

POLLUTION PREVENTION GRANT GUIDANCE FOR POTENTIAL APPLICANTS

The following guidance was compiled to assist potential applicants who seek to apply for Pollution Prevention (P2) Grant funding better understand basic functions of the grant program.

CONTENTS BY SECTION:

- A. [Applicant Eligibility](#)
- B. [Eligible Projects](#)
- C. [Use of Grant Funding](#)
- D. [Submitting a Proposal](#)
- E. [Proposal and Application Review Process](#)

A. Applicant Eligibility

Question A.1: *May an individual, nonprofit organization, private school or private business be considered for P2 grant funding?*

Answer: No. EPA is not authorized to award P2 grant funding to individuals, nonprofits, privately owned entities – e.g., private schools, profit/private-owned businesses, etc.

Eligible entities for P2 grants are limited to: the fifty states, the District of Columbia, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, any territory or possession of the U.S. (40 CFR 35.345), any agency or instrumentality of a state, including state colleges and universities, federally-recognized Indian tribes that meet the requirements for treatment in a manner similar to a state as described in (40 CFR 35.663), and Intertribal Consortia that meet the requirements in (40 CFR 35.504).

Question A.2: *If I am a private entity, may I partner with an eligible entity to apply for grant funding?*

Answer: Yes. A partnership may take place between a private entity and an eligible entity. However, only the eligible entity may apply for grant funding. The private entity is not eligible to apply. The eligible entity acting as the sole applicant will be responsible for submitting the proposal to the applicable EPA Region. If selected for funding the eligible entity will be responsible for overseeing the execution and implementation of the work plan. The private entity may participate on the work plan, and if negotiated with the eligible entity may receive funding to conduct specified work during the project period. Please refer to the proceeding Question A.3 for further information on serving as a contractor or subawardee or subrecipient. .

Question A.3: *Can I sub-award work to private consultants or private businesses?*

For Contractors – Grant recipients may hire for profit firms and individual consultants as contractors provided they comply with the Procurement Standards of 2 CFR Part 200. (Subcontractors are firms or individuals hired by prime contractors). States follow their own procurement procedures for the most part as provided by 2 CFR 200.317, but are subject to EPA’s 40 CFR Part 33 Disadvantaged Business Enterprise rule. For other P2 grant recipients (eligible tribes, colleges and universities), the Procurement Standards require competition for purchases in excess of \$3500 unless the recipient has an acceptable sole source justification. It is very unlikely that EPA will accept a sole source justification for products and services that are available in the commercial market place such as environmental consulting. Applicants are advised to not specifically name a contractor or consultant on a grant application UNLESS that contractor has been selected in compliance with the Procurement Standards. Instead, the applicant should indicate what experience or expertise they intend to contract for to meet the objectives of the project. If a specific contractor is named, applicants should be able to demonstrate how securing the contractor’s services WILL meet the Procurement Standards. EPA encourages applicants to review our [Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements](#) for additional information on EPA’s policies on competitive procurement by recipients.

For Subcontractors – Prime contractors may hire subcontractors.

For Subrecipients (a.k.a. Subawardees) – Subrecipients (a.k.a. Subawardees). Recipients may provide financial assistance to eligible subrecipients to carry out part of their EPA funded project. Eligible subrecipients include tribes, intertribal consortia, local governments, non-profit organizations, and institutions of higher education that are either state or tribal institutions or operate on a nonprofit basis.

For-profit organizations or individuals, with few exceptions, are not eligible subrecipients. However, an example of an eligible for-profit subrecipient would be a manufacturing firm that receives financial assistance to adopt P2/source reduction practices at its facility and uses those funds from the project to improve its own facility.

Also, if the for-profit receives funds for its own staff or for the operation and maintenance of contractors as well as equipment purchases supporting P2/ source reduction practices then a subaward would be appropriate.

On the other hand, if all the grant recipient will do is subsidize the purchase and installation of the equipment then the funding transfer to the for-profit could be categorized as a participant support cost and in so doing a subaward would not be necessary.

Please Note: As a pass-through entity, a recipient that makes subawards must comply with the subrecipient monitoring and management requirements at 2 CFR 200.330 through 200.332. Among other things, subrecipients must comply with the 2 CFR Part 200 Procurement Standards when hiring contractors. Refer to [Grant Policy Issuance 16-01: EPA Subaward Policy for EPA Assistance Agreement Recipients and applicable provisions of 2 CFR Part 200](#).

B. Eligible Projects

Question B.1: *The RFP states that “P2 does not include any practice which alters the physical, chemical or biological characteristics or the volume of a hazardous substance, pollutant or contaminant through a process or activity which itself is not integral to and necessary for the production of a product or providing a service.” What is EPA interested in funding?*

Answer: EPA is interested in funding work plans which help reduce hazardous materials and reduce risks to human health and the environment by offering technical assistance, training, and resource tools to businesses in order to have them prevent or reduce pollutants from entering the air, water or land.

Some examples of P2/source reduction projects include, but are not limited to:

- Best Management Practices – Identifying, developing and documenting P2 best management practices or new P2 tools for businesses and disseminating the approaches and outcomes for others to replicate;
- On-site Technical Assistance – Conducting on-site technical assistance for businesses/facilities on source reduction approaches;
- Safer Chemical Use – Helping businesses assess and then redesign their operations, processes and supply-chain practices to take advantage of safer chemicals;
- Training – Conducting rudimentary, intermediate and/or advanced P2 trainings on use of P2 tools, adopting P2 approaches on preventing or reducing the release of hazardous materials or adopting environmental management system protocols;
- Community-based P2 –Enhancing existing or creating new community-initiated or community-based projects focused on P2 to help businesses decrease their environmental footprints; and,
- P2 Themed Roundtables and Meetings – Organizing business or community collaborations where P2 opportunities and solutions are identified, developed, enhanced, shared and follow-up is conducted with participants to track and record behavioral change.

Question B.2: *What types of projects are not considered P2?*

Answer: Recycling of discarded materials, waste clean-up, disposal activities, and management of or processing of non-hazardous solid waste (e.g., paper/cardboard, glass, plastics, etc.) are not P2 activities and cannot serve as a basis for P2 grant funding. If any of these activities represent more than a small and ancillary part of the proposed work, EPA will not consider the proposal for a P2 grant.

C. Use of Grant Funding

Question C.1: *The FY2018-2019 solicitation states that EPA will have approximately \$4.69 million in federal funding issued over a two-year funding period and the typical range of awards will be between \$40,000-\$500,000. My project costs are estimated at \$500,000. Can I apply for the maximum allowable grant?*

Answer: Yes. However, all funding estimates provided in the RFP are subject to Congressional appropriation, program funding availability, the quality of proposals received, and other applicable considerations.

Question C.2: *Do the funding estimates as noted in the grant announcement represent the total allowable project cost?*

Answer: No. The funding estimates noted represent the federal-funded portion of the grant not the total allowable project cost.

Question C.3: *The RFP notes an applicant may organize their proposal to be considered for partial funding. What is partial funding? How does it work?*

Answer: Under the P2 grant program the Region reserves the right to issue P2 grant awards that partially-fund discrete activities, portions, or phases of a proposal. If EPA decides to partially fund a proposal, it will do so in a manner that will not prejudice any applicant or affect the basis upon which a proposal or a portion thereof will be evaluated or selected for an award and therefore maintain the integrity of the competition, evaluation and selection process.

Question C.4: *The RFP notes an applicant may organize the proposal to be considered for incremental funding. What is incremental funding? How does it work?*

Answer: P2 grant funding may be issued to the recipients in increments over the life of the grant project period. For example, an applicant may request \$70,000 in incremental funding to support a project period of two years. If the project is selected for an award, the Region may decide to fund the project in increments of \$35,000 per year. This decision is solely made by the Region, which reserves the right to decide which work plans merit incremental funding. Incremental funding is not guaranteed rather it is contingent on a range of factors – i.e., funding availability in subsequent years, the applicant’s performance history and programmatic priorities defined by the Region. To be considered for incremental funding, the applicant must provide budget plans that detail the grant activities to be performed during each project period.

Question C.5: *Can funds be used for a project that will start before the expected award date?*

Answer: Yes. EPA's regulations allow applicants to incur project costs up to 90 days before EPA officially awards the grant or cooperative agreement. If an applicant incurs costs more than 90 days before the award, the EPA Project Officer must alert the Grants Management Office and prepare a written justification to allow those incurred costs.

Question C.6: *If EPA funds are used to help develop a toolkit for an industry sector, who owns the toolkit once it is complete?*

Answer: The recipient will own the toolkit. However, as discussed in 2 CFR 200.315, EPA reserves a right to use the toolkit for Federal purposes. By accepting the grant funds subject to the regulation, the grant recipient has agreed to EPA having a license to use the product and data generated with grant funds and allowing others to access and use the material for Federal purposes as discussed in the regulation. At the time of the grant closeout, an agreement can be made between EPA and the recipient on future uses and accessibility.

Question C.7: *Can we purchase equipment using P2 grant funding? What happens to the equipment after the grant is over?*

Answer: Equipment may be purchased with grant funding as noted in 40 CFR 31.32 provided the equipment is integral to the grant activity and as such will provide technical assistance, training to tools to businesses. Grant recipients may use such equipment for which it was acquired as long as needed, regardless of whether the project or program continues to receive federal funding. The recipient may also use the equipment in other activities currently or previously supported by a federal agency. When the recipient no longer needs the equipment for the original project or program, or for other activities currently or previously supported by a federal agency, and the fair market value is less than \$5,000, the equipment may be kept, sold, or disposed of by the applicant with no further obligation by EPA. If the fair market value of the equipment is \$5,000 or more, the recipient may keep or sell the equipment at which point EPA would have the right to proceeds from the sale. The amount of compensation will be computed by calculating the percentage of federal participation in the cost of the project – this will be assessed on the current fair market value of the equipment. If the recipient has no need for the equipment, the recipient will need to submit a formal request to EPA to state that there will not be a need for keeping the equipment. Refer to 40 CFR 31.32. In cases where a recipient fails to take appropriate disposition actions, EPA may direct the recipient to take such actions.

D. Submitting a Proposal

Question D.1: **What is the threshold criteria?**

Answer: All proposals will be reviewed against the threshold criteria noted in the grant announcement. The criteria are used to screen which proposals merit further review. Proposals that meet all the threshold criteria will merit further review and will be evaluated against the evaluation criteria noted in Section V.A of the grant announcement. Proposals that do not meet the threshold criteria will not undergo further review and a letter of rejection will be sent to the applicant explaining the reason for the disqualification from competition.

Question D.2: *Can I submit a proposal to multiple Regions?*

Answer: An applicant may submit a proposal to multiple Regions, provided the projects are distinct and separate, and the work takes place in the Region that received the

proposal. The applicant may not submit the same proposal to multiple Regions; submit a proposal that involves more than one Region; or propose work that does not take place within the Region which received the proposal.

Question D.3: *If I am located in one Region, may I submit a proposal to another Region?*

Answer: Yes. Applicants from one Region may submit proposals to other Regions, provided that the project takes place in the Region which received the proposal.

Question D.4: *May I submit a proposal that involves multiple states within the same Region?*

Answer: Yes. Applicants may submit proposals that involve multiple states within the same Region.

Question D.5: **Does my proposal need to address all of the objectives of the agency's strategic plan that are identified in the grant announcement?**

Answer: No. Applicants may address one or more of the strategic plan objectives under Goal 1 as noted in the grant announcement.

E. Proposal and Application Review Process

Question E.1: *Pulling together a federal grant proposal process can be time consuming. Can you conduct a cursory review of my proposal and tell me if my project is a good fit for this grant competition?*

Answer: In accordance with EPA's Assistance Agreement Competition Policy ([EPA Order 5700.5A1](#)), P2 program staff may not meet with individual applicants to discuss draft proposals, provide informal comments on draft proposals, or provide advice to applicants on how to respond to ranking criteria. Applicants are responsible for the contents of their proposals and applications. However, consistent with the provisions in the announcement, P2 program staff will respond to questions from applicants regarding threshold eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification about the announcement.

Question E.2: *How long does the proposal review process usually take?*

Answer: The proposal review can take between 3-5 weeks.

Question E.3: *How will I be notified of EPA's decision?*

Answer: Applicants that are ineligible to apply for funding or those that have submitted unsuitable proposals will be notified by the Region within 15 calendar days.

Eligible applicants submitting suitable proposals will be notified by the applicable Region within 5 weeks of the review decision. The notification will either be delivered by e-mail or mail. Selected applicants will be asked to submit supplemental application materials (i.e., additional information and applicable grant forms). The Region will notify applicants of final selections usually 60 – 90 days from the date of submitting their proposal. All formal award notices will be issued by EPA's Office of Grants and Debarment.

Question E.4: *May I review applications that were successful in obtaining previously awarded P2 grant funds?*

Answer: A request to review successful applications may be sent to an EPA contact noted in the grant announcement.