

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 for the FY 2020 – FY 2021 grant competition cycle.

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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/privately-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 and Scope of Work

Question B.1: *The RFA 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 to businesses/facilities in order to give them the tools and resources to prevent or reduce pollutants from entering the air, water or land.

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

- **P2 Best Practices** – Promoting, identifying, developing, researching, and documenting P2 best practices or new P2 tools for businesses and disseminating the approaches and outcomes for others to replicate;
- **On-site Technical Assistance** – Conducting technical assistance on source reduction approaches at business/facility locations;
- **Off-site Technical Assistance** – providing information on P2 practices to businesses/ facilities remotely, such as by phone or e-mail;
- **Safer Chemical Use** – Helping businesses assess and then redesign their operations, processes and supply-chain practices by replacing harmful toxic chemicals with safer chemical alternatives;
- **Training** – Conducting introductory, intermediate and/or advanced P2 trainings on use of P2 tools, adopting P2 practices 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;
- **P2 Themed Roundtables, Collaborations and Meetings** – Organizing business or community collaborations where P2 opportunities and solutions are identified, developed, enhanced, and shared and where follow-up is conducted with participants to track and record behavioral change; and,
- **Leadership or Certification Programs** – Providing awards or certifications to businesses/facilities which recognize adoption of a set of P2 practices, provided these programs are driving the adoption of newly implemented P2 practices as a result of P2 technical assistance provided under this grant.

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

Answer: Recycling of discarded materials, waste clean-up, disposal activities, managing or processing of non-hazardous solid waste (e.g., paper/cardboard, glass, plastics, etc.), and lean manufacturing activities that do not involve reductions in the use/release of hazardous substances, pollutants, contaminants, greenhouse gas releases or water use. If

any of these activities represent more than a small and ancillary part of the proposed work, EPA will not consider the application for an award. For assistance with recycling of discarded materials, waste clean-up, disposal and management or processing of non-hazardous solid waste activities, please refer to [EPA's Reduce, Reuse, Recycle website](#).

Question B.3: *What is in-process recycling?*

Answer: EPA's P2 Program defines "in-process" recycling to mean the act of re-using a material within the same business or facility during the production process.

Question B.4: *What are the National Emphasis Areas (NEAs)?*

Answer: NEA #1: Food and Beverage Manufacturing and Processing; NEA #2: Chemical Manufacturing, Processing and Formulation; NEA #3: Automotive Manufacturing and Maintenance; NEA #4: Aerospace Product and Parts Manufacturing and Maintenance; NEA #5: Metal Manufacturing and Fabrication

- More information about EPA's FY20-21 NEAs can be found here: <https://www.epa.gov/p2/p2-national-emphasis-areas-neas>
- NEA informational webinar February 25th 2-3:30 pm EST: <https://attendee.gotowebinar.com/register/4696774328423521549>

Question B.5: *What kinds of case studies would meet the case study output requirement?*

Answer:

- EPA expects that each grantee will develop at least one of these case studies during the grant period.
- Case studies will provide technical information on 1 or 2 specific P2 practices, so that other P2 technical assistance providers or interested businesses can learn from and replicate those practices (2-5 pages). Guidance on the elements of a P2 case study are in Appendix F.
- Case studies are encouraged to highlight P2 practices that are new, not widely known or adopted, or where the grantee believes detailed information on the P2 practices could benefit other business facilities or P2 technical assistance providers.
- Case studies submitted by grantees will be used to build and share a body of knowledge about P2 practices that could be implemented at other similar business facilities.

C. Use of Grant Funding

Question C.1: *The 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 RFA 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: *What is the match requirement for P2 grants?*

Answer: As required by the P2 Act, grant recipients must provide at least a 50 percent match of the total allowable project cost. For example, if the total project cost is \$100,000, the applicant must be able to provide \$50,000 in cash or in-kind contributions in order to be eligible to receive a \$50,000 grant from EPA.

Cost sharing and matching requirements are waived for proposals under \$200,000 from Insular Area applicants (U.S. Virgin Islands, American Samoa, Guam and the Northern Mariana Islands).

Tribes and intertribal consortia that are awarded P2 grant funds and then place that awarded P2 grant workplan into an approved performance partnership grant (PPG) agreement will have their cost share/match reduced from 50% to 5% (40 CFR 35.535 (b)).

Question C.4: *What can I use the match to meet the match requirement?*

Answer:

- Dollars;
- In-kind goods and services (such as volunteered time, photocopying and printing services, etc.);
- Third-party contributions consistent with 2 CFR 200.306; and
- University faculty time or effort can be offered as a cash contribution as long as the cost sharing occurs during the assistant agreement project period and while the faculty member is under a continuing contract with the university;
- Applicants must document in their budgets the type of match applied and how it will be used.

Question C.5: *May current P2 grant recipients re-apply under the current P2 grant competition?*

Answer: Yes. However, the scope of work must indicate new project work. EPA cannot fund project tasks that are currently being funded under the existing P2 grant.

Question C.6: *What is the difference between a grant and a cooperative agreement? How should I note my preference in my application?*

Answer:

- Grants: Awards of financial assistance issued by the federal government to eligible recipients based on approved workplans. EPA will not be substantially involved in the performance of grants but will monitor and perform oversight of grant work to ensure federal funds are being used as intended and expended in a timely and efficient manner.
- Cooperative Agreements: Involve substantial involvement between the EPA and the selected applicant in performance of supported work. EPA will negotiate precise terms and conditions relating to substantial involvement as part of the award process.
- The determination of whether a grant or cooperative agreement will be awarded will be made by the applicable EPA Region. If an applicant who like to designate a preference for a grant or cooperative agreement, they may do so by indicating that preference in the project narrative of their application.

Question C.7: *The RFA notes their application may 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 an application. If EPA does decide to partially fund an application, it will do so in a manner that will not prejudice any applicant or affect the basis upon which the application or a portion thereof will be evaluated or selected for an award.

Question C.8: *The RFA notes applications may be considered for incremental funding. What is incremental funding? How does it work?*

Answer: P2 grant funding may be awarded in increments over the life of the grant project period. For example, an applicant may request \$70,000 in federal 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.

Question C.9: *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.10: *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.11: *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 2 CFR 200.313, 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 2 CFR 200.313. In cases where a recipient fails to take appropriate disposition actions, EPA may direct the recipient to take such actions.

D. Submitting an Application

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

Answer: All applications will be reviewed against the threshold eligibility criteria noted in Section III of the grant announcement. The criteria are used to screen which applications are eligible to merit further review. Applications that meet all criteria will be evaluated against the evaluation criteria noted in Section V.A of the grant announcement. Applications that do not meet the threshold eligibility criteria will not undergo further review, and at the point, EPA will send the applicant a letter of rejection explaining the reason for the disqualification from competition.

Question D.2: *Can I submit an application to multiple Regions?*

Answer: An applicant may submit an application to multiple Regions, provided the projects are distinct and separate, and the work takes place in the Region that received the application. The applicant may not submit the same application to multiple Regions; submit an application that involves more than one Region; or propose work that does not take place within the Region that received the application.

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

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

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

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

Question D.5: *Does my application 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's goals and objectives as noted in the grant announcement.

Question D.6: *What is included in the 14-page limit?*

Answer:

- The project narrative, including the cover page, cannot exceed 14 single-spaced pages, with a minimum font size of 11.5. Any pages submitted in excess of the page limit will not be reviewed.
- Budget and timeline tables may be submitted as an appendix and will not count toward the 14- page limit. Please refer to Section IV.B of the P2 Grant Request for Applications (RFA) for additional guidance.

E. Application Review Process

Question E.1: *Pulling together a federal grant application can be time consuming. Can you conduct a cursory review of my application 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/applications, provide informal comments on draft proposals/applications, or provide advice to applicants on how to respond to ranking criteria. Applicants are responsible for the contents of their 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 application, and requests for clarification about the announcement.

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

Answer: The application 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 that have submitted ineligible application work will be notified by the EPA Region within 15 calendar days.

Eligible applicants submitting suitable applications will be notified by the applicable Region by email within 3-5 weeks on their application review status. The Region will notify prospective grant recipients of funding recommendations usually 60 – 90 days from the date of submission. All formal award notices will be issued by EPA's Office of Grants and Debarment.

F. Resources

F.1: Question: *What resources are available to me to learn more about P2 opportunities in each NEA sector?*

Answer:

EPA's Toxic Release Inventory (TRI) page provides information about specific industry sectors and P2 practices at reporting facilities. For more information, see: <https://www.epa.gov/toxics-release-inventory-tri-program/tri-p2-industry-profile>.

F.2: Question: *Who can I contact if I have additional questions?*

Answer:

- Agency Contacts – Section VII of P2 Grant RFA.
- Refer to EPA's P2 Program Grants page <https://www.epa.gov/p2/grant-programs-pollution-prevention>
- EPA's Office of Grants and Debarment's Recipient Training Requirements and Opportunities page: <http://www.epa.gov/grants/recipient-training-requirements-and-opportunities>.