February 1, 2024 (updated March 20, 2024)\textsuperscript{1}

**Environmental and Climate Justice Community Change Grants Program (CCGP)**  
**Notice of Funding Opportunity (NOFO) Frequently Asked Questions (FAQ)**

*Please note:*

It is expected that this document will be updated regularly. In addition, all the answers are predicated on the assumption that an application meets the applicable NOFO requirements.

These FAQs are intended to clarify elements of the NOFO. To the extent of any inconsistency between an FAQ and the NOFO and/or the applicable requirements in the Clean Air Act and grant regulations, the NOFO and Clean Air Act/grant regulations take precedence.

**Table of Contents**

\begin{itemize}
\item[A. Application Process] \textsuperscript{1}
\item[B. Scoring and Evaluation]
\item[C. Awards and Payments]
\item[D. Eligibility and Statutory Partnerships]
\item[E. Collaborating Entities]
\item[F. Procurement Questions]
\item[G. Disadvantaged Communities]
\item[H. Project Area Map, CEJST, and EJScreen]
\item[I. Track I Project Activities]
\item[J. Budget/Indirect Cost Issues]
\item[K. Track II Applications]
\item[L. Target Investment Areas (TIA)]
\item[M. Administrative Requirements]
\item[N. Technical Assistance (TA)]
\item[O. Webinars]
\end{itemize}

\textsuperscript{1} These FAQs were updated on March 20, 2024. New FAQs are denoted by an asterisk (*).
A. Application Process

1. Is there a limit on how many times we can apply under the NOFO?
Yes. As stated in Sections II.C and III.D.15 of the NOFO, Lead Applicants can only submit up to two applications under the NOFO. Further, as stated in Section III.D.15, notwithstanding this limitation, a Lead Applicant may be a Statutory Partner or Collaborating Entity on other applications. There is no limit on how many applications an entity can be a Collaborating Entity on as long as the NOFO requirements are met, and all applications are evaluated based on the criteria in Section V of the NOFO.

2. Can we submit applications for both Track I and Track II under the NOFO?
Section II.C.2 of the NOFO states that: “Under this NOFO, Lead Applicants, as defined in Section III.A, may submit a maximum of two eligible applications and receive up to two awards if they demonstrate their capacity and capabilities to effectively perform, manage, oversee, and complete both awards within the three-year grant period of performance. The two applications may be either two Track I applications or two Track II applications, or one of each. Lead Applicants who submit more than two total eligible applications will be asked to withdraw the excess one(s). EPA will not review more than two eligible applications from any one Lead Applicant.”

3. Can I apply for a grant under the CCGP if I am already receiving another grant from EPA?
Yes. There is nothing that prevents a recipient that received a separate award from EPA under another program from applying under the NOFO if the entity meets all requirements listed in the NOFO. However, as required by 2 CFR 200.403(f), recipients must have financial management systems capable of ensuring that the same costs are not charged to more than one EPA grant.

4. Does the 20-page limit for the Track I Project Narrative include the Community Engagement and Collaborative Governance Plan and Community Strength Plan or are there separate page limits for the plans?
This was clarified in the modification to the NOFO that was published on December 21, 2023. The application requirements are described in Section IV.B of the NOFO. The Track I Project Narrative 20-page limit does not include the Community Engagement and Collaborative Governance or Community Strength Plans. There are separate page limits for those plans. Please see the relevant parts of the Section IV.B Track I application requirements.

5. Are there any application templates?
The application requirements are described in Section IV of the NOFO. The only template that is provided is the optional budget template in Appendix G of the NOFO. EPA will not provide templates for other portions of the application, but technical assistance may be available to help with application preparation as described in Section I.E of the NOFO.

6. Can you clarify who needs to register with SAM.gov? Do entities who may serve as contractors under the grant need to register?
The Lead Applicant needs to register with SAM.gov to receive a Unique Entity Identifier (UEI). Any subrecipients (including the Statutory Partner) or Collaborating Entities that will receive subaward funding must also have a valid UEI. Contractors do not need to register with SAM.gov but keep in mind that the selection of contractors is governed by competitive procurement requirements as described in Appendix G of the NOFO.

7. Will applicants be notified of the status of their application as it is being reviewed?
Generally, yes. As stated in Section III.D of the NOFO: “Applicants whose applications are deemed ineligible for funding consideration because of the threshold eligibility review will be notified within 15 calendar days of the ineligibility determination.” Due to the volume of applications, we anticipate receiving, EPA does not currently plan to provide interim notifications of the status of applications that pass the threshold eligibility reviews.

8. Is the CCGP a pass-through grant program like the Thriving Communities Grantmaker Program?
No, the CCGP is not designed as a subaward pass-through program like the Grantmaker Program. While the NOFO does not specify any minimum or maximum amount of grant funds that must be provided via subawards to Collaborating Entities or other subrecipients, as indicated in Section III.B and throughout the NOFO the Lead Applicant is responsible for grant performance. There are evaluation factors in Section V of the NOFO that focus on the Lead Applicant and Statutory Partner’s role in the grant. These factors include experience and expertise, including those related to the Community Engagement and Collaborative Governance Plan, past performance, programmatic and managerial capability and resources, CBO commitment and experience, and the Compliance Plan.

Also please note this language in Section III.B of the NOFO:
“To ensure effective grant performance to meet the objectives of the Community Change Grants outlined in Section I, subawards from the Lead Applicant to other entities to implement and perform specific grant project activities identified in the application will be necessary. These other entities, including the Statutory Partners, are collectively referred to as Collaborating Entities in the NOFO. Given the community centered focus of the Community Change Grants, applications that do not include Collaborating Entities will likely not score well during the evaluation process.”

9. If our application is not selected for award, can we submit it again before the NOFO closing date?
Yes, applicants whose applications are not selected may resubmit an application as described in Section II.C of the NOFO.

10. Does the debriefing and application resubmission follow a separate process from a dispute?
If you are resubmitting your application consistent with Section II.C of the NOFO, then you are not disputing the initial non-selection decision. Applicants that wish to dispute an eligibility or selection decision, either after the initial submission or the resubmission, may do so using the dispute process referred to in Section VI.A. of the NOFO.

11. When will applicants know if they have been selected for award?
Grant applications will be reviewed on a rolling basis as stated in the NOFO. EPA expects the first application reviews to begin sometime in February 2024. Applicants selected for award will be notified as soon as possible after the evaluation and selection process is complete. As noted in Section VI of the NOFO, selection does not mean award. Following selection, the official award process must be completed.

12. Will applying early increase the likelihood that an applicant will be selected for an award?
Not necessarily. EPA cannot provide advice on competition strategy or when to apply. Applications will be evaluated based on the criteria in Section V of the NOFO. As noted in Section II.C of the NOFO, EPA cannot predict how long funding will be available under the NOFO since this depends on the quality and volume of applications received, but EPA encourages applicants to take the time necessary to prepare a thorough application that is responsive to the NOFO requirements.
13. After the expected initial March 2024 award selections, what is the schedule for future selections?
EPA will be reviewing applications on a rolling basis and anticipates doing approximately monthly reviews and will announce selections as soon as practicable after the review process is complete. The timing of the review and selection process are dependent on the volume of applications received and other considerations. The dates in the NOFO are estimates only.

14. Is the CCGP a one-time funding opportunity or will there be another cycle of the CCGP in the future?
As of this time, the CCGP that is covered by the NOFO is a one-time funding opportunity using Inflation Reduction Act funds. Future funding cycles depend on Congressional appropriations.

15. When does the three-year period to complete the grants begin?
The grant period of performance is three years from award date, which is the same as the “agreement date.” Recipients may incur pre-award costs to the extent authorized by 2 CFR 1500.9, but EPA will adjust the period of performance and budget period to cover the pre-award costs as provided in 2 CFR 200.403(h). All costs must be incurred, and grant activities must be completed, during this 3-year period of performance. As provided in 2 CFR 200.344(b), recipients will have 120 days following the end of the period of performance to liquidate financial obligations incurred during the period of performance.

16. The NOFO states that all funds must be awarded by September 30, 2026. If an award is made on September 1, 2024, when must it be completed?
As required by law (Section 138(a)(1) and (b)(1) of the Clean Air Act), all the grants under the NOFO must be awarded and funds obligated by September 30, 2026, and the performance period for the grants must not extend beyond three years. If a grant is awarded on September 1, 2024, then it must be completed by September 1, 2027, and there can be no extensions.

17. Is there a minimum and maximum amount of funding that may be requested for Track I and II applications?
There is a maximum amount of funding that applicants may request under Track I and II, but there is not a minimum. Section II.A of the NOFO states that:

“EPA anticipates awarding approximately $2 billion in funding through this NOFO depending on funding availability, quality of applications received, EPA priorities, and other applicable considerations. Awards under Track I are expected to be between $10-20 million each and cannot exceed $20 million. Awards under Track II are expected to be between $1-3 million each and cannot exceed $3 million.”

Further information is also in Section III.D.10 of the NOFO. Based on this, while there is a maximum ceiling for Track I and II applications, there is no required minimum amount of funding that may be requested for Track I and II applications because we wanted to provide applicants with some flexibility. However, while applications for Track I and II that are submitted below the stated range may be eligible, they will be evaluated based on the criteria and requirements in the NOFO and Track I applications for significantly less than $10 million may not be as competitive as those between $10-20 million.

18. Can projects receiving funds from the CCGP also leverage federal funds for the same project?
Generally, yes, if the requirements for each program are met. Costs must be attributed to each individual federal grant/loan and properly accounted for pursuant to 2 CFR 200.403(f) and other applicable provisions of 2 CFR Part 200. In addition, Section V.E.7 of the NOFO (also see Sections V.E.5 and 6) states that in making final funding decisions EPA may consider:
The extent to which the EPA funding may complement or be coordinated with other EPA funding or other Federal and/or non-Federal sources of funds/resources to leverage additional resources to contribute to the performance and success of the grant. This includes but is not limited to funds and other resources leveraged from businesses, labor organizations, non-profit organizations, education, and training providers, and/or Federal, state, Tribal, and local governments, as appropriate.

19. **Are letters of support required to be submitted with an application?**
   No, there is no requirement to submit letters of support. However, there is a Statutory Partnership requirement as explained in Section III.A of the NOFO and Appendix B.

**20. Can you clarify when we need to register with SAM.gov? Do entities who may serve as contractors under the grant need to register?**

The Lead Applicant needs to register with SAM.gov to receive a Unique Entity Identifier (UEI) so that they can apply for a grant under the NOFO through Grants.gov. This is stated in Section IV.A of the NOFO. Any subrecipients (including the Statutory Partner) or Collaborating Entities that will receive subaward funding must also have a valid UEI by the time of the subaward as required by 2 CFR 25.300. Contractors do not need to register with SAM.gov, but also keep in mind that the selection of contractors is governed by competitive procurement requirements as described in Appendix G of the NOFO. The Agency does not accept justifications for sole-source contracts for services or products available in the commercial marketplace based on a contractor’s role in preparing an application.

**21. Can I submit additional attachments to be evaluated for Track I and II applications besides the ones listed in the NOFO?**

No, applicants should not submit attachments (e.g., attached letters of support) other than those required in the application instructions. Additional attachments will not be evaluated.

**22. If I am selected for an award in October 2024 and properly incur pre-award costs beginning in October, and then am awarded the grant on December 31, 2024, when does the 3-year period of performance for the grant begin?**

Consistent with 2 CFR 1500.9, the 3-year period of performance would begin in October when the pre-award costs were incurred. If the recipient and EPA agree that the project can be completed in 3 years with the period of performance beginning when pre-award costs were incurred, then the Award Official can allow the pre-award costs by establishing the period of performance to coincide with the date the recipient incurred the pre-award costs.
B. Scoring and Evaluation

1. Who will review applications and determine who is selected for awards?
The review and selection process are described in Section V of the NOFO for Track I and II applications. As stated in Section V.B of the NOFO, all applications that pass the threshold eligibility review process will be evaluated and scored by review panels using the track-specific evaluation criteria in Section V. Review panels may be comprised of EPA staff, other Federal reviewers, and/or external reviewers.

2. Will more points be awarded if a Track I application addresses more than one Climate Action and/or Pollution Reduction strategy?
Not necessarily. The NOFO requirement is to address at least one Climate Action Strategy and at least one Pollution Reduction Strategy. Track I applications will be evaluated based on the Track I criteria in Section V of the NOFO.

3. Does having a previous EPA grant impact scoring for this grant?
Having a prior EPA grant may be evaluated as part of the past performance evaluation factor for Track I and II applications as well as any other relevant criteria. Applications will be evaluated based on the evaluation criteria in Section V of the NOFO.

4. Will EPA fund two applications that focus on the same or similar project activities?
All applications will be evaluated based on the evaluation criteria in Section V of the NOFO. In addition, in making final selection decisions, EPA may also consider the other factors in Section V.E. One of those factors (number 8) includes duplicate funding considerations.

5. If a Lead Applicant applies for two grants, would that be considered in the evaluation of their applications?
Yes, applying for two grants as a Lead Applicant could be considered in the evaluation process, including under the Programmatic Capability evaluation factors in Section V for Track I and II applications and as a “other” factor (number 6) under Section V.E of the NOFO. Also see Section II.C.2 of the NOFO.

6. Is there a minimum score for receiving an award?
The scoring process for Track I and II applications is described in Section V of the NOFO and particularly Sections V.C and V.D. For Track I applications, there is a minimum score necessary to proceed to an oral presentation.

7. Do high scoring applications that are not initially selected carry over to subsequent review cycles?
No. EPA will review all incoming applications on a rolling basis as described in the NOFO, and applications do not carry over to subsequent review cycles. Please also note the resubmission process described in Section II.C of the NOFO.

8. What is meant by the “geographical diversity” other selection factor in Section V.E of the NOFO?
This is a factor EPA may consider when making final selection recommendations, as appropriate, so that awards are not disproportionately concentrated in one or more areas.
C. Awards and Payments

1. How will the grant funds be awarded and distributed among the entities that are part of an application?
As stated in Section III.B of the NOFO: “If selected for award, the Lead Applicant will become the grantee, operating as a pass-through entity for purposes of 2 CFR Part 200 and the EPA Subaward Policy, and taking responsibility for making subawards to Collaborating Entities.” The Lead Applicant will describe its process and capacity to make subawards in the application, including in the required Partnership Agreement among the Statutory Partners.

2. Does the entire award amount need to flow down to subrecipients?
No, the entire award amount does not need to flow down to subrecipients.

3. Is there cost-share or match requirement for awards under the NOFO?
No. There is no cost-sharing or matching requirement under the NOFO.

4. Will grant funds be paid to recipients via a draw-down system or will there be an opportunity to get the initial lump sum?
EPA will pay recipients under a draw-down system unless the recipient qualifies for an initial lump sum payment as a working capital advance under 2 CFR 200.305(b)(4). Working capital advances, however, will not be made in the entire amount of the award but will only “…cover [the recipient’s] estimated disbursement needs for an initial period generally geared to the [recipient’s] disbursements. Thereafter, [EPA] must reimburse the [recipient] for its actual cash disbursements” as provided in that regulation.

Here is a summary of the draw-down requirements from EPA’s General Term and Conditions, “Automated Standard Application Payments (ASAP) and Proper Payment Draw Down.”
“Recipients must enroll in the Automated Standard Application for Payments (ASAP) system to draw down funds. Payments made to recipients through ASAP are virtually instantaneous—typically the same business day. Recipients must draw down funds based on actual costs incurred (“immediate cash requirements”) rather than in a single draw at the beginning of the grant or multiple lump sum draws based on estimated costs in order to comply with 2 CFR 200.305(b). Recipients do not have to pay employees, contractors and subrecipients before obtaining payment from ASAP but must disburse the funds for the incurred costs within 5 working days of receiving the ASAP payment subject to a 5% of the amount of payment or $1,000 cushion for calculation errors. EPA’s Award Official may make exceptions to the 5-business day disbursement basis based on documented circumstances that prevent the recipient from complying with that requirement. Recipients must return excess funds through ASAP.”

5. Can the grants be used as match for other federal grants?
That depends on the statutory authority of the other Federal grant program. As provided in 2 CFR 200.306(b)(5), funds from one Federal grant may not be used as cost-share for another Federal grant unless a federal statute (e.g., HUD’s Community Development Block Grant statute) provides otherwise. Section 138 of the Clean Air Act, the statutory authority for the CCGP, does not authorize the use of CCGP grant funding as cost share for other Federal grants.

6. Can a project receive funding from other Federal or state funding sources in addition to the CCGP award?
Yes, you may be able to use CCGP funding as part of a larger project that is receiving resources from other sources. However, you must have effective accounting controls in place to ensure that the same costs are not charged to different funding sources as required by 2 CFR 200.403(f) and 2 CFR 200.405(a).
7. If we receive an award under the NOFO, can we delay the official award issuance date so we can delay grant performance?

No, EPA will award and issue the grant simultaneously. Please note the Readiness, Feasibility, and other requirements in the NOFO.
D. Eligibility and Statutory Partnerships

1. Are non-profit organizations with a 501(c)(6) designation eligible to apply under the NOFO?
   Yes, non-profit organizations exempt from Federal taxation under section 501(c)(6) of the Internal Revenue Code are eligible to compete under the NOFO assuming they meet the other requirements for a CBO as described in Section III A. of the NOFO.

2. Are the District of Columbia, Puerto Rico, the Virgin Islands, and any other territories eligible to be in a Statutory Partnership with a CBO to apply under the NOFO?
   No. For the purposes of the NOFO and pursuant to the Clean Air Act, the District of Columbia, Puerto Rico, the Virgin Islands, and other territories are States, and are not eligible to apply for grants under the NOFO. In this regard, please note that the Clean Air Act defines State at 42 USC 7602(d) as:
   “State means any non-Federal permitting authority, including any local agency, interstate association, or statewide program. The term “State” also includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. Where such meaning is clear from the context, “State” shall have its conventional meaning.”

However, local governments (e.g., public housing authorities) and institutions of higher education that are in the District of Columbia and the U.S. territories (Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and Puerto Rico) may be eligible to apply as part of a Statutory Partnership with a CBO under the NOFO if they meet the NOFO requirements.

3. Are the Freely Associated States eligible to apply under this NOFO?
   No, the Freely Associated States are not eligible to apply under the NOFO, nor can projects be performed in the Freely Associated States.

4. Are hospitals eligible to apply under the NOFO?
   It depends. Non-profit hospitals may be eligible as CBOs if they meet the criteria outlined in Section III.A of the NOFO for a CBO. A hospital that is an agency or instrumentality of a local government is eligible to participate in a Statutory Partnership as a local government as defined in Section III.A of the NOFO. For-profit hospitals are not eligible to apply.

5. Can a nonprofit organization incorporated as an LLC be considered a CBO and be part of a Statutory Partnership to apply under the NOFO?
   Yes, if the applicant can demonstrate that the LLC is recognized as a nonprofit organization under state law as described in Section III.A of the NOFO, and otherwise meets the requirements for a CBO described in Section III.A of the NOFO. For example, an LLC whose sole member is a nonprofit organization may qualify as a CBO if the other requirements in the NOFO are met.

6. What are some examples of local governments that may apply under the NOFO with a CBO partner?
   EPA uses the definition of local government in 2 CFR 200.1 as indicated in Section III.A.2 of the NOFO. Refer to that coverage for examples of local governments.

Please note that Regional Planning Councils or similar regional entities may qualify as a local government, but such applicants would need to document eligibility by securing an opinion from the Chief Legal Officer of the regional entity or the equivalent citing the specific state statute or local ordinance that establishes that the Regional Planning Council or other regional entity qualifies under Item 9 or 13 of the 2 CFR 200.1 definition of local government.
7. **Is there a preference for collaborations with local governments over partnerships between two CBOs under the NOFO?**

There is no EPA preference for any Statutory Partnership structure as long as one of the Statutory Partners is a CBO as required by section 138(b)(3) of the Clean Air Act and indicated in Section III.B of the NOFO. Applications will be evaluated based on the criteria in Section V of the NOFO.

8. **What constitutes a Statutory Partnership agreement between the two Statutory Partners, and does EPA have a model agreement?**

See Appendix B of the NOFO for the requirements of the Statutory Partnership Agreement. EPA does not have a model partnership agreement because they may vary per State law.

9. **Can a letter of collaboration between the two Statutory Partners be a substitute for the Statutory Partnership Agreement?**

No, a letter of collaboration between two entities would not suffice as a substitute for the Partnership Agreement that is outlined in Appendix B.

10. **Must local governments enter into subaward agreements prior to award to meet the Statutory Partnership requirements in Appendix B even if local law prohibits binding commitments on the part of local governments?**

Not necessarily. If the Partnership Agreement demonstrates that the local government intends to enter the required subaward with the Statutory Partner (the CBO) after EPA makes the award, that is sufficient. For example, the terms of the Partnership Agreement may include a contingency that makes receipt of a CCGP award a prerequisite for the subaward or a similar arrangement that complies with local law.

Note that EPA takes the same position regarding any Lead Applicant (CBO, Tribe, local government, institution of higher education) that includes a contingency in the Partnership Agreement that makes receipt of a CCGP award a prerequisite for the actual subaward to the Statutory Partner. In addition, please refer to the Community Engagement and Collaborative Governance structure in Section I.G. of the NOFO.

11. **Does the Lead Applicant have to make subawards to Collaborating Entities before they are awarded a grant?**

No and see above answer also. The Lead Applicant need not have a subaward in place with Collaborating Entities at time of application submission but must assure EPA that they will provide the subawards if the application is successful, and otherwise meet the NOFO requirements. They must also address the evaluation factors in Section V of the NOFO, including the Community Engagement and Collaborative Governance Plan requirements, and the Appendix G budget requirements.

In addition, the Partnership Agreement between the Lead Applicant and the Statutory Partner described in Appendix B must include a commitment to provide the Statutory Partner a subaward as indicated in Section III.B of the NOFO, although that commitment may be contingent on the award of CCGP funding as indicated in the prior question.

12. **Do the two Statutory Partners have to demonstrate that they have worked together in the past to apply as a Statutory Partnership?**

No. The requirements for a Statutory Partnership are explained in Sections III.A and B of the NOFO and Appendix B. The Statutory Partners do not have to show that they have worked together in the past to apply as Statutory Partners. Notwithstanding this, there are evaluation factors in Section V that focus on the Lead Applicant and Statutory Partners.
13. How do organizations determine which eligible entity should be the Lead Applicant and which should be the Statutory Partner?

It is up to the applicants to decide who is the Lead Applicant and who is the Statutory Partner as long as a CBO is one of them. See Section III.B of the NOFO. In deciding who should be the Lead Applicant, please consider the Lead Applicant’s responsibilities for managing the grant as outlined in Section III.B of the NOFO.

14. Can a federal agency be a Lead Applicant or a Statutory Partner on an application?

No, a federal agency cannot be a Lead Applicant or a Statutory Partner because of the requirements in Section 138 of the Clean Air Act. However, if the federal agency has statutory authority to provide services to non-federal entities on a reimbursable basis, it may participate as a Collaborating Entity that receives a subaward.

15. Can we apply as a collaboration between multiple Federally recognized Tribes?

Please see the definition of Federally recognized Tribe in Section III.A.3 of the NOFO. Informal partnerships of Tribes are not eligible entities. Intertribal Consortia that meet the definition of a CBO in the NOFO are eligible to apply as CBOs with a Statutory Partner as indicated in Section III.A of the NOFO. Federally recognized Tribes may apply in partnership with a CBO including an Intertribal Consortium that meets the definition of a CBO.

16. Can the Statutory Partnership that applies for a grant consist of more than 2 entities?

No. As described in Section III.B of the NOFO, the Statutory Partnership is comprised of two eligible entities, one of which must be a CBO. Other entities may be involved in the grant as Collaborating Entities or procurement contractors as explained in Section III.B of the NOFO.

17. Can an institution of higher education apply with a Resource Conservation District (RCD) as the CBO?

It depends. Whether an RCD can qualify as a CBO depends on the legal status of the RCD and whether it can meet the CBO requirements in the NOFO. Some RCDs may be structured as CBOs, and others are structured more like local governments as defined in 2 CFR 200.1.

18. If a CBO is partnering with a single Joint Powers Association (JPA) entity made up of five local governments, then can the JPA serve as the Lead Applicant?

It depends. If the JPA is considered a Local government, as defined in 2 CFR 200.1, and it meets the eligibility requirements outlined in Section III.A of the NOFO, then yes. For example, depending on state or local law, the JPA may be a “special district,” an “intrastate district,” or a “council of governments.” But the JPA would apply as one local government, not five separate local governments. EPA will require that the Chief Legal Officer for the JPA or the State Attorney General’s Office provide a legal opinion documenting that the JPA is a local government within the meaning of the regulation.

19. Can a CBO that works in a disadvantaged community partner with an Institution of Higher Education that is not located in that disadvantaged community?

Yes. As described in Section III.A of the NOFO, a CBO must demonstrate that it is “a public or private nonprofit organization that supports and/or represents a community and/or certain populations within a community through engagement, education, and other related services provided to individual community residents and community stakeholders.” Institutions of Higher Education do not have to meet the same requirements. However, as noted throughout the NOFO, all applications must benefit disadvantaged communities as defined in Appendix A of the NOFO.

20. Can a nonprofit Community Development Financial Institution (CDFI) be considered a CBO and apply in partnership with another CBO or a local government?
Yes, if the nonprofit CDFI meets the requirements for a CBO described in Section III A.1 of the NOFO.

21. Can a Public Benefit Corporation with non-profit CBO “shareholders” apply as a CBO or other eligible entity?
Probably not. Public Benefit Corporations are for-profit entities, and for-profits are ineligible to apply under the NOFO. Even though some of the shareholders are non-profit CBOs, the Public Benefit Corporation may also have other shareholders including companies or individuals who may receive profits from services or products the Public Benefit Corporation sells commercially. A PBC that only has nonprofit shareholders may qualify as a CBO, but EPA will need detailed information (including documentation that the State of incorporation recognizes the PBC as a nonprofit organization) to determine whether the PBC qualifies as CBO.

22. Can a collaborative of CBOs apply as one CBO?
It depends. If the collaborative of CBOs has its own independent legal existence and meets the requirements for a CBO in Section III.A.1 of the NOFO, it may apply as one CBO. However, the requirement to partner with another CBO, local government, Federally recognized Tribe, or institution of higher education would still apply.

23. Can the Department of Energy’s National Laboratories receive funding under the NOFO as a subrecipient to a Lead Applicant?
Nonprofit organizations that operate National Laboratories under contract with the U.S. Department of Energy are eligible subrecipients provided they receive permission from DOE to perform the subaward and comply with the NOFO requirements.

24. Are investor-owned public utilities eligible to apply for the grants?
No, they are considered for-profit entities and not eligible to apply. In some circumstances they can receive subawards under Appendix A of the EPA Subaward Policy such as a subaward to upgrade pollution-control equipment or provide energy efficiency upgrades (via subsidies or direct construction or services) to their rate payers in disadvantaged communities.

25. If a CBO partners with a local government to apply for a grant, does the Partnership Agreement between them need to be adopted by the local government?
The answer depends on the local government’s legal requirements. However, as stated in Appendix B of the NOFO “[T]o be eligible for funding, the Lead Applicant must include in the application a copy of a written and signed Partnership Agreement with the Statutory Partner that is legally binding.”

26. Is a national Tribal consortium eligible to apply as part of a Statutory Partnership under the NOFO?
An Intertribal Consortium that meets the requirements for a CBO as well as 40 CFR 35.504(a) and (b) may be eligible for funding as stated in Section III.A and Appendix G of the NOFO.

27. Can religious-affiliated organizations be considered CBOs under the NOFO?
Yes, religious-affiliated nonprofit organizations can apply as part of a Statutory Partnership if they meet the eligibility requirements for a CBO described in Section III.A of the NOFO. Grant funding may not, however, be used for religious purposes, and recipients may not select program or project beneficiaries based on a religious purpose.

28. Is a state agency eligible to apply for funding under the NOFO?
No, neither States nor State agencies are eligible to apply under the NOFO based on the statutory requirements for the CCGP. However, they can be involved as Collaborating Entities and receive subawards. Please refer to Sections III.A and III.B of the NOFO for more information.
29. The NOFO refers to Institutions of Higher Education as being eligible to apply with a CBO, but are K-12 educational institutions also eligible to participate?
A school district is eligible to apply as a local government as defined in 2 CFR 200.1 and described in Section III.A of the NOFO in partnership with a CBO. An individual school may also be eligible to participate and receive subawards as a Collaborating Entity depending on its status under the state statutes or local ordinances establishing the school district. Incorporated nonprofit organizations affiliated with schools such as Parent Teacher Organizations may also be eligible as CBOs if they can meet the CBO criteria in the NOFO. Private schools may be eligible to apply as part of Statutory Partnership if they meet the requirements for a CBO as described in Section III.A of the NOFO.

30. Can CCGP funding be used for AmeriCorps stipends?
It depends. As a federal agency, AmeriCorps is not eligible to apply under the NOFO because they do not meet the statutory eligibility requirements for the CCGP. However, CCGP funding may be used for AmeriCorps program participant stipends if the recipient’s agreement with AmeriCorps authorizes the use of grant funds from another Federal agency to pay AmeriCorps stipends. EPA understands that AmeriCorps has unique statutory authority that allows funds from Federal grants from other agencies to be used to pay part of the cost for an AmeriCorps project or program.

31. Is there a list of Federally recognized Tribes who are eligible?
Please refer to Section III.A.3 of the NOFO for information on the eligibility of Federally recognized Tribes. The Department of Interior keeps a list of Federally recognized Tribes. Be aware that Alaska Native Corporations (ANCs) are not eligible to apply in a Statutory Partnership because they are not Indian tribes as defined in section 302(r) of the Clean Air Act, but they may participate as Collaborating Entities to receive subawards. See questions in the Target Investment Area section of this document for further information.

32. What is EPA’s position on “fiscal sponsors” applying under the NOFO?
EPA does not recognize the “fiscal sponsor” or “fiscal agent” concept. Thus, a fiscally sponsored organization is not eligible to apply as a Statutory Partner as described in Section III.A and III.B of the NOFO unless they meet the requirements of a CBO described in Section III A.1 of the NOFO. Please also refer to Questions 49 through 51 of the EPA Subaward Frequent Questions which are available at https://www.epa.gov/grants/epa-subaward-frequent-questions.

33. Can a community college or other Institution of Higher Education with non-profit status qualify as a CBO?

Community colleges are identified in 20 U.S.C. 1001(a)(3) as Institutions of Higher Education offering 2-year programs “...that is acceptable for full credit toward...a bachelor’s degree.” The fact that any such institution also has nonprofit status does not alter their designation as such an institution indicated by 20 U.S.C. 1001(a)(4).

34. Our university’s research corporation, a 501(c)(3) non-profit, submits and administers grant dollars on behalf of the university. Would the research corporation be eligible to be a CBO on an application submitted under the NOFO?
A nonprofit organization affiliated with a university could qualify as a CBO if they meet the other requirements for a CBO specified in Section III.A of the NOFO. However, if the nonprofit intends to name the university parent as a Statutory Partner or otherwise provide a subaward to the university parent, then EPA’s Financial Assistance Conflict of Interest Policy (https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy) would be implicated due to the potential for personal and organizational conflicts of interest.

35. Are local government agencies considered part of a local government even if they have their own unique entity identifier (UEI) and indirect cost rates?
Yes, local governments are “unitary” legal entities even if they have separate agencies and departments, unless the agencies and departments can demonstrate they are legally independent of the local government. For example, if City Y is a local government, then all its agencies and departments are considered part of the local government, unless they can convincingly demonstrate that they are legally independent of, and do not report to, the executive of the local government (either elected or appointed) and the legislative body of the local government. This means that City Y, including its agencies and departments, can only submit up to two applications as a Lead Applicant under the NOFO.

However, EPA recognizes the legal structure of local governments varies and that there may be nonprofit organizations such as community economic development agencies or public bodies such as school systems, public utilities, and public housing authorities that may be sufficiently independent of the local government to qualify as separate legal entities.

36. My organization is a national organization but has a presence in certain communities to work on community issues—would we be considered a CBO?
To be considered a CBO you must meet the requirements in Section III.A of the NOFO. The NOFO states in pertinent part in Section III.A.1 that:

“For purposes of this NOFO, the CBO must have a geographic presence or connection in, or relationship with, the specified community that the projects are intended to benefit. For example, national or statewide CBOs must demonstrate the CBO’s connection to the community that will benefit from the grants.”

37. Are Federally Funded Research and Development Centers (FFRDC) eligible to apply for the grants as a CBO?
Yes, as long as the contractor operating the FFRDC is a nonprofit organization and can meet the definition of a CBO in Section III.A of the NOFO. The nonprofit contractor operating the FFRDC may apply as part of a Statutory Partnership as described in Section III.A of the NOFO in its nonprofit capacity if they otherwise meet the requirements for a CBO in Section III.A of the NOFO and other NOFO requirements, and the Department of Energy or another Federal agency operating the FFRDC gives the FFRDC contractor permission to apply for the grant.

38. Can a Tribe apply as a Lead Applicant even if the project isn’t on tribal land?
Yes, a Tribe can apply as a Lead Applicant for a project, even if it isn’t on tribal land, if their project benefits a disadvantaged community as described in Appendix A of the NOFO and meets all the other requirements noted in the NOFO. The determination of who becomes the Lead Applicant is up to the Tribe and its Statutory Partner.

39. Can a Federally recognized Tribe qualify as a CBO since they are exempt from Federal taxation?
No. Federally recognized Indian tribes as defined in section 302(r) of the Clean Air Act are units of government. Their exemption from taxation, like that of states, stems from governmental powers such as taxation, law enforcement, and civil authority recognized in Federal law.
*40. With respect to the limit in the NOFO that a Lead Applicant may submit no more than two eligible applications under the NOFO, how does this apply to universities that are part of a State-wide university system?

It depends. Because of the variances in State laws, for purposes of eligibility under the NOFO, EPA will make a case-specific determination based on whether universities that are part of a State-wide university system are effectively distinct legal entities, or whether the system itself is one legal entity, as further described below.

If each university within the State-wide university system is effectively considered a distinct legal entity, and that is demonstrated in the application, then each university can submit up to two applications as a Lead Applicant. For example, if each university (1) has its own sponsored programs office or similar component that is authorized under State law to enter into financial assistance agreements with the federal Government, and (2) each has its own Unique Entity Identifier and its own Employer Identification Number for tax purposes, then EPA may consider each university in the State-wide university system to effectively be a distinct legal entity under State law and each one can submit up to two applications as the Lead Applicant. For example, EPA has determined that for the University of California system, each of its ten university campuses can submit up to two applications as the Lead Applicant because each university campus has its own sponsored programs office or similar component that is authorized under State law to enter into financial assistance agreements with the federal Government and each university campus has its own Unique Entity Identifier and its own Employer Identification Number for tax purposes. EPA will apply a similar analysis to other State-wide university systems.

In addition, please note this additional factor that EPA may consider in making final funding decisions in Section V.E.3 of the NOFO: Organizational diversity in terms of applicant type and size to ensure a broad representation of applicants receiving awards to improve program effectiveness and equity.

*41. Section III.A.1 of the NOFO states that applicants must include documentation in their application demonstrating that they are a nonprofit organization by one of two ways. Where do we include that information?

The Executive Summary section of the Project Narrative for both Tracks I and II in Section IV.B requires applicants to describe how the Lead Applicant and Statutory Partner meet the eligibility requirements in Section III.A of the NOFO. In addition, the application instructions for the Track I and II Project Narratives in Section IV.B of the NOFO note that applicants should ensure they include information addressing the relevant evaluation criteria in Section V for Track I or II applications and any applicable threshold eligibility criteria in Section III.D. If applicants need to attach documentation to demonstrate nonprofit organization status, they should attach it via the Other Attachments Form in the Grants.gov application package. As noted in Section III of the NOFO, EPA will contact applicants if necessary to clarify issues relating to threshold eligibility criteria compliance prior to making an eligibility determination including those related to non-profit status.

*42. Can a CBO in the U.S Territories be part of a Statutory Partnership?

Yes, if they meet the requirements in Section III.A.1 of the NOFO for CBOs.
E. Collaborating Entities

1. Is there a minimum or maximum number of subawards that a Lead Applicant must make to Collaborating Entities?
No, the NOFO doesn’t indicate a required number of subawards to Collaborating Entities.

2. Can a Collaborating Entity be an organization located outside of the United States?
In limited circumstances, projects to benefit U.S. disadvantaged communities near an international border may require some international work to be performed within 100 kilometers of that border (e.g., within 100 km south of the U.S.-Mexico border or north of the U.S.-Canada border). See Section II.B of the NOFO. In these cases, there may be some limited instances where a Collaborating Entity may be located outside of the United States. This may also apply to projects benefitting U.S. Territories.

3. Can subawards only be granted to Collaborating Entities named in the application?
Applicants need to identify and describe existing relationships with Collaboring Entities in the application based on the NOFO requirements and as indicated in Appendix G for the budget template. However, grant recipients may find it necessary to issue subawards to entities not originally named in the application. Replacing a previously named Collaborating Entity requires prior approval by an authorized EPA official pursuant to 2 CFR 200.308(e)(6).

Collaborating Entities will receive subawards as explained in the NOFO, including in Section III.B and Appendix G, but the NOFO also acknowledges in Section III.B that there may be “other subrecipients” in addition to those recognized as Collaborating Entities. Subawards may be made to Statutory Partners (CBOs, Federally recognized Tribes, local governments, and institutions of higher education), as well as entities that cannot legally be Statutory Partners (e.g., states, territorial governments, Alaska Native Corporations, and international organizations).

4. Can for-profit/private companies be Collaborating Entities?
No. As stated in Section III.B of the NOFO, for-profit private companies cannot be Collaborating Entities that receive subawards. When a for-profit firm is providing commercial services to the recipient as a vendor, then the recipient cannot circumvent competitive procurement requirements by providing the firm a subaward even if the firm agrees not to “profit” from the transaction.

5. Can a for-profit entity receive a subaward, or otherwise be a program participant?
Yes, in certain very limited circumstances. For example, as Appendix A to EPA’s Subaward Policy (incorporated into Section III B. of the NOFO) notes, a for-profit firm can receive a subaward for a project to install pollution-control equipment at its facilities, since the firm in that case is not providing goods or services to the recipient on commercial terms.

Similarly, an investor-owned utility could receive a subaward to provide energy efficient HVAC equipment to residents of low-income communities via subsidies or actual installation of equipment. The utility would not be providing the recipient with the services (energy transmission or other services/products the utility “sells” to ratepayers or others) that generate profits for its investors. For-profit firms may receive rebates or subsidies for purchases of pollution control equipment including electric vehicles and related charging infrastructure as program participants under 2 CFR 1500.1(b) and the EPA Guidance on Participant Support Costs, which is referenced in Appendix G of the NOFO.
**F. Procurement Questions**

1. **If we have already completed a competitive procurement in advance of applying, can we list the contractor/consultant in the application? And does this apply to engineering contracts as well?**

   For the first question, yes, provided the procurement process complied with the requirements specified in the Procurement Standards in 2 CFR Part 200, the Good Faith Efforts to encourage participation of small and disadvantaged businesses described in 40 CFR 33.301, and the compensation that you intend to charge to the grant for individual consultants (if any) complies with 2 CFR 1500.10. Please refer to the Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements ([https://www.epa.gov/sites/default/files/2021-03/documents/best-practice-guide-for-procuring-services-supplies-equipment.pdf](https://www.epa.gov/sites/default/files/2021-03/documents/best-practice-guide-for-procuring-services-supplies-equipment.pdf)), which is incorporated into the CCG NOFO as well (See Appendix G).

   And yes, this requirement applies to engineering contracts as well, although for architectural and engineering (A/E) services you may use a qualifications-based competitive procurement as long as the requirements in 2 CFR 200.320(b)(2)(iv) are met. EPA also recognizes that geographic preferences may be used as provided in 2 CFR 200.319(c). Note that EPA takes the position that qualifications-based and geographic preference procurements may only be used to acquire services such as the development of building specifications that must be performed by a licensed A/E firm under state or local law.

2. **What if we have a Master Service Agreement that was previously competed in compliance with federal procurement policies? Can we list it in the application?**

   It depends. Your Master Service Agreement may not be so “stale” that it does not reflect current market conditions and cannot be a non-competitive retainer type of consulting contract prohibited by 2 CFR 200.319(b)(4). As indicated on page 13 in our Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements (found here: [https://www.epa.gov/sites/default/files/2021-03/documents/best-practice-guide-for-procuring-services-supplies-equipment.pdf](https://www.epa.gov/sites/default/files/2021-03/documents/best-practice-guide-for-procuring-services-supplies-equipment.pdf)), which is referenced in the NOFO including in Appendix G, EPA will accept properly competed long-term contracts that are 5 years or less in length. We also expect recipients to ensure that the pricing under Master Service Agreements remains consistent with market conditions to meet the “reasonable cost” standard in 2 CFR 200.404, which applies to all expenditures of grant funds.

3. **Can a Lead Applicant procure contractors to assist with grant performance, or should procurement be managed by subrecipients who receive subawards from the Lead Applicant?**

   Both Lead Applicants and subrecipients may procure contractors in compliance with competitive procurement requirements as described in Section III.B of the NOFO.

4. **Based on the NOFO, the period of performance cannot exceed 3 years, and projects should begin no later than 120 days of award. Does this mean that issuing a procurement solicitation and initiating a competitive procurement process to implement the project must begin within the 120 days, or can the procurement be conducted before award and be a pre-award cost?**

   When to begin the procurement process is a matter for applicants to decide based on the time it takes to acquire services or products under their procurement procedures. We recommend, however, that applicants as a minimum wait until EPA notifies them of initial selection before initiating the competitive procurement process.
Costs for conducting a procurement that complies with federal requirements can be an allowable pre-award cost subject to the restrictions in 2 CFR 1500.9 and 2 CFR 200.458. Recipients incur pre-award costs at their own risk, and EPA will only reimburse recipients for pre-award costs for competitive programs if the pre-award costs were incurred after the recipient was notified of initial selection for funding. More importantly, as provided in 2 CFR 200.211(b)(5) and 2 CFR 200.403(h), the Period of Performance (defined in 2 CFR 200.1) will be adjusted to encompass the time frame in which the pre-award costs were incurred. The Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance that is referenced in Appendix G of the NOFO says this on pre-award costs:

“2. EPA defines pre-award costs as costs incurred prior to the award date, but on or after the start date of the Budget period and Period of performance as defined in 2 CFR 200.1. Under EPA’s interpretation of 2 CFR 200.308(e)(1) and 2 CFR 1500.9, all eligible costs must be incurred during the budget/ performance period as defined by the start and end date shown on the grant award to receive EPA approval. This interpretation is implemented in a grant-specific Term and Condition entitled ‘Pre-award Costs,’ which will be included in all awards when the recipient has incurred EPA approved costs prior to award.”

By statute, the performance period for these grants is limited to 3 years. The total amount of time for incurring costs will not be lengthened by incurring the costs for procurements prior to the date of the award although depending on the “construction season” in the applicant’s locale there may be sound reasons for initiating the procurement process immediately following EPA’s notification of selection. Again, any pre-award costs the recipient incurs are at their own risk.

5. If an applicant is interested in procuring a consultant do they have to do so before submitting an application?
No. Applicants are not required to procure a consultant before submitting an application. Consultants, regardless of when they are procured, must be selected in compliance with the fair and open competition requirements in 2 CFR Part 200 and 2 CFR Part 1500. EPA provides guidance on complying with the competition requirements in the Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements.

6. Can I receive sample Requests for Proposals (RFPs)/Requests for Quotes (RFQs) or other forms of assistance in developing RFPs/RFQs from potential contractors that will then be allowed to bid on the procurement that will be made under the RFP?
No. If you seek any assistance from a contractor, including obtaining sample RFPs/RFQs, that contractor is not allowed to submit a proposal in response to your RFP/RFQ. If the contractor submits a proposal, you must reject the proposal. Accepting the proposal will be in violation of 2 CFR § 200.319. You may, however, seek assistance from a contractor that will not submit a proposal in response to your RFP/RFQ.

7. What is an example of an unfair competitive practice?
One example of an unfair competitive practice is to allow a consultant (or any other type of contractor) who drafts specifications, requirements, statements of work, or invitations for bids or requests for proposals to compete for the services or products that will be procured. This practice violates 2 CFR § 200.319(b) and may result in EPA disallowing any costs for the tainted contract that are charged to CCG grant. Non-competitive contracts with consulting firms on retainers are another example of an unfair competitive practice as indicated at 2 CFR § 200.319(b)(4).

Additionally, EPA will not accept sole source justifications for procurement contracts for services such as consulting, engineering, construction services, or information technology support that are available in the commercial marketplace.
8. Must I consider price when procuring a consultant or other contractor?
It depends. EPA’s position is that the “qualifications based” procurement procedures described in 2 CFR § 200.320(b)(2)(iv) may be used when acquiring services that can only be provided by a licensed Architectural and Engineering (A/E) firm such as when state or local law requires that a licensed A/E firm develop the design plans and other specifications for construction work. As stated in the regulation: “The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms that are a potential source to perform the proposed effort.” A/E firms are one potential source for a wide range of services in addition to those that only licensed A/E firms may perform as a legal matter.

9. Is my RFP process federally compliant if I only receive one bid?
Possibly, but additional inquiries by EPA are possible. Per the grant regulations at 2 CFR § 200.325(b)(2), when only one bid is received in response to a RFP/RFQ, you must make the procurement documents available to EPA if requested. Services necessary for performing CCGP grants are widely available in the commercial marketplace so it would be unusual for only one bid to be received under an RFP. Depending on the information contained in the procurement documents, as well as circumstances surrounding the procurement, EPA may require you to re-issue the RFP.

10. What are the potential consequences for an applicant/recipient that does not conduct a fair and open competition for the procurement of a contractor?
If an applicant/recipient fails to comply with the competitive procurement requirements in 2 CFR Parts 200 and 1500 or 40 CFR Part 33, EPA may impose additional conditions, as described in 2 CFR § 200.208 which may include re-issuing an RFP. If EPA determines that noncompliance cannot be remedied by imposing additional conditions, EPA may take one or more of the following actions, as outlined in 2 CFR § 200.339 Remedies for Non-Compliance, as appropriate in the circumstances:

11. What should I do when a consultant has offered to prepare our application for a CCGP grant without charging a fee?
If a consultant has offered to prepare your application for a CCGP grant without charge you need to be careful not to provide that consultant with an unfair competitive advantage when selecting a contractor to perform work under a CCGP grant.

Unfair competitive advantage is when the terms of the consultant’s offer require the applicant/recipient to hire the consultant on a sole source basis if the application is successful. Such a practice unfairly restricts competition for services that are widely available in the marketplace. You must procure contractual services through fair and open competition when the amount of the contract exceeds the micro-purchase threshold ($10,000 for most recipients).

12. Can the same contractor that assists me with preparing the grant application also submit a proposal in response to an RFP/RFQ for consulting services that I may issue if I receive the grant?
Yes. EPA does not prohibit consultants who prepare grant applications from competing for contracts that will be funded under the grant as long as the competition is conducted fairly and openly. The contractor may not assist with drafting specifications, requirements, statements of work, or invitations for bids or requests for proposals and also be allowed to compete for the services or products that will be procured as indicated in 2 CFR § 200.319(b).

13. The terms of the contract for application preparation services require us to hire the consultant to provide services necessary to perform the CCGP grant if EPA selects the application for funding or pay the consultant a $5,000 application preparation fee if we hire a different consultant. What is EPA's view on this practice?
EPA considers this practice to be a violation of the procurement requirements in the grant regulations because it may provide the consultant who prepared the application an unfair competitive advantage. The grant regulations require recipients to fully and openly compete professional services contracts when the amount of the contract will exceed the general $10,000 micro-purchase threshold (or a higher threshold as authorized in 2 CFR § 200.320(a)(1)). Additional information regarding EPA policies on procurements under EPA financial assistance programs is available in our Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements which is available through links in the CCG NOFO.

Additionally, if your organization did conduct a competition to procure environmental services, and the consultant that prepared the application won the bid/contract, EPA may question whether the decision to select the consultant was based on an improper factor such as the requirement to pay the consultant the $5,000 application fee otherwise.

14. Can an entity issue a competitive solicitation to procure a consultant for grant writing services as well as to implement the grant, if selected for funding?
Yes, as long as the entity complies with the competitive procurement requirements in 2 CFR § 200.319, 2 CFR § 200.320, 2 CFR § 1500.10 and 40 CFR Part 33. Refer to EPA’s Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements for additional guidance. The price for performing the grant implementation services must be a significant evaluation factor in the competitive solicitation. Since direct costs for proposal preparation are not allowable under the CCGP program, the price for preparing the proposal is not relevant to the EPA funded portion of the contract and cannot be a basis for selection.

15. What is EPA's position on hiring a particular consulting firm or other contractor?
EPA does not endorse hiring any particular firm or firms by EPA grant recipients. All contracts with consulting firms or any other type of contractor must be procured in compliance with the full and open competition requirements described in the Procurement Standards of 2 CFR Part 200. There are many qualified consulting firms in the commercial market.

16. If I name a consulting, law, or engineering firm as a “partner” in the application is it proper to award that firm a sole source contract on that basis?
No. All contracts for professional services in excess of the 2 CFR § 200.320(a)(1) micro-purchase threshold ($10,000 for most recipients) must be awarded competitively to the maximum extent practicable and in compliance with requirements to consider disadvantaged business enterprises set forth in 40 CFR Part 33. The market for consulting, legal, and engineering services is robust and it is unlikely that competition is impractical. Note that as required by 2 CFR § 200.320(a)(1) recipients must distribute non-competitive micro-purchases equitably among qualified suppliers and the price must be reasonable. Recipient practices for distributing micro-purchases are also subject to requirements in 40 CFR Part 33 for the participation of disadvantaged business enterprises in EPA financial assistance programs. Additional information regarding EPA policies on procurements under EPA financial assistance programs is available in our Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements.

17. How must recipients handle contracts for micro-purchases?
As required by 2 CFR § 200.320(a)(1), for contracts that do not exceed the $10,000 micro-purchase threshold (or a higher threshold as authorized in 2 CFR § 200.320(a)(1)) recipients must distribute non-competitive micro-purchases equitably among qualified suppliers and the price must be reasonable. Recipients' practices for distributing micro-purchases are also subject to requirements in 40 CFR Part 33 for the participation of disadvantaged business enterprises in EPA financial assistance programs.
G. Disadvantaged Communities

1. Do the disadvantaged communities that the grants are intended to benefit need to be identified in the application?
Yes, the disadvantaged communities who are intended to benefit from the projects need to be identified in the application, as discussed in Sections III.D and IV.B of the NOFO, as well as in Appendix A.

2. The NOFO is requesting documentation from an authorizing governmental entity for farmworker community validation—what types of documentation are you expecting for farmworker community validation and which public agencies would hold such authority?
Appendix A of the NOFO states in pertinent part that: “Applicants can demonstrate that a farmworker community is comprised of such individuals by submitting verification documentation from an authorizing governmental entity or through comparable means.” How this is done may vary by state or local law.

3. Would a project be funded if it “partially” benefits a disadvantaged community?
As stated in relevant part in Appendix A: “While projects and activities may have an incidental benefit to census block groups (or other areas) that are not considered disadvantaged communities, the applicant must demonstrate that the projects’ primary benefits will flow to disadvantaged communities in the Project Area.” In addition, Section III.D.3 states that: “All applications must demonstrate, as required by CAA § 138(b)(1), that the projects will benefit disadvantaged communities as defined in Appendix A. While projects may have an incidental benefit to census block groups or other areas that are not considered disadvantaged communities as defined in Appendix A, the applicant must demonstrate how all the projects in the application will primarily benefit disadvantaged communities as defined in Appendix A.”
**H. Project Area Map, CEJST, and EJScreen**

1. **Do applicants have to be located in a disadvantaged community to apply for a grant?**
   No, while applicants must meet the eligibility requirements in Sections III.A and B of the NOFO to apply for a grant, they do not have to be located in a disadvantaged community to apply. However, all applications must benefit disadvantaged communities as expressed throughout the NOFO and in Appendix A and will be evaluated based on the criteria in Section V of the NOFO.

2. **If a Track I application involves multiple disadvantaged communities that are in a geographically contiguous area but are not all right next to another, is this eligible?**
   Yes, please refer to Appendix A to the NOFO which states that:
   
   The Project Area Map should also reflect where each project submitted under the application is located within the Project Area. The Project Area may include multiple census block groups that are designated as a disadvantaged community by EPA as defined above, but the disadvantaged census block groups need not be fully contiguous with each other.

3. **Can EPA modify the definition of disadvantaged community to include a community that isn’t identified as disadvantaged based on CEJST and EJScreen?**
   No. Applicants must use the methodology described in Appendix A to determine which communities are designated as disadvantaged. Applicants must use the EPA IRA Disadvantaged Communities Map (found here: [https://epa.maps.arcgis.com/home/item.html?id=3bc939070844eac8a14103ed6f9af1d](https://epa.maps.arcgis.com/home/item.html?id=3bc939070844eac8a14103ed6f9af1d)), which combines multiple datasets (including CEJST and EJScreen), unless the community meets the definition of a Disadvantaged Unincorporated Community (DUC) or Farmworker Community in Appendix A.

4. **Can you explain the color coding on the EPA IRA Disadvantaged Communities Map in Appendix A?**
   On the EPA IRA Disadvantaged Communities Map, block groups highlighted in light orange are designated as disadvantaged communities. Block groups highlighted in light blue are not designated as disadvantaged communities.

5. **Would an application be eligible if it primarily included projects benefitting communities that are not defined as disadvantaged in Appendix A to the NOFO?**
   No. Projects must primarily benefit disadvantaged communities as defined in Appendix A to the NOFO. Also see Section III.D.3 of the NOFO which states that:
   
   “All applications must demonstrate, as required by CAA § 138(b)(1), that the projects will benefit disadvantaged communities as defined in Appendix A. While projects may have an incidental benefit to census block groups or other areas that are not considered disadvantaged communities as defined in Appendix A, the applicant must demonstrate how all the projects in the application will primarily benefit disadvantaged communities as defined in Appendix A.”

6. **Can a project be on private land, such as the reclamation of polluted legacy mine land, if it benefits a disadvantaged community?**
   If the term “reclamation” means cleaning up the soil and subsurface contamination from mine-scarred land that meets the definition of a Brownfields site in 42 U.S.C. 9601(39)(D), then the assessment and remediation portion of the project is not eligible for CCGP funding as indicated in Section I.G.3 of the NOFO. Please refer to the examples and guidelines for Climate Action Strategy 6 in Appendix C of the NOFO. The only exception to this exclusion would be if the private land was conveyed under the Alaska Native Claims Settlement Act (ANCSA) and would be eligible for assessment and remediation funding as described in Appendix H of the NOFO. However, if the remediation at the non-ANCSA site is complete,
CCGP funding could be used for post-cleanup redevelopment at the site if the project meets all other requirements described in the NOFO.

7. **For the Disadvantaged Unincorporated Communities category in Appendix A, can an application focus on all the unincorporated areas in a county, if they meet the Disadvantaged Unincorporated Community definition in Appendix A?**

   It is up to the applicant to design their project based on the NOFO requirements. The criterion for Disadvantaged Unincorporated Communities is in Appendix A to the NOFO.

8. **Can there be an application that benefits both residents of disadvantaged communities and residents of communities that are not considered disadvantaged communities?**

   Please see Appendix A to the NOFO which states that:
   
   “All projects and activities should be located within the Project Area, except in cases where the project must be located outside of the Project Area to address the localized pollution issue at the source, or where otherwise necessary to ensure that the disadvantaged community will benefit from the project. One such example is if the project addresses water quality issues upstream to benefit a downstream community. While projects and activities may have an incidental benefit to census block groups (or other areas) that are not considered disadvantaged communities, the applicant must demonstrate that the projects’ primary benefits will flow to disadvantaged communities in the Project Area.”

   Please also see Section III.D.3 of the NOFO which states that:
   
   “All applications must demonstrate, as required by CAA § 138(b)(1), that the projects will benefit disadvantaged communities as defined in Appendix A. While projects may have an incidental benefit to census block groups or other areas that are not considered disadvantaged communities as defined in Appendix A, the applicant must demonstrate how all the projects in the application will primarily benefit disadvantaged communities as defined in Appendix A.”

9. **Would a protected bike path that starts in a disadvantaged community tract, goes through a neighboring non-disadvantaged community tract, then goes through another disadvantaged community tract be eligible if they are geographically contiguous?**

   Yes, see Appendix A to the NOFO which states that:
   
   “The Project Area Map should also reflect where each project submitted under the application is located within the Project Area. The Project Area may include multiple census block groups that are designated as a disadvantaged community by EPA as defined above, but the disadvantaged census block groups need not be fully contiguous with each other.”

10. **Consistent with the Justice40 Initiative, is there a requirement that 40 percent of the project benefits flow to the census block groups designated as disadvantaged communities?**

    As required by Section 138 of the Clean Air Act, all grants under the NOFO must benefit disadvantaged communities. While projects and activities may have an incidental benefit to census block groups (or other areas) that are not considered disadvantaged communities, the applicant must demonstrate that the projects’ primary benefits will flow to disadvantaged communities in the Project Area as noted in Section III.D.3 of the NOFO and Appendix A.
I. Track I Project Activities

1. Can applicants include multiple projects (in the same geographic area) in an application?
   Yes, as described in the NOFO, multiple projects may be included in an application if the NOFO requirements are met and if the projects are designed and focused to maximize benefits for the residents of disadvantaged communities in the Project Area.

2. Can I submit an application with one project if that project addresses at least one Climate Action Strategy and at least one Pollution Reduction Strategy?
   Yes, if the application demonstrates how the project meets at least one of each of the strategies and meets the other NOFO requirements. While this may be possible to do, applicants need to think carefully about whether one project can meet at least one of each of the strategies, and all the NOFO requirements, and would have to demonstrate this in the application.

3. Can a Track I application include projects with activities that are carried out on a regional, county, or statewide basis?
   While a regional, county, or statewide project may technically be eligible, depending on the specific content of an application, it may be unlikely that such an application would score well and be successful considering the NOFO evaluation criteria, objectives, and requirements as further discussed below.

Such an application, again depending on the specific projects in an application, may not be consistent with the following directions for Track I applications in the NOFO:

Community Change Grants Objectives in Section I.C:
   “The Community Change Grants will support comprehensive community and place-based approaches to redressing environmental and climate injustices for communities facing legacy pollution, climate change, and persistent disinvestment. These concentrated local investments will fund community-driven, change-making projects that center collaborative efforts for healthier, safer, and more prosperous communities.”

Community Vision Description in Section IV.B:
   “Applicants should note that while they can determine the Project Area for their projects consistent with the instructions in Appendix A, concentrated and compact Project Areas may maximize benefits to the residents of the disadvantaged communities in the Project Area. Activities spread across a large Project Area may be more dispersed and less impactful. As described in Section V.C, EPA will evaluate applications based in part on the extent and quality to which project benefits will accrue to the residents of disadvantaged communities in the Project Area as defined in Appendix A in an impactful manner.”

Appendix A:
   “For Track I applications for geographically defined communities identified as disadvantaged communities on the EPA IRA Disadvantaged Communities Map, applicants must identify the specific census block groups designated as disadvantaged communities that the projects and supporting activities will directly benefit by submitting to EPA one contiguous Project Area Map with an outlined boundary as instructed below. Applicants should note that while they can determine the Project Area for their projects consistent with the instructions in Appendix A and the NOFO, concentrated and compact Project Areas may maximize benefits to the residents of the census block groups designated as disadvantaged communities in the Project Area. Activities spread across a large Project Area may be more dispersed and less impactful to the residents of the census block groups designated as disadvantaged communities in the Project Area.”
4. Can an applicant use funding under Climate Action Strategy 6: Brownfields Redevelopment to acquire and redevelop a brownfield site but use other funding sources to remediate and clean up soil and subsurface contamination on the land before the Brownfield Redevelopment project begins?

No, other than for projects to clean up contaminated ANCSA lands as described in Appendix H to the NOFO, an applicant cannot use a Community Change Grant to acquire a Brownfield site with soil and subsurface contamination that has not yet been cleaned up. Section III.D.8 of the NOFO states that as a threshold eligibility matter:

“All Track I applications for projects under Climate Action Strategy 6: Brownfield Redevelopment, must be performed on sites where cleanup is complete or where the site does not require any cleanup activities for the intended use or reuse of the site, as well as meet the requirements stated in Appendix C for Brownfields Redevelopment projects.”

Such a scenario would also not appear be able to meet the Readiness Approach Requirements in Section I.G of the NOFO, which state that:

“Given the statutory requirement that all Community Change Grants must be completed within three years, applicants must describe their approach for initiating grant performance upon award, or generally within 120 days after award...so they can successfully complete the grant within the three-year period.”

Further, such a scenario would also raise feasibility concerns, which is an evaluation factor for Track I applications.

Note, however, that under the examples of projects for Pollution Reduction Strategy 1: Indoor Air Quality and Community Health Improvements, in Appendix D to the NOFO, “The remediation of contamination from asbestos and lead-based paint in buildings is an eligible activity, even if the building is on a Brownfields site.”

EPA will issue a modification to the NOFO to clarify this issue which will include changes to Climate Action Strategy 6 and Section III.D.8 of the NOFO.

5. For a Brownfields Redevelopment project under Climate Action Strategy #6, does an applicant have to demonstrate that all soil and subsurface site cleanup has been completed by the time of application submission or just by the time the project would commence after award?

Yes. Site cleanup must be complete by the time of application submission. EPA intends to clarify in a modification to the NOFO that for Brownfields Redevelopment projects under Climate Action Strategy 6, the applicant must demonstrate in its application that at the time of application submission no soil or subsurface site cleanup is necessary (e.g., through a Phase II Environmental Assessment Report by a Qualified Environmental Professional) or has been completed for the project to be eligible for funding.

Documentation of cleanup completion must be by an official written communication or other written documentation from the cognizant regulatory authority. Therefore, at the time of application submission, for all Brownfields Redevelopment projects under Climate Action Strategy 6, the applicant must demonstrate in their application that at the time of application submission, not by the time the project will begin, no cleanup at the site is necessary for the project to be eligible for funding consideration.

Note, however, that under the examples of projects for Pollution Reduction Strategy 1: Indoor Air Quality and Community Health Improvements, in Appendix D to the NOFO, the remediation of contamination from asbestos and lead-based paint inside buildings is an eligible activity, even if the building is on a Brownfields site.
6. Is food waste reduction/food scrap diversion an eligible project activity under Track I?
   Yes, this is listed as an eligible activity under Climate Action Strategy 7 in Section I.G of the NOFO.

7. Is adding protection to a currently unprotected bike lane an eligible activity, or would it need to be a completely new bike lane?
   Modifications and upgrades to existing bike lanes are eligible for funding, in addition to new construction, if the application meets all the NOFO requirements.

8. Will new construction be allowed under the NOFO?
   Yes. Construction activities for new structures are eligible if the other requirements of the NOFO are met and as noted in Appendix G.

9. Can the grants be used to maintain existing green infrastructure, or are they only to be targeted toward development/installation of new elements?
   Yes, subject to the statutory three-year project period limitation, a grant can be used for maintenance of green infrastructure if the NOFO requirements are met. Note that a green infrastructure maintenance project may not score well under the Readiness to Perform, Feasibility, and Sustainability evaluation criteria in Section V of the NOFO unless the applicant can provide an effective plan for sustaining the operation and maintenance of the green infrastructure when the performance period for the grant ends.

10. Based on Section III.D of the NOFO, can research activities be part of an application?
    Please refer to Section III.D.17 of the NOFO which states that:
    “EPA will not consider any application that includes projects that are exclusively designed to conduct scientific research. However, applications may include research components such as building blocks for outreach, training, and program implementation projects. In such cases, applications should clearly articulate this link, explain why the research is necessary for the project’s success, and ensure that such research does not already exist.”

11. Would building demolition be an eligible expense under the CCGP NOFO?
    Yes. Strategy 6 in Appendix C of the NOFO states in part that: “[D]econstruction and green demolition activities to support adaptive reuse or new construction” is an activity that could be covered under a grant. Applicants can refer to EPA’s Climate Smart Brownfields Manual for information about green demolition activities.

12. If an application includes construction activities, is there any special or extra documentation we need to submit with our application?
    The requirements for Track I applications, which could include construction activities, are set forth in Section I.G of the NOFO and also see Appendix G. Application requirements are also in Section IV of the NOFO. In addition, please note the Readiness Approach requirements in Section I.G of the NOFO including Government Approvals which states that:
    “If government approval at any level (e.g., construction permits) is necessary to implement or perform a project, the applicant must demonstrate that they have obtained such approval. If such approval has not been obtained, then the applicant must demonstrate how they will obtain it immediately after award, so it does not impede grant implementation.”

Additionally, the Federal Requirements for Construction Projects section in Section I.G of the NOFO states that:
“Applicants must demonstrate that they have systems in place, or a plan to have such systems in place immediately after the grant award, to comply with CAA § 314 and the Davis-Bacon and Related Acts prevailing wage requirement, the Build America Buy America domestic preference
requirement, and other cross-cutting statutory and Executive Order requirements that apply to Federally funded construction projects.”

13. Under the Site Control section in the Readiness Approach requirements in Section I.G of the NOFO, it states that, "Applicants must demonstrate that they own or control the site where a project will be performed or that they will have legally binding access or permission to the site so they can perform the project(s).” How can we demonstrate this?
EPA does not mandate a specific way to demonstrate site control and access given the variances in state, Tribal, and local real property laws. There could be several ways for an applicant to demonstrate this requirement is met (e.g., site ownership, long-term irrevocable lease, site access agreement) depending on the project. We recommend that you consult with the legal department of the unit of government that has jurisdiction over the site or with a private attorney licensed to practice law in that jurisdiction.

14. Is new housing construction an eligible activity under the NOFO?
Yes, if the other NOFO requirements are met. For example, refer to the coverage in the NOFO on Strategy 3: Energy-efficient, Healthy, Resilient Housing and Buildings and Strategy 6: Brownfields Redevelopment in Section I.G of the NOFO.

15. Can you buy land or property under the NOFO funding?
Yes, land acquisition may be an eligible project cost, consistent with the grant cost principles, if the projects in the application otherwise meet the NOFO requirements. Please also refer to Appendix G of the NOFO. Note that EPA will require that recipients who use EPA funds to acquire real property to “...record liens or other appropriate notices of record to indicate that... real property has been acquired... with a federal award and that use and disposition conditions apply to the property” as provided in 2 CFR 200.316.

EPA may also, depending on the nature of the improvements, require that liens or other notices of the Federal interest in the proceeds of the sale of the property attributable to the improvements be recorded. Land acquisition must comply with the Uniform Relocation Act and Federal Highway Administration’s implementing regulations at 49 CFR Part 24 which requires grantees to follow certain procedures for acquiring property for grant purposes, such as notice, negotiation, and appraisal requirements.

16. Does the creation of a resilience hub also include site acquisition funding?
Yes, costs for land acquisition are eligible if reasonable and necessary to create the community resilience hub. Please refer to Section I.G and Appendix G of the NOFO, as well as the question immediately above regarding Federal requirements for acquisition of real property with the grant funding.

17. If a school district has a mix of schools with some located in disadvantaged communities and others not located in disadvantaged communities, can an application for district-wide indoor air quality work be submitted?
As stated in Appendix A of the NOFO and Section III.D.3, projects may benefit both disadvantaged communities and others that are not disadvantaged, but the projects’ primary benefits must flow to communities designated as disadvantaged.

18. Can the grant funds be used to purchase instruments to collect data needed to perform the grant?
Yes, if the instruments are necessary to perform the projects in the application and would be considered allowable and reasonable costs per the grant regulations. Please refer to Appendix G of the NOFO for guidance on how to characterize the estimated costs for purchasing instruments. Note also that acquisition of instruments may be subject to the competitive procurement requirements described on pages 21
through 23 of the Interim General Budget Development Guidance for Applicants and Recipients of EPA Financial Assistance, which is available through a link in Appendix G of the NOFO.

19. Would a project on agricultural lands be eligible under a Track I application?
Yes. There is nothing that prevents a project being performed on agricultural lands if the application meets all NOFO requirements.

20. Is removal of pollution above a Superfund site but not within the boundaries of the site as described in the Superfund site listing an allowable expenditure?
Yes, if all the NOFO requirements are met. See Appendix D on Pollution Reduction Strategies.

21. Would PFAS remediation of private wells and development of new water infrastructure to bypass PFAS contamination be an eligible activity?
Yes, subject to the three-year statutory limit on the grant period of performance. Please see Pollution Reduction Strategy 3 in Section I.G of the NOFO and Appendix D to the NOFO as well as the coverage on Readiness and Feasibility in Section IV.B and Section V of the NOFO.

22. Can you bury powerlines for improved climate resilience with these funds?
If this activity is part of a Climate Action or Pollution Reduction strategy in the NOFO, then it may be an eligible activity. Applicants must design their projects to meet the NOFO requirements, including those in Section I.G of the NOFO.

23. Are capital expenses such as basic repair that are needed for eligible energy efficiency projects an eligible cost?
Yes, if the costs are allowable and reasonable, comply with the allowability standards in 2 CFR 200.436 and 200.439, and the project is consistent with Strategy 4: Microgrid Installation for Community Energy Resilience as described in the NOFO.

24. Would the creation of staff positions within a CBO to create community-facing programming under a Climate Action strategy be an eligible expense?
Yes, assuming the application and projects in it meet the NOFO requirements. Please note, however, that given the statutory three-year limit on the grant performance period, the CCGP is not intended to support long-term staffing for CBO programming. Applicants must describe their plan for sustaining the project when funding ends as provided in the NOFO.

25. Would costs to provide or subsidize emissions-reducing equipment to benefit members of a disadvantaged community (e.g., electric equipment, stoves/landscaping, e-bikes, etc.) be an eligible activity?
Yes, please refer to the discussion of Climate Action Strategy 2: Mobility and Transportation Options for Preventing Air Pollution and Improving Public Health and Climate Resilience as well as Climate Action Strategy 3: Energy-Efficient, Healthy, Resilient Housing and Buildings in Section I.G of the NOFO. Subsidies are allowable “Participant Support Costs” under 2 CFR 1500.1(a)(2) as implemented in the EPA Guidance on Participant Support Costs, which is available through Appendix G of the NOFO.

26. Is stormwater infrastructure construction to mitigate flooding to homes such as underground outlets, above-ground inlets, drainage basins, etc. an eligible activity under this grant?
Yes, please refer to the discussion of Climate Action Strategy 1: Green Infrastructure and Nature-Based Solutions and Pollution Reduction Strategy 3: Clean Water Infrastructure to Reduce Pollution Exposure and Increase Overall System Resilience in Section I.G of the NOFO.
27. If we use a portion of the funds to establish a revolving loan fund to support green and climate resilient affordable housing, can the use of the funds extend beyond 3 years?

Applicants can propose revolving loan fund programs that meet the NOFO requirements, but the performance period for the grant is limited by statute to 3 years. EPA would discontinue direct funding after the performance period ends. A close-out agreement would govern post-award program income accumulated during the performance period or generated after the period of performance ends. See 2 CFR 1500.8(b) and (d) for additional guidance.

28. Can we include planning phases in our project?

Please refer to the Readiness Approach requirements in Section I.G of the NOFO and other sections in the NOFO, including the evaluation criteria in Section V that relate to this. While some planning activities may be necessary for some projects, projects must be completed within the three-year statutory period of performance. EPA cannot provide extensions. In addition, readiness to perform is an evaluation factor under Section V. If a project is not ready to be performed upon award or soon thereafter, it may impact the evaluation of the application. Please also note the Readiness to Perform Requirements clause in Section VI of the NOFO.

29. Can individuals who are not U.S. citizens or lawfully admitted to the U.S. as permanent residents receive training under the Climate Action Strategy for Workforce Development Programs (Climate Action Strategy 8)?

Yes, individuals who are not U.S. citizens or lawfully admitted to the U.S. as permanent residents may receive training under CCGP funded Workforce Development Programs for occupations that reduce greenhouse gas emissions and air pollutants as indicated in Climate Action Strategy 8 in Section I.G of the NOFO, assuming all other NOFO requirements are met.

Notwithstanding this, based on EPA Policy referenced in Section 5.E of the EPA Guidance on Participant Support Costs, individuals who are not U.S. citizens or lawfully admitted to the U.S. as permanent residents cannot receive EPA funded stipends for participating in the Workforce Development Program. It is up to the applicant to design their Workforce Development Program consistent with the requirements in the NOFO.

*30. We noticed that in Appendix F there are outputs and outcomes listed for Pollution Reduction Strategy 5, but there is no Pollution Reduction Strategy 5 in Section I.G of the NOFO. Is that an oversight?

Yes, there is no Pollution Reduction Strategy 5 in Section I.G of the NOFO, and it was included in Appendix F in error. Please ignore the Pollution Reduction Strategy 5 output and outcome examples in Appendix F.
J. Budget/Indirect Cost Issues

1. **What is the indirect cost limitation?**
The applicability of the 20% total indirect cost limitation varies by types of recipients and subrecipients. Please see Appendix G of the NOFO, which addresses the indirect cost limitations.

2. **Does the 20% indirect cost cap apply to all indirect cost expenses, and are there flow-down requirements to subrecipients?**
Yes, the cap is on all eligible indirect cost expenses. This limitation will extend to direct recipients of grants and cooperative agreements under the CCGP, as well as to subrecipients as defined in 2 CFR 200.1. Therefore, both direct recipients and subrecipients may charge up to 20% of their respective award or subaward—e.g., up to 20% of the direct award (if they are the Pass-through entity) or up to 20% of the total subaward (if they are a subrecipient).

Due to the sovereign status of Indian tribes that meet the Federal recognition requirement in section 302(r) of the Clean Air Act, and the unique burdens placed on these entities due to the composition of their tax base where chargeable indirect costs can be an essential financing component for the Tribe, EPA is exempting Indian tribes and Intertribal consortia comprised of eligible Indian tribes from this 20% indirect cost limitation, provided the Intertribal Consortia meets the requirements of 40 CFR 33.504(a) and (c).

3. **If the only source of funding for my organization is an EPA grant or subaward such that all overhead costs are charged directly to the EPA grant or subaward, can I still use the 10% de-minimis indirect cost rate?**
No. The 10% de-minimis indirect cost rate, like all Federally approved indirect cost rates, is intended to compensate recipients for the Federal government’s share of overhead costs such as office space rental, insurance, utilities, and administrative personnel compensation that are borne by multiple sources of funds. Recipients and subrecipients who charge all overhead costs directly to their federal award would improperly “profit” from using the 10% de-minimis indirect cost rate. See OMB Frequent Question 122 from 2 CFR Frequently Asked Questions which addresses this issue.

4. **Can a recipient conducting a single function funded predominately by federal awards elect to charge the 10% de minimis rate if they currently only charge direct costs to their awards?**
No. If all costs are charged directly to the federal award (e.g., space costs, utility, and administrative costs), the recipient must not also charge the de minimis rate. Costs must be consistently charged as either indirect or direct cost and may not be double-charged or inconsistently charged. See prior question.

5. **Does the 20% indirect cost rate cap change my negotiated indirect cost rate or authorize me to use a de-minimis rate of 20% rather than the 10% de-minimis rate?**
No. As stated in Appendix G of the NOFO “...indirect costs charged against any grant and/or cooperative agreement [or subaward] awarded under this NOFO shall not exceed 20 percent of the total amount of the federal award [or subaward].”

The actual indirect cost rate a recipient or subrecipient is authorized to charge does not change—the recipient or subrecipient charges their indirect cost rate at the negotiated level or the 10% de minimis rate to the authorized distribution base (typically Modified total direct costs as defined in 2 CFR 200.1). If the negotiated indirect cost rate exceeds 20%, then the recipient or subrecipient may apply that rate until the total indirect costs recovered equal 20% of the award or subaward. When that cap on indirect costs is reached, the recipient or subrecipient must stop charging indirect costs. Also, the 20% indirect cost rate cap is not an indirect cost rate -- it’s a limitation on the total amount of indirect costs that can be charged to the EPA Award or Subaward.
Applicants who have a negotiated indirect cost rate have two calculations to make. The first calculation is to apply their approved IDC rate to their approved base (MTDC or direct labor). The second calculation is 20% of the total award amount. The two amounts are then compared and the lesser of the two amounts is the total amount of allowable indirect costs. The 10% de minimis rate applied to their MTDC will always result in less allowable IDCs than 20% the total award amount. Therefore, it does not require two calculations.

6. Can a fixed amount subaward include the 10% de-minimis indirect cost rate?
No. Fixed amount subawards are intended to compensate recipients on a milestone achievement or unit cost basis rather than to reimburse the recipient based on incurred direct or indirect costs documented in the subrecipient’s financial management systems. Pass-through entities and subrecipients may, however, factor the subrecipients’ overhead costs into the pricing structure for fixed amount subawards.

7. Is predevelopment for equitable transit-oriented development an eligible cost?
Yes. All costs that are necessary and reasonable for an equitable development transit project including pre-development costs such as engineering studies or community involvement may be eligible costs.

8. Do Collaborating Entities need to be identified in the budget description/ template described in Appendix G?
Yes, Collaborating Entities are subrecipients and must be identified in the budget description and in the “other” budget category in line-item amounts as described in Appendix G. As stated in the instructions for subawards in Appendix G, applicants must “identify each major subaward including those with the Collaborating Entities. Applicants must show the individual and aggregate amounts they propose to issue as subawards.” Please also see the Community Engagement and Collaborative Governance Plan described in Section I.G of the NOFO.

9. Do subrecipients need to comply with the procurement requirements if they are buying supplies or procuring services under the grant?
Yes, federal procurement requirements flow down to subrecipients and apply to acquisition of both supplies and services. See Section III.B of the NOFO.

10. Can subaward funds directly go to subrecipients from EPA?
No, EPA does not pay subrecipients directly. The Lead Applicant (the Pass-through entity as defined in 2 CFR 200.1) draws down funds from EPA and then transfers the funds to the subrecipient in amounts necessary to meet the subrecipient’s immediate need for cash as provided in 2 CFR 200.305(b).

11. Is purchasing a multi-family apartment building with the intention of rehabilitating it to improve climate resilience and reduce pollution an allowable cost?
Generally, yes, purchases of real property could be an eligible cost if the application met the other NOFO requirements.

12. Could an application be partially funded?
Yes. Partial funding is addressed in Section II.F of the NOFO.

*13. If we are awarded a grant, can we be reimbursed for our grant application preparation costs (e.g., hiring a grant writing consultant) for the CCGP grant and our grant management costs for managing the grant?

13. If we are awarded a grant, can we be reimbursed for our grant application preparation costs (e.g., hiring a grant writing consultant) for the CCGP grant and our grant management costs for managing the grant?
No. Applicants will not be reimbursed for their CCGP grant application preparation costs because these are not an allowable direct cost. Those costs are normally covered by the recipient’s indirect cost rate as provided in 2 CFR 200.460.

Direct costs of grant management may be allowable if those same costs are not covered by the recipient’s indirect cost rate—as provided in 2 CFR 200.412 recipients must charge costs as direct or indirect consistently.

*14. Can CCGP funds be used for any costs for preparing applications for federal, state, local or private foundation funding?

It depends, and it would be limited to only certain non-competitive federal or state funding as explained below. As stated in the examples of eligible activities for Pollution Reduction Strategy 3, Clean Water Infrastructure to Reduce Pollution Exposure and Increase Overall System Resilience, in Appendix D of the NOFO, allowable CCGP costs could include expenses to:

“Prepare and apply for state or federal water infrastructure funding to address larger community needs (e.g., a leak detection and pipe replacement plan, a PFAS action plan, or upgrades to water and wastewater treatment facilities that reduce pollution) by:
- Assessing the problem through water sampling and monitoring.
- Developing a plan, which could include the necessary design and engineering work.
- Preparing an application for federal funding to one of several sources such as to EPA's State Revolving Loan funds.”

For example, costs for applying to states for non-competitive EPA State Revolving Loan funding or other federal or state non-competitive funding for water infrastructure projects could be eligible as part of this Pollution Reduction Strategy. However, EPA has not determined pursuant to section 6 of the EPA Office of Grants and Debarment Guidance on Selected Items of Cost for Recipients that CCGP funds can be used to apply for competitive Federal funding or any funding available from local governments or private foundations.

Please also note Section III.D.9 of the NOFO which states that: “All Track I applications for Pollution Reduction activities to increase monitoring capabilities or raise community awareness of pollution must also include an associated remediation, implementation, or infrastructure pollution reduction project that addresses the identified pollution issue.”

*15. If my project requires residents to temporarily leave their homes for temporary housing while project activities are being performed, is this an eligible project cost?

Temporary relocation costs may be allowable in accordance with Federal Highway Administration’s guidance on temporary relocations in Appendix A to 49 CFR Part 24. Please note, however, that as noted in Section I.F of the NOFO, permanent relocation is not an eligible activity under the NOFO.
K. Track II Applications

1. Can Track II applications focus on benefitting multiple disadvantaged communities?
Yes, applicants can propose Track II projects that benefit multiple disadvantaged communities if they meet the Track II NOFO requirements.

2. Can a Track II application focus on facilitating the engagement of disadvantaged communities in different cities and/or states in governmental processes?
Yes, there is no Project Area Map required for Track II applications, and Track II applications do not have to be as place-based as Track I applications. Please refer to the NOFO Track II requirements.

3. Do Track II applications need to include a Project Area Map?
No. See Appendix A of the NOFO which states that: “While Track II applications are not required to submit a Project Area Map. As stated in Section III.D and IV.B they must describe and identify the disadvantaged communities that will benefit from the projects.”

4. Is a statutory partnership needed for a Track II application?
Yes, the applicant eligibility requirements in Sections III.A and III.B of the NOFO are the same for Track I and II applications.

5. Can a Track II application include activities to facilitate the engagement of disadvantaged communities in, and build their capacity to participate in, public utility commission proceedings, state legislative campaigns, and advocacy before state agencies on environmental justice matters?
The answer is yes for facilitating engagement of disadvantaged communities in public utility commission proceedings. However, the answer is no for engagement of disadvantaged communities in state legislative campaigns because the use of grant funding for those types of activities is unallowable as provided in 2 CFR 200.450, Lobbying. Whether advocacy before state agencies is allowable depends on the context of the advocacy. For example, costs for advocacy on matters that are decided administratively by state agencies, such as permitting of industrial facilities, may be allowable as indicated in the Track II Project Examples in Section I.H of the NOFO. Costs for advocating the introduction or modification of state statutes or legislation, however, are unallowable lobbying costs as indicated in 2 CFR 200.450.

6. Under Track II, when it says, “facilitating the engagement of disadvantaged communities in…other public processes,” what is meant by other public processes?
Under Track II, eligible applicants may submit projects, as described in CAA § 138(b)(2)(E), for “facilitating engagement of disadvantaged communities in State and Federal advisory groups, workshops, rulemakings, and other public processes.” EPA has interpreted “other public processes” broadly as encompassing local, Tribal, and other governmental processes, with the exception of unallowable lobbying activities as described at 2 CFR 200.450.
L. Target Investment Areas (TIA)

1. **Does an application have to address one of the five Target Investment Areas identified in Section II.B of the NOFO?**
   No, applications can address areas outside of the five Target Investment Areas (TIAs) if they meet the requirements of the NOFO. The TIAs are just priority categories, but applications can be submitted for projects outside of those areas if they meet the NOFO requirements.

2. **Is there a different application process for applications submitted for a TIA described in Section II.B of the NOFO?**
   No, the application process is the same for all applications and is described in Section IV of the NOFO, but there may also be specific requirements for a particular TIA that need to be addressed as identified in the NOFO (e.g., see Sections II.B and III.D). If you are applying for a TIA, please note that you need to identify what TIA you are applying for as noted in the application instructions in Section IV.B of the NOFO. Also please note that the TIAs are only for Track I applications.

3. **Are there additional requirements that apply to TIA A for Alaska?**
   Yes, they are identified in the NOFO, including in Section III.D.12 and Appendix H.

4. **What is considered a border community?**
   Please see Section II.B of the NOFO.

5. **If an application is for a project that will be carried out to benefit disadvantaged communities in Alaska, but the applicant is not applying under the Tribes in Alaska TIA identified in Section II.B of the NOFO, can the application include projects identified in the “Alaska-specific Climate Action Strategies” found in Appendix H?**
   Yes, the application can include Alaska-specific climate action strategies, even if it is not applying under the Tribes in Alaska TIA.

6. **Under the Tribes in Alaska TIA (TIA A) in Section II.B of the NOFO, is the EPA also accepting applications that are for projects on lands conveyed through the Alaska Native Claims Settlement Act (ANCSA) but not focused on the clean-up of contaminated ANCSA lands?**
   Yes. Please note that all applications, including those for funding under TIA A, must benefit disadvantaged communities as defined in Appendix A of the NOFO and meet other applicable NOFO requirements. Additionally, as noted in Appendix H, under TIA A EPA strongly encourages applications that include Pollution Reduction strategy projects to clean up contaminated lands conveyed through ANCSA.

7. **If applying under the Tribes in Alaska TIA or for any project to benefit disadvantaged communities in Alaska, is it required that the project be on ANCSA land?**
   Applications submitted to benefit disadvantaged communities in Alaska, whether under TIA A or not, are not required to be on ANCSA land. However, as noted in Appendix H, under TIA A EPA strongly encourages applications that include Pollution Reduction strategy projects to clean up contaminated lands conveyed through ANCSA.

8. **Can an eligible CBO be the Lead Applicant applying under the Alaska Tribal Lands TIA even if they are not an Alaska Native Village, Alaska Native Non-Profit, or Alaska Native Association?**
   Yes. It is up to the Statutory Partnership that applies for the grant to determine who the Lead Applicant for the grant will be provided the Lead Applicant is an eligible entity. Please see Section III.B of the NOFO for more information.
9. **How can Alaska Native Corporations (ANCs) participate in the CCGP?**

Under the CCGP, ANCs may be Collaborating Entities that receive competitive or non-competitive subawards, or they may compete for procurement contracts, depending on the nature of the transaction. Please read this response carefully to assure such collaboration would meet NOFO requirements.

For purposes of clarity, please be aware that ANC are not Community Based Non-Profit Organizations (CBO) under the CCGP. As indicated in Section III.A of the NOFO, this is because ANC are for-profit organizations. Further, as explained in Section III.A of the NOFO, ANC are not eligible to enter Statutory Partnerships with CBOs as “Indian Tribes.” This is based on the definition of “Indian Tribes” in section 302(r) of the Clean Air Act, which does not include ANCs. See also Appendix H.

The coverage on Collaborating Entities in Section III.B of the NOFO, however, notes that “Collaborating Entities may include Statutory Partners (CBOs, Federally recognized Tribes, local governments, and institutions of higher education) and entities that cannot legally be Statutory Partners (e.g., states, territorial governments, and international organizations). For-profit firms and individual consultants or other commercial service providers cannot be Collaborating Entities.”

While ANCs do not meet the definition of Indian Tribes under section 302(r) of the Clean Air Act, ANCs are considered Indian Tribes for the purposes of 2 CFR Part 200 and the EPA Subaward Policy, making them eligible to receive subawards.

That said, to receive a subaward (competitive or non-competitive), ANCs must agree not to profit from the receipt of the subaward. A more detailed explanation is included in the EPA Subaward Frequent Questions (https://www.epa.gov/grants/epa-subaward-frequent-questions) on ANCs (Number A.54), which states that program offices may, as a matter of policy, allow ANCs to receive subawards, provided that the ANC agrees not to profit from the transaction. Under this NOFO, we have determined that ANCs are eligible for CCGP subawards. Therefore, under this NOFO, ANCs may receive subawards under the Tribes in Alaska TIA if the terms of the subaward provide that the ANC only receive reimbursement of their direct and indirect costs.

Finally, ANCs may profit from EPA-funded procurement contracts if the transaction complies with the competitive procurement requirements in 2 CFR Part 200, including restrictions on personal conflicts of interest, as interpreted in the Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements (https://www.epa.gov/grants/best-practice-guide-procuring-services-supplies-and-equipment-under-epa-assistance).

Note also that ANCs, like all businesses in disadvantaged areas, may receive participant support cost subsidies to enable them to purchase low-emission equipment or similar devices that reduce pollution.

*10. If I apply under one of the TIAs identified in Section II.B of the NOFO but EPA determines my application doesn’t qualify under a TIA, will I be deemed ineligible?*

No, if you submit an otherwise eligible application for a TIA, but we determine that it doesn’t fit under a TIA, we will move the application to the general pool of other Track I applications, and it will be reviewed in accordance with the criteria in Section V of the NOFO.

*11. How can I demonstrate that my project will benefit Disadvantaged Unincorporated Communities (DUC)-TIA D?*
This is addressed in Appendix A to the NOFO. It is not enough to simply show that a community is unincorporated or rural to meet the criteria for a DUC in Appendix A. As stated in Appendix A, “DUC status can also be demonstrated through submitting localized data that represent similar characteristics.” This can be met in various ways including 1) submitting compelling information on why the census data does not accurately depict a community’s circumstance even if the IRA Disadvantaged Communities Map does not show that the census block group is disadvantaged and then providing other relevant localized data to support this (e.g., concentrated areas of low-income households or similar data) and/or 2) submitting accurate and compelling data on the absence of adequate permanent water, sewer services, environmental infrastructure, and/or acceptable housing consistent with what is described in the NOFO.

*12. In Section II of the NOFO it says this with respect to TIA B: “TIA B is for Tribes in the Continental United States and Hawaii: an estimated $300 million for projects benefitting Tribal communities outside Alaska, which include Indian Tribes as defined by the Clean Air Act in Section III.A.3 below and Tribal Lands included in the EPA IRA Disadvantaged Communities Map referenced in Appendix A.” However, we have heard that there are no Tribal communities in Hawaii based on the Map. Is that correct?

Yes, the inclusion of Hawaii in TIA B was an inadvertent oversight and drafting error. TIA B was intended as a targeted investment area for projects benefitting “Indian Tribes,” as defined by the Clean Air Act, located outside of Alaska.

The Inflation Reduction Act (IRA) created the Environmental and Climate Justice Program -- including the CCGP -- which is now contained in Section 138 of the Clean Air Act. The definition of “Indian Tribe” in the Clean Air Act is “any Indian tribe, band, nation, or other organized group or community . . . which is Federally recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.” Based on this definition, TIA B is limited to projects benefiting Federally recognized Tribes, and the EPA’s IRA Disadvantaged Communities Map only includes Tribal Area layers related to Federally recognized Tribes. Since Native Hawaiians are not considered Federally recognized Tribes for purposes of the CAA as explained above, they are not represented on the Tribal Area layers (e.g., Native Hawaiian Homelands) on the EPA’s IRA Disadvantaged Communities Map and therefore they are not included under TIA B.

However, Native Hawaiian Organizations that meet the requirements for community-based non-profit organizations (CBOs) may still apply for this grant program, with a statutory partner, to fund pollution reduction and climate action projects in areas of Hawaii considered “disadvantaged” on the IRA Map.
M. Administrative Requirements

1. Does the CCG program allow for waivers if Build America, Buy America (BABA) compliant components are not available?
The BABA requirements are part of the Infrastructure and Investment Jobs Act (IIJA), which applies to federal financial assistance programs. Grant recipients may request BABA waivers for items that are not domestically available, but waivers must be based on robust market research. We expect recipients to make good faith efforts to comply with BABA. Please see Section VI of the NOFO for additional BABA information.

2. Are facility upgrades such as energy efficiency retrofits or installation of EV chargers subject to Build America, Buy America requirements?
Build America, Buy America (BABA) requirements apply to “infrastructure projects,” which is broadly defined to include many project types. EV charger installation projects are subject to BABA as provided in 2 CFR 184.4(b). Energy retrofits could trigger BABA requirements in certain circumstances, depending on whether the project involves construction or installation of equipment that its permanently affixed to a structure or other real property. Please see Section VI of the NOFO and EPA’s BABA website for more information.

3. Does NEPA apply to projects awarded under the NOFO?
No, as stated in Section VI.B of the NOFO, “Section 7(c) of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. § 793(c)(1)) exempts all actions under the CAA from the requirements of NEPA (National Environmental Policy Act).” This Section states: “No action taken under the Clean Air Act shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969.” Therefore, as a grant program authorized under the CAA, NEPA will not apply to projects funded under the CCGP.

4. Does a project need to have an approved construction permit prior to applying for the grant?
No, but please review the Readiness Approach Requirements in Section I.G of the NOFO and Section III.D.5 which states that: “Given the requirement under CAA § 138(b)(1) that all grants must be completed within three years, all applications must describe how the projects in the application, including any construction projects, can be completed within three years of award.”

Additionally, the NOFO describes the requirements for Readiness Approach for Track I applications in Section IV.B as follows:

“Applicants must demonstrate, based on the Readiness Approach Requirements described in Section I.G, their ability and readiness to proceed with grant performance for the projects in the application upon receiving an award, and generally no later than 120 days after award, in order to ensure that the projects can be completed within the statutory three-year grant period. As appropriate, this may include a description of the completed project planning and design phases related to the project(s) as well as demonstrating that the applicant has obtained and/or complied with the necessary approvals, permits, permissions, and any other applicable requirements, to commence project performance upon award, and if not their plan for doing so within 120 days of award. There is no page limit for this information, but applicants should be as concise as possible.”

*5. Does Build America, Buy America (BABA) apply to projects providing solar and battery storage to private residences?
No. EPA implements BABA consistent with OMB guidance M-24-02, which states “projects consisting solely of the purchase, construction, or improvement of a private home for personal use, for example, would not constitute a public infrastructure project for purposes of BABA.” Note that projects in mixed-use buildings (e.g., both residential and commercial in the same property) are a bit more nuanced and depend on the specifics of the project, so further information may be needed to determine BABA applicability.

For more information, see EPA’s BABA site.
N. Technical Assistance (TA)

1. **What are the TCTACs, and can they help with an application under the NOFO?**
The TCTACs are the EPA-funded Environmental Justice Thriving Communities Technical Assistance Centers, and they are available to provide general technical assistance for applicants and grantees. Further information on the TCTACs can be found on EPA’s website. However, while the TCTACs are available for general technical assistance, we recommend that applicants access the dedicated technical assistance for the CCGP for more specialized questions as noted in Section I.E of the NOFO.

2. **What kind of technical assistance is available under the CCGP?**
Please see Section I.E of the NOFO for more information about technical assistance specific to the Community Change Grants. Both pre-award and post-award technical assistance may be available to eligible entities. Please note, however, that receiving technical assistance does not guarantee that an applicant will be selected for funding.

3. **Is technical assistance available to help an eligible entity find a partner to apply with under the NOFO?**
Yes, technical assistance can be used for this purpose. See Section I.E of the NOFO for more information.

4. **Will there be technical assistance available to help a grantee manage a grant?**
Yes, post-award technical assistance will be available from EPA as part of our substantial involvement in the cooperative agreement and through EPA’s technical assistance contractor. Further information will be provided to the grantee after award.
O. Webinars

1. Will the webinars be available in other languages besides English?
   Yes, EPA provides Spanish and American Sign Language interpretation for our webinars.

2. Will EPA conduct additional webinars?
   Information about future webinars will be available on the Community Change Grant website under the section at the bottom called “Engagement Opportunities.” In addition, EPA’s technical assistance contractor is expected to hold webinars about the NOFO. Further information about that will be posted once the information is available.