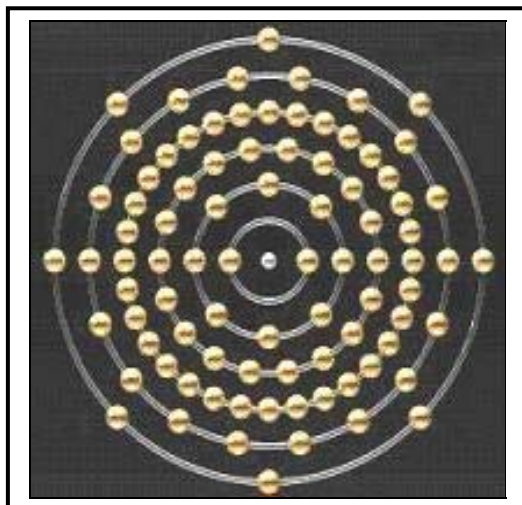




**STATE AND TRIBAL INDOOR RADON GRANTS  
PROGRAM GUIDANCE AND HANDBOOK**

**January 2005**



*State and Tribal Indoor Radon Grants Program  
Preamble*

The State Indoor Radon Grants (SIRG) program is well into its second decade. Since its inception in 1988, the SIRG program has maintained a consistent emphasis on supporting State efforts to reduce the health risks associated with Radon exposure. Due to the longevity of the Radon issue it has become necessary to update, revise, and modify the SIRG guidance to maintain focus and importance for this national health issue. Several components of the initial 1992 Administrative Guidance, and the 1997 Technical Guidance have become obsolete or have been modified since they were first issued. These modifications address a renewed emphasis on program priorities, documenting results, and results reporting. The SIRG program has also been affected by new grant regulations and requirements over the past decade. This updated SIRG guidance is intended to reconcile all legal, policy, and programmatic changes that have affected the SIRG program over the past decade and to provide new clarity, consistency and organization to the guidance.

The primary changes to this document affect the grant application process, as well as how grant funds are utilized and what activities are authorized with these funds. There are some entirely new elements, some modified sections, and some sections remain the same. Users of this new SIRG guidance should find it to be comprehensive, better organized, and more helpful in planning and implementing their state or tribal radon programs.

As new innovations and technologies advance the ability to reduce the health risks of radon exposure, the national SIRG working group will strive to keep EPA radon coordinators, State and Tribal radon grant recipients and other users of this guidance aware of emerging issues, policies and directives that may impact the SIRG program. This document combines the 1992 Administrative Guidance and the 1997 Technical Guidance and supersedes all previous SIRG guidance documents

**STATE AND TRIBAL INDOOR RADON GRANTS (SIRG)  
PROGRAM GUIDANCE**

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# STATE AND TRIBAL INDOOR RADON GRANTS (SIRG) PROGRAM GUIDANCE AND HANDBOOK

## **Overview**

This State Indoor Radon Grants (SIRG) Guidance outlines the Indoor Radon Program priorities and measurable risk reduction target areas for grants awarded under the U.S. Environmental Protection Agency's (EPA) SIRG Program. The guidance is effective upon issuance, is not retroactive, supersedes previous guidance, and is effective for subsequent years unless revised.

The Guidance summarizes the administrative and program requirements for states and tribal nations interested in applying for SIRG funding. It provides information on the SIRG grant application and award process, applicable regulations, and reporting to EPA on progress. Other sections address the content of SIRG applications, the activities eligible for funding, cost share requirements, and limitations and restrictions.

This Guidance applies to applicants eligible for SIRG funds. Throughout the document, the term "SIRG applicant or SIRG recipient" includes States, the District of Columbia, Federally recognized Indian Nations and Territories (the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, American Samoa, the Northern Mariana Islands, or any other territory or possession of the United States). The guidance focuses on radon program grants awarded pursuant to Section 306 of the Toxic Substances and Control Act (TSCA). Radon projects eligible for funding under Section 10 of TSCA are mentioned to a much lesser degree.

## **Introduction**

The 1988 Indoor Radon Abatement Act {TSCA Section 306(j)} authorized an annual appropriation of up to \$10,000,000. This authorization has expired, however each year EPA requests a new appropriation. This has been granted annually, though future appropriations will continue to be at the discretion of the Congress and the President of the United States. This guidance draws on the experience gained and the lessons learned since the inception of the SIRG program in an effort to increase program direction towards achieving actual measurable risk reduction. Documented success may serve to support continuation of funding into the future, and should guide states and tribes in improving the focus of their programs.

Each year EPA Headquarters allocates funds to the ten EPA Regional Offices for award to recipients. The Regional Offices are responsible for determining the amount of Federal funding for each individual recipient within its jurisdiction. Subsequent funding is dependent on EPA's evaluation of recipients' performance during the current and prior grant years, on the most recent radon risk information available for the recipient, and on the degree of success and documented risk reduction being achieved.

This guidance intends to clearly delineate in broad terms the measurable targets to be pursued to

achieve radon risk reduction. It was not developed to prescribe to SIRG recipients "how" to achieve these targets. While comprehensive radon programs that address all of the areas and targets to be outlined have proven highly effective in achieving risk reduction, SIRG recipients may choose to concentrate their resources and efforts in fewer areas.

## **1. Regulatory Framework**

### **a. Program Authority**

In October 1988, in response to growing national concern over the threat of radon gas and its progeny, Congress enacted Title III, Indoor Radon Abatement Act (IRAA, 15 U.S.C. 2661 et seq.) as an amendment to the Toxic Substances Control Act (TSCA, 15) U.S.C. 2601 et seq.). IRAA contains provisions aimed at reducing radon health risks. Specifically, Section 306(a) authorizes the EPA Administrator to award grants to SIRG recipients "for the purpose of assisting the State in the development and implementation of programs for the assessment and mitigation of radon."

Tribes were not initially included under the authority of TSCA Section 306 which established the SIRG program, however, they were eligible to apply for funding of pilot projects under TSCA Section 10. It provided authority for grants for research, development, monitoring, and for public education, training, demonstrations, and studies. In 2001, revisions to 40 CFR Part 35, State and Local Assistance, (35.700 through 35.708) added Tribes and Intertribal Consortia to the State Indoor Radon Grants program.

### **b. Governor's Designation**

A letter from the state Governor or designee is required to certify that the lead state agency has the legal and administrative authority to enter into a grant with EPA. Once such a letter is on file with the EPA Regional Office, then it does not have to be re-submitted each year. However if there is a change in the state's program resulting in a move to another state agency, a new Governor's designation must be obtained.

Tribes or Intertribal Consortium do not have to submit such a letter, however they must meet eligibility requirements as defined at 40 CFR 35.703.

### **c. Government Performance Results Act**

The Government Performance and Results Act of 1993 (GPRA) seeks to strengthen the focus of government performance and accountability to the *results* and *outcomes* of its activities rather than the actions performed. The ultimate purpose is to hold Federal agencies accountable for achieving program results. Quantifiable targets determined to represent program success are established during the strategic planning process, and projected out five or ten years. The EPA Regional Offices must report on their progress towards meeting the goals at least annually for EPA Headquarters GPRA reporting and

program evaluation needs. This SIRG Guidance should serve to increase the awareness of this shift in focus, and the importance of SIRG recipients moving beyond reporting activities conducted with SIRG assistance to a stronger emphasis on achieving and reporting measurable success, in this case, radon risk reduction.

#### **d. Regulations and Circulars**

EPA grant and program regulations and applicable OMB circulars are noted below. Compliance is the responsibility of the grant recipients, so applicants/recipients should read and follow them. EPA will provide assistance, if needed, in interpretation and compliance with the regulations and guidance. Applicable circulars can be accessed electronically at [www.epa.gov/ogd/grants/regulations.htm](http://www.epa.gov/ogd/grants/regulations.htm). Note in particular that grant regulations found at 40 CFR 31 apply to “all” EPA grant programs and are considered administrative in nature. 40 CFR 35 lists EPA’s “individual” program regulations and their technical and legal requirements. Indoor radon is only one of many programs listed. Most other regulations listed concern a specific “activity”.

#### **40 CFR Subchapter A - General**

**Part 4** - Implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1980

**Part 7** - Nondiscrimination in Programs Receiving Federal Assistance from the Environmental Protection Agency

**Part 29** - Intergovernmental Review of Environmental Protection Agency Programs and Activities

#### **40 CFR Subchapter B - Grants and Other Federal Assistance**

**Part 31** - Uniform Administrative Requirements for Grants and Cooperative Agreements to State and local Governments - This section presents EPA’s grant regulations which are applicable to all EPA grants, regardless of which program is the awarding authority.

**Part 32** - Debarment and Suspension Under EPA Assistance Programs

**Part 34** - New Restrictions on lobbying

**Part 35** - State and local assistance. This section presents EPA’s program regulations. Subpart A contains requirements applicable to State Environmental Program Grants. The regulation at 40 CFR 35.100 – 35.118 apply to all State Environmental Program Grants. The SIRG specific grant regulations for States and Territories are located at 40 CFR, 35.290-298. Subpart B contains requirements applicable to Environmental Program Grants for Tribes. The regulations at 40 CFR 35.500 – 35.518 apply to all Tribal Environmental Program Grants. The SIRG



specific grant regulations for Tribes are located at 40 CFR 35.700 – 708.

## **OMB Circulars**

In addition to the regulations noted above, the Office of Management and Budget (OMB) *periodically* issues “Circulars” which provide additional detail. A recently published *Federal Register* notice (6/6/2003) by OMB proposes to relocate all of their policy guidance for grants and other agreements in a single title in the CFR. They also propose a new title of the CFR in which Federal agencies would co-locate their regulations for the award and administration of grants and agreements. SIRG applicants should be aware of this possibility, and will be notified by EPA if it becomes final. Applicable OMB Circulars for SIRG can now be found online at OMB’s web site, <http://www.whitehouse.gov/omb/>, and include:

**Circular A-87** - Cost Principles for State and Local Governments

**Circular A-133** - Audits of States, Local Governments, and Non profit Organizations

### **e. Performance Partnership Grants**

The Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104-134) and the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1998 (Public Law 105-65), authorize EPA to combine categorical grant funds appropriated in EPA’s State and Tribal Assistance Grant (STAG) account and award the funds as Performance Partnership Grants (PPGs). According to 40 CFR 35.130 and 35.530 PPG’s were designed to enable States, Tribes, interstate agencies, tribal consortia, and air pollution control agencies to combine funds from more than one environmental program grant into a single grant and budget. Recipients do not need to account for PPG funds in accordance with the funds’ original environmental program sources; they need only account for total expenditures. The individual program requirements would still apply, however grantees would have the flexibility to direct resources where they are most needed to address their priorities. In addition to meeting the requirements in 35.100 to 35.118, (applicable to States) or 35.500 to 35.518 (applicable to Tribes and tribal consortia), which apply to all environmental program grants, (including the PPG’s), applicants and recipients must comply with the PPG specific regulations at 40 CFR 35.130 through 35.138 (applicable to States) or 35.530 to 35.538 (applicable to Tribes and tribal consortia). SIRG funds awarded to Tribes pursuant to TSCA 10 are not eligible for inclusion in a PPG.

## **2. General Award Process**

This Section briefly describes EPA's general process of annual allotments to the regions, solicitation of grant applications from states and tribes, SIRG awards, post award period, and

potential carryover. Additional detail is provided throughout the document.

**a. Authorization**

TSCA Section 306 (j) authorized an appropriation of up to \$10,000,000 for each of Federal fiscal years 1989, 1990, and 1991 to provide financial and technical assistance to states that chose to support radon monitoring and control. This authorization has expired, however, each year EPA has requested a new appropriation which has been granted annually. Historically, the SIRG program has received approximately \$8.1 million annually, and the entire amount has been allocated to the Regions each year for award to States and Tribes. The SIRG program has remained in force due to the continued health risks associated with radon exposure. The SIRG program has evolved into a multi-faceted and flexible program to meet the needs of states and tribal organizations in their efforts to raise awareness, public involvement, and implement radon mitigation projects and programs. However, future appropriations will continue to be approved at the discretion of the Congress and the President of the United States.

**b. Annual Allotments**

**(1) Regional Allocations** - Each year EPA Headquarters allocates funds to the ten EPA Regional Offices for awards to States and Tribes. Regional Offices are then responsible for determining the amount of Federal funding awarded to their states or tribes. Subsequent funding to each will depend on EPA's evaluation of performance in previous grant years, the degree of success in achieving priority area goals, and reporting measurable results.

**(2) Allocation Model** -EPA uses a model to determine the allocations to the Regions each year. Inputs to the formula include such factors as States' success in priority areas, population, distribution of radon zone designations, and smoking rates. This is not discussed in further detail in this document as the formula is not related to the SIRG application or award process. It is understood that discussions concerning this process will occur outside of this Guidance.

**(3) SIRG as Program Grant** - The SIRG program was initially authorized by legislation as "project" grants. They are designed for a wide spectrum of Agency priorities such as pollution prevention, environmental justice, and similar programs. As the SIRG program evolved beyond the initial three year "project" period, it was necessary to find a different category for the program's existence. SIRG grants are now identified as Environmental Program Grants. These are continuing programs awarded primarily to states and tribes, and available under specific statutes or combined into Performance Partnership Grants. These are designed to help support ongoing programs, and provide more stability. This new designation does not change the ability to award a tribal "project" grant under TSCA 10 if that criteria is met.

The revised 40 CFR Part 35, more adequately supports and defines the SIRG program category, and is defined as; State and Local Assistance, Subpart A - Environmental Program Grants, lists SIRG at 35.290 through 35.298. Subpart B - Environmental Program Grants for Tribes, lists Tribes and Intertribal Consortia at 35.700 through 35.708. Prior to this update tribes were not included in SIRG.

### **c. Applications**

SIRG applications should be viewed as strategic planning tools that, at a minimum, clearly identify program goals and objectives, plans of action, expected outcomes and results, resource and technical assistance needs, and implementation target dates. Applications should include quantifiable projections, accomplishments scheduled to be achieved, and the performance measures to be used. The ultimate goal for the program is to measure, document and report the risk reduction being achieved through state and tribal activities.

The general grant regulations are at 40 CFR Part 31 - Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. The program specific regulations are at 40 CFR Part 35 - State and Local Assistance. State Indoor Radon Grants begins at 40 CFR 35.290 and Indoor Radon Grants for Tribes begins at 40 CFR 35.700. These should be reviewed, along with IRAA and this Guidance. More detail on what should be included in the applications, other applicable regulations and guidance, work plan, required attachments, and other areas to be addressed is provided in Section 7, Application Requirements.

The process begins with pre-application assistance. Before the state or tribe submits a draft application, they should consult with the EPA Regional Office to ensure compliance with statutory requirements and applicable EPA regulations, OMB Circulars, this guidance, and SIRG program priorities. Once the work plan and budget are negotiated with the Regional Office, the final signed application with required attachments should be submitted. The original and two copies of applications are required. When received, the EPA Regional Office will review the package for compliance with program and administrative requirements.

### **d. Deadlines**

States or tribes seeking funding should submit a completed application package to the EPA Regional Office according to deadlines set by each Regional Office. For example, the Region may set the deadline for each applicant at six months before the expiration date of the current grant. This would allow for time to review the draft application, negotiate changes to the work plan or budget, and obtain a final signed application. It may take up to four months to process the grant award. The applications are now available online, and the entire grant award process will soon be electronic as well. This will shorten the time from draft application to issuance of final award documents considerably, and deadlines will likely be adjusted accordingly. Please note that generally grant awards for continuing programs must

be issued by September 30 of any given year. There may be more flexibility with tribal grants depending on which authority they are awarded under. For instance, project grants awarded under TSCA Section 10 would not necessarily need to follow a fiscal or calendar year budget/project period.

#### **e. Awards**

As per 40 CFR 35.112, after approving a State application EPA “will consider such factors as the applicant’s allotment, the extent to which the proposed work plan is consistent with EPA national and regional guidance and mutually agreed upon priorities,” the anticipated cost of the work plan, and the level of radon health risk to determine the amount of funds to be awarded. Similar regulations applicable to Tribes and tribal consortia are codified as 40 CFR 35.512. The award document and any grant or program conditions will then be prepared and issued. Once the award is signed by the EPA Award Official, the Regional Office must send 2 signed copies to the applicant. Recipients should be aware that there is a five-day congressional notification waiting period after the award is signed by the EPA Award Official. Then the award document is sent to the certifying official who signed the application. The applicant must sign the award document and return one copy of the agreement to the EPA Regional Office.

#### **f. Pre-Award Costs**

Reimbursement for pre-award costs should not be necessary because of the revisions to 40 CFR Part 35 which changed SIRG grants to (continuing) environmental program grants. Pre-award costs are incurred at the recipient’s own risk. Information concerning when pre-award costs may be allowable and can be found at Part 35.113 and 35.513.

#### **g. Post-Award Changes/Evaluation**

Post-Award requirements are addressed at 40 CFR Part 35.114 through 35.118 and 35.514 through 35.518. Changes to work plans after the grant is awarded are discussed, along with which areas require additional formal amendments from EPA, which require only EPA Project Officer approval, and which don’t require any approval. In general, grantees can make budget adjustments that are minor to meet unanticipated requirements, respond to changed conditions, account for changes in staff (other than key personnel), or for other causes as long as the changes are consistent with the project objectives and are within the scope of the original agreement. In addition, the amount must be less than 10 percent of the current approved total budget. Even such minor changes should be discussed with the EPA Project Officer and documented. More significant changes require formal amendments, and are for such actions as changing key personnel, adding or decreasing of funds, and those which exceed the 10 percent limit. All changes should be cleared with the EPA Project Officer to ensure they are addressed properly and according to regulations.

A major change being instituted with the new Part 35 concerns evaluation of performance. There is now a requirement for the development of a process for joint evaluation and reporting between EPA and the grantee (See Section 7(d)(1), Joint Evaluation Process). This will likely become a grant condition which requires a description of the process for incorporating such an evaluation into work plans. Basic elements of the evaluation process are provided, along with information on resolution of any issues which might arise. SIRG recipients are encouraged to become familiar with these requirements that can be found in 40 CFR 35.115 and 40 CFR 35.518.

#### **h. Carryover Funding**

If a state or tribe has remaining SIRG funds at the end of their budget period, those funds should be reflected in the Financial Status Report (due 90 days after the budget period ends) as unobligated. The EPA Regional Office (in consultation with the grantee) can do one of the following: 1) add them to a subsequent award through an amendment, 2) hold them for addition to the next year's award, 3) extend the grant period of the original grant, or 4) de-obligate the funds and redirect them to another applicant. Some regions may have written policies addressing carryover while others may have informal guidelines.

### **3. Priority Areas**

This section lists the statutory criteria identified in IRAA used to make funding determinations and identifies the specific activities determined to be high priority for the SIRG program by EPA. It also addresses some specific areas which should be addressed or considered.

#### **a. Statutory Funding Criteria**

Preference to Certain States. IRAA Section 306(d) specifies that, beginning in Fiscal Year 1991, EPA shall give preference for grant assistance to states and tribes that have made reasonable efforts to ensure the adoption, by the authorities which regulate building construction within that state or political subdivisions within states, of the model new construction standards specified under IRAA Section 304, or other standards and techniques that are comparable to or more stringent than those specified under IRAA.

If SIRG applications for funds exceed the total amount of funds available for award in a Federal fiscal year (FY), IRAA Section 306(e) requires EPA to give priority to activities or projects proposed based on each of the following criteria:

- 1) The seriousness and extent of the radon contamination problem to be addressed.
- 2) The potential for the activity or project to achieve reduction in radon levels, including measurements of the effectiveness of such efforts to reduce the public health risks of radon. Specifically, EPA will give priority to activities or projects based on their potential for achieving results in the areas outlined under "Program

Priority Areas” below.

3) The potential for the development of innovative radon assessment techniques, mitigation measures as approved by EPA, or program management approaches that may be of use to others.

4) Any other uniform criteria that EPA deems necessary to meet the goals of the program and that EPA provides to applicants before the application process.

#### **b. Program Priority Areas**

The following lists the priority areas that EPA believes SIRG recipients should emphasize in their efforts to achieve health risk reduction. The recipient should provide measurable results and indications of success which will be evaluated annually during the development of funding allocations for the coming year. More information on these priority areas is provided in Section 4, Allowable Costs/Eligible Activities.

Program priority areas address:

- radon-resistant new construction techniques in new homes and schools;
- disclosure, testing, and mitigation in conjunction with residential real estate transactions;
- developing radon programs in high-risk areas;
- activities that improve the effectiveness and viability of the program;
- developing coalitions that work in partnership with local governments, Partner affiliates and others interested in reducing the risk of radon;
- setting and measuring environmental results goals;
- testing and, mitigating schools for radon;
- implementing innovative radon awareness outreach activities;
- implementing a multi-media mitigation (MMM) program under the Safe Drinking Water Act (SDWA) should the radon in drinking water standard with its current MMM option become final.

Applicants may request funding for tasks or items not addressed here that they believe are necessary or otherwise high priority. EPA will make determinations on such requests on a case-by-case basis during its negotiations with applicants.

#### **c. Risk-based Targeting**

EPA emphasizes risk-based targeting in order to achieve maximum radon risk reduction. The national EPA Map of Radon Zones, state/tribal data and radon maps, national EPA and SIRG recipient studies, census data, and program assessment tools deemed helpful should be used in the design of programs to achieve maximum risk reduction.

National studies have indicated lower results in radon awareness, testing and mitigation in low income and/or culturally diverse communities. It is imperative that all populations in targeted areas be informed about the health risks from radon exposure and encouraged to take preventive measures. States, locals and tribes are encouraged to look for innovative ways to obtain mitigations in low income residences. See the item “Financial Assistance to Persons” in Section 5 - “Statutory Limits and Restrictions” for additional information on using SIRG funding in this area.

#### **d. Multimedia Mitigation (MMM)**

In November 1999, EPA proposed a rule under the Safe Drinking Water Act (SDWA) for radon in drinking water which reflected radon's uniqueness among drinking water contaminants. Although radon in drinking water poses a significant health risk, the more significant health risk occurs when it is released to indoor air from the soil and then inhaled. EPA was directed to issue a maximum contaminant level (MCL) for radon in drinking water as one risk management option, but also to provide a second option, a combination of a less stringent alternative maximum contaminant level (AMCL) plus a multimedia mitigation (MMM) program to address radon risks in indoor air (from radon in soil). As currently proposed, the AMCL is designed to ensure that radon levels in drinking water are below the equivalent national ambient average level of radon in indoor air - 4pCi/L.

The criteria for approval of a proposed MMM plan are outlined in the proposed rule, along with EPA's recommendation that States choose the AMCL/MMM option. The rule is currently under EPA review. Should the rule pass in its current form, SIRG recipients will be able to use SIRG funds for a required public participation process, development of the MMM plans, and the related program activities which will be needed for full implementation. Recipients will not, however, be permitted to use SIRG funds to conduct strictly drinking-water related program activities such as testing or monitoring of water by Community Water Systems.

In some regions, the drinking water program has responsibility for implementation of SDWA on tribal lands. In that case the region would negotiate with the tribe that uses groundwater as it's drinking water source concerning options. If the AMCL is selected, it is likely the MMM program would apply to the entire reservation.

### **4. Allowable Costs, Required Activities, and Eligible Activities**

#### **a. General Requirements**

SIRG applicants must ensure that the costs of proposed activities are allowable according to OMB Circulars A-87, "Allowable Costs". This should be reviewed in conjunction with 40 CFR Parts 31 and 35. OMB defines allowable costs as those costs that are “eligible, reasonable, necessary, and allocable.” The major eligible activities are specified by statute (IRAA). For a

cost to be eligible, the cost must not be prohibited by the statute, and must be incurred during the budget period. Additionally, costs should be judged in context to determine that they are reasonable and necessary. Recipients need to ensure that proper documentation is in the file to meet the procurement regulation requirement in 40 CFR Part 31 and or State procurement rules. All grant expenditures are subject to audit for the final determination of allowability of costs.

#### **b. Activities Required by Statute**

Per TSCA 306(h), Information, (1) “The Administrator may request such information, data, and reports developed by the State as he considers necessary to make the determination of continuing eligibility under this section.”

All SIRG grant recipients must comply with the following requirements:

- Provide lists to the public of certified radon measurement individuals or companies and certified mitigators. Except in some regulatory states, radon industry professionals may be certified with one of the private sector organizations which were developed following the discontinuation of the EPA Radon Proficiency Program. As of 2003, the private sector organizations that certify radon professionals are the National Radon Safety Board (<http://www.nrsb.org/>) and the National Environmental Health Association (<http://www.neha.org/>). These two organizations make radon certification lists available to the States. SIRG recipients must make these private certification lists and/or web sites available to the public. Recipients must also be aware of changes in listings and certification requirements.
- Provide Radon-Related Information to EPA. SIRG recipients must provide to EPA all radon-related information generated through its activities, including the results of radon surveys, mitigation demonstration projects, risk communication studies, or other pertinent data. These should be included in quarterly or annual reports or discussions with the Regional office.

#### **c. Eligible Activities**

Section 306 (c) of TSCA presents a list of activities that are eligible for funding under this financial assistance program. This section discusses each of these activities in detail, and provides guidance concerning limitations and restrictions, where applicable. Applicants may request funding for tasks or items not listed here. EPA will make eligibility determinations for such requests on a case-by-case basis during the application negotiation process.

##### **(1). Radon Surveys**

Statutory Provision: 306 (c), (1): "Survey of radon levels, including special surveys of geographic areas or classes of buildings" (such as, among others, public buildings, school buildings, high-risk residential construction types)".



## **Discussion**

SIRG recipients may undertake any of several survey activities, including collecting existing measurement data, data from ongoing SIRG projects and geologic mapping. A survey could also be used to determine radon levels of potentially high-risk areas, or of radon levels of a particular building or group of buildings (schools, day cares). SIRG recipients may also choose to propose radon-in-water surveys, if they are coupled with air surveys, or other targeted efforts.

Caution should be exercised in pursuing survey activity as it may need to comply with Information Collection Requirements (ICR) of the Paperwork Reduction Act of 1995. That Act requires OMB approval when a cooperative agreement's scope of work includes the survey or collection of identical information from 10 or more persons. Similarly, when a grant's scope of work includes the survey or collection of identical information from 10 or more persons and EPA wants to influence, design or develop the activities of the survey, then the requirements of the ICR pertain. If there is any doubt concerning whether this applies to planned activities the recipient should check with the EPA. Regional personnel should check with OGC if surveys are identified in Work plans or after the award has been granted.

If a state chooses to conduct surveys they should be statistically valid allowing for conclusions to be drawn about the subject of the study. Recipients are also encouraged to develop strategies to target areas not representative of the state as a whole, such as suspected "hot spots," schools, public buildings, mitigated homes, or homes built with a passive radon reduction system.

Since EPA's Map of Radon Zones and many updated state maps are available to target high-potential areas, EPA encourages surveying and mapping that provides substantial additional information for use in development of risk reduction strategies. Examples could include geologic formations that have proven difficult to map or which pose problems for short-term testing, or for adoption of radon resistant building codes.

SIRG applicants must develop and submit to EPA a Quality Assurance Plan (QAP) to address the statistical or analytical quality of their surveys. This plan must be on file with the EPA, or submitted to the EPA Regional Office with the SIRG application unless other arrangements are made. Once the primary Plan is approved, new QA Project Plans may be required prior to beginning any "new" environmental measurements funded through SIRG. Grant award documents will likely be conditioned accordingly. Specific guidance on development of these Plans is provided in Section 6, Application Requirements.

The following list includes items or tasks that EPA believes are within the definition of this activity and thus are eligible for funding:

- Survey design
- Development of strategies to target high-risk areas
- Preparation of survey forms and data collection procedures
- Training on design & conduct of surveys

- Training on Quality Assurance
- Analysis of radon detectors
- Personnel and travel to place and retrieve detectors
- Analysis of data
- Preparation of summary statistics
- Training of state staff for required expertise in geology, radon, statistics, etc
- Development of required Quality Assurance documentation.

## **(2) Public Information and Educational Materials**

**Statutory Provisions: 306(c)(2):** "Development of public information and educational materials concerning radon assessment, mitigation, and control programs."

306(g) "States may...use funds from grants under this section to assist local governments in implementation of activities eligible for assistance under paragraphs (2), (3), and (6) of subsection (c)."

### **Discussion**

Informing the public about radon is an essential component of any radon program. Public information campaigns should be designed to provide citizens with sufficient information to lead them to test their homes for radon, to mitigate if necessary, or to take preventive steps in new construction.

Studies have indicated that such information is conveyed most effectively when an information campaign is supplemented by an aggressive local outreach effort. Hence, SIRG recipients are encouraged to coordinate with EPA's radon information program by putting in place aggressive public education strategies with strong local components. SIRG funds may be used to formulate and execute these programs, with special attention to developing local outreach programs and materials.

SIRG recipients are encouraged to take advantage of the experience of other radon programs and of EPA in designing their radon outreach efforts. Use of EPA's materials, such as documents and Public Service Announcements, is also encouraged. EPA can provide information on availability. In addition, recipients should take advantage of technology available for information distribution, such as web sites, email newsletters, documents in CD format and other options.

Note that any advertising and/or public service announcements must be specifically approved in the grant agreement, as specified by OMB Circular A-87. Applicants must identify and include such costs in their proposed budgets. EPA encourages SIRG recipients to focus some portion of this funding to support local efforts, especially in potentially high-risk areas.

In addition to active outreach and education efforts, public information programs should include efforts to make radon personnel available to speak with private citizens upon request. Personnel should be available to meet with concerned and interested citizens and to take telephone calls. Specific items for which EPA will approve funding include brochures, booklets, slide shows, videos, advertising and other public service radio and TV announcements, newsletters, publications to support radon information campaigns, and reproduction costs.

### **(3) Radon Control Programs**

#### **Statutory Provision**

306(c)(3): "Implementation of programs to control radon in existing and new structures."

306(g) "States may, at the Governor's discretion, use funds from grants under this section to assist local governments in implementation of activities eligible for assistance under paragraphs (2), (3), and (6) of subsection (c)."

#### **Discussion**

The bulk of a SIRG recipient's radon program will be in this area, as implementation of radon control programs brings bottom-line risk reduction to the population. The ultimate goal should be that radon-risk reduction is institutionalized through real estate transaction requirements (i.e., disclosure, testing, and/or mitigation), adoption of radon-resistant new construction techniques (either voluntarily or by building code), certification programs for individuals and or companies conducting radon testing or mitigation, or other regulatory approaches. EPA will consider funding well-designed projects to enhance state and local program development or to implement innovative approaches. Some examples of the types of programs and activities EPA considers appropriate for funding include, but are not limited to the following:

- Program Management/Outreach
- Develop program policy and guidance
- Encourage the development of and participate in local radon programs (states may provide funding assistance to local governments)
- Draft legislation to develop certification programs, training requirements, industry licensing, worker protection standards, real estate disclosure requirements, inspection programs, or others, and craft such that the programs are fee-based to generate program income (See Section 5c - Program Income)
- Sponsor seminars or training programs to radon to real estate agents, builders/contractors, community leaders, school officials, potential industry participants, or other groups as needed

- Develop radon information program for low-income households
- Conduct a study to determine the extent of homeowners' follow-up to elevated radon measurements
- Problem Assessment and Response
- Investigate high-risk area
- Examine new ways to measure radon or radon decay products
- Develop state certification programs for measurement and mitigation of radon, including the offering of proficiency rating exams and monitoring and/or enforcing compliance with standards/requirements
- Adopt EPA's model new construction standards into the state-wide building code, if one exists, and encourage adoption of these standards into local building codes
- Educate and encourage home builders to voluntarily include radon resistant features in new homes
- Develop programs to promote radon testing and mitigation during residential real estate transactions
- Develop programs to help schools, child-care centers, and workplaces address radon problems
- Conduct studies to determine the effectiveness of local radon mitigation or radon resistant installations
- Develop programs to provide support, advice, and assistance to those who are testing and/or mitigating a building for radon

Note that Section 306(g) of IRAA provides that states may pass SIRG funds through to local governments to implement such programs.

SIRG grantees are prohibited from lobbying Federal entities using Federal funds, and must disclose any Federal lobbying activities that use non-Federal funds. Because these restrictions apply only to the lobbying of Federal entities, grantees are not prohibited from (and do not have to disclose) activities intended to encourage state and local governments or institutions to adopt the EPA model new construction standards, or advocating state legislative initiatives such as

certification of measurement/mitigation companies or disclosure of radon during real estate transactions.

The government-wide common rule for assistance agreements refers to lobbying as "influencing or attempting to influence." EPA is implementing the common rule language in 40 CFR Section 34.105(h), which states that "influencing or attempting to influence means making, with the specific intent to influence, any communication or appearance before an officer or employee of any federal agency, a member of Congress, an officer or employee of a member of Congress, or an employee of a member of Congress in connection with any covered federal action or a federal commitment to ensure or guarantee a loan."

It should be understood that there are no restrictions on lobbying or lobbying activities. It is the use of federal funds to support lobbying activities that is prohibited.

#### **(4) Measurement Equipment or Devices**

##### **Statutory Provision:**

306(c)(4) "Purchase by the State of radon measurement equipment or devices."

306(i)(2) "The costs of implementing paragraphs (4) and (9) of subsection (c) shall not in the aggregate exceed 50 percent of the amount of any grant awarded under this section to a State in a fiscal year. In implementing such paragraphs, a State should make every effort, consistent with the goals and successful operation of the State radon program, to give a preference to low-income persons."

##### **Discussion**

EPA defines radon measurement equipment or devices as those instruments used to:

1. Test for radon gas or radon decay products in residential, school or commercial structures, outdoor air, soil, water or other media;
2. Perform diagnostic tests related to the design of a mitigation approach;
3. Investigate the effectiveness of mitigation techniques or systems; and,
4. Monitor worker exposure.

Subject to the ceiling imposed by Section 306(i)(2), SIRG funds may be used to purchase testing equipment used for such purposes. SIRG recipients should purchase the measurement equipment or devices that most appropriately address their program's measurement needs. The current certification programs; National Radon Safety Board (NRSB) and the National Environmental Health Association (NEHA) provide a list of equipment/devices on their web sites. NRSB and NEHA are in the process of developing procedures for new device evaluation.

Applicants should note that IRAA Section (I)(2) requires that grantees make every effort to give preference to low-income persons when using radon measurement equipment or devices purchased with SIRG funds. IRAA Section 306(i)(4) allows states to provide financial assistance to persons if related to the purchase or analysis of radon measurement devices. Such assistance is described in more detail in Section 5, Statutory Limits and Restrictions. SIRG recipients should define the set of criteria used to determine “low-income”.

Applicants should note that Section 306(i) of IRAA, "Limitations," prohibits SIRG recipients from expending more than 50 percent of the amount of the grant award received in a fiscal year for the purchase of measurement equipment or devices and mitigation demonstration projects, in the aggregate. This limitation is calculated as a percentage of the Federal funds.

## **(5) Analytical Equipment**

### **Statutory Provision:**

306 (c)(5) "Purchase and maintenance of analytical equipment connected to radon measurement and analysis, including costs of calibration of such equipment."

### **Discussion**

SIRG recipients who purchase certain radon measurement devices will need to acquire calibration services to ensure the accuracy of the devices. In general, EPA will approve the costs of obtaining such services, but the recipient retains responsibility for demonstrating the validity of the method. The Agency will consider the use of SIRG funds for the construction of radon chambers only for states with legislation requiring the development of certification programs.

There are relatively few sources from which calibration services can be acquired. One source is the National Institute of Standards and Technology (NIST). Formerly the National Bureau of Standards, NIST serves as the nation’s science and engineering laboratory for measurement technology and standards research. It provides a range of technical services such as measurement standards, test methods, and technical data. Calibration services may also be purchased from contractors participating in the nationally sponsored Inter-Comparison Program. It provides for inter-comparison of equipment from both the public and private sector. The certification programs, NRSB and NEHA may either provide such services or be able to direct SIRG recipients to reliable sources. EPA maintains two laboratories that provide the monitoring, assessment, radio-analytical, and other services needed during a radiological emergency. They are the National Air and Radiation Environmental Laboratory (NAREL), located in Montgomery, Alabama and the Radiation and Indoor Environments National Laboratory (R&IE) in Las Vegas, Nevada.

## **(6) Training**

### **Statutory Provision:**

306(c) (6) "Payment of costs of Environmental Protection Agency -approved training programs related to radon for permanent State or local employees."

306(g) "States may, at the Governor's discretion, use funds from grants under this section to assist local governments in implementation of activities eligible for assistance under paragraphs (2), (3), and (6) of subsection (c)."

IRAA also provided for establishment of four Regional Radon Training Centers to provide training, technical assistance and information development for government officials, industry and the public. Although not required, SIRG recipients are encouraged to make use of their services.

**Discussion:**

Agency policy is to approve the use of SIRG funds to support participation by permanent state or local radon employees in the following types of training activities:

1. EPA-sponsored training courses or workshops on radon.
2. Attendance at the Regional Radon Training Centers (RRTC) or their field sites for courses related to health effects and risk communication, radon dynamics, measurement and mitigation (including hands-on component), building investigation and diagnostic testing, worker health and safety, radon prevention in new construction, radon in water, or related subjects.
3. Radon-related courses (similar to those offered by RRTCs) at accredited colleges and universities or other private sector institutions.
4. Radon conferences and symposia including the National Radon Meeting.

EPA defines a permanent radon employee as one who is officially classified as permanent by the state or local government for which he/she works. Eligible costs under this activity category include travel expenses associated with attending courses, workshops, and seminars, as well as any fees that may be incurred. In general, states are encouraged to fully use the existing mechanisms described above for training state and local employees. Additionally, Section 306(g) of IRAA provides that states may pass SIRG funds through to local governments to use for training activities.

EPA recommends that States and tribes use the Regional Radon Training Centers, however grantees may elect to use other qualified training vendors. They should ensure that the other providers meet the following minimum requirements:

- Vendor has experience in offering the specific type of training needed, or experience in similar radon related training.
- Vendor uses experienced instructors to teach courses. SIRG recipients should establish an experience requirement based on minimum number of hours of course presentations. Radon measurement and mitigation courses must be taught by instructors currently certified with one of the private sector organizations, the National Radon Safety Board (NRSB) or the National Environmental Health Association (NEHA) and/or are state certified where applicable. At least one instructor should be a currently practicing contractor. NRSB or NEHA certified training providers should be used for delivery of residential radon mitigation courses.
- Vendor uses instructional materials that reflect current EPA policy and guidance, including currently available EPA publications. Sources and potential costs for obtaining current EPA policy and guidance documents should be provided if the documents themselves are not.
- Vendor provides a plan for evaluating and continually improving the course. The evaluation plan should include a student survey form capable of evaluating course content by unit/module and instructor teaching skills.

States and tribes should use existing training courses and materials to the greatest extent possible and not pay for additional course development which duplicates existing courses and materials.

## **(7) Program Overhead and Administration**

### **Statutory Provisions:**

306(c)(7) "Payment of general overhead and program administration costs."

306(i)(3) "The costs of general overhead and program administration under subsection (c)(7) shall not exceed 25 percent of the amount of any grant awarded under this section to a state in a fiscal year."

### **Discussion**

Development and maintenance of a state radon program must include the mechanisms and infrastructure needed to administer the program. In most states, these costs are included in the indirect cost category; therefore, indirect costs are generally used as a base for this administrative ceiling. Elements of program administration that may be considered include mechanisms for providing information to decision makers, acquiring and allocating key resources, designating staff responsibilities, providing management oversight and direction, monitoring program progress, or other costs that are not directly attributable to a specific project or program element.



Note that IRAA 306(i) "Limitations" prohibits expending more than 25 percent of the amount of the grant award on general overhead and program administration in any one fiscal year. This limitation is calculated as a percentage of Federal funds.

The indirect cost rate is simply an accounting tool typically used to distribute general overhead costs (such as rent, utilities, supplies), which cannot be directly attributed to one grant. It is a percentage or rate, applied to a "base" (some dollar amount directly associated with the grant), to calculate the indirect cost dollar amount. Therefore, in general, most of the total indirect cost dollar amount is by definition one type of program overhead/administration cost that must be limited to 25 percent of the total SIRG award (Federal funds).

## **(8) Data Storage and Management System**

### **Statutory Provision:**

306(c)(8) "Development of a data storage and management system for information concerning radon occurrence, levels, and programs."

### **Discussion**

Development of a radon data storage and management system may entail the purchase of appropriate software for managing and tracking relevant information for the program. SIRG funds may be used to cover such software expenses and, to a limited extent, for the purchase of personal computers.

Radon-related information for which storage and management capabilities are needed may include measurement locations; the type and location of measurement devices; screening results; follow-up results; house characteristics; and mitigation characteristics. Recipients should keep in mind that they must provide EPA all radon-related information generated through its activities.

## **(9) Mitigation Demonstrations**

### **Statutory Provision:**

306(c)(9) "Payment of costs of demonstration of radon mitigation methods and technologies as approved by the Administrator, including State participation in the Environmental Protection Agency Home Evaluation Program."

306(i)(2) "The costs of implementing paragraphs (4) and (9) of subsection (c) shall not in the aggregate exceed 50 percent of the amount of any grant awarded under this section to a state in a fiscal year. In implementing such paragraphs, a state should make every effort, consistent with the goals and successful operation of the State radon program, to give a preference to low-income persons."

### **Discussion**

SIRG grants may be used to fund demonstration projects on homes, schools, or other buildings for the purpose of gathering information and furthering knowledge about radon mitigation. Activities may include diagnostic testing, mitigation design, implementation, and follow-up testing. The mitigation methods and technologies to be demonstrated may be similar in type and scope to those cited in EPA's early training manual, "Reducing Radon in Structures".

Alternatively, SIRG applicants may request funds under this section to demonstrate a new and innovative mitigation technique, especially if the technique potentially may be of use to other states. SIRG funds can be used to cover operating expenses associated with participation in demonstration projects, such as the development and production of written materials, reproduction of materials, rental of classroom space, audio-visual materials, and course publicity. SIRG recipients should be careful to use only certified, experienced instructors or contractors for such projects.

Note that costs associated with mitigation demonstrations and the purchase of measurement equipment may not, together, exceed 50 percent of the grant award, per IRAA Section 306(i)(2). This limitation is calculated as a percentage of the Federal funds.

Applicants should make every effort to give a preference to low-income populations when demonstrating mitigation technologies. The criteria used for defining "low-income" should be identified. In accordance with IRAA, States may use SIRG funds to provide financial assistance to persons to participate in a mitigation demonstration project. Section 5, Statutory Limits and Restrictions provides more detailed guidance on financial assistance to persons.

### **(10) Toll-Free Hotline**

#### **Statutory Provision:**

306(c)(10) "A toll-free radon hotline to provide information and technical assistance."

### **Discussion**

SIRG recipients may use their funds to install and operate a toll-free radon hotline to provide basic, radon-related information to the general public. Eligible costs include the telephone lines, automated switching/answering machines, telephone answering staff, postage, and any other direct cost of the hotline.

#### **(11) Assistance to Local Governments/Other State Agencies**

SIRG recipients may use funds to assist local governments, other state agencies or universities in implementation of TSCA Sections (c), (2), (3), and (6). They may wish to develop contracts (or whatever legal instrument is required) with those local governments or universities and "pass-through" SIRG funds according to specific work plans. Grant recipients that choose to "pass through" funds to other parties (subgrantees) are responsible for informing them that they must abide by the same grant rules and regulations as the grant recipient. Since studies have suggested that radon programs are often most effectively conducted at the local level, EPA encourages consideration of such options as a key element of a radon program. Additionally, such an arrangement with pass-through recipients can allow for the contribution of non-Federal radon program expenses to be used for meeting the required match.

### **5. Statutory Limitations and Authorization Restrictions**

This section reviews the statutory limitations and authorization restrictions applicable to the award and use of SIRG funds. Specifically, the match requirements, restrictions on use of program income, specific restrictions and ceilings on certain allowable activities, and the use of carryover, are addressed. The majority of these requirements are contained in either IRAA Section 306, or in the 40 CFR Part 31 or 35 regulations. EPA will monitor compliance with these limitations and restrictions as part of its ongoing evaluation of the performance of each grant recipient.

#### **a. Authorization Restrictions**

- (1) No more than 10 percent of the amount annually appropriated for the SIRG program may be awarded to any one state, as specified by IRAA Section 306(j)(3).
- (2) Funds not obligated by EPA to states in the Federal fiscal year for which the funds are appropriated shall remain available for obligation in the next Federal fiscal year, as specified by IRAA Section 306(j)(4). However, funds awarded to states, but not yet obligated by the end of the budget period, are subject to review by the EPA's program office. Further information is described in Section 2(h).

#### **b. Required Match**

- (1) **States** - TSCA Section 306(f) stipulated that EPA requires states to match 25% of the allowable costs of approved Radon Program activities during the first grant year, no more than 40% the second year, and no more than 50% the third year. All state programs are now at the required 50% match level, which will be the required level for all the following years of funding unless Congress enacts a new law with different requirements.

Applicants should show how they will meet the 50% cost share requirement for the total grant award, not on a per activity basis. State and Federal dollars become blended such that each grant-related dollar is assumed to include both the Federal and the state share. All dollars spent under the grant agreement (including those dollars a state expends to meet its match) must meet the requirements and regulations discussed throughout this guidance.

As long as the matching funds are used for grant activities, the matching requirement may be satisfied by any combination of the following alternatives: 1) state funded activities or in-kind contributions; 2) third party funded activities or in-kind contributions; and 3) if specified in the grant agreement, program income.

Examples of state funded activities allowable as match would include state personnel salary and fringe, indirect costs (with approved rate), state's telephone bill for running a hotline, state survey costs, purchases of supplies, program income, and certain contributed in-kind activities. Both in-kind match and program income are discussed later in this section.

- (2) **Tribes** - Indian Tribes and Intertribal Consortia may apply for SIRG funds under the revised 40 CFR Part 35.00 regulation, issued effective February 15, 2001. The general program-specific rules begin at Section 35.700. The initial requirements for State match found in IRAA section 306 apply to tribal recipients. There is a 25% match required for participants in the first year of the program, 40% the second year, and 50% for subsequent years. If the program was included in a Performance Partnership Grant (PPG), the match for each involved program would be combined such that the cost share for the radon program grant would be determined pursuant to 40 CFR 35.536. Federal funds may not be used to satisfy the match requirement.

Applicants should show how they will meet the cost share requirement for the total grant award, not on a per activity basis. Tribal and Federal dollars become blended such that each grant-related dollar is assumed to include both the Federal and the tribal share. All dollars spent under the grant agreement (including those dollars a tribe expends to meet its match) must meet the requirements and regulations discussed throughout this guidance.

As long as the matching funds are used for grant activities, the matching requirement may be satisfied by any combination of the following alternatives: 1) tribal funded activities or in-kind contributions; 2) third party funded activities or in-kind contributions; and 3) if specified in the

grant agreement, program income.

Examples of tribal funded activities allowable as match would include personnel salary and fringe, indirect costs (with approved rate), telephone bill for running a hotline, survey costs, purchases of supplies, training, program income, and certain contributed in-kind activities. Both in-kind match and program income are discussed in more detail later in this section.

- (3) **Performance Partnership Grants to States** - Cost share requirements for State PPG's are provided at 40 CFR Part 35.136. The applicant must provide a match that is "not less than the sum of the minimum non-federal cost share required under each of the environmental programs that are combined in the PPG".
- (4) **In-Kind Match** - EPA's general grant regulation, 40 CFR Part 31.3, defines third party in-kind contributions as "property or services which benefit a Federally-assisted project or program and which are contributed without charge to the grantee." Therefore, examples of third party in-kind contributions would include a company which donates radon detectors or materials, a private sector employee sent to help staff a booth during an exhibition, time and salary contributed by a private sector employee for other allowable activities, or contributions of a local government or university to which the state or tribe is "passing through" funds. States and Tribes considering in-kind match contributions must document and obtain approval by their State's financial officer (if applicable) and/or the EPA Regional Office.

Tribes and Intertribal Consortia may also apply for radon funding under TSCA 10(a), if the project meets the criteria for a "demonstration" grant. This authorization is for using new techniques, for one-time projects designed to teach, etc. There is no required match under TSCA 10(a), however, in accordance with the EPA competition policy, (EPA Order 5700.5A1), these grants must be competed.

Further, EPA regulation 40 CFR 40.125-1, Limitation of Duration, states:

- “(a) No research or demonstration grant shall be approved for a budget period in excess of 2 years except demonstration grants involving construction.
- (b) No research or demonstration grant shall be approved for a project period in excess 5 years.
- (c) The grant award official may extend the budget and project periods for up to an additional 12 months without additional grant funds, when such extensions are in the best interest of the Government.”

As stated above, while a Tribal radon demonstration project may not exceed a project period of 5 years, a 12 month extension is allowable upon formal request. When the project period reaches 5 years (or 6 years, if a formal extension has been approved by EPA), the project must be closed

out. Tribes may apply for a new radon demonstration project grant, but the activities and deliverables must differ from that of the previous grant.

### **c. Program Income**

Program income is defined as “gross income received by the grantee or sub-grantee, (an organization or agency receiving funds from the grantee), directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period, 40 CFR 31.25(b). Program income might accrue from such activities as charging fees for training or mitigation demonstration projects, selling test kits, charging registration fees for a conference, etc. In a regulatory state, program income might be generated from license, registration or certification fees, inspection programs, or other "user fees". Many approaches for developing program income may require state legislative authority.

In accordance with EPA's general grant regulation, 40 CFR Part 31.25, treatment of program income generated by a grant supported activity must be specified in the grant award, according to one of the following three options:

- (1) Deduction:** The income may be deducted from total allowable costs to determine net allowable costs. This reduces proportionate shares of EPA's and the grantee's contributions to the program.
- (2) Addition:** Program income may be added to the funds committed to the grant agreement by EPA and the grantee, and then used for the purposes and under the terms of the grant agreement. This basically means the funds must go back into the program and be used only for additional allowable radon activities.
- (3) Cost Sharing or Matching:** When authorized, program income may be used as part of the grantee's cost share, and the amount of Federal funds committed to the project remains the same.

Section 31.25 specifies that program income is deducted from total allowable costs (i.e., alternative 1) unless otherwise specified in the grant agreement. The state can request in its application, or through an amendment, that EPA consider the use of program income for cost share or addition. The EPA Regional Office may permit states to use program income to meet the state's matching funds requirement or to increase the award amount by funding additional eligible activities, if such arrangements are specified within the terms of the grant agreement. However, in order for the state to use program income for addition, the recipient must have access to these funds and must expend the generated income on allowable radon program activities. Thus, if program income is returned to the state's general treasury account, then EPA must deduct the Federal share of the program income from the Federal funding of the grant award.

### **d. Statutory Ceilings**

The state must be able to track its expenditures to determine compliance with the statutory budget limitations for program overhead, and administration, and for radon measurement devices and demonstration projects as described below.

**(1) 50% Ceiling on Measurement Equipment/Mitigation Demonstrations**

Section 306(i)(2) "The costs of implementing paragraphs (4) and (9) of subsection (c) shall not in the aggregate exceed 50% of the amount of any grant awarded to a state in a fiscal year. In implementing such paragraphs, a state (or tribe) should make every effort, consistent with the goals and operation of the state radon program, to give a preference to low-income persons."

This limitation is calculated as a percentage of the Federal funds. Measurement equipment and mitigation demonstrations are described in Section 4. States and tribes must track expenditures to ensure that not more than 50% of the Federal portion of their award is spent on these two eligible activities combined. Giving preference to low-income persons is encouraged when conducting either of these eligible activities.

**(2) 25% Ceiling on Program Administration and Overhead**

Section 306(i)(3) "The costs of general overhead and program administration under subsection (c)(7) shall not exceed 25% of the amount of any grant awarded under this section to a state in a fiscal year."

The 25% ceiling on program administration and overhead is calculated as a percentage of the Federal funds. States and tribes must track expenditures to ensure that not more than 25% of the Federal portion of their award is spent on these two eligible activities combined. Program overhead and administration are both described in Section 4.

An issue that arose during the first year of the grant program was whether an indirect cost rate of greater than 25% would constitute a violation of the statutory 25% limit on general overhead and program administration. The indirect cost rate is simply an accounting tool typically used to distribute general overhead costs (such as rent, utilities, supplies), which cannot be directly attributed to one grant. An indirect cost rate is a percentage, applied to a "base" (some dollar amount directly associated with the grant), to calculate an indirect cost dollar amount. Therefore, in general, most of the total indirect cost dollar amount is by definition one type of program overhead/administration cost that must be limited to 25% of the total SIRG award. If a state's indirect cost rate is higher than 25%, it is important to examine the relationship between the base used to calculate indirect costs and the size of the total amount of the grant award. The "base" amount to which the indirect cost rate is applied may be less than the total direct costs of the grant, and therefore, the total indirect cost dollar amount may still be less than 25% of the total SIRG award. Since the programs are not involved in negotiating indirect cost rates, questions and problems for a particular state or tribe should be addressed to the Regional Grants Management Office.

#### **e. Financial Assistance to Persons**

IRAA Section 306(i)(4) "A State may use funds received under this section for financial assistance to persons only to the extent such assistance is related to demonstration projects or the purchase and analysis of radon measurement devices."

States or tribes may use SIRG funds to develop a limited program for radon financial assistance. Financial assistance can include sub-grants, loans, or some other program to provide money or property in lieu of money. Eligible "persons" for such a financial assistance program would include individuals, corporations, and partnerships. However, SIRG funds used to provide any financial assistance to persons must be limited to activities directly related to demonstration projects or to the purchase and analysis of radon measurement devices. Examples of projects eligible for funding under this section include assistance to:

- Individuals or community interest groups in high-risk areas to provide radon test kits to homeowners
- Mitigation contractors to demonstrate mitigation techniques
- School districts to undertake comprehensive testing or to perform school mitigation demonstrations

As noted in other sections, states and tribes should make efforts to give preference to low-income persons when providing assistance for these eligible activities.

Note that "financial assistance" is defined as "assistance in the form of money." "Technical assistance which provides services instead of money" is clearly distinguished from financial assistance under the definition of "grant" in the general grant regulations. Thus, states may provide technical assistance to persons under any of the eligible activity categories, not just activities directly related to demonstration projects or to purchase/analysis of radon measurement devices. For example, a state could develop a community outreach program and provide it to the public free of charge under radon control programs. Training on various radon issues also would be defined as technical assistance.

#### **f. Satisfactory Performance**

Section 306(i)(1) "No grant may be made under this section in any fiscal year to a state (or tribe) which in the preceding fiscal year received a grant under this section unless (EPA) determines that such state satisfactorily implemented the activities funded by the grant in such preceding fiscal year." See Section 7(d), Grantee Requirements, for a discussion of program performance evaluations. EPA has developed criteria for use in conducting these performance evaluations. The Regional Program Office will evaluate the grantee's performance at a minimum of annually to determine whether the grantee has implemented its



grant workplan activities satisfactorily.

## 6. Application Requirements

### a. Online Forms and Guides

Applicants can obtain application kits, forms, and pertinent guidance online at <http://www.epa.gov/ogd/AppKit/over.htm>. The Grant Application Packages are available for download in Adobe PDF format at <http://www.epa.gov/ogd/appkit/application.htm>. If needed, an Adobe Acrobat plug-in is available for browsers. The information can also be obtained in hard-copy from Regional Grants Management Programs. Those contacts can be found online at <http://www.epa.gov/ogd/grants/regional.htm>. An EPA Grant-Writing Tutorial is also available online at <http://www.epa.gov/seahome/grants/src/grant.htm>. The tutorial is an interactive software tool which takes a potential applicant through the grant-writing process. All of this information is related primarily to the grants process and requirements, and is separate from the program requirements.

If SIRG program guidance is not available online, it should be obtained from the Regional Radon program coordinators. In addition to discussing the grant procedures and requirements, this will provide assistance in determining allowable activities and in developing the content of the work plans.

### b. Pre-application Assistance

The National EPA Radon Program will generally issue SIRG guidance on an annual basis to identify or reinforce priorities or to provide any new areas of emphasis. Before an applicant develops or submits a draft application they should consult with the Regional Radon Program coordinator if such guidance has not been received, and to determine the various deadlines to be met. The applicant and Regional Program coordinator should discuss possible components of work plans and the amount of funding available. Following review of the draft application, the regional radon Program coordinator will advise the applicant to prepare and submit the final application. The criteria used to evaluate the program content of the applications are described in Section 6(j), General Evaluation Criteria.

The regional Grants Management Office is also available to provide pre-application assistance. They will conduct a separate review of the application to ensure that it meets with all statutory requirements and applicable EPA grant regulations. This will include assuring that all proper attachments are signed and included.

### c. Standard Application

The standard application form is **Standard Form (SF)-424, Application for Federal Assistance**. As noted above, it is available for download at EPA's Office of Grants and Debarment (OGD) web site, <http://www.epa.gov/ogd>. The forms were created with Adobe

Acrobat Version 5. Upgrading to the free Acrobat Reader 5 will allow applicants to access the forms, save them to a file, then print them. Most regional offices are in the process of finalizing a system whereby the applications can also be submitted online. Applicants should receive information from the Grants Management Office concerning this availability. If not, they should inquire to the status before preparing an application.

**Part I**, General Information (which includes the cover page) requires information about the applicant and proposed project. It asks for the estimated funding amount for the entire project, the requested EPA share, proposed match and source, project start and end dates, and primary contacts. It also asks for the Catalog of Federal Domestic Assistance (CFDA) Number and Title (CFDA 66.032). The EPA-specific CFDA's can be found at [http://www.epa.gov/ogd/grants/how\\_to\\_apply.htm](http://www.epa.gov/ogd/grants/how_to_apply.htm). The first page also provides for the applicant to indicate that they have sent a copy of the application to the State Single Point of Contact (commonly referred to as the State Clearinghouse). A final award cannot be made until that office has provided comment (or evidence of no comment). States that do not have a Single Point of Contact/Clearinghouse should contact the Regional Grants or Program Office for assistance in fulfilling this obligation. This requirement does not apply to tribes.

**Part II, SF-424A, "Budget Information - Non-Construction Programs"** is the financial part of the application. In Section A, only columns e, f and g are required. Columns a, b, c and d are not. Sections B "Budget Categories", C "Non-Federal Resources", and F "Other Budget Information" need to be completed. Sections D and E can be omitted. If indirect costs are included in Section B, a copy of the applicant's most recent indirect cost rate agreement should be attached. Guidance for completing the budget forms in the application can be obtained through your regional Grants Management Office. The budget information should be presented in at least the following level of detail:

**Personnel** - List all staff positions by title. Provide annual salary, percentage of time (as Full Time Equivalent or FTE) assigned to the program and total personnel cost for the budget period. As a rule of thumb, 1 FTE equals 50 weeks.

**Fringe** - Identify the percentage used and the basis for its computation. For example, fringe might equal 20 percent of total salary.

**Travel** - Specify mileage, per diem and estimated number of trips for in-State, and total estimated travel plus any registration fee for attendance at events or meetings out-of-State.

**Equipment** - Identify each item to be purchased with an estimated acquisition cost of \$5,000 or more per unit and a useful life of more than one year. Items with unit costs of less than \$5,000 are considered supplies. Discuss the eventual disposition of the equipment with the Regional Project Officer during the pre-award phase if possible.

**Supplies** - Include all tangible personal property not considered "equipment". Identify by category, such as office, radon test kits, laboratory supplies, etc.

**Contractual** - Identify each proposed contract and specify its purpose and estimated cost. This area should generally include items such as contracts for training and pass-through recipients for activities or conducting portions of the overall program. Pass through recipients might be the State Extension Office, Health Departments, Universities, etc.

**Other** - List items in sufficient detail for EPA to determine the reasonableness and allowability of its cost. This category might include items such as calibration services, administrative fees, etc.

**Indirect Charges** - Indicate the approved indirect rate and its basis (such as 18 percent of salary). Check with the Regional Program Office or Grants Office to see if a current copy of the approved rate is required.

**Program Income** - Indicate estimated program income, however do not add or subtract this amount from the total project amount. The total should be recorded on SF 424A, Section B, Line 7.

**Part III, SF-424B, Assurances and Certifications** is the final part of the application. It identifies the standard assurances to which the recipient agrees when signing the grant agreement form. The applicant assures EPA that it will comply with all applicable requirements of all Federal laws, executive orders, regulations, and policies governing the SIRG program. The assurances list several important statutes specifically, such as: the Civil Rights Act of 1964, the Davis-Bacon, Copeland and Contract Work Hours and Safety Act, the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970, and the Single Audit Act of 1984, and others. All of these and others are listed on the assurances form portion of the application.

Some new requirements not included in the above list of assurances may be included as special conditions to ensure that the applicant is aware of them. These are noted below under "Required Attachments".

#### **d. Dun and Bradstreet Data Universal Numbering System (DUNS)**

As of October 1, 2003, grant recipients are required to provide a DUNS number when applying for Federal grants or cooperative agreements. The OMB has determined that there is a need for improved statistical reporting of Federal grants and cooperative agreements. Use of the government-wide DUNS number will provide a means of identifying entities receiving grants, and their business relationships. The identifier will be used for tracking purposes, and to validate address and point of contact information.

A DUNS number will be required whether an applicant is submitting a paper application or using the government-wide electronic portal (<http://www.grants.gov/>). The DUNS number will supplement other identifiers required by statute or regulation, such as tax identification

numbers.

Organizations can receive a DUNS number in one day, at no cost, by calling the dedicated toll-free DUNS Number request line at 1-866-705-5711. Individuals who would personally receive a grant or cooperative agreement award from the Federal government apart from any business or non-profit organization they may operate are exempt from this requirement. The website where an organization can obtain a DUNS number is: <http://www.dnb.com>. This takes 30 business days and there is no cost unless the organization requests expedited (1-day) processing, which includes a fee of \$40.

Federal employees can call 1-888-546-0024 to get information; for example, to check the accuracy of a DUNS number.

There is a DUNS number field in the Integrated Grant Management System (IGMS), under the Recipient Information section, and a DUNS number field in the IGMS Public Address Book (PAB) organization document that will store the DUNS. As a temporary measure the DUNS number may be entered on the current SF-424 in the Applicant Information address block. The IGMS collects grant and fellowship application information, agency information supporting the decision to fund the grant or fellowship, commitment notice information, grant and fellowship award information, and grant reports.

A new revised version of the SF-424 will include the DUNS number. It is expected that the new revised SF-424 will be available soon and will be found at the following OMB web site. <http://www.whitehouse.gov/omb/grants/sf424.pdf>

#### **e. Required Attachments**

In addition to the forms discussed above, applicants must submit several attachments. Some are forms to be read and signed by the responsible party (official who signed the application), and others require that a certain amount of additional information be developed. Those are described in more detail below this section. Additionally, a checklist with forms can be downloaded from the EPA website at <http://www.epa.gov/ogd/AppKit>. The required attachments are:

- Assurances - Non-Construction Programs - SF 424B
- Evidence of compliance with the state's intergovernmental review process
- Debarment and Suspension Certification - SF 5700-49 (11/88)
- Certification Regarding Lobbying (if award is over \$100,000)

- Disclosure of Lobbying Activities - SF LLL, if applicable (<http://www.whitehouse.gov/omb/grants/sflllin.pdf>)
- Pre-award Compliance Review Report - SF 4700-4
- Drug free work place certificate
- Narrative Statement (Work Plan)
- Quality Assurance Narrative Statement, Program or Project Plan, as applicable
- Detailed Itemized Budget (e.g., for major contracts, pass-through recipients)
- Copy of Most Recent Negotiated Indirect Cost Rate Agreement (if requested)
- MBE/WBE Utilization Under Federal Grants, Cooperative Agreements, and Interagency
- Agreements, SF 5700-52A.

**f. Work Plan**

The Work Plan should be developed based on national and regional program guidance and should incorporate specific needs or priorities of the individual state or reservation. It should provide a description of the activities and projects proposed for the budget year. Some regions may have specific formats to be followed. Each major activity in the Work Plan should be accompanied by a detailed cost breakout which agrees with the summary figures represented in Part II of the SF-424. In addition, items subject to limits or restrictions should be presented such that they can be easily identified for review.

The Work Plan will be the basis for the management and evaluation of performance under the grant agreement. Individual components must be clearly delineated, a chronological schedule for accomplishments, progress and milestones provided, and an evaluation process described for monitoring and determining success. The Work Plan must also be consistent with applicable federal statutes, regulations, circulars, and any Executive Orders or formal agreements. Sufficient detail is necessary to enable both the grantee and EPA to evaluate planned progress in such a way as to identify needed improvements or changes. The Work Plan will be the key document used for evaluating the success of the program.

**g. Quality Assurance**

The objective of Quality Assurance is to ensure that data are scientifically sound and of known precision and accuracy. Quality Assurance programs should include written procedures for attaining quality assurance objectives and a system for recording and

monitoring the results of any planned quality assurance measurements. This would include maintenance of control charts and related statistical data, and identification of the number and types of measurements needed for various devices to be used in order to maintain desired quality.

For projects involving environmental programs, EPA assistance agreement recipients must implement or have implemented a quality system conforming to the American National Standard ANSI/ASQC E4-1994, Specifications and Guidelines for Quality Systems for Environmental Data Collection and Environmental Technology Programs. This quality system shall be applied to all environmental programs within the scope of the assistance agreement. This includes direct measurements or data generation, environmental modeling, compilation of data from literature or electronic media, and data supporting the design, construction, and operation of environmental technology. This requirement is consistent with and for all environmental programs operating under the EPA Quality System.

All applicants for EPA assistance shall submit a Quality Management Plan (QMP) prepared in accordance with EPA Requirements for *Quality Management Plans (QA/R-2)* (EPA 2001), or documentation determined by EPA to be equivalent to R-2, which describes the quality system planned for implementation. This shall be reviewed and approved by the EPA Project Officer or Quality Assurance Manager or the assistance agreement conditioned for such before work involving environmental programs can begin. Note that in many states the Quality Management Plan is submitted for review and approval by the major departments or divisions of the state government. This might include the Department of Health, Department of Environment, etc. which would include many programs in addition to indoor radon. In those cases the QA requirement for SIRG would be specific to the SIRG program and be less detailed (below).

Quality Assurance Project Plans (QAPPs) must be submitted for review and approval in the same manner prior to undertaking any work involving environmental measurements or data generation. Documents providing guidance on how to comply with these requirements can be found at <http://www.epa.gov/quality>. Applicants should become familiar with the difference between the QMP and the QAPP, as one applies to environmental programs (as noted above), and the other to environmental measurements or data generation.

For Quality Assurance requirements specific to radon measurement, applicants are referred to EPA's document ***Indoor Radon and Radon Decay Product Measurement Device Protocols (EPA 402-R-92-004)***. It provides a description of the four general categories of quality control measurements, and specific guidance is provided for each method. General types of quality assurance procedures include the use of calibration checks, spikes, background, blanks, duplicates, and routine instrument performance checks. For radon measurements, additional information can be obtained from EPA, manufacturers, private industry, trainers and credentialing organizations.

## **h. Intergovernmental Review**

All applicants for Federal assistance under the SIRG Program are required to submit applications to their Single Point of Contact (often referred to as Clearinghouse) for intergovernmental review under Executive Order (E.O.) 12372. The purpose of these reviews is primarily to ensure that duplicate efforts are not being conducted throughout the state. This review process must be initiated as early as possible, and the date the application was sent for review indicated on the face page of the SF-424 application. EPA cannot make final awards until a response is received - either "with comments" or a "no comment". This cannot be stressed enough, as it tends to create serious problems concerning awarding of grants when not addressed until too late in the process.

## **i. Application Evaluation Criteria**

IRAA Section 306(i)(1) specified that no grant may be made in any fiscal year to an applicant which in the preceding fiscal year received a SIRG grant unless EPA determines that such grantee satisfactorily implemented the activities funded by the grant in the preceding fiscal year. This evaluation of performance should take place prior to the review of new applications. Since it is based in part on reports submitted by grantees, applicants should make certain they are on schedule with their reporting. This requirement is not specific to IRAA, but is included in general grant regulations for other programs as well.

## **j. General Evaluation Criteria**

Both the EPA Regional Grants Management and the regional Radon Program coordinator will evaluate the full application for several factors:

- (1) Completeness.** Applications must contain all the required information, signatures, and attachments.
- (2) Sufficient level of detail.** The Work Plan should explain the applicant's planned activities in as many of the priority areas as possible, and should provide detailed cost estimates. The Work Plan should provide explanation for priority areas not included.
- (3) Internal consistency.** The Budget Information Sheet provides summary budget figures. In the Work Plan, cost estimates are broken down for each major activity. The total costs in the Work Plan must equal those in the Budget Information Sheet.
- (4) Allowable Costs.** Costs included in the application must be allowable for SIRG funding. Allowable costs are defined as those costs that are "eligible, reasonable, necessary, and allocable." All costs must be consistent with OMB **Circular A-87, "Cost Principles for State, Local and Tribal Governments."** A final determination on the reasonableness of the cost estimates in the application will be made by EPA. All grant expenditures are subject to audit for the final determination

of allowability of cost.

**(5) Pre-award Costs.** On occasion, EPA may reimburse grantees for pre-award costs incurred from the beginning of the funding period to be established in the grant agreement, if such costs would have been allowable if incurred after the award. Such costs must be specifically identified in the grant application that EPA reviews and approves. The applicant incurs any such pre-award costs at his own risk. EPA is under no obligation to reimburse such costs unless they are included in an approved grant application.

If EPA determines that the application does not satisfy all evaluation criteria, EPA may either:

- (1) Conditionally approve the application if only minor changes are required, with grant conditions necessary to ensure compliance with the criteria, or
- (2) Disapprove the application in writing.

#### **k. SIRG Specific Criteria**

Applications will be evaluated based on the criteria explained in Section 3(a-e), and will be reviewed to assure match and ceiling requirements in Section 5.

#### **l. Policy on Environmental Results Under EPA Assistance Agreements**

Effective in February 9, 2004, this policy contains a requirement for inclusion of certain information in funding package recommendations made by EPA. It will of necessity rely on information provided by applicants. The goal is to begin documenting how proposed EPA grants and cooperative agreements will further the Agency's strategic goals by ensuring that work plans focus beyond short-term results to environmental outcomes. Goal 5 of EPA's new Grants Management Plan includes specific objectives to ensure that assistance agreements, work plans, and funding recommendations discuss anticipated environmental results and how they will be measured. Guidance should be forthcoming as this is further developed and refined, and for the radon program will likely focus on how to measure risk reduction. The current EPA Strategic Plan can be found at: <http://www.epa.gov/ocfo/plan/2003sp.pdf>.

### **7. Post Award Requirements**

#### **a. Regulatory**

Most of the post-award requirements are contained in regulations, guidance and circulars already discussed. Of particular importance during this phase are the reporting requirements, knowing when to seek approval for changes in the grant agreement, addressing grant conditions, financial status reports, and EPA's evaluation of program performance.



The grantee will need prior approval from EPA to make certain significant post-award changes to work plan commitments or budgets. Detailed information on these requirements can be found in the regulations at 40 CFR 31.30. Some of the changes requiring approval by the award official are: 1) change in scope or objective; 2) revisions requiring additional funds or an extension to the project period; and 3) budget revisions when the amount exceeds a cumulative 10% of the current total budget and the Federal share of the award exceeds \$100,000. EPA, in consultation with the grantee, will document approval of changes and any associated budget revisions, and will advise the grantee when a formal amendment will be required.

#### **b. Grant and Program Conditions**

Grantees should pay particular attention to the grant and program conditions attached to their award documents. Some are standard conditions required by regulation or policy, others are “Special Conditions” added by the program that may be specific to the particular region. Compliance with these conditions will be considered as part of the program evaluation process.

#### **c. Reporting**

**(1) Progress Reports** - 40 CFR Part 31 requires all grantees to submit timely and comprehensive reports on the activities funded by the grant. These provide EPA with the information it needs to ensure that each grantee is meeting the schedule and commitments contained in the assistance agreement. More importantly, they provide a mechanism for evaluating the environmental progress brought about by the SIRG Program, and for reporting to Congress on this progress. Reporting schedules and submittal dates are to be specified in the individual assistance agreements, and each state will be expected to adhere to its agreed-upon schedule. Because this part of the process is so important, the major areas are listed below:

- **Summary of Radon Grant Activities.** This section should provide a short summary of the grant activities that have taken place during the quarter, and should provide sufficient detail to allow for evaluation of progress
- **Accomplishments/Problems.** This section should discuss the progress to date, including the major milestones that have been met. It should also discuss any problems that have occurred or are expected and what steps are planned to resolve those problems. Allowable revisions to budgets which have been made should be documented here if not already sent in writing.
- **Schedules.** A comparison between completed milestones and the program schedule should be provided, along with an explanation of any discrepancies.

- Funds. Where possible, a summary of funds spent during the quarter should be provided, and a comparison made with the original estimates. Any problems in this area should be discussed with the Regional PO.
- End-of-Year. Regions will specify the level of detail needed in the End-Of-Year Report. Some Regions will allow the fourth quarterly report to suffice, however depending on the level of detail included in the quarterly report, some Regions may require a year-end summary.

## **(2) SIRG Data Reports**

IRAA Section 306(h) requires that any state receiving grant funds provide to EPA all radon-related information generated in its activities, including the results of radon surveys, mitigation demonstration projects, and risk communication studies. Section 306(h) also authorizes the Agency to request any information, data, and reports developed by the state that EPA needs to ensure the state's continued eligibility for grant assistance. For example, EPA may request data on the number of homes tested or mitigated within a state as well as any other environmental measures that can be used as long-term indicators of success. EPA recognizes that states and tribes have had difficulties obtaining some of this data. Regional radon coordinators will continue to work with grantees to resolve data reporting issues.

**(3) Other Post Award Reporting** - Other reports required are listed below. They are essentially forms to be completed, come with instructions, and are fairly self-explanatory.

- Minority Business Enterprises/Women's Business Enterprises (MBE/WBE) Reports (Standard Form 334);
- Financial Status Report (Standard Form 269) (due 90 days following end of budget period); and
- Disclosure of Lobbying Activities (SF-LLL) if applicable.  
(<http://www.whitehouse.gov/omb/grants/sflllin.pdf>)

## **d. Grant and Program Performance Evaluations**

At the onset of the assistance agreement, an EPA Project Officer will be assigned to monitor the progress and performance of each grantee. The Project Officer will be the state's primary point of contact with EPA for matters related to the assistance agreement. In some Regions separate individuals are assigned to process award documents, oversee the administrative aspects of the award (including processing of applications), and to oversee the technical and program aspects of the grant. Grantees should be aware of who is responsible for which aspects of their grant. The Grants Management Office (GMO) may review the recipient to ensure compliance with all administrative terms, conditions, and regulations.

## **(1) Joint Evaluation Process**

The applicant and the Regional program will develop a process for jointly evaluating and reporting progress and accomplishments under the work plan. A description of the evaluation process and a reporting schedule must be included in the work plan (see §§ 35.107(b)(2)(iv)).

(b) *Elements of the evaluation process.* The regulation at 40 CFR 35.115 and 40 CFR 35.514 states that the evaluation process must provide for:

- (1) A discussion of accomplishments as measured against work plan commitments;
- (2) A discussion of the cumulative effectiveness of the work performed under all work plan components;
- (3) A discussion of existing and potential problem areas; and
- (4) Suggestions for improvement, including, where feasible, schedules for making improvements.

(c) *Resolution of issues.* If the joint evaluation reveals that the recipient has not made sufficient progress under the work plan, the Regional program and the recipient will negotiate a resolution that addresses the issues. If the issues cannot be resolved through negotiation, the Regional program may take appropriate measures under 40 CFR 31.43. The recipient may request review of the Regional program's decision under the dispute processes in 40 CFR 31.70.

(d) *Evaluation reports.* The Regional program will ensure that the required evaluations are performed according to the negotiated schedule and that copies of the evaluation reports are placed in the official files and provided to the recipient.

## **(2) Advanced Monitoring**

Advanced Monitoring is the validation process by which a recipient complies with applicable administrative and financial statutes, regulations, conditions and policies. This can take place through the use of on-site evaluations or off-site evaluations (commonly called Desk Reviews).

GMOs are responsible for conducting Advanced Monitoring on a minimum of 10 percent of their active grantees (as of the previous October 1). Active grantees include only those whose projects are open but not expired. All on-site evaluations will include transaction testing for unallowable costs (e.g., lobbying, litigation or entertainment expenses). This level of monitoring may also include checking files as necessary, viewing match documentation, and other activities not routinely evaluated.

Baseline monitoring by the programs will continue on an ongoing basis throughout the lifetime of each award. It will assess whether terms and conditions have been satisfied, progress reports are received and acceptable, needed Quality Assurance requirements have been met, and that work progress is satisfactory and meets program goals.

### **(3) Satisfactory Implementation**

Section 306 (i)(1) of the IRAA specifies that states awarded grants in a Federal fiscal year may not receive grant money in the following Federal fiscal year unless they have ..."satisfactorily implemented the activities funded by the grant in [the] preceding fiscal year." States and tribes will be expected to provide, upon request, evidence or information verifying that their programs are on schedule and that planned milestones have been achieved. Information obtained through the joint evaluation review process, progress reports, and the results of advanced monitoring efforts will be used to make this determination each year. The following criteria will be used:

- (a) Completion of Major Milestones. EPA will evaluate the degree to which each grantee completed milestones, achieved objectives, and met schedules. Actual versus planned performance and results will be evaluated, as will the quality of the program. This will be accomplished by the review of grantee reports and other data provided, and various means of communication throughout the year.
- (b) Emphasis of Priority Areas. EPA's priority activities/projects and policy priorities for the SIRG program are identified in this Guidance and will likely be discussed in annual guidance to states and tribes. EPA will also consider the degree of success achieved in the various priority areas. This will also be accomplished by the review of grantee reports and other data provided, and various means of communication throughout the year.
- (c) Indicators of Program Success and Effectiveness. EPA will consider any available measures of a SIRG grantee's program effectiveness, preferably an increase in the level of testing and needed mitigation, the use of radon-resistant building techniques or their adoption into code, and the inclusion of radon testing during real estate transactions. EPA is aware that these are difficult to obtain in states that have not acquired regulatory authority, therefore, EPA regional radon program staff will work with grantees to determine what indicators of program success and effectiveness are appropriate.

In the course of their responsibilities, Project Officers may recommend changes or may require

corrective actions to resolve problems or issues of contention. Disagreements between the EPA grant or program office and a grantee concerning an assistance agreement requirement should be resolved at the lowest level possible. If agreement cannot be reached through other means, the dispute will be resolved in accordance with procedures set forth in 40 CFR Part 31, Subpart F. Project Officers will coordinate with the Grants Management and/or Regional Counsel personnel as needed.

#### **d. Audits**

OMB Circular A-128 implemented the Single Audit Act of 1984 and outlined requirements to be met by grant recipients. Circular A-128 has been rescinded and replaced by Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations. Non-Federal entities that expend \$300,000 (\$500,000 for fiscal years ending after December 31, 2003) or more in a year in Federal awards shall have a single audit conducted in accordance with **A-133**, except when they elect to have a program-specific audit conducted in accordance with paragraph (c) of this section. The revisions were published in the Federal Register June 27, 2003, and are effective for fiscal years ending after December 31, 2003. Since these changes are relatively new, grantees should consult with the EPA Grants Management Office for updates.

#### **Closing Statement**

Exposure to radon continues to be a major risk to public health. The SIRG program's recipients have been awarded funds to conduct activities that identify health risks associated with radon exposure; informing the public, and implementing activities that will reduce the health risks to affected populations.

This SIRG Guidance serves to increase the awareness of the renewed emphasis, focus, and the importance of SIRG recipients moving beyond the implementation of activities to the achievement and reporting of measurable successes. The recipient should provide measurable results and document successful activities that will be evaluated annually during the development of funding allocations for the coming year. Special consideration should be given to the priority areas that EPA believes SIRG recipients should emphasize in their efforts to achieve health risk reduction.

The SIRG program has evolved into a multi-faceted and flexible program to meet the needs of states and tribal organizations in their efforts to raise awareness and implement radon testing and mitigation projects and programs. The National SIRG working group strives to update recipients on emerging Federal and/or EPA regulations or issues that may impact program activities while serving as a catalyst for providing information and collaboration among the 10 Regional offices, each State, and federally recognized tribal organizations that participate in the SIRG program.