



Technical Assistance Grant (TAG) Program: Managing Your TAG



A Technical Assistance Grant (TAG) provides money for activities that help your community participate in decision making at eligible Superfund sites. An initial TAG of up to \$50,000 is available to qualified community groups to pay for independent technical advisors to interpret and communicate site-related documents and help citizens understand technical information about their site. Eligible sites must be on the U.S. Environmental Protection Agency's (EPA) National Priorities List (NPL) or proposed for the NPL where a response action has begun. The NPL is the list of the nation's most serious hazardous waste sites. Only one TAG is available for each site.

This fact sheet is a reference you can use to learn about what it takes to manage a TAG. It explains what your financial, reporting, and record-keeping responsibilities will be if your group gets a TAG. Also see the TAG program fact sheets on other aspects of the program. You also can visit the TAG program's web site at: <http://www.epa.gov/superfund/community/tag/index.htm>. Contact your EPA project officer/regional TAG coordinator for additional information or if you need assistance.

First Steps

Congratulations! Your group has been selected to receive a TAG! Here are the first things you should do:

- Read, sign, and return your grant agreement to EPA.
- Submit proof that your group has applied for incorporation in your state, if you haven't already done so. Remember, your group *must* be incorporated before you submit your first request for reimbursement.
- Request an advance payment, if necessary.



- Open a bank account.
- Set up a system to keep track of TAG funds and project activities.

To successfully manage a TAG, you must keep track of project activities and how you spend TAG funds. Your group must:

- Establish an accounting system and keep track of TAG funds and project activities.
- Track progress in meeting the 20 percent matching-share requirement.
- Submit reimbursement requests to EPA for the money to pay your technical advisor.
- Prepare and submit quarterly progress reports and other required reports to EPA.

All or most of your TAG funds must be used to acquire technical advisor services. Your group may use a portion of TAG funds for other expenses, such as printing newsletters or paying a grant administrator who manages the TAG.

This fact sheet describes how to meet each of these requirements. Read it over carefully. Contact your EPA project officer/regional TAG coordinator if you have any questions.

Establish an Accounting System

Your group should set up a system to manage your money. You will need a bank account in the name of your group to manage project funds. It's a good idea to check with several banks to see if any of them will waive or reduce the service charge for accounts maintained by nonprofit groups. With the help of your organization's board of directors, your designated TAG project manager (or grant administrator) should set up your group's management system and see that it works properly.

The TAG program reimburses your group after you have incurred costs or expenses. You will need to keep accurate, up-to-date records of your expenses so your group can get reimbursed with TAG funds to pay for purchases and services. You also have to keep track of "in-kind" contributions (members' time and donated goods and services) to document your matching-share contribution. At a minimum, your financial management system must meet the following requirements:

- You must have a general ledger. The general ledger should include an accurate, current, and complete accounting of all financial transactions for the project. You also must track all matching contributions, including in-kind contributions. Your group must keep all canceled checks, invoices, time sheets, work orders, receipts, and letters as supporting documentation.
- You must keep control over all project funds, property, and other assets, and be able to assure that you used these only for authorized purposes.
- EPA will reimburse your actual costs (up to the amount of the federal share), provided they do not exceed the budget amounts in your approved TAG application.



- If you receive TAG funding for multiple sites, you must set up a separate budget for each site.

Your technical advisor also must keep detailed records of his or her activities. These records must be broken down to reflect work progress, work products and reports, and hours and expenditures. He or she must indicate how each of these items is related to tasks specified in the contract or agreement your group negotiated with the technical advisor.

You must spend most of your TAG funds to:

- hire technical advisors
- communicate with the community

You also can spend TAG funds to:

- obtain supplies, equipment, and other approved items
- hire a grant administrator

Keep Track of TAG Funds and Project Activities

You will need to set up a good filing system. Your files should include written financial records that accurately record the amounts and dates of all expenditures. You also should file all project-related correspondence, TAG products and reports from your technical advisor, and records of how you selected your technical advisor or other contractors. A good filing system also will help you prepare your quarterly progress reports and other required reports.

- accounting books and records
- records of in-kind contributions
- bank account records and canceled checks
- invoices and bills paid by project funds
- time sheets
- work orders
- receipts
- letters
- your TAG application
- your signed TAG agreement
- any TAG amendments
- progress reports
- contracts with your technical advisor or other contractors
- procurement documents related to the selection of contractors
- all reports and work products from your technical advisor



Track Progress Meeting the 20 Percent Matching-Share Requirement

TAG recipients are required to contribute a matching share equal to 20 percent of the total project costs. Under certain circumstances, EPA may partially or fully waive this requirement. The TAG program allows you to count members' time, volunteered services, and contributions of supplies toward the required match. Your matching share can include these "in-kind" services, as long as you document them in your files. In-kind goods and services that can be donated toward your group's matching share include the following:

Volunteered services, such as:

- A bookkeeper's work maintaining your group's financial records and preparing required financial reports.
- A lawyer's aid in drafting a contract for your technical advisor.
- Your project manager's oversight of contracts.
- A group member's efforts to produce a group newsletter.
- The time spent by group representatives (such as board members) attending site-related meetings.

Donated supplies, such as:

- Use of equipment (such as a computer or copier) and office space.
- Office supplies (such as paper and pencils).
- Photocopying, printing, and postage.
- Telephone calls.
- Meeting space.
- Other costs in your TAG application that are approved by EPA.

In-kind contributions must be included in your approved budget. The value of donated services for matching-share purposes is the price you would pay for similar work in your organization or your geographical area. Volunteers must keep time sheets. You should use the same record-keeping methods to document volunteer hours as you use to track work by employees or contractors. Be sure to show clearly in your records which services were performed by employees or contractors and which were donated towards the matching share, especially if the same person sometimes is paid for and other times donates his or her services. The value of goods and personal property donated to the project is based on fair-market value for purchase or rental of the item. Your records should show how you arrived at the basis for determining these values.

Submit Reimbursement Requests to EPA for Money to Pay Your Technical Advisor

Under the TAG program, EPA will reimburse you for allowable costs up to the amount of the federal share of your TAG. The principal cost incurred by your group will



be paying for a technical advisor's (contractor's) services. Your group will submit reimbursement requests to your EPA regional office. Your contract or agreement with the technical advisor also should specify that they will be reimbursed.

ONE-TIME ADVANCE PAYMENT: Under the TAG program, EPA reimburses your group for costs and expenses incurred. This means your group must incur costs before EPA can pay you. However, your group can ask for an advance payment of up to \$5,000. You have to ask for an advance payment in your TAG application. You must identify what activities, goods, or services you plan to purchase with the advance payment. You can use an advance payment to pay the costs of opening a bank account, buying supplies and postage, advertising for a technical advisor, and renting or buying office equipment. You cannot use advance payments to pay contractors or to pay your group's incorporation costs. (Your group can be reimbursed for these costs later.) The procedure for requesting an advance is described in the TAG regulations. Your EPA project officer/regional TAG coordinator must approve your request. Remember, your group must already be officially incorporated by your state before it can receive an advance payment—or any TAG funds.

GETTING PAID: Payment procedures vary somewhat from region to region, as does the form of payment. Depending on your region, you may be paid by check, Automated Clearinghouse (ACH) payment, Electronic Funds Transfer (EFT), or through the Automated Standard Application for Payments (ASAP) system. EPA may pay you by sending your group a Treasury check or by depositing funds electronically directly into your group's bank account. The payment procedure is shown on your TAG award document.

Your TAG agreement also includes instructions about how and where to submit requests for payment. Depending on the method of payment used by your EPA regional office, you may have to submit a Standard Form SF-270, "Request for Advance or Reimbursement," or another form. This payment information is specified in your TAG agreement.

Your EPA regional office may ask you to provide a summary of costs or copies of bills with your reimbursement request. EPA will pay only the group identified as the payee on the grant agreement. The TAG funds may not be reassigned to any other group or individual without EPA's written approval.

PAYING YOUR CONTRACTOR: Because TAGs are reimbursement grants, your technical advisor must bill you for completed work before EPA can reimburse your group with the money necessary to pay them. EPA recommends that, when possible, you wait to pay your contractors until the reimbursement check has arrived. That's why it is important to request reimbursement in a timely manner whenever you have incurred costs or received a bill from your contractor. This practice will save your group from spending its own money on contractor costs.



At a minimum, your contractor should provide you with monthly billing documents that include:

- An invoice that indicates:
 - the period covered by the invoice.
 - the number of hours spent.
 - a breakdown of the hourly rate.
 - a breakdown of expenditures (such as travel costs) for the billing period.
- Copies of all receipts for expenditures.
- Monthly progress reports that indicate:
 - the tasks accomplished.
 - the number of hours associated with each task.
 - any problems encountered.

The billing documents from your technical advisor are an important tool for managing your TAG. The technical advisor's billing documents provide the information necessary to complete your "Request for Reimbursement" forms, if these forms are required by your EPA regional office. The billing documents also let you know whether the technical advisor or other contractor's work is following the planned budget and schedule. Your contractor's billing documents should not contain any surprises about how much was spent or what activities were conducted. Communicate regularly with your contractors so you always know that your group is receiving the assistance it contracted for at the costs budgeted for each task. Keep copies of all invoices, copies of canceled checks showing that invoices were paid, and all supporting documentation provided by your technical advisor.

Prepare and Submit Quarterly Progress Reports and Other Required Reports

When your group receives a TAG, you agree to provide periodic reports to your EPA project officer. The chart on the next page outlines the reports TAG recipients must complete at various points during the life of their TAG.

In addition to these reports, TAG recipients also must submit the following items to their EPA regional office at appropriate times.

- **Draft Contracts and Amendments:** Your TAG group must notify EPA of any proposed contract or contract amendment over \$1,000. You must offer EPA the opportunity to review all such contracts before they are awarded or amended. (EPA's review does not constitute official approval of a contract, but this review is necessary to protect TAG recipients by ensuring that proposed contracts contain all required clauses.)
- **Reports Prepared by Technical Advisors:** Your TAG group must send the EPA regional office a copy of each final written product prepared for the group as part of its TAG. These may be submitted as attachments to your quarterly progress reports.



Type of Report	Required Information	Timing and Frequency
Federal Cash Transaction Report (only if you use electronic payment methods)	The amount of funds advanced or electronically transferred to your group's bank account, and how those funds were spent.	Semiannually, within 15 working days following the end of the semiannual period that ends June 30 and December 31 of each year.
Minority-Owned Business Enterprise/Women-Owned Business Enterprise (MBE/WBE) Utilization	Whether you contracted with a minority-owned or women-owned businesses in the past federal fiscal year, the value of the contract, if any, and the percentage of total project dollars for minority- or women-owned businesses.	Annually
Quarterly Progress Reports	Describes the progress made in completing the approved schedule and budget; progress meeting TAG project milestones, and special problems your group encountered.	Quarterly, within 45 days after the end of each calendar quarter. May 15 (for Jan.-Mar.) Aug. 15 (for Apr.-June) Nov. 15 (for July-Sept.) Feb. 15 (for Oct.-Dec.)
Financial Status Reports	Shows project transactions and status of the project's funds.	Annually, within 90 days after the anniversary date of the start of the TAG project. The Final Financial Status Report is due within 90 days after the end of the TAG group's funding period.
Final Report	Describes project goals and objectives, activities undertaken, difficulties encountered, technical advisor's work products, and funds spent.	Within 90 days after the end of the TAG project.



Changing Your TAG Agreement

Most of the time, you can make minor changes to your project without a formal amendment to your TAG assistance agreement, as long as you get approval from your EPA project officer/regional TAG coordinator. For example, you won't need a formal amendment if you decide to produce a newsletter rather than fact sheets about the site. However, a formal amendment usually is necessary if you want to change your TAG agreement in a substantive way. For example, you will have to get an amendment to change the work to be done or to increase the funding. Formal amendments must be negotiated with and signed by the EPA Award Official and your group. Changes that require amendments include:

- Extending the project period with no changes in tasks or dollar value.
- Hiring a contractor to perform tasks not originally included in the TAG agreement.
- Shifting the funding among tasks that have already been described in the application.

EPA does not have to give your group more money for any costs that are higher than those in your approved budget. Discuss all changes with your EPA project officer/regional TAG coordinator before you make them. If the changes you propose will affect an existing contract your group has with a technical advisor or other contractor, you will have to amend the contract, too.

TAG funds are set aside in funding periods negotiated between you and EPA when you apply for a TAG. You may apply for a continuation if you need more money after a funding period ends. There are two reasons why you might want to apply for a continuation:

- If you will need more money after you have spent the full \$50,000 in federal funds to complete the original scope of work.
- If your TAG project extends beyond the first funding period, you have funds remaining, and you wish to continue. You will have to submit a continuation application for each additional funding period.

EPA uses the standard grant application (Form SF 424) as the continuation application. You also will have to submit a new statement of work, a new budget detail page, and any changes in assurances and certifications that EPA requires. EPA needs at least two to four weeks to review a continuation application.



When Your TAG Ends

Your EPA project officer/regional TAG coordinator will contact you about 90 days before your TAG ends to tell you what you have to do to end, or “close out” your TAG. Your group must send EPA all required financial, performance, and other reports, including the final project progress report and the final Financial Status Report within 90 days of the end of your TAG. Your group must pay all bills before submitting a final Financial Status Report. Your group also must compensate the government for any equipment with a current per unit value over \$5,000 or supply inventory worth more than \$5,000. Most TAG groups will not have equipment and supplies that exceed this amount. Your group also must keep its TAG records for 10 years after the TAG ends, or you can send your records to EPA for safekeeping. Work closely with your EPA project officer/regional TAG coordinator throughout the closeout period.

As a recipient of a federal grant, your group agrees to follow the terms and conditions of the TAG agreement and to adhere to applicable regulations. In rare instances, problems arise. Most of these problems are easily resolved by working closely with your EPA project officer/regional TAG coordinator. However, if EPA finds that your group is not complying with the agreement or is not performing or poorly performing its work plan, EPA can take appropriate actions. These include temporarily withholding payments, disallowing reimbursement for a non-allowable activity or purchase, suspending the grant in whole or in part, or terminating the agreement for cause. EPA will work with you to address any problems that may arise with your TAG. As long as you respond quickly and in good faith to correct a problem, EPA probably will not have to take any enforcement action. That’s why it is very important always to work closely with your EPA project officer/regional TAG coordinator.

If you have a disagreement with EPA about the assistance agreement or about an EPA decision, there is an appeals process you must follow to resolve the issue. First, you should try to resolve the issue with your EPA project officer/regional TAG coordinator. If an agreement cannot be reached, you can take your disagreement to the regional EPA disputes decision official for the TAG program, who will provide a written decision. This decision is considered final unless you request, in writing, further review by the regional administrator. You are entitled to an informal conference with EPA officials and to a written decision from the regional administrator. If you are not satisfied with the regional administrator’s decision, you may request, in writing, another review of the regional administrator’s decision by EPA’s assistant administrator for the Office of Solid Waste and Emergency Response. The assistant



administrator can decide to let the regional administrator's decision stand or can agree to review the decision. If the assistant administrator reviews the regional administrator's decision, his or her decision becomes the final EPA decision. You must go through this appeals process before seeking judicial review of the dispute.

Visit the TAG program web site at: <http://www.epa.gov/superfund/community/tag/contacts.htm> to contact the TAG coordinator for your region. The TAG coordinator will be available to further assist your group.