### 2024 Revisions to 2 CFR Part 200 Regulations – Impacts to Tribes as Federal Award Recipients Webinar December 4, 2024 Frequently Asked Questions (FAQ)

#### Q1: Will the PowerPoint from this presentation be available?

A1: The presentation from today's webinar is available for download from the <u>2024</u> <u>Revisions to 2 CFR Part 200 Regulations – Impacts to Tribes as Federal Award Recipients</u> <u>Webinar webpage.</u>

### Q2: Is \$50,000 the absolute maximum for a subawardee? What costs are acceptable, and what is the CFR pertaining to these questions?

A2: We are answering this question on the assumption it is in reference to Modified Total Direct Cost (MTDC) and Indirect Costs.

Consistent with the definition at <u>2 CFR 200.1</u>, MTDC includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward regardless of the period of performance of the subaward under the award. Only the first \$50,000 of each subaward may be included in MTDC.

For further information on MTDC, please reference <u>2 CFR 200.414</u> on Indirect Costs, which goes into this topic further. To learn more about EPA's MTDC Policy, please reference the <u>Indirect Cost Guidance for Recipients of EPA Assistance Agreements</u>.

#### Q3: Do rules for states also apply to territories?

A3: The term State is defined at <u>2 CFR 200.1</u> as any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any agency or instrumentality thereof exclusive of local governments. For further information on the applicability of 2 CFR Part 200 to Federal financial assistance, please reference <u>2 CFR 200.101</u>, <u>Applicability</u>.

#### Q4: Do these regulations pertain to the Hawaii region?

A4: 2 CFR Part 200 Uniform Grants Guidance applies to any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any agency or instrumentality thereof exclusive of local governments receiving Federal Funding, including the State of Hawaii. For further information on applicability of the Uniform Grants Guidance, please reference 2 CFR 200.101, Applicability.

### Q5: When will the "Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements" be updated to reflect these changes?

A5: EPA is in the process of updating a range of grant documents. Any updated grant document will be posted to the <u>EPA Policies and Guidance for Grants</u> webpage, as well as the newly created <u>What's New in the Uniform Grants Guidance 2024 Revision to 2</u> <u>CFR 200</u> webpage. FAQs

### Q6: Are these federal competition thresholds now only applicable when a Tribe does not have its own procurement policy?

A6: Per <u>2 CFR 200.317, Procurements by States and Indian Tribes</u>, Indian Tribes must follow the same policies and procedures used for procurements with non-Federal funds, with the exception of any statutory procurement requirements that would supersede the procurement standards in the regulations.

If such policies do not exist, States and Indian Tribes, along with their subrecipients, must follow the procurement standards outlined within 2 CFR 200.318 through 2 CFR 200.327. In addition to their own policies and procedures, States and Indian Tribes must also comply with the following procurement standards: <u>2 CFR 200.321</u>, <u>2 CFR 200.322</u>, <u>2 CFR 200.323</u>, and <u>2 CFR 200.327</u>.

# Q7: When putting together a budget, our internal limits for micro purchases and equipment are lower than the new limits for EPA. How do we make the budget to reflect our internal budget limits?

- A7: Recipients may establish a lower dollar threshold for micro-purchases and equipment in their written policies and procedures, but not higher thresholds. The recipient's lower threshold is binding. For assistance with budget development, please reference the <u>Applicant Budget Development Guidance</u>. To note, the Applicant Budget Development Guidance is being updated to mirror the 2 CFR Part 200 Revisions that occurred October 1, 2024. Once the document has been updated to reflect these revisions, it will be made available via the current <u>link</u>.
- Q8: I will refer to the U.S. codes you referenced, but I have a question. The Tribe I work for no longer holds federally recognized status, as it was relinquished through an act of Congress. Does the revised definition of "Tribe" in the 2 CFR 200 regulations impact our eligibility to work with the EPA as a subrecipient of a Community Change Grant?
  - A8: If the Tribe applied as a Community-Based Organization, not as an Indian Tribe, the Tribe would still be eligible for this specific EPA grant program. This is because the definition of Indian Tribe is not relevant to the Tribal applicant in the context of this specific award and would mean that the Tribe should comply with the grant regulations as a nonprofit.

#### Q9: When does the selling of supplies occur?

A9: Per <u>2 CFR 200.314, Supplies</u>, when there is a residual inventory of unused supplies that exceeds \$10,000 in aggregate value at the end of the period of performance, and the supplies are not needed for any other Federal Award, the recipient may retain or sell the unused supplies.

## Q10: Does EPA need documentation from the Tribe to see that a Tribe's procurement policies include a fair and competitive process?

A10: No. As long as the Tribe follows the same policies and procedures for both Federallyfunded procurements and non-Federal procurements, EPA defers to the Tribe's written policies and procedures on how to acquire goods and services with certain limited exceptions. 2024 Revisions to 2 CFR Part 200 Regulations – Impacts to Tribes as Federal Award Recipients, December 4, 2024 FAQs

As provided in <u>2 CFR 200.317</u>, when conducting procurement transactions under a Federal award, a State or Indian Tribe must follow the same policies and procedures it uses for procurements with non-Federal funds. If such policies and procedures do not exist, States and Indian Tribes must follow the procurement standards in <u>2 CFR 200.318</u> through <u>2 CFR 200.327</u>. In addition to its own policies and procedures, a State or Indian Tribe must also comply with the procurement standards in <u>2 CFR 200.321</u>, 200.322, 200.323, and 200.327.

EPA implements <u>2 CFR 200.321</u> in our <u>40 CFR Part 33 Disadvantaged Business Rule</u>. The provision of that regulation that applies to Tribes is <u>40 CFR 33.304</u>.

Note that EPA does have the right to access records to verify that the Tribe is following its own policies and procedures and applicable Federal procedures pursuant to <u>2 CFR</u> <u>200.337</u>.