

US EPA ARCHIVE DOCUMENT

REGION 1 RLF WORKSHOP

JUNE 5, 2012



Cost Share
Review & Documentation



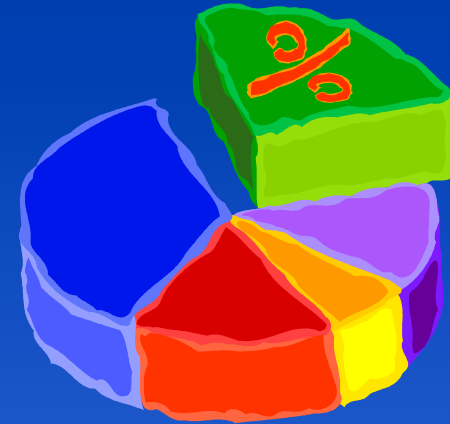
Topics

- ◉ Statutory Requirement
- ◉ Meeting the Cost Share Requirement
- ◉ Cost Share Resources
- ◉ Planning & Documentation
- ◉ The Rules



Statutory Requirement

- Cost Share of 20% Required per CERCLA § 104(k)(9)(B)(iii)
- Cost Share is the portion of your project(s) not funded from your grant





Meeting the Cost Share Requirement

- The cost share must be met with eligible & allowable costs.
- Adequate documentation is required for all eligible and allowable costs.
- The RLF Grant recipient is required to meet the cost share.
 - ✓ It can be passed on to your borrowers & subgrantees
- See 40 CFR § 30.23



Meeting the Cost Share Requirement

- Cost Share contributions must be:
 - > **Verifiable** - from your records
 - > **Non-Federal** - unless authorized by source (HUD)
 - > **Necessary & Reasonable** - for project objectives
 - > **Allowable** – under applicable cost principles
 - > **Identified** - in approved budget
 - > **Allocable** – to eligible project activities



Cannot be counted as other Grant's Cost Share



Cost Share Resources

- Cash
- Non-Federal Grants
- Labor
- Materials
- Supplies
- Services





Cost Share Resources

Cash & Non-Federal Grants

◎ Cash

- ✓ Municipal funds
- ✓ Private developer funds
- ✓ Donations



◎ Non-Federal Grants

- ✓ State grants
- ✓ Private organization funds
- ✓ Can use HUD funding as it is allowed by statute



Cost Share Resources

Borrower & Subgrantee Labor

◎ Value

- ✓ Established personnel rates of borrower/subgrantee personnel
- ✓ Conform to applicable cost principles



◎ Timing

- ✓ After loan and/or subgrant is signed, unless approved by your Project Officer

◎ Records

- ✓ Time and Effort Reports
- ✓ Payrolls





Cost Share Resources

Volunteer Labor

- ◎ **Value Estimate** (Hourly Rate)
 - ✓ Non-Profit Has Similar Employee
 - Rate Non-Profit Pays Its Own Workers
 - ✓ Non-Profit Does Not Have Similar Employee
 - Pay for Similar Work, Same Labor Market
 - ✓ Can Include Fringe Benefits
 - ✓ Fair and Reasonable
 - Show How Derived
- ◎ **Records**
 - ✓ Same as Borrower & Subgrantee Labor, to the extent feasible
- ◎ **Safety & Health Concerns**





Cost Share Resources

Third Party & Other Organization Labor

- ◎ **Value Estimate** (Hourly Rate)
 - ✓ Employee's Regular Rate
 - ✓ Can Include Fringe Benefits
 - ✓ No Overhead
- ◎ **Examples, Partner Assistance**
 - ✓ Site Manager
 - ✓ QA Officer
 - ✓ Other Programmatic Activities
- ◎ **Must be Verifiable By Records**





Cost Share Resources

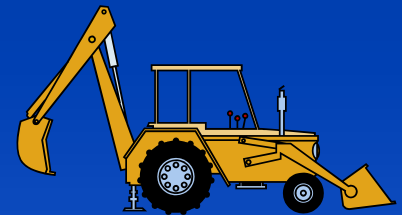
Materials, Supplies & Equipment

⦿ **Materials & Supplies**

- ✓ Fair market value at time of purchase or donation
- ✓ Examples (clean fill, containment plastic, fencing & signage)

⦿ **Equipment Loaned**

- ✓ Fair Rental Rate
- ✓ Age and Condition Considered





Cost Share Resources

Other Services

- ⦿ **Cleanup Waste Disposal Fee Waiving**
- ⦿ **Cleanup Waste Transportation**
- ⦿ **Site Security** (police detail)
- ⦿ **Dust Control**
- ⦿ **Clearing & Demolition** (essential for cleanup)
- ⦿ **Analytical Work** (confirmation sampling)
- ⦿ **Outreach** (public notices, meeting space)



Planning & Documentation

○ Have a Plan

- ✓ Who, What, Where, When
- ✓ Will you have one or two loans that meet your entire cost share?
- ✓ Will you choose not to pass the cost share on to subgrantees?
- ✓ Will you choose not to pass the cost share on to non-profits?





Planning & Documentation

◎ Document, Document, Document

- ✓ Cost, Benefit, Service, Hours, Value, Rate
- ✓ Basis for Valuation
- ✓ Be Clear and Specific



◎ Reporting

- > Include your progress toward meeting the cost share in your Quarterly Reports

◎ Monitor Status Periodically

◎ Get Documentation When Cost Share Activity Occurs!



The Rules

- ◎ **EPA Regulations** - 40 CFR 30.23
- ◎ **OMB Cost Principles**
 - > Governmental Entities - 2 CFR Part 225
 - > Non-profits - 2 CFR Part 230
- ◎ **Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations** - OMB Circular A-110
- ◎ **RLF Grant Terms and Conditions**