide the specific reference to your policies and procedures. Please explain all "No" and "Not Applicable" answers.

1.	Does your organization submit timely reports (MBE/WBE Reports) to EPA, on business activities with these types of firms?	<input type="checkbox"/> Yes, date of the last submittal to EPA _____ Date <input type="checkbox"/> No, please explain.

*H. Property Management (40 CFR 31.31 & 40 CFR 31.32)*

Many of these questions have "Yes" or "No" answers. For "Yes" answers, please provide the specific reference to your policies and procedures. Please explain all "No" and "Not Applicable" answers.

1.	Does your organization have written property management policies and procedures?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

2.	Has your organization purchased capital equipment on any of its active assistance agreements? Yes ____ (Please complete this section.) No ____ (Go to Section I.)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Equipment, under Federal Guidelines, is equipment that is considered tangible items with a useful life greater than one year and greater than \$5,000 in value. Grantees may have limits that are different than the Federal Guidelines. That is acceptable as long as the limits are not greater than the Federal Guidelines.

3.	Does your organization have an inventory control system? (40 CFR 31.32)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

4.	Does your organization maintain property records that identify equipment purchased, either entirely or partially, with Federal funds? (40 CFR 31.32(d))	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

5.	Does your organization perform a property inventory at least every two years? Date of last inventory _____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

6.	Does your organization maintain records of property dispositions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

*I. Internal Controls*

Many of these questions have “Yes” or “No” answers. For “Yes” answers, please provide the specific reference to your policies and procedures. Please explain all “No” and “Not Applicable” answers.

1.	Does your organization have policies and procedures to ensure compliance with the cash management requirements in 40 CFR 31.20((b)(3)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

a.	Does your organization have an internal auditor, audit staff or someone on the Board of Directors that provides for an independent review of the accounting and financial management process, cash receipts and payments, and safeguarding of assets?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

2.	Does your organization have policies and procedure to ensure compliance with closing out assistance awards after the performance and budget periods? (40 CFR 31.50)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

3. Does your organization have a process in place to ensure compliance with the Programmatic Term and Conditions in the following areas:

a.	Submitting programmatic progress reports;	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

b.	Establishing and obtaining approval of a Quality Action Plan, if required;	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

c.	Establishing a process to track, monitor, and report on Environmental Results?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 30 hours per respondent. If you wish to comment on the Agency’s need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, send them to US EPA, Collections Strategies Division (2822T), 1200 Pennsylvania Ave. NW, Washington, DC 20460.

OMB control number 2030-0020

EPA form number 6600-01

## Attachment

### Answers to Self-Assessment Questions

#### Module 10

Slide	Question (bold font indicates correct answer)	Explanation
11	<p>Who monitors an EPA award project?</p> <ul style="list-style-type: none"> <li>A. EPA grants specialist</li> <li>B. EPA project officer</li> <li>C. Tribal Nation's administrative contact</li> <li>D. Tribal Nation's project personnel</li> <li><b>E. All of the above</b></li> </ul>	The EPA and Tribal Nations are partners in delivering and performing environmental protection with assistance agreement projects. The EPA project officer, the EPA grants specialist, and the Tribal Nation's project personnel need to communicate regularly on the grant work plan, project budget, and administrative issues.
14	<p>Why should we contact the EPA project officer and/or grants specialist when a problem arises?</p> <ul style="list-style-type: none"> <li><b>A. They can help us solve the problem.</b></li> <li>B. EPA must document and evaluate the problem.</li> <li>C. Problems must be reported to the EPA director.</li> <li>D. EPA can send a specialist out to solve the problem.</li> <li>E. All of the above are possible solutions.</li> </ul>	EPA personnel are there to assist Tribal Nations so that EPA awarded projects are successful. Stopping the problem before it becomes insurmountable ensures success for everyone involved in the project.
20	<p>What is required in a cost review?</p> <ul style="list-style-type: none"> <li>A. Consistent treatment of costs</li> <li>B. Compliance with award "terms and conditions"</li> <li>C. Determination of reasonable, allocable, and allowable costs</li> <li>D. Alignment with federal cost principles</li> <li><b>E. All of the above</b></li> </ul>	Cost reviews require a look at consistency in assigning costs across all programs, compliance with "terms and conditions" of the award, and a determination that costs are reasonable, allocable, and allowable according to OMB Circular A-87, found in Title 2 CFR Part 225, Appendix B.
27	<p><i>External audits</i> are used to test the effectiveness of a grant recipient's:</p> <ul style="list-style-type: none"> <li>A. Financial operations</li> <li>B. Operating procedures</li> <li>C. Program results</li> <li>D. Resource management</li> <li><b>E. All of the above</b></li> </ul>	External audits are used to test the adequacy of an organization's regulatory compliance and financial reporting as well as the effectiveness of an agency's resource management, operating procedures, program results, and financial operations. External audits may evaluate the entire organization or only one or two of the organization's programs or operations.



Slide	Question (bold font indicates correct answer)	Explanation
30	<p>Who may conduct audits of EPA award programs?</p> <p>A. EPA's Inspector General's Office (OIG)</p> <p>B. Government Accountability Office (GAO)</p> <p>C. The Tribal Nation receiving the award</p> <p>D. EPA's Program Office</p> <p><b>E. All of the above</b></p>	Any of the agencies and organizations listed may be called upon to audit the financial status of an EPA award project or program. However, it is federal policy to rely on a recipient's own audits (i.e., OMB A-133 single audit) as long as they are carried out in accordance with applicable federal audit standards.
36	<p>When are audits conducted?</p> <p>A. Before the award period begins</p> <p>B. During the award period</p> <p>C. After the award period</p> <p>D. After closeout but before retention ends</p> <p><b>E. All of the above</b></p>	Audits may be performed before, during, or after the completion of a project.
42	<p>How do we pay for auditing?</p> <p>A. EPA award funds</p> <p>B. Other grant funds</p> <p>C. In-kind donations</p> <p>D. Tribal Nation's general budget</p> <p><b>E. All of the above</b></p>	The cost of a single audit is an allowable cost when allocated fairly and equitable between funding sources.
56	<p>Closeout is a systematic process to end an award when the award:</p> <p>A. Audit reveals discrepancies</p> <p>B. Project runs out of supplies or equipment</p> <p><b>C. Partners decide it is completed or terminated</b></p> <p>D. Policies and procedures fail to comply with EPA regulations</p> <p>E. All of the above</p>	The closeout of an assistance agreement award is a systematic process followed to make sure that all technical work (e.g., products, construction) and administrative requirements (i.e., the final Progress Report and Financial Status Report are sent to and approved by EPA) have been finalized. Closeout is initiated when a project ends due to completion or termination. A project is usually terminated by an EPA enforcement action. Usually projects end according to the project's timeline which identifies the end date.
63	<p>Who has the right to access our Tribal Nation's award records?</p> <p>A. EPA officials</p> <p>B. The Inspector General</p> <p>C. Comptroller of the United States</p> <p>D. Duly authorized federal representatives</p> <p><b>E. All of the above</b></p>	EPA, the Inspector General, the Comptroller of the United States, or any other duly authorized representative has the right to timely and unrestricted access to any books, documents, papers, or other records of the Tribal Nation that are pertinent to the awards.