

Technical Assistance Grant (TAG)

Recipient Manual



TAG Recipient Manual

Table of Contents

Preface	P-1
Section 1: Overview and First Steps	1-1
1.1 Introduction	
1.2 TAG Roles and Responsibilities	
1.3 Key TAG Documents and Resources	
1.4 First Steps: What To Do When You Receive Your TAG	
1.5 Checklist: First Steps	
Section 2: Tracking TAG Activities and Finances	2-1
2.1 Maintaining a Financial Management System for Your TAG	
2.2 Tracking Your Group's Matching Share Contributions	
2.3 Maintaining a System to Track TAG Activities	
2.4 EPA Monitoring Reviews and Audits	
2.5 Retaining Your TAG Records	
2.6 Sample Financial Management and Activity Tracking Documents	
2.7 Tracking TAG Activities and Finances Checklist	
Section 3: Reporting Requirements	3-1
3.1 Required Progress, Financial, and Project Reports	
3.2 Other Required Reports	
3.3 Draft Contracts and Other TAG Documents	
3.4 Sample Reports/Documents and Instructions	
3.5 Checklist: Reporting	
Section 4: Procurement—Using TAG Funds	4-1
4.1 Basic Requirements for Using TAG Funds	
4.2 The Procurement Process for Contractors, Step by Step	
4.3 After Award: Changing, Renewing, or Terminating a Contract	
4.4 Sample Solicitation	
4.5 Sample Contract	
4.6 Checklis: Procurement	
Section 5: Requesting Payment	5-1
5.1 Types of Payment: Advance Payments and Reimbursement Payments	

Table of Contents (Continued)

5.2 Forms of Payment

5.3 Preparing Your Payment Request

5.4 Submitting Your Payment Request

5.5 Paying Your Contractor

5.6 Sample Forms and Instructions

5.7 Checklist: Requesting Payment

Section 6: Changing, Extending, or Ending Your TAG 6-1

6.1 Changing Your TAG Award Agreement

6.2 Extending Your TAG

6.3 Applying for a Waiver of the \$50,000 TAG Funding Limit

6.4 When Your TAG Ends

6.5 Checklist: Changing, Extending, or Ending Your TAG

Section 7: TAG Enforcement, Termination, and Your Right to Appeal 7-1

7.1 EPA Enforcement Actions

7.2 Termination

7.3 Appeals and Disputes

Section 8: Blank Forms 8-1

- SF 424 and SF 424, Section A (Budget Summary)
- SF 269A, Financial Status Report (Short Form)
- SF 3881, ACH Vendor/Miscellaneous Payment Enrollment Form
- SF 272, Federal Cash Transactions Report
- SF 5700-52A, MBE/WBE Utilization
- SF 270, Request for Advance or Reimbursement
- EPA 190-F-04-001, U.S. EPA Request for Payment Form

Section 9: Blank Worksheets and Other Tools 9-1

- Monthly Cost-Tracking Ledger
- Monthly Record of Matching Share Contributions—Non-federal Cash Expenditures Worksheet
- Monthly Record of Matching Share Contributions—In-kind Contributions Worksheet (for volunteered services and donated goods or services)
- Summary of Outlays of Federal Funds To Date Worksheet
- Request for Reimbursement (federal share) Worksheet
- Quarterly Progress Report Template

TAG Recipient Manual

Preface

The U.S. Environmental Protection Agency's (EPA) Technical Assistance Grant (TAG) program provides money to community groups to pay for technical advisors who can interpret and explain technical reports, site conditions, and EPA's cleanup proposals and decisions concerning a facility is on the National Priorities List (NPL) or is proposed for NPL listing. This manual explains your group's responsibilities as a TAG recipient, and provides detailed instructions, illustrative examples, and some easy-to-use tools for managing a TAG.

How to Use This Manual

The TAG Recipient Manual is divided into several sections, each covering a different aspect of TAG management. These sections are available for download from the TAG program web site at <http://www.epa.gov/superfund/community/tag/resource.htm>, or from your EPA project officer/regional TAG coordinator.

Section 1, Overview and First Steps, provides an introduction to managing a TAG and explains what you should do when you get your TAG, including setting up a bank account, requesting an advance payment (if authorized in your TAG award agreement), maintaining systems for financial management, and tracking TAG activities.

Section 2, Tracking TAG Activities and Finances, explains how to maintain effective systems for managing finances and describes the types of records you need to keep for tracking TAG activities. It also outlines the requirements for retaining records after your TAG ends.

Section 3, Reporting Requirements, describes TAG program reporting requirements and how to complete your required quarterly progress reports, financial status reports, final project report, federal cash transaction reports, and minority-owned or women-owned business enterprise utilization reports.

Section 4, Procurement—Using TAG Funds, outlines the information in the TAG rule and other federal regulations that you must follow when spending your TAG funds. It explains how to find, select, and procure the services of contractors, including your technical advisor or grant administrator, and if such costs are included in your EPA-approved budget, how to purchase other services, or purchase, lease, or rent other materials, supplies, or equipment. This section also describes the different types of contracts you may use and includes a sample technical advisor contract.

Section 5, Requesting Payment, explains how to request and obtain payments under your TAG.

Section 6, Changing, Extending, or Ending Your TAG, discusses the steps necessary to change your TAG agreement, how to extend your TAG, and what to do when your TAG ends. This section also covers what happens when you, EPA, or both, decide to end your TAG before its scheduled completion date.

Section 7, TAG Enforcement, Termination, and Your Right to Appeal, includes information about the actions EPA can take if your group fails to follow the terms and conditions

Use this manual as a general guide to your group's responsibilities as a TAG recipient.

Work closely with your EPA project officer/regional TAG coordinator. He or she will provide you with the specific information you will need to prepare and submit requests for payment and quarterly progress and financial reports, as well as information about fulfilling other requirements of your TAG.

of its TAG agreement. Explains the procedures available to you if you want to appeal an EPA decision related to your TAG.

Section 8, *Blank Official Forms*, includes copies of the official forms you will need for reporting, enrolling in a payment system, and requesting payments.

Section 9, *Blank Worksheets and Other Tools*, includes copies of sample worksheets and other tools for tracking TAG activities and finances. It also includes templates you can use for writing quarterly progress reports or tracking in-kind contributions.

TAG Recipient Manual

Overview and First Steps

This section provides an introduction to managing a Technical Assistance Grant and explains what you should do when you are awarded a TAG, including setting up a bank account, requesting an advance payment (if authorized in your TAG award agreement), maintaining systems for financial management, and keeping track of TAG activities.

1.1 Introduction

Your TAG award agreement is a legal document. When you sign the TAG award agreement, your group becomes legally responsible for following the terms and conditions outlined in it. Your group also is legally responsible for fulfilling certain management responsibilities and complying with federal statutes, regulations, and requirements governing the TAG program.

The TAG program has a number of requirements that are meant to ensure that federal funds are managed responsibly. These requirements also help protect your organization from the liabilities associated with management errors. It is important to follow them so your group does not encounter any problems with its TAG expenditures. The checklists at the end of each section of this manual provide an overview of the key requirements for managing your TAG, but using the checklists is not a substitute for carefully studying all of the information in each section.

This *TAG Recipient Manual* is based on TAG regulations that were issued October 2, 2000. Check with your EPA project officer/regional TAG coordinator if your group received a TAG before that date to be sure that all of the information in this manual applies to your TAG.

Also be sure to check with your EPA project officer/regional TAG coordinator if your group receives other federal grants, because your group's financial systems and procedures may be subject to other federal requirements.

1.2 TAG Program Roles and Responsibilities

The TAG program is a national program administered through EPA's 10 regional offices. All EPA regional offices follow the TAG statute, as well as EPA and TAG program regulations and policies. It is important to work with your EPA project officer/regional TAG coordinator because each region has its own administrative practices for implementing the TAG program.

The name of your EPA project officer is on the front page of your TAG award agreement. The name of your regional TAG coordinator is on the list of TAG regional contacts at <http://www.epa.gov/superfund/community/tag/contacts.htm>. (In some cases, this is the same person.) As the EPA official responsible for ensuring that your group fulfills its responsibilities as a TAG recipient, your EPA project officer and/or regional TAG coordinator is your primary point of contact for the TAG program. He or she is responsible for reviewing your group's financial reports, payment requests, progress reports, and correspondence regarding your group's performance as a TAG recipient; approving minor modifications to your group's work plan or budget; maintaining the official record of activities for your TAG; and recommending any administrative action if your group fails to comply with EPA regulations or any special conditions of its TAG award. You should work closely with your EPA project officer/regional TAG coordinator every step

of the way. Contact him or her whenever you have a question about your TAG.

Visit the TAG program web site at www.epa.gov/superfund/community/tag/

Although not directly involved in awarding or administering TAGs, EPA headquarters develops policy and publications and facilitates coordination among the regional offices. EPA headquarters also maintains the TAG program web site, which is a valuable source of information, tools, and resources for TAG applicants and recipients. TAG program fact sheets and publications, blank forms, and relevant regulations are available for download. The *Where are TAGs?* page contains contact information for active TAG recipients throughout the country. The site also provides links to other useful resources.

1.3 Key TAG Documents and Resources

Take time now to become familiar with these indispensable documents, all of which you will need to manage your TAG:

Tip: Keep these documents together in a looseleaf notebook for easy reference:

- **Your TAG Award Agreement.** This is the legal agreement between your group and EPA. It consists of the TAG agreement and your group's approved application, which is incorporated by reference. It also includes your group's approved work plan and budget, and the specific terms and conditions of your TAG. The TAG award agreement also identifies your EPA project officer/regional TAG coordinator.

- Your TAG award agreement
- The October 2000 TAG rule
- This manual

Also, stay in close contact with your EPA project officer/regional TAG coordinator, who is your primary contact for the TAG program.

- **The TAG Rule:** This EPA rule outlines the basic regulatory requirements and recipient responsibilities for managing a TAG. It is published in Title 40 of the Code of Federal Regulations (CFR), part 35, subpart M, and is available from your EPA project officer/regional TAG coordinator, or by download from the TAG Program web site at <http://www.epa.gov/superfund/community/tag/resource.htm>.
- **This TAG Recipient Manual:** This manual provides information about how to fulfill TAG program obligations and specific instructions for doing so. Whenever possible, examples or templates are included as tools to help you manage your TAG funds and activities. *Section 8, Blank Official Forms*, contains copies of the blank forms you may need to obtain TAG funds and fulfill various reporting requirements. These forms also are available from your EPA project officer/regional TAG coordinator.

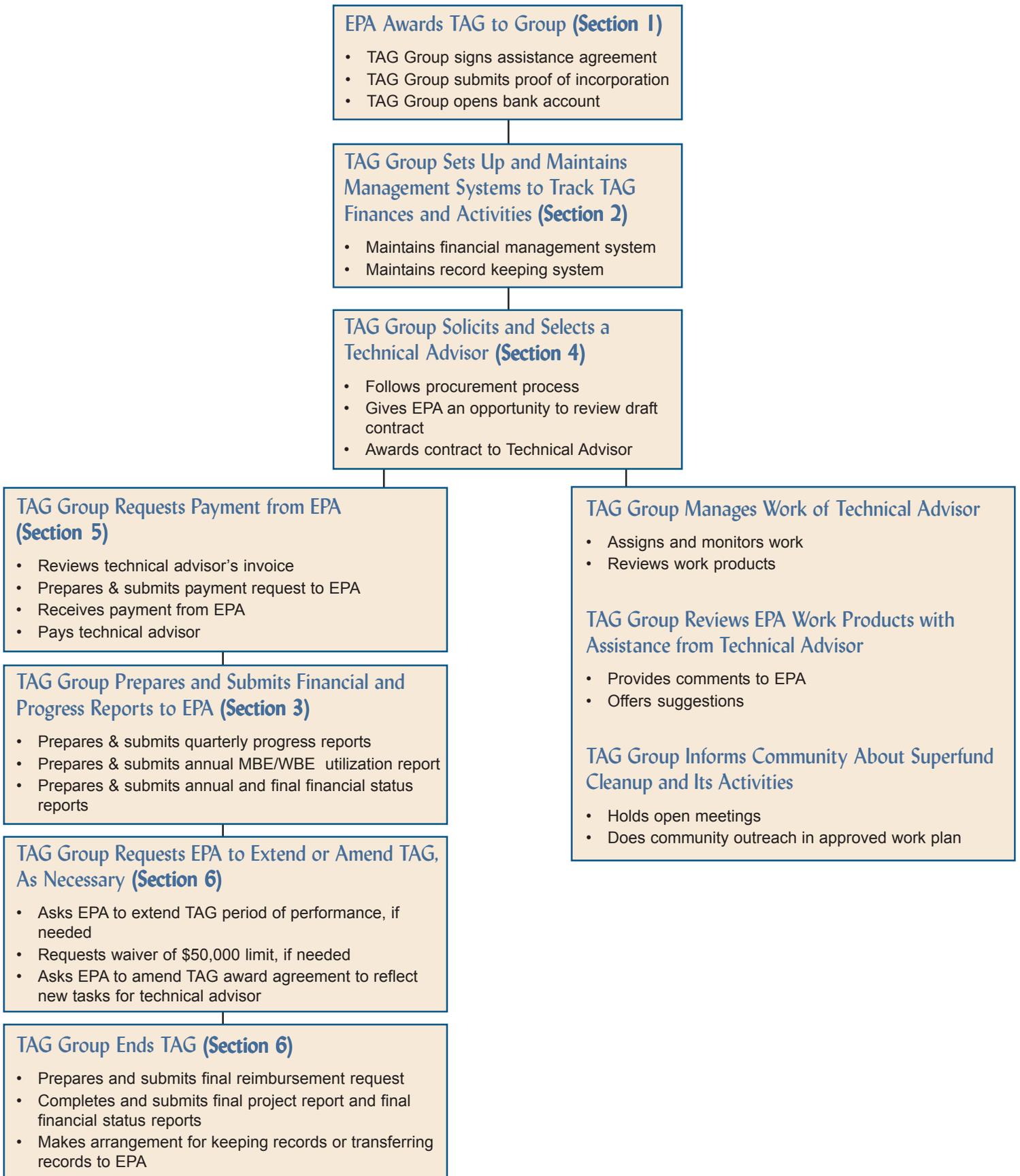
EPA's general rule for nonprofit grantees is published in 40 CFR part 30. This rule implements the Office of Management and Budget's (OMB) Circular A-110, *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations*. Both the rule and OMB Circular are available from your EPA project officer/regional TAG coordinator, or by download from the TAG Program web site at <http://www.epa.gov/superfund/community/tag/resource.htm>.

The chart provided on the next page provides a general overview of what is involved in managing a TAG from the time it is awarded to the time it ends. The overview includes references to sections of this manual where you can get detailed information about each activity.

1.4 First Steps: What To Do When You Receive Your TAG

Now that your group has received a TAG, it is important to take the steps necessary to set your group up for success. Read your TAG award agreement carefully, review the TAG rule, and study all of the sections of this manual. Once you have familiarized yourself with the basic requirements for managing your TAG, these are the first steps you should take:

The TAG Road Map



Step 1: Read, Sign, and Return Your TAG Award Agreement to EPA

The terms of the TAG award agreement are legally binding once your group accepts the award. The award agreement includes the agreement document, your group's approved application (which is incorporated by reference), the approved work plan and budget, and specific terms and conditions for your TAG. This is noted in the *Offer and Acceptance* block of the agreement document (along with any approved application revisions noted in the *Project Title* block).

All official documents and reports must be signed by the authorized representative of your group who has been identified to EPA, in writing, as legally authorized to represent your group in these matters.

When you receive your TAG award agreement, read through the package carefully, and check for the following items:

- The federal dollar amount awarded.
- The required non-federal matching share.
- The project period and budget period.
- The approved budget, including the detailed budget in your application.
- All terms and conditions included in the award agreement.

Take steps immediately to comply with any terms or conditions of your TAG that require immediate compliance (particularly conditions, such as providing proof of incorporation, that place limitations on charging costs).

Have your group's authorized representative sign at the bottom of Page 1 of all three originals of the award agreement. Keep one original for your official grant files. Return two originals to the EPA address shown in the accompanying letter.

Once the agreement is signed, any significant changes to any of these items may require an amendment to your TAG agreement, signed by the EPA award official. You will not be able to draw down any funds until EPA receives your signed award agreement.

Step 2: Submit Proof of Incorporation

If you haven't already submitted proof of your group's incorporation, you must do so on or before the date you request a one-time advance payment (if authorized) or submit your group's first request for reimbursement. Proof of incorporation may include a copy of the incorporation document or other proof from your state that your group has incorporated as a nonprofit corporation.

If your group incorporated for the sole purpose of receiving the TAG, you may request reimbursement for necessary and reasonable incorporation costs. This is the only cost your group may incur before the TAG document is signed for which you may seek reimbursement or count toward your group's matching-share contribution (see *Section 2, Tracking TAG Activities and Finances*). However, because a group must be incorporated *before* receiving federal funds, costs of incorporating cannot be paid with the advance payment (see Step 3, below).

Although it is not a requirement of the TAG program, some groups elect to apply to the U.S. Internal Revenue Service (IRS) for tax-exempt status. For more information on tax-exempt status, visit the IRS web site at www.irs.gov.

Step 3: Open a Bank Account

You will need a bank account in the name of your group to manage project funds. EPA will make payments, in the form of checks or electronic funds transfers, only to your group and not to an

individual. If you do not already have a bank account, your group may want to inquire at several banks to see if any of them will waive or reduce service charges for accounts established by non-profit organizations. Interest earnings of up to \$250 per year may be retained and used by your group for administrative expenses [See, 40 CFR § 30.22(l)].

Step 4: Request an Advance Payment (if Necessary and Authorized)

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, there is

one exception: your group can ask for a one-time advance payment of up to \$5,000 when you first get your TAG, provided that your TAG application included, and EPA approved, an advance payment request which described the activities, goods, or services you planned 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, renting office equipment, and other items associated with the startup of your organization. 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). Your group's request for an advance payment must follow the procedures described in 5.1 and 5.2 of *Section 5, Requesting Payment*, of this manual.

Remember, your group must already be officially incorporated by your state before it can receive an advance payment or any TAG funds.

Step 5: Maintain a Financial Management System and Keep Track of TAG Activities

Your group will need to keep accurate, up-to-date records of its TAG-related expenses so you can get reimbursed with TAG funds or count them as contributions to your group's matching share. You also will have to keep track of "in-kind" contributions (members' volunteer time and donated goods and services) to document the in-kind portion of your group's matching-share contribution. *Section 2, Tracking TAG Activities and Finances*, of this manual provides instructions and helpful tips for maintaining a financial management system and keeping records for tracking TAG activities.

Your group must maintain complete, accurate, and current official records for your TAG. If your group receives more than one federal grant, you must keep official records separated for each EPA-supported project. You can use the same accounting program, but you must create separate records for each grant.

Your group's contractors also are responsible for keeping detailed records related to their TAG activities.

1.5 Checklist: First Steps

(This checklist is a reminder to read and follow the full instructions provided throughout this section. Appropriate sub-sections are shown so you can easily reference this important information.)

- Read, sign, and return your TAG award agreement to EPA.
Read the package and carefully check the following items:
 - () the federal dollar amount awarded
 - () the required non-federal matching share
 - () the project and budget periods
 - () the approved object class budget category amounts and activity breakdown. (Table A-Object Class Category and Table B-Program Element Classification in the agreement)
 - () all terms and conditions included

Have your group's authorized representative sign at the bottom of Page 1 of all three originals of the TAG award agreement. Keep one original for your official grant files, and return two originals to the EPA address shown in the accompanying letter (Read 1.4).

- Take steps to comply with any terms and conditions that require immediate compliance (particularly conditions that place limitations on charging costs) (Read 1.4).
- Open a bank account for your TAG group (Read 1.4).
- Incorporate your TAG group (if not done yet) and provide proof of incorporation to EPA (Read 1.4).
- Maintain a financial management system for the TAG (Read 1.4).
- Set up a record-keeping system for the TAG (Read 1.4).