

INFORMATION CONCERNING STATE CERTIFICATION

In response to the recommendations of the State-EPA Grant Work Group, and as part of the Agency's State Burden Reduction initiative, EPA is standardizing the budget narrative information required to be submitted by State/Local governments who apply for federal funds to support their continuing environmental programs.

To qualify for the reduced information requirements, an eligible applicant must provide an acceptable written assurance that it has adequate internal controls for its personnel, fringe benefit and travel cost systems. The assurance will not have to be resubmitted in future fiscal years unless the systems materially change. Once EPA approves the assurance, and absent a high-risk grantee designation or outstanding personnel/fringe benefit/travel cost issues raised by administrative grant reviews or audits, EPA will limit its review of personnel and travel categories by comparing the current budget request with the previous year's budget request for the three categories. Budget narratives for these categories should include:

- For Personnel & Fringe Benefits -- the number of work years (FTE) to be charged to the agreement by work plan component (this amount includes both federal/applicant costs, where applicable) along with the associated fringe benefit costs; and
- For Travel-- a brief description of the purpose and types of travel. (For example, routine travel or trips performed on a regular basis (e.g., inspections), or special travel (e.g., conferences, trainings, seminars and meeting attendance) and the cumulative costs for these categories (this amount includes both federal/applicant costs, where applicable)). The only trips that have to be itemized are those involving international travel.

If the personnel and travel categories do not vary by more than 10% from the previous year's application, the costs will be considered necessary and reasonable and no further information will be required. If the variation exceeds 10%, the applicant will be required to provide an adequate written explanation for the variation. For the remaining seven budget categories, a detailed budget is still necessary. If an Applicant wishes to use this approach for multi-year agreements, it will need to provide annual budgets to allow for year-to-year comparisons of costs.

The new guidance covers those grant programs outlined in 40 C.F.R. Part 35, Subpart A, including Performance Partnership Grants, as well as other programs not listed in Subpart A that involve a similar continuing environmental program grant relationship (e.g. State Beach Monitoring and Notification Development Grants). ***This listing of programs is contained in Attachment A.***

If a State/Local government wishes to take advantage of this lesser information requirement, they must submit the ***Certification contained in Attachment B.*** Upon approval of the Certification, EPA will begin to apply the criteria for the standardized budget information for all applications received after March 30, 2007.

Should you choose to take advantage of the new approach, please submit the assurance, signed by an authorized organizational representative, in hard copy or electronic as a scanned PDF document to the following electronic mail address: Sherrill.karen@epa.gov or you may mail the assurance to:

EPA, Region 7, Grants Administration Office
901 North 5th Street
Kansas City, Kansas 66101

If you or your staff has any questions, please contact me at (913) 551-7461.

Sincerely,

Karen L. Sherrill
Grants Management Officer

Attachments

ATTACHMENT A

ENVIRONMENTAL PROGRAMS COVERED BY CERTIFICATION

The interim guidance applies to grants awarded to states, interstates, and local agencies, for the following programs. This approach also applies to specific non-subpart A awards where the same on-going, continuing environmental program grant relationship exists between EPA and the applicant.

40 CFR Part 35 Subpart A Programs –

- Performance Partnership Grants (Omnibus Consolidated Rescissions and Appropriations Act of 1996).
- Air pollution Control (section 105 of the Clean Air Act).
- Water pollution Control (section 106 of the Clean Water Act).
- Public water system supervision (section 1443(a) of the Safe Drinking Water Act).
- Underground water source protection (section 1443(b) of the Safe Drinking Water Act).
- Hazardous waste management (section 3011(a) of the Solid Waste Disposal Act).
- Pesticide cooperative enforcement (section 23(a) (1) of the Federal Insecticide, Fungicide, and Rodenticide Act).
- Pesticide applicator certification and training (section 23(a) (2) of the Federal Insecticide, Fungicide, and Rodenticide Act).
- Pesticide program implementation (section 23(a) (1) of the Federal Insecticide, Fungicide, and Rodenticide Act).
- Nonpoint source management (sections 205(j) (5) and 319(h) of the Clean Water Act).
- Lead-based paint program (section 404(g) of the Toxic Substances Control Act).
- State indoor radon grants (section 306 of the Toxic Substances Control Act).
- Toxic substances compliance monitoring (section 28 of the Toxic Substances Control Act).
- State underground storage tanks (section 2007(f) (2) of the Solid Waste Disposal Act).
- Pollution prevention state grants (section 6605 of the Pollution Prevention Act of 1990).
- Water quality cooperative agreements (section 104(b) (3) of the Clean Water Act).
- Wetlands development grants program (section 104(b) (3) of the Clean Water Act).
- State administration of construction grant, permit, and planning programs (section 205(g) of the Clean Water Act).
- Water quality management planning (section 205(j) (2) of the Clean Water Act).

Non-Subpart A Program Grants –

- Chesapeake Bay Program State Grants (when funds are directed to Bay states).
- State Beach Monitoring and Notification Development Grants.
- Lake Champlain Basin (where these funds are directed to specific recipients on an annual basis).
- Water Protection Grants to the States.
- Superfund State and Indian Tribe Core Program Cooperative Agreements.

ATTACHMENT B

INTERNAL CONTROLS CERTIFICATION

The systems and procedures used by _____ (Applicant), for travel and personnel, meet all requirements set forth by the State of _____ (Name of State, commonwealth or organization) and provide necessary and appropriate internal controls in accordance with 40 CFR Part 31, Uniform Administrative Requirements for Grants & Cooperative Agreements to State & Local Governments. Further, by submittal of this assurance the above-referenced Applicant certifies that the state systems and procedures provide an accurate assessment and record of personnel, fringe benefits and travel expenditures.

Further, the above-referenced Applicant agrees to submit a revised certification to the applicable U.S. Environmental Protection Agency, Grants Management Office whenever significant changes to these systems occur which materially alter the original certification.

Print Authorized Representative

Signature Authorized Representative

Date