FY 2017 – FY 2019 CLEAN WATER ACT §320
NATIONAL ESTUARY PROGRAM
FUNDING GUIDANCE

FY 2017 - FY 2019 Clean Water Act §320 National Estuary Program Funding Guidance

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I. Introduction

The purpose of this document is to transmit U.S. Environmental Protection Agency (EPA) annual work plan guidance, reporting requirements, and major assistance agreement policies to the 28 National Estuary Programs (NEPs), which are funded by EPA through Clean Water Act (CWA) §320 grants and cooperative agreements. In May 2016, the National Estuary Program was reauthorized by Congress and §320(g)(4) was added requiring the issuance of competitive awards. The competitive grant program under section (g)(4) are under development, and are not addressed by this guidance.

Since it was established in 1987, the National Estuary Program (NEP) has successfully adapted to new opportunities, new challenges, and new expectations. The inherent flexibility of the NEP has enabled it to evolve from a targeted research program to a national model for effective, community-based resource management. Critical milestones in this evolution include the expansion from twelve programs to the current 28; the delegation in 1994 of significant program management authority from EPA Headquarters to the Regions.

Reflecting this evolution, this guidance is intended to develop a shared understanding of expectations for program management and responsibilities and the role of the NEPs in helping to achieve EPA's long-term strategic priorities, as well as to provide clear direction regarding annual work plan and reporting requirements and CCMP updates/revisions, including major assistance agreement policies for grants and cooperative agreements funded under Section 320. We expect to update the program guidance biennially to align as necessary with new or revised national guidance, but anticipate that core program policies will change infrequently.

Delegation of significant program management authority to the Regions strengthened their leadership role and simplified a number of administrative processes, while allowing EPA HQ to focus on national issues, budget and policy development, and technical assistance. These roles require high levels of coordination, as well as frank and timely communication among HQ, the Regions, and the programs. To promote such coordination, we hope this guidance can serve to provide a central document that consolidates requirements and policies applicable to the NEP.

II. EPA's *Strategic Plan* and Relevant Office of Water (OW) Elements

EPA's *FY 2014-2018 Strategic Plan* charts a course for the agency through FY 2018 and is organized around five key goals:

- Taking Action on Climate Change and Improving Air Quality;
- Protecting America's Waters;
- Cleaning Up Our Communities and Advancing Sustainable Development;
- Ensuring the Safety of Chemicals and Preventing Pollution; and
- Enforcing Environmental Laws.

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Goal 2 calling for the protection of America's waters. In the plan, EPA commits to take steps to:

- Assess the status of and changes in water quality through the National Aquatic Resource Surveys;
- Strengthen the protection of our aquatic ecosystems;
- Improve watershed-based approaches to reduce pollution;
- Implement innovative technologies;
- Carry out comprehensive approaches to help maintain healthy watersheds;
- Foster increased protection of drinking water sources through improved coordination between CWA and SDWA programs at the national, regional, state, and watershed scales;
- Focus efforts in key geographic areas; and
- Take measures to incorporate climate change considerations into clean water and drinking water program planning and implementation.

The NEP is a key partner in helping EPA meet virtually all of these goals, especially in addressing the impacts of nutrients and climate change on coastal ecosystems. The NEP's role in informing and facilitating solutions through outreach, education, and stakeholder involvement/engagement is a critical asset for delivering EPA programs effectively. This is recognized as a unique strength and one of the cornerstones of the NEP, which in turn, facilitates the success of the Program.

The OW *FY 2016-2017 National Water Program Guidance (OW Guidance)* and *FY 2017 Addendum* are directly tied to the Protecting America's Waters goal. One element of the *OW Guidance* states that:

> "EPA will continue to build the capacity within the National Estuary Program to adapt to changes from climate change on the coasts, and will provide additional assistance to individual NEPs to support their work to develop adaptation plans for their study areas or technical assistance to support implementation of those plans.[1]"

III. Management Conference-Approved Work Plan Content

Figure 1: Plan Deadlines[2]

Deliverable	Due Date	Recipients
Electronic Copy of Complete Final SF 424 Application, including Management Conference-Approved Work Plan	By June 1st	1. NEP Regional Coordinator (provide draft for comments prior to final submission. The Coordinator will post Final Workplan on NEP SharePoint) 2. NEP Headquarters Coordinator 3. Headquarters Branch Chief

[1] http://water.epa.gov/aboutow/goals_objectives/goals.cfm, p. 53.

[2] Regional Offices can choose to negotiate with their NEPs an earlier due date for submission of the Complete SF 424.

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Workplan

NEP Workplans provide a sense of direction, priorities, activities, deliverables, and accomplishments for each Program. Elements contained in workplans help build support for CCMP implementation, and can be used to solicit resources to support workplan activities. EPA uses workplans in a number of ways. They are a vital component to evaluate each NEP's progress in meeting milestones as a part of the Program Evaluation. They are also a key source used to respond to information requests (e.g. accomplishments), help to transfer lessons learned within and outside the NEPs and EPA, and can be mined for information to update the NEP Website (e.g. success stories for How NEPs Address Environmental Issues). EPA recommends that the NEP provide EPA Regional Coordinators a draft workplan for review prior to their grant package final submittal.

Required Elements of a Work Plan:

1. **Previous Year's Program Accomplishments**: Programmatic or environmental success stories from the past year. This can include significant outputs or outcomes, examples of transferable activities, tools, and whether CCMP goals were achieved.

2. **CCMP Goals:** Provide a statement indicating which CCMP goals your NEP will focus on in the coming year.

3. **Budget and Staff Elements**
   - Provide a budget breakdown of proposed work plan expenditures, including non-federal match. **See Appendix 1** for additional information about the 50 percent match requirement.
   - Provide a list of NEP staff and their official responsibilities.
   - Provide cost-share information. Cost-share can be in the form of cash or in-kind contributions or services. **See Appendix 1** for additional information and caveats about cost-share.
4. **New and Ongoing Project Information: Provide the following information for each proposed new and ongoing project.** The work plan may provide the required information in the format that compliments the Program Evaluation, or in an NEP's own preferred format. Please note: information about proposed new or ongoing projects should be easily distinguishable from information reported about major completed projects.
   - Project/activity **Name**; indicate whether it is a **"New"** or **"Ongoing"** project.
   - Project/activity **Objective(s)**; describe in one or more sentences; example: "The objectives are to restore twenty acres of coastal wetland habitat and to reduce nonpoint source runoff."
   - Project/activity **Description**; describe in one or more sentences; example: "This project will engage multiple partners in the restoration of wetlands that formerly served as habitat for several endangered bird species and helped filter storm water runoff from a nearby road."
   - **Partners and Their Role(s)** (if available); example: "The State Department of Natural Resources."
   - **Outputs/Deliverables**; example: "The deliverable will be ten workshops for the public

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to educate them about the value of restored habitat."

- **Estimated Milestones**, where appropriate; example: "Within three months of project start date, all partners will have been identified."
- **Estimated Budget**; example: "Total budget is estimated at $20,000."
- **Long-term Outcomes**; example: "An increase in the number of high-value habitat acres is expected to result in a 50 percent increase in native X and Y populations in the sub-watershed. The increase will also restore water quality in local stream to 1980 condition."
- If applicable, the **CWA core program(s) the project supports**[3]; example: "addressing diffuse, nonpoint sources of pollution."

5. **Completed Major Projects: Provide the following information for each completed major project.** Each NEP must report on the following elements for all major projects that were completed during the previous work year, i.e., in the FY 2018 work plan, the NEP must report on all major projects completed during FY 2017.
   - Project/activity **Name**
   - Project/activity **Objective**
   - Brief **Project Description**
   - **Lead Implementer**; **Partners and Their Roles**
   - **Accomplishments and Deliverable(s)**: describe what changed as a result of project implementation, providing quantitative data on outcomes and/or environmental results wherever those data are available.
     - Highlight results of completed major projects that addressed NEP Funding Guidance areas for special consideration: (1) climate adaptation/vulnerability assessment.
     - Highlight success stories and examples of transferable activities and tools.
   - **Amount of §320 grant/cooperative agreement** funds spent on project implementation.
   - **Expected Long-term Outcomes**
   - If applicable, the NEP should describe the primary or significant role it played in implementing a **CWA core program project**; use the following descriptions:
     - Primary role: The NEP played the central role implementing a CWA tool.
     - Significant role: The NEP actively participated in, but did not lead, implementation of a CWA tool (e.g., the NEP worked with a partner to replace aging septic systems).
   - If applicable, the NEP should describe **external constraints** related to any/all of the following elements and how the NEP addressed those constraints:
     - overall work plan implementation and attainment of project-specific objectives;
     - achievement of project milestones and/or ability to produce deliverables; and
     - which adaptive management strategies the NEP used to address those constraints.

[3] CWA core programs are: (1) establishing water quality standards, (2) identifying polluted waters and developing plans to restore them (total maximum daily loads), (3) permitting discharges of pollutants from point sources (National Pollutant Discharge Elimination System permits), (4) addressing diffuse, nonpoint sources of pollution, (5) protecting wetlands, (6) protecting coastal waters through the National Estuary Program, and (7) protecting Large Aquatic Ecosystems.

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Areas of Special Interest:

1. **Action to Reduce Nutrient Pollution to Protect Water Quality and Public Health**

Nutrient pollution remains one of America's most widespread and costly environmental and public health challenges, threatening the prosperity and quality of life of communities across the nation. EPA has made some investments in the urgent need for action to reduce this significant threat to water quality and public health, has called upon states and stakeholders to intensify their efforts in collaboration with EPA, on the implementation of watershed-based, multi-stakeholder projects to reduce impacts to public health from nitrates in sources of drinking water and from nitrogen and phosphorus pollution contributing to harmful algal blooms. To the extent that your CCMP goals and workplan activities include nutrient management and control activities, we encourage you to work with this new framework for State Nutrient Reductions to achieve larger reductions in excess Nutrients within your study area than have been achieved thus far. Project descriptions should include the expanded environmental outcomes of NEP nutrient-reduction efforts. For more information about how NEPs can get involved in partnerships to address phosphorus and nitrogen pollution through nutrient reductions, please see https://www.epa.gov/sites/production/files/documents/memo_nitrogen_framework.pdf.

2. **Climate Resilience**

Federal agency and EPA-specific policies direct[4] EPA programs like the National Estuary Program to promote smarter, more climate-resilient Federal investments in the face of increased risks from any of the seven classes of climate change stressors: (1) warmer summers; (2) warmer winters; (3) warmer waters; (4) increasing drought; (5) increasing storminess; (6) sea level rise; and (7) ocean acidification. EPA's National Estuary Program will implement those climate-resilience policies by encouraging NEPs to undertake efforts to make their CCMPs climate resilient, i.e., to help ensure that CCMPs will be able to provide their intended protection and restoration benefits through time regardless of what National Climate Assessment data[5] reasonably project will be climate change impacts on each study area.

EPA's goal is to ensure that no later than FY 2020, the CCMP of each NEP will be informed by a broad, risk-based vulnerability assessment and will include appropriate responses to assessment findings. To achieve this goal, EPA is continuing to provide funding (contingent upon availability) and technical assistance to help ensure that CCMP goals and annual work plan activities are not at high risk[6] from near- and long-term climate change impacts. NEP CCMP goals or work plan activities would be at "high risk" if impacts from climate change stressors are very likely to keep the NEP from achieving its goals and fully implementing its annual work plan. Those goals and activities also would be at "high risk" if it is expected that the consequence of stressor impacts will be significant (see the discussion of "red risks" in the *Being Prepared for Climate Change* workbook).

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[4] http://www.whitehouse.gov/the-press-office/2013/11/01/executive-order-preparing-united-states-impacts-climate-change,and June 26, 2014 U.S. Environmental Protection Agency Policy Statement on Climate Change Adaptation: http://www.epa.gov/climatechange/Downloads/impacts-adaptation/adaptation-statement-2014.pdf

[5] For the purposes of this Guidance, "reasonably-anticipated climate changes" would be based on the latest National Climate Assessment information from the U.S. Global Change Research Program.

[6] See the CRE Workbook entitled *Being Prepared for Climate Change: A Workbook for Developing Risk-Based Adaptation Plans for a definition of "high risk"*.

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EPA strongly encourages each NEP to take advantage of the EPA-provided resources noted above by: (1) conducting a broad, risk-based climate change vulnerability assessment[7], i.e., a planning-level qualitative analysis, of its CCMP no later than FY 2018 (that vulnerability assessment will help the NEP answer questions about how any of the climate change stressors identified above could affect the NEP's ability to achieve its CCMP goals and provide its intended benefits)[8]; (2) integrating vulnerability assessment findings and planned response approaches into a revised/updated CCMP by 2020; and (3) implementing specific response activities via annual work plans as necessary.

More information about how to conduct a broad, risk-based vulnerability assessment and incorporate climate considerations into CCMP revisions is available from the Climate Ready Estuaries Program. Also, **Section VI.A** and **Appendix 2** of this document provides basic information about how to conduct broad, risk-based vulnerability assessments and how to incorporate climate considerations into CCMP revisions and updates.

Required Documentation of CWA §320 Funds Used for Travel

- EPA considers personal, face-to-face contact with peers and colleagues an invaluable way to share information and implement good technology transfer. The Agency also considers technology transfer from NEPs to other communities essential to promoting coastal watershed protection. If necessary, CWA §320 funds may be used to fund travel for the purpose of information sharing and technology transfer among stakeholders, partners, and other NEPs.

- A plan for the coming year's travel supported by EPA and using CWA §320 funds should be included in the work plan. The travel plan should prospectively identify the following:
  - Proposed travel dates
  - Name of each meeting/event
  - Purpose of each proposed trip
  - Trip destination
  - Estimated number of staff traveling to each meeting/event
  - Estimated cost of each trip

- NEPs must also document travel taken during the previous Federal fiscal year that was paid for with CWA §320 funds and matching funds. Documentation must identify:
  - Each trip taken
  - Trip Purpose
  - Destination

[7] A broad, risk-based vulnerability assessment will identify the risks from climate change impacts to achievement of an NEP's CCMP goals.

[8] The CRE Workbook entitled *Being Prepared for Climate Change: A Workbook for Developing Risk-Based Adaptation Plans* describes how to create a broad, risk-based climate change vulnerability assessment. The CRE Workbook has four checklists to help identify which climate change risks an NEP might face. A risk-based vulnerability assessment would be used to answer questions about how any of seven classes of climate change stressors—warmer summers, warmer winters, warmer waters, increasing drought, increased storminess, sea level rise, and ocean acidification—could affect the ability of an NEP to achieve its CCMP goals.

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- Number of staff who traveled
- Final trip cost

- Since NEP annual work plans are developed, approved by Management Conferences, and submitted to Regional Offices before the end of the current annual work plan year, the NEP needs to include in the annual work plan submission an estimate of the CWA §320 travel that is expected to occur between the date of submission and the end of the current annual work plan year.

- An NEP may use CWA §320 funds and matching funds to cover the cost of travel by staff and/or stakeholders from other NEPs or watershed organizations who collaborate with the NEP on issues of common interest. Stakeholders may include members of the general public and of environmental and public interest organizations, business or industry representatives, academicians, scientists, and technical experts.

- CWA §320 funds and matching funds may be used to cover costs associated with attending conferences, meetings, workshops, or events that advance CCMP implementation. CWA Section 320 funds also may be used to cover the cost of projects described in the annual work plan and the cost of renting facilities.

- Note that when using CWA Section 320 funds for travel, NEPs should use the least expensive means of travel whenever possible.

- CWA §320 and matching funds may not be used to cover the travel costs of Federal employees.

IV. Expedited Obligation and Expenditure of §320 Funds

A. Expediting Funds Obligation

Federal government policy promotes the expedited obligation of Federally-appropriated funds. This Funding Guidance document supports implementation of that policy by calling for the expedited obligation of §320 funds as described below:

- EPA recommends that NEPs begin work plan development in the fall, before the current fiscal year annual Appropriations Act is signed and before funding allocation information is available. In general, NEPs are encouraged to base early work plan drafts on the previous year's final work plan. Note that work plans should target proposed projects that could be completed in two years (i.e., pursuant to the goal of expediting obligations and expenditures; see section **IV.B** -- Expediting Funds Expenditure below).

- Once EPA Headquarters provides annual funding allocation information, NEPs should finalize draft work plans as soon as possible and provide them to Management Conferences for review and approval consistent with agency grant and competition policies and Management Conference schedules. Work plans must be submitted by the NEPs to the Regions and Headquarters no later than the end of the first week in June (see Figure 1 on page 2).

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- If, during the course of Regional review of the full NEP base grant application, the Region proposes significant revisions to the draft work plan, the Management Conference should be made aware of those revisions in a timely manner.

B. Expediting Funds Expenditure

The Federal government also has made expedited funds expenditure a priority. EPA strongly urges its assistance agreement recipients, including the NEPs, to spend down funds in an expeditious manner, implementing and completing **projects** whenever possible within two years of the assistance award date. NEPs should consider taking one or more of the following steps to ensure timely funds expenditure for project implementation.

- EPA encourages NEPs to consider breaking up long-term projects into two or more grants comprising sub-projects with shorter project periods.

- **No-cost extensions to project grants are discouraged**. If and when an NEP anticipates difficulties in completing projects within planned project periods, the NEP should immediately discuss with the NEP Regional Coordinator what steps it plans to take to expedite the expenditure of its unspent project funds.

- If a project is completed at a cost that is less than the budgeted amount, the NEP should notify the EPA Regional Coordinator how remaining project funds have or will be re-allocated so that all available funds can be drawn down during the project period.

- To the extent that an NEP uses §320 funds for salaries or operating funds, EPA strongly encourages the NEP to spend down those funds within one year of the grant award date. However, if the planned expenditure rate for those costs is slower than originally planned due to unanticipated circumstances, e.g., a staff position becomes vacant and remains unfilled for a period of time, the NEP should advise the NEP Regional Coordinator that funds will not be completely spent down within one year of the grant award date and provide the reason and a plan for expenditure.

4. Federal Government Performance and Results Act (GPRA) Reporting Requirements

Government Performance and Results Act (GPRA) requires Federal programs to annually depict their progress toward meeting established program goals, Strategic Plan performance measures, and internal agency targets. **Figure 2** provides the deadlines for NEP GPRA reporting.

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Figure 2: GPRA Reporting Deadlines

Deliverable	Due Date	Recipient
Habitat Data (NEP Entries in NEPORT)	1st week in September	NEPORT Database
Leveraged Funds Data (NEPORT Submission)	1st week in September	NEPORT Database
Regions Review and Approve NEP Data in NEPORT	3rd full week in September	NEPORT Database

A. Environmental Results

EPA's *FY 2014-2018 Strategic Plan*, Goal 2: Protecting America's Waters includes an annual performance target for the number of habitat acres protected and restored by all 28 NEPs. To depict these environmental results, EPA requires each NEP to report on habitat protected and restored by the NEP and its partners between October 1 and September 30 of the current Federal fiscal year.

Please note that we report these data via EPA's Performance and Accountability Report to the Office of Management and Budget and to Congress. We include NEP environmental results in EPA's Annual Accomplishments Report, and post the National Totals on EPA's NEP Website. A subset of the reported habitat data (e.g. project description, lead implementer, photos, and acres) is added to NEPmap for public viewing. NEPmap is a GIS interactive application on EPA's Website which shows geo-located NEP habitat projects within each study area, along with many other national data layers related to water quality, and land use/land cover appear. NEPs also report these data as environmental results in NEP Program Evaluation documents that are made available to the public, including NEP stakeholders.

Habitat data entries must meet the following requirements to ensure accuracy and transparency. Since project information is found in NEPmap (e.g. project description), it is also important that the information be clear and understandable to the public. Headquarters will provide any necessary additional information to all NEPs and Regions about FY 2017 – FY 2020 data entry dates and requirements no later than the first week in June, each Fiscal Year. Data become "final" after Regional Coordinators and EPA Headquarters staff officially approve habitat and leveraging data.

- On-the-ground habitat protection and restoration project descriptions **must only address work completed** during the relevant Federal fiscal year. **Note:** the habitat work reported in NEPORT **must be tied** to an action in an NEP's CCMP. In cases where the habitat work is done by a subrecipient or contractor, the NEP should report only the acreage protected and restored **after the habitat-related work has been completed**, not when the sub-grant or contract is awarded.

- **Entries must be complete**, i.e., data must be entered in each required field for every project.

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- **Data for each project must be aligned** across all relevant fields, e.g., data entered into the Project Description field should be consistent with data entered into the Restoration Technique and Habitat fields.

- **Entries must reflect data for the entire Federal fiscal year**; NEP submissions are due in early September but must include habitat data for the entire reporting period, i.e., for the period October 1, through September 30 of each year. NEPs that need to estimate the number of acres to be protected and restored between the submission due dates shown in Figure 2 and the end of each reporting period must include that estimate in the data totals entered into NEPORT.

- **NEPs must comply with submission deadlines**; each NEP is required to enter all data by the deadlines of the end of the first week in September. Unless there is a documented malfunction of the NEPORT system that prevents data entry as described in this document, **NEP data not entered by the dates shown in Figure 2 will be excluded from the final habitat acreage tally.**

- For more information, please contact Nancy Laurson at: (202) 566-1247 or via e-mail at: laurson.nancy@epa.gov.

B. Leveraged Resources[9]

- As part of CCMP implementation, each NEP works to ensure its long-term financial sustainability by pursuing leveraging opportunities; i.e., financial or in-kind resources committed above and beyond the Federal funding provided under the §320 grant. Leveraged resources include both resources that are administered by the NEP and those that are not. Leveraged resources are a performance measure in EPA's Strategic Plan. As in previous years, EPA Headquarters requests each NEP to report annually on those resources. Leveraging reports **are not** to include information for projects without primary or significant participation by the NEP, e.g., projects that pre-date NEP involvement.

- Report leveraged resources information using NEPORT. The NEP and its partners may have to calculate a total for the reporting year by estimating the amount of leveraged resources between September 1 and September 30 for a given fiscal year. NEP Regional Coordinators will conduct a preliminary review and approve data prior to EPA Headquarters approving the data. Unless there is a documented malfunction of the NEPORT system which prevents entry of data during the entry period, EPA requires each NEP to enter its completed leveraged resources reports into the NEPORT system by the end of the first week in September.

- **NEP Leveraging Role Definitions and Examples--**NEP Directors and staff should use the following leveraging role definitions and examples to help them when entering NEP leveraging data into NEPORT. <u>Please clearly explain the role the NEP played in obtaining the leveraged resources in NEPORT.</u>

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[9] Leveraged resources are those financial or in-kind resources above and beyond §320 assistance agreement funds and earmarks or line items that an NEP Director and staff had a role in directing toward CCMP implementation. Leveraged resources include resources administered by the NEP or NEP partners. Examples include: §320 match, grants obtained by an NEP, and bonds that an NEP played a role in directing toward CCMP implementation--from the Coastal Management Branch July 2014 document *Frequently Asked NEPORT Questions.*

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Primary role definition: the NEP Director, staff, and/or committees played the central role in obtaining leveraged resources that helped implement the CCMP.

For example, the NEP Director, staff, and/or committees:

- wrote a grant proposal that helped fund the implementation of a CCMP action;
- convened a workgroup that created a stormwater utility that raised funds for CCMP implementation;
- organized meetings with State, local government, and/or the public on the importance of habitat restoration that led to the funding of habitat restoration actions in the CCMP;
- partnered with stakeholders so that non-NEP resources (e.g., Supplemental Environmental Project funds) were directed to CCMP activities;
- solicited and received funds and in-kind support for NEP operations (e.g., office space); or received CCMP project funds from partners based on NEP's demonstrated ability to execute work.

Significant role definition: the NEP Director, staff, and/or committees actively participated in, but did not lead, the effort to obtain additional resources for CCMP implementation.

For example, the NEP Director, staff, and/or committees:

- wrote parts of a grant proposal that was funded to help implement the CCMP;
- provided matching funds that partners needed to obtain grants to help implement the CCMP;
- established a local land trust that raised money for CCMP implementation;
- actively participated in a stormwater utility workgroup that raised funds for CCMP implementation;
- developed lists of lands for acquisition to help implement the CCMP and funders used these lists to make acquisition decisions; or
- developed a list of priority projects that others use to secure grants that helped implement the CCMP.

Support role definition: the NEP Director, staff, and/or committees played a minor role in channeling resources toward CCMP implementation.

For example, the NEP Director, staff, and/or committees:

- wrote a letter of support for a partner grant application that helped fund CCMP action(s);
- included habitat acquisition as a CCMP action, but other entities raised funds and identified lands for acquisition;
- included invasive species as a CCMP action, but other entities conducted activities that resulted in eradicating invasive species in the watershed; or
- included climate change adaptation as a CCMP action, but other entities conducted activities that helped implement this action.

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- **Please note that NEP Regional Coordinators have responsibility for conducting quality assurance/quality control reviews needed to ensure the accuracy of reported leveraging data**. NEP Regional Coordinators should make every effort to ensure that the data are accurate and be comfortable with an NEP's explanation of the role it played in obtaining leveraged resources. The role information should be clearly explained by the NEP in NEPORT.

VI. Additional National Estuary Program Policies

A. CCMP Revisions and Updates

The CCMP is a living document, and EPA recommends that each NEP review its CCMP every three-to-five years to determine whether a revision or update is needed to keep the CCMP relevant. EPA expects that the NEP will make the changes necessary to the CCMP and associated documents to reflect the Content Checklist of the National Estuary Program Comprehensive Conservation and Management Plan Revision and Update Guidelines (see **Appendix 4**). If **major** changes are needed, the CCMP should be **revised**. If **minor** changes are needed, the CCMP should be **updated**.

- **Timing**
  - By the end of FY 2018 (September 30, 2018), each NEP is strongly encouraged to have **revised its CCMP** at least once.
  - To ensure that CCMPs continue to be relevant, EPA recommends that each NEP revise its CCMP at least once every ten years.

- **CCMP Revision**
  - If one or more of the following applies to a CCMP, EPA recommends that an NEP revise its CCMP:
    - a significant number of CCMP action plans have been completed;
    - significant new environmental data have led the management conference to conclude that new priorities, goals, objectives, and action plans need to be developed to achieve better environmental results in the study area;
  - **CCMP goals have yet to be evaluated for their vulnerability to climate change.** A revised CCMP should include revisions to the following sections of the original CCMP:
    - monitoring plan,
    - finance plan,
    - education/outreach, and public involvement strategies, and
    - habitat protection/restoration plan; **a revised habitat protection/restoration plan should reflect the results of and planned responses to a broad, risk-based climate change vulnerability assessment.**
  - A revised CCMP should include the following:
    - new priorities, goals, objectives, and action plans,
    - new action plans that indicate:
      1) whether they replace or enhance former plans,
      2) wherever possible which entities will serve as lead implementers,
      3) a timeline and milestones for completion, and

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4) performance measures (quantitative/environmental results measures wherever possible).

- **EPA expects that all CCMPs revised by the end of FY 2020 will be informed by a broad, risk-based climate change vulnerability assessment. See Appendix 2 for guidance on integrating vulnerability assessment results into revised CCMPs.**

☐ **CCMP Update**

- If minor changes to a CCMP are needed, the CCMP should be updated. Examples of changes that would prompt an NEP to update its CCMP appear below:
  1) new environmental data that could have a significant impact on some NEP activities have become available;
  2) some aspects of action plans have changed; for example, a new entity has taken on the role of lead implementer, timelines for action plan completion have changed, or cost estimates have been revised.
- The update can take the form of: (1) an Addendum to the current CCMP; (2) a Strategic Plan that serves as a companion piece to the CCMP; or (3) revisions to select action plans in the current CCMP.
- An updated CCMP should include the following:
  — any revised/new goals, objectives, and action plans; note that new action plans should indicate whether they are replacements for or enhancements of former plans (just put in red to note on new line);
  — a list of the entities that will serve as lead implementers;
  — a timeline and milestones for completion; and
  — performance measures (quantitative/environmental results measures wherever possible).
- **EPA expects that all CCMPs updated by the end of FY 2020 will be informed by a broad, risk-based climate change vulnerability assessment. See Appendix 2 for guidance on integrating vulnerability assessment results into updated CCMPs.**

☐ **EPA Notification and Concurrence for CCMP Revision and Update**

- NEPs should notify the EPA Regional Coordinator when a management conference has decided to revise or update its CCMP. NEPs should also keep Headquarters apprised of progress in revising or updating the CCMP.
- The relevant EPA Regional office and Headquarters will concur on all CCMP revisions or updates developed by the Management Conference.

B. Required National Meeting Attendance

Every NEP Director **is required** to attend:

☐ the annual NEP national meeting held in the Washington, D.C. area (unless the meeting is not held)

☐ any EPA Region - NEP meetings convened by a Regional Administrator or his/her designee,

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- any scheduled NEP workshop directly targeting a specific NEP.

Each annual assistance agreement must include a Programmatic Term and Condition indicating that as a requirement of that Agreement, the grantee Director (NEP Director's name) is required to attend all national or Regional meetings called on behalf of the program. The Programmatic Term and Condition should also indicate that under extenuating circumstances such as a family emergency or a conflict in meeting dates caused by a previously-scheduled event, an NEP Director may delegate attendance at a required EPA meeting to a senior staffer from that NEP.

C. NEP Program Evaluation

EPA issued an update of the NEP Program Evaluation (PE) Guidance on August 3, 2016 (see attached; also available on the EPA NEP SharePoint site). Opportunities for improvement were identified and major changes are as follows: 1) eliminated the element *Tools* from the work plan core elements, 2) NEPs will no longer be required to report on CWA implementation; instead EPA will extract information on use of CWA tools through the work plan summary itself, 3) more emphasis on Management Conference (MC) engagement will be given during on-site visit to foster greater understanding of the NEP and its particular challenges by both HQ and MC members, 4) the role of an ex-officio NEP Director volunteering to serve on the PE team was better defined, and 5) the due date for PE submittal was extended to March 15. The PE cycle remains a five-year cycle. Seven Programs will be evaluated in four consecutive years and followed by one year off to prepare a PE finding report of all 28 NEPs. PE will resume in 2017.

D. Use of §320 Funds for Land Purchase

Purchase or acquisition of land, including appraisals, and its operation and maintenance is an allowable use of §320 funds if purchase/acquisition is identified as one type of an action or activity in an approved CCMP. Also, real property (land) may be used as match if the land was not purchased or acquired using §320 or other Federal funds and if the way the land will be used as described in an approved CCMP. Please consult with your NEP Regional Coordinator and Regional Grants Project Officials for information about the appropriate documentation required for real estate transactions and for use as match.

E. Fund-raising vs. Grant Writing

Under 2 CFR 200.442, costs of organized fund raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions are unallowable. Fund raising costs for the purposes of meeting the Federal program objectives are allowable with prior written approval from the Federal awarding agency. Approval for fund raising, however, must come from an authorized official in the Regional Grants Management Office. The authorized EPA official may also allow fund raising costs to be charged to EPA assistance agreements on a case-by-case basis upon the recommendation of Project Officers only if OGC or ORC, as appropriate, determines that the funds raised will directly further the statutory objectives of the financial assistance program.

Funds a recipient raises with costs borne by an EPA financial assistance agreement are considered program income under 2 CFR 200.80 and 200.307. As provided at 2 CFR 1500.7(b), program income must be added to direct EPA funding and used under the purposes and conditions of the award unless the terms of the assistance agreement provide for a different disposition (i.e. to meet a cost share requirement) of program income.

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As provided at 2 CFR 200.460 NEP proposal writing or grant application development whose purpose is to fund CCMP implementation projects is a permitted activity. NEPs are permitted to charge grant writing and proposal writing to their grants, since they are required to plan and implement which activities require financial resources and grant writing is necessary to identifying those resources. Grant/proposal writing costs are typically charged to a grant only as indirect costs (grant writing is considered a component of administrative tasks, which are built into a grant's indirect cost estimate). But, they can be categorized as direct costs as long as they are expressly approved by the HQ Grants Office based on guidance prepared by program offices and concurred in by OGC.

F. Prohibition on Use of §320 Funds by Association of National Estuary Programs (ANEP)

As stated in previous Funding Guidance documents, **ANEP membership and lobbying activities must be paid for by non-Federal sources and cannot be used as match** for funds received from EPA under CWA §320 authority. It is important to clearly demonstrate that ANEP: (1) is independent of EPA, (2) does not receive Federal funds allocated by EPA, and (3) is viewed as independent by its members and the public. EPA will notify each NEP of any changes to this policy.

This guidance represents a change from the previous guidance in that NEPs are no longer prohibited from obtaining *services* from ANEP. When procuring property or services using section 320 grant funds (including match), all NEP programs must comply with the Procurement Standards outlined in 2 CFR Part 200.[10]

G. SF424 application submission

A complete SF 424 application, including the Management Conference-Approved Work Plan, is due to Grants.gov **no later than June 1st.**

Beginning February 17, 2015, EPA is requiring that all initial applications be submitted through Grants.gov. For non-competitive applications, this means any applications submitted on or after that date must be submitted using Grants.gov. Applicants that have limited or no internet capacity should refer to the PDF on the Exceptions to the Grants.gov Requirement page describing the process to request an exception.

Register with Grants.gov
In order to submit your application using Grants.gov, your organization must be registered with Grants.gov. Please allow four weeks to complete registration. Also, please note that you must have a DUNS number and an active SAM.gov registration before registering with Grants.gov. You can find out more information about registering here:
http://www.grants.gov/web/grants/applicants/organization-registration.html

Access and Download Grant Application Package
Go to http://www.grants.gov/web/grants/applicants/download-application-package.html

[10] As a general example, if an NEP needed web hosting (or other services) from ANEP, it could not simply contract with ANEP to provide those services without following the procurement standards in 2 CFR Part 200.

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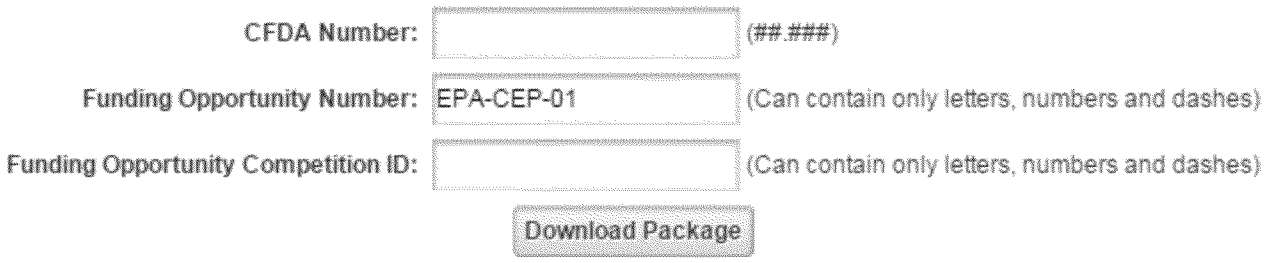
1. Type <<"EPA-CEP-01" into the "Funding Opportunity Number" field and click "Download Package".



2. Download the package associated with CFDA 66.456.
3. Complete the Grant Application Package. Attach the forms and information that your particular program requires. Contact <<<EPA Regional POC>>> if you have questions about which forms and materials you must submit for your program.
4. Submit your application. See http://www.grants.gov/web/grants/applicants/apply-for-grants.html for more information on this process.
5. Confirm with <<<EPA Regional POC>>> that EPA has received your application package.

If for ANY reason you cannot submit your application by the deadline specified, contact <<<EPA Regional POC>>> immediately.

Applicant Grants.gov Support
Visit the Grants.gov Applicant Resource page here http://www.grants.gov/web/grants/applicants/applicant-resources.html for FAQs, User Guides, Checklists, Training and Technical Support.
Call or email the Grants.gov Contact Center (http://www.grants.gov/web/grants/about/contact-us.html) – Open 24 hours a day, 7 days a week – with *any* technical questions or issues.
- 1-800-518-4726 or support@grants.gov

If you have any questions or need further information, please contact me at (202) 566-1244 or via e-mail at smith.bernicel@epa.gov.

cc: Benita Best-Wong
Dave Evans
Marcus Zobrist
Russel Kaiser
Office of General Counsel
National Estuary Program Regional Coordinators
National Estuary Program Headquarters Coordinators

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APPENDIX 1

Explanation of Match Requirement and of Cost-Share

Match Requirement

§320 requires a one-for-one match, split between Federal and non-Federal funds for each annual assistance agreement awarded under §320, unless awarded under Section 320(g)(4). Cost shares must comply with 2 CFR 200.306.

The §320 assistance agreement recipient is responsible for ensuring that this match requirement is met. If a recipient's structure includes multiple organizations which each receive a portion of the annual §320 allocation, the combined match provided by those organizations must meet the §320 50 percent match requirement. Recipients of §320 assistance agreement funds are required to show how they will match those funds over the project period, i.e., the match must be verifiable (well documented) and identified in the assistance agreement approved budget. At the end of a project period, the total match provided by the NEP grantee is required to equal the total amount of §320 funds received during that period. EPA does not require §320 recipients to meet cost share on a "rolling" basis throughout the project period although recipients may choose to do so.

Cost-Share

Cost-share can be in the form of cash or in-kind contributions or services with the following caveats:

- Other Federal agency or other EPA funds may not be used as cost-share for funds provided under §320 unless a Federal statute (e.g. HUD's Community Development Block Grant authority) allows Federal funds to be used as cost-share.
- Project partner or other government agency staff serving in a professional capacity on NEP committees can be counted as match as long as they are not paid by the NEP or counted as match for another Federally-assisted program.
- In-kind contributions are resources like staff time, space and equipment (e.g., office/lab space, photocopiers), or other services provided by partners in support of Management Conference activity such as CCMP implementation and revising a CCMP.
- Volunteer services may be used as in-kind match if they are integral to and a necessary part of a project. Those services must be provided by a volunteer who has the requisite skill; has received relevant, project-specific training by the NEP; or is professionally qualified to carry out a specific task (e.g., a carpenter who volunteers to construct a wooden boardwalk). Services provided by volunteers who do not have project-specific skills and training or who lack professional qualifications to carry out specific tasks **may not be considered** as in-kind match. Services from volunteers must be valued based on the activity performed rather than the amount the volunteer gets paid for unrelated work.
- It is important to develop and maintain a recordkeeping system that depicts how both professional staff and volunteer time is allocated to each Program activity and project. The system should depict the dollar value of services provided by both professional and volunteer staff for each work plan activity on which they work.

APPENDIX 2

Conducting Broad, Risk-based Vulnerability Assessments and Integrating Climate Resilience Considerations into a Revised or Updated CCMP

- A broad, risk-based climate change vulnerability assessment determines the risks from each relevant climate stressor to achievement of every CCMP goal.
- Vulnerability assessments of risks to CCMPs would be based on the latest National Climate Assessment projections about how much the climate is expected to change in each NEP study area.
- The assessment could find that no CCMP goals or actions are at risk from any relevant climate stressors. But, it is more likely that an assessment would find that one or more climate stressors will constrain achievement of various CCMP goals.
- Follow-up to a vulnerability assessment which finds that any CCMP goals are at high risk[11] could include taking some of the following response approaches:
  - adopting revised CCMP goals that are ambitious and attainable given projected climate change impacts but which are not subject to high risks;
  - undertaking work plan projects intended to mitigate risks; work plans do not need to be safe, risk-averse, low-reward efforts; rather, work plan projects should be those that are not at high risk of failure due to projected climate change impacts; and
  - dropping CCMP goals that are at high risk or are no longer attainable.

See the CRE *Being Prepared for Climate Change* workbook, which can serve as a guide for how to conduct a broad, risk-based climate change vulnerability assessment of an NEP CCMP and how to follow up on assessment findings by incorporating risk reduction options into a revised or updated CCMP.

[11] See the *Being Prepared for Climate Change: A Workbook for Developing Risk-Based Adaptation Plans* for a description of "high-risk".

APPENDIX 3

I. Important Assistance Agreement Orders and Policies; Other Policy Updates

A. Orders and Policies Issued Since October 2010.

Detailed information about and copies of the policies are available at the listed websites, and Regional Grants Officials are available to provide additional clarification and guidance on the policies.

1. Grants Policy Issuance (GPI) 16-01: EPA Subaward Policy for EPA Assistance Agreement Recipients

   Purpose: This policy establishes the requirements and procedures for Grants Management Offices and Program Offices in making determinations regarding subrecipient eligibility, overseeing pass-through entity monitoring and management of subawards, and authorizing fixed amount subawards under 2 CFR 200.330, 200.331, and 200.332 ("the applicable regulations").

   See policy at https://www.epa.gov/grants/grants-policy-issuance-gpi-16-01-epa-subaward-policy-epa-assistance-agreement-recipients

2. Grants Policy Issuance (GPI) 15-02: EPA's Final Financial Assistance Conflict of Interest Policy

   Purpose: As required by Title 2 of the Code of Federal Regulations (CFR) section 200.112, EPA has established the following final policy governing disclosure of actual and potential conflicts of interest (COI Policy) by applicants for, and recipients of, federal financial assistance awards from EPA. This policy applies to all individuals and non-Federal entities requesting and receiving EPA financial assistance in the form of new initial awards or incremental/supplemental funding on or after October 1, 2015 and is intended to prevent personal and organizational conflict of interests in the award and administration of EPA financial assistance.

   See policy at https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy

3. Grants Policy Issuance 12-06: Timely Obligation, Award and Expenditure of EPA Grant Funds

   Purpose: The purpose of this policy is to further EPA's mission of protecting human health and the environment by ensuring the timely obligation, award and expenditure of EPA grant funds. The goal for all EPA assistance agreement programs is to expeditiously obligate grant funds appropriated by Congress in the first year of availability.

   EPA has eliminated the requirement for recipients to submit a signed Affirmation of Award for new awards or amendments. The Notice of Award section of the agreement

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will include the language in Attachment D allowing recipients to demonstrate their commitment to carry out an award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award mailing date.

See policy at https://www.epa.gov/grants/grants-policy-issuance-12-06-timely-obligation-award-and-expenditure-epa-grant-funds

4. Grants Policy Issuance 11-01—Managing Unliquidated Obligations and Ensuring Progress under EPA Assistance Agreements.

   Purpose: To ensure that recipients of assistance agreement funds like the NEPs spend those funds and make progress implementing their work plans in a timely manner.

   - Several EPA resource management offices are increasing their scrutiny of the pace of assistance agreement expenditures. EPA's Office of Grants and Debarment has developed this new policy to promote more rapid expenditure of assistance agreement funds and to reduce unliquidated obligation balances. It requires that every assistance agreement include the following standard national Term and Condition language:

     > "EPA may terminate the assistance agreement for failure to make sufficient progress so as to reasonably ensure completion of the project within the project period, including any extensions. EPA will measure sufficient progress by examining the performance required under the work plan in conjunction with the milestone schedule, the time remaining for performance within the project period, and/or the availability of funds necessary to complete the project."

   See Policy 11-01 at:
   https://www.epa.gov/sites/production/files/2014-12/documents/gpi_11_01_12_07_10.pdf

Federal Funding Accountability and Transparency Act (FFATA) Reporting Requirements for Sub-award and Executive Compensation

Purpose: To describe Federal reporting requirements for EPA assistance agreement recipients.

Public Law 109-282, the Federal Funding Accountability and Transparency Act of 2006 as amended (FFATA), requires disclosure of all entities and organizations receiving federal funds through a single publicly accessible website, USASpending.gov. USASpending.gov includes information on each federal financial assistance award and contract over $25,000, including such information as:

1. The name of the entity receiving the award
2. The amount of the award

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3. Information on the award including transaction type, funding agency, etc.
4. The location of the entity receiving the award
5. A unique identifier of the entity receiving the award; and
6. Names and compensation of highly-compensated officers (as applicable)

Grant and cooperative agreement recipients are responsible for reporting on executive compensation, when applicable, and subrecipient awards over $25,000. Executive compensation and subrecipient reporting requirements generally apply to new discretionary and mandatory EPA funding, equal to or exceeding $25,000, awarded on or after October 1, 2010.

A prime recipient is required to report subawards where the obligations are equal to or greater than $25,000 in federal funds. If a subaward is initially funded at less than $25,000, the prime recipient does not have to report the subward to the FSRS - Federal Funding Accountability and Transparency Act Subaward Reporting System. However, if the prime recipient subsequently provides additional funding to increase the subaward amount to $25,000 or more, the subaward must be reported in the FSRS.

Subaward reporting is specific to each assistance agreement. For example, if a prime recipient makes a subaward to an organization under one grant for $20,000 and another subward for less than $15,000 to the same organization for different work under a different grant, the prime recipient would not have to report either subaward to the FSRS, even though the cumulative value of the two subawards exceeds $25,000.

Prime recipients should not subdivide subawards equal to or greater than $25,000 into smaller subawards in order to circumvent FSRS reporting requirements. All recipients are required to maintain an active System for Award Management (SAM) registration and Data Universal Numbering System (DUNS) number for the place of performance.

OMB guidance regarding FFATA related requirements is available at 2 CFR Part 170 and further details regarding these requirements are outlined below. FSRS also has a very extensive list of frequently asked questions that provide guidance to many different recipient situations.

Applying for Assistance Agreements: System for Award Management (SAM) and Data Universal Numbering System (DUNS) Requirements

Unless exempt from the requirements under OMB guidance at 2 CFR Part 25, recipients of EPA assistance agreement funding are required to obtain and maintain a DUNS number from Dun & Bradstreet and register in SAM. Current recipients are required to keep their DUNS number and SAM registration up-to-date. Recipients are required to update information in SAM annually at a minimum to remain in compliance with the terms and conditions associated with their award.

The DUNS number is a unique nine digit identification number, used to identify the physical location of assistance agreement activities. Organizations may have more than one DUNS number, if there are multiple places of performance. Applicants and recipients can receive a DUNS number, at no cost, by calling the dedicated toll-free DUNS number request line at 1-866-705-5711, or visiting the Dun & Bradstreet (D&B) website.

- The policy is available at: https://www.epa.gov/grants/federal-funding-accountability-and-transparency-act

B. Guidance on Selected Items of Costs

1. Meals and Light Refreshments

Purpose: To describe allowable costs for light refreshments and meals at meetings, conferences, training workshops, and during outreach events like those sponsored by NEPs.

- Unless otherwise prohibited by the terms of the agreement, costs for Light Refreshments and Meals at meetings, conferences, training workshops, and outreach activities (events) are allowable under the 2CFR 200.432 if reasonable and necessary for performance of an activity described in the scope of work of an assistance agreement. Project Officers make initial determations regarding allowability of costs for meals and light refreshments on a cases by case basis. Authorized EPA Officials make the final decision on cost allowability. Determinations regarding the reasonableness and necessity of costs for light refreshments and meals will be made on a case by case basis. Guidelines for cost determinations are as follows:

  - **Eligibility Determination:** To be eligible for funding under assistance agreements, the light refreshment and meal costs must not be prohibited by statute, regulation, appropriation, or program guidance. This includes program guidance contained in an assistance agreement solicitation or the terms of the assistance agreement.
  - **Purpose Determination:** To be eligible for funding under assistance agreements, the purpose of the event must be to: (1) disseminate environmental information, (2) offer environmental or public health education, (3) discuss environmental science, policy, or programs, (4) conduct outreach to the public on environmental concerns or issues, (5) obtain community involvement in an activity described by the EPA approved scope of work, or (6) be otherwise necessary for the recipient to carry out the EPA approved scope of work. At least one condition above must be met for a purpose determination.

  - **Time Determination:** The length or timing of the event must be such that light refreshments or meals are necessary for the effective and efficient achievement of its purpose.

  - **Reasonableness Determination:** The costs for light refreshments and meals must be identified in the budget narrative in order to determine the reasonableness for costs on a per event basis. Recipients must demonstrate that the costs for light refreshments and meals are reasonable given such factors as the purpose of the event and costs for similar publicly funded business events at the facility. If recipients cannot establish that the costs for meals and light refreshment represent prudent expenditures of public funds, the costs are unallowable.

- **Unallowable Light Refreshment and Meal Costs**.
  (a) Costs for light refreshments and meals for recipient staff meetings and similar day-to-day activities are not allowable under EPA assistance agreements.

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(b) EPA policy prohibits the use of EPA funds for meals and light refreshments at receptions, banquets and similar activities that take place after normal business hours unless the recipient has provided a justification that has been expressly approved by EPA. An example of an activity where EPA funds may be used for meals or light refreshment is an evening working meeting in which small groups discuss technical subjects on the basis of a structured agenda or there are presentations being conducted by experts.
(c) EPA funding for meals, light refreshments, and space rental may not be used for any portion of any conference event including receptions, banquets and working meetings where alcohol is served, purchased, or otherwise available as part of the event or meeting, even if EPA funds are not used to purchase the alcohol.

Under 2 CFR 200.423 costs of alcoholic beverages are unallowable.

Note - U.S. General Services Administration regulations define "light refreshments" for morning, afternoon or evening breaks to include, but not be limited to, coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins. (41 CFR 301-74.11).

2. Advertising and Public Relations Costs

Purpose: To describe allowable costs for promotional items and for public relations.

- Section 320 funds may be used to purchase promotional items and to fund public relations expenses that are included in an NEP's EPA-approved scope of work or detailed budget. Note that it is costs for promotional items and other advertising and public relations costs that are "specifically required" to perform work under the grant that are allowable. For example, Section 320 funds can be used to purchase promotional items for a conference or to communicate an environmental message if those activities were included in an EPA-approved scope of work.

- If a grantee indicates in the scope of work or detailed budget that it will purchase promotional items (e.g., for a conference in order to convey an environmental message) or incur other advertising and public relations costs, and EPA approves the scope of work/budget, the costs are allowable if otherwise reasonable (e.g., the per unit price for the items are not excessive). Detailed information regarding (1) allowable advertising and public relations costs, (2) unallowable advertising and public relations costs, and (3) requirements in determining whether costs are allowable under more than one Federal award is provided in the 2 CFR 200.405 and 2 CFR 200.421.

- Please know that there is additional guidance on Advertising and Public Relations Costs in the October 2016 guidance.

3. Entertainment Costs

Purpose: To describe allowable costs for entertainment, amusement, diversion, and social activities.

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- As provided at 2 CFR 200.438, entertainment includes amusement, diversion, and social activities. The regulation provides that entertainment costs are unallowable ". . . except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval of the Federal awarding agency." The UGG's allowability of entertainment costs in certain circumstances is a change in Federal financial assistance policy.

    a. EPA considers costs for evening receptions and banquets as entertainment. EPA policy precludes AEOs from approving costs for meals, light refreshments, and space rental for any portion of these events where alcohol is served, purchased, or otherwise available as part of the event, even if EPA funds are not used to purchase the alcohol and the recipient identifies a programmatic purpose for the event.

    b. Authorized EPA Officials may approve reasonable entertainment costs for activities necessary to carry out environmental education programs and outreach projects that have clearly defined programmatic purposes. Examples of allowable entertainment costs include films, videos and other forms of audio visual communication that promote environmental protection. Costs for artistic performances may be allowable in limited circumstances such as a traditional tribal ceremony highlighting environmental stewardship to open or close a conference or a puppet show with environmental education content for children

4. Travel Costs

Purpose: To describe allowable costs for travel that is integral to the purposes or activities of the NEP grant. Please note that travel costs are now addressed in the Project Officer/Grant Specialist Cost Review Guidance.

- The expenses for transportation, lodging, subsistence, and related items incurred by employees and program participants who are in travel status on official business related to activities by the recipient are allowable. Such costs may be charged according to the organization's written policy on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the recipient's non-Federally-sponsored activities.

- In the absence of a written organization policy regarding travel costs acceptable to EPA or the organization's cognizant audit agency, the rates and amounts established under regulations issued to implement subchapter I of Chapter 57, Title 5, United States Code ("Travel and Subsistence Expenses Mileage Allowances") by the Administrator of General Services, or by the President (or his or her designee) shall apply to travel under Federal awards. However, recipients may not use EPA funds to pay the travel costs of Federal employees.

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5. Program Participant Support Costs

- Travel allowances and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with meetings, conferences, symposia, or training projects are allowable with the prior approval of the Environmental Protection Agency (EPA) Award Official. An award with a work plan and budget containing or describing participant support costs demonstrates EPA approval. However, in the absence of specific statutory authority, Federal employees may not be program participants under EPA financial assistance awards. Please note that the Grants Office is working on a new Participant Support Cost Guidance that will provide more flexibility particularly for subsidies to business and homeowners participating in environmental stewardship programs.

C. **Highlights of Major Assistance Agreement Policies and Orders Applicable to NEPs (from previous Funding Guidance Documents)**

1. **EPA Order No. 5700.7A1**--"Environmental Results Under EPA Assistance Agreements" -- establishes policy for addressing environmental results under EPA assistance agreements. This Order can be accessed at: https://www.epa.gov/sites/production/files/2015-03/documents/epa_order_5700_7a1.pdf.

   Note the following clarifications about information collection and renewal of existing information collections:

   - Description of an "Information Collection Request" (ICR): An ICR is a set of documents **that must be submitted by a Federal** agency to the Office of Management and Budget (OMB) for approval before that agency can legally collect information from the public. Without approval, enforcement of the collection may be at risk. A completed ICR provides an overview of the collection effort, including what information will be collected, why the information is needed, what members of the public would need to respond to the information collection request, and what is the estimated burden the request would place on the public.

   - For NEPs that receive **cooperative agreement** assistance funding under Section 320:

     - If the recipient's scope of work includes a survey or the collection of identical information from ten or more non-Federal respondents within a 12-month period, **and** cooperative agreement funding will be used, then **the EPA Project Officer, i.e., the NEP Regional Coordinator, must prepare and submit an ICR describing the survey** to the Office of Management and Budget (OMB) for review and approval;[1] This applies regardless of whether or not EPA has requested or influenced the design of the information collection.

[1] Under the Paperwork Reduction Act, Federal agencies obtain approval from the Office of Management and Budget (OMB) to collect information from the public. To comply with this requirement, Federal agencies must submit information collection requests explaining what information will be collected, why the information is needed, which members of the public would be asked to respond to the information request, and what estimated burden the request would place on the public.

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- If the recipient **does not charge** to its agreement the cost of designing and administering the survey, **and** EPA has not requested and/or helped design the survey, then **an ICR is not required**. Cooperative Agreement funds **may** be used for analysis of the survey data and publication of the results.

- For NEPs that receive **grant** funding under Section 320:
  - If the recipient's scope of work includes the survey/collection of identical information from ten or more persons **and** EPA has requested or wants to influence, design, or develop survey activities, **the EPA Project Officer, i.e., the NEP Regional Coordinator, must prepare and submit an ICR** describing the survey to the Office of Management and Budget for review and approval.
  - If EPA has **not** directed an NEP grantee to conduct the survey or directed the survey design or implementation, OMB approval is not required.
  - Since it typically takes six to nine months to develop and obtain OMB approval for an ICR, NEPs should plan ahead and start the process early in order to allow sufficient time before the proposed activity is scheduled to begin. Additional information about the information collection provision appears at: http://www.epa.gov/icr.

2. **EPA Order No. 5700.5A1**-- "Competition in Assistance Agreements" was changed on February 6, 2014. Under the terms of this Order, CWA Section 320 grants provided to NEPs under the regulations at 40 CFR Subpart 35.9000 are exempt from competition (consistent with the understanding reached at an August 9, 2007 meeting between the Office of Water and the Office of Grants and Debarment). However, in determining the distribution of EPA funds, the Management Conference for each NEP may consider whether it would be feasible and practical to have EPA conduct a competition for certain projects. In considering the suitability of competition, the Management Conference may consider such factors as the nature of the project, whether competition could foster innovation, and cost effectiveness.
   Note that pursuant to the May 2016 NEP reauthorization, EPA must compete NEP's CWA Section 320(g)(4) grants. If EPA competes a portion of an NEP's CWA Section 320(g)(2) funds, EPA must compete the funds in compliance with the Competition Policy.

3. **EPA Order 5700.8** — EPA Policy on Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards. https://www.epa.gov/sites/production/files/2015-03/documents/5700_8.pdf. In October 2007, the Agency issued new National Term and Condition language requiring that staff from any non-profit whose application has been approved by a Region must complete mandatory on-line training before EPA will release award funds to the non-profit. The training --"EPA Grant Management Training for Non-Profit Applicants and Recipients"-- must be completed by two of a non-profit's employees--the assistance agreement project manager and the staffer authorized to draw down funds. The training course can be accessed at: https://www.epa.gov/grants/grants-management-training-non-profit-applicants-and-recipients

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APPENDIX 4

National Estuary Program Comprehensive Conservation and Management Plan Revision and Update Guidelines
5-3-16

Background

The *National Estuary Program FY 15 -16 Clean Water Act Section 320 Funding Guidance for National Estuary Program (NEP) Directors* broadly communicates expectations for Comprehensive Conservation and Management Plan (CCMP) Revisions and Updates. The CCMP contains goals and objectives and provides a long-term framework for action. It also includes strategies to: monitor progress, finance CCMP implementation, and communicate with stakeholders. EPA's CCMP Content Checklist, provided below, is designed to help you navigate through the CCMP Revision and Update process, beginning with general definitions and principles.

In addition to the latest National Estuary Program Funding Guidance, it may be useful to refer to the *National Estuary Program Guidance, Comprehensive Conservation and Management Plans: Content and Approval Requirements (October 1992)*, as you revise or update your CCMP. These documents can be found on the NEP SharePoint site, or are available by contacting your HQ Coordinator.

Scope of CCMPs – All CCMP action plans must be consistent with and tie back to CWA Section 320. Action plans must identify the needed resources and sources of resources expected to be secured. It is especially important to distinguish between actions funded under Section 320 and those to be implemented with other sources.

CCMP Revisions versus Updates – The Funding Guidance describes when a CCMP Revision or an Update would apply. Revisions involve a significant change. For example, a CCMP Revision could be driven by: 1) new CCMP goals, as directed by the Management Conference, 2) new information obtained through monitoring that would require revisiting and changing the actions in a CCMP; or 3) an expansion of the study area. A Revision would also be necessary in cases where original CCMPs have not yet been revised. Minor changes to action plans or insertion of a few new actions would be considered an Update. Reformatting, streamlining or reorganizing core actions to reflect new ways of accomplishing original CCMP goals would also be considered an Update.

CCMP Formats – EPA is not prescribing any particular CCMP format as long as the CCMP meets the Content Checklist.

Review Process – The Region is in the lead with respect to CCMP Revisions and Updates. The Region will work in concert with HQ, using the CCMP Content Checklist and the NEP Funding Guidance as a basis for engaging in the concurrence process. Regional Coordinators will work with the NEP Director and Management Conference to follow the checklist so that the set of content requirements are reflected in the final CCMP and associated documents.

To ensure a common understanding and level of support for the final CCMP, this process assumes that the HQ and Regional Coordinators are regularly communicating and collaborating as needed throughout the process. The Regional Coordinator is responsible for timely communication and for managing the

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overall review schedule. EPA expects that the NEP will make the changes necessary to the CCMP and associated documents to reflect the Content Checklist. HQ Coordinators will need to honor the CCMP review schedule, while Regional Coordinators need to share documents to allow adequate time for review.

Program Evaluations – To ensure the seamless integration among key NEP products, EPA expects that the Program Evaluations will consider the need, if any, for revisions or updates to the CCMP. EPA also expects that State of the Bay Reports will inform any CCMP Revisions and Updates.

Content Checklist - Essential Components of a Revised CCMP (major changes)

A Revised CCMP should:

1.____ Identify clearly if there are any changes between the existing and draft CCMP so that reviewers and the public can easily determine what has changed and why. These changes include program priorities and goals; any new information that suggests more promising approaches or currently unaddressed issues, etc.

2.____ Describe how the NEP has contributed to or supported activities that helped develop new information, if applicable, when highlighting major changes due to new information. Major changes could be informed by Status and Trends or State of the Estuary Reports, Indicator Reports, and associated monitoring programs where adequate monitoring data are available. This is where a discussion of climate change assessments and adaptation strategies should appear.

3.____ Include a map of the study area. If there are any boundary changes, provide the reasons for those changes. Any NEP study area boundary changes should be based on sound science with the support and approval of the NEP's Management Conference in a transparent and open process.

4.____ Describe the NEP's Management Conference and membership with any proposed changes and explain how the structure will support the NEP's ability to oversee and promote CCMP implementation. This would include a discussion about the NEP's approach to achieving financial sustainability and for involving the public and stakeholders in its programs.

5.____ Discuss changes to existing CCMP action plans, and new action plans, including their relationship to previously stated goals and priority problems; the probable causes and sources they address; and measurable objectives, where appropriate, to attain the goal. Each CCMP Action must identify the key activities expected to be implemented to address the priority problem. It would be very helpful to include a table comparing the old completed or deemed obsolete actions, and new, revised, or on-going actions in the CCMP. This could appear upfront in the document, or within each chapter.

CCMP Actions encompass environmental goals, metrics, and milestones that the NEP strives to achieve over time as implemented through annual workplans. They need to be clear, understandable, and plainly link to CWA § 320 (See 4th bullet *under* ***Purpose of Conference***). They should:

a) describe each action and what is proposed;

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b) identify key activities to implement the action, including affected habitat types, or resource(s) if appropriate; some activities may take place system-wide or involve policy changes rather than in-the-ground projects.

c) identify proposed action plan responsibilities, including likely lead parties if known, along with any implementing partners;

d) include a timeframe, and where appropriate, key milestones for completion (or indicate on-going);

e) estimate the range of potential costs of the overall action and identify the possible sources of funding; and

f) include performance measures (quantitative measures and intended environmental results wherever possible).

Those CCMP Actions eligible for CWA §320 funding (and as stated in your EPA Assistance Agreement) will be spelled out and included in the NEP workplan submitted to EPA. CCMP Actions not funded by Section 320 should be clearly identified along with the other potential funding source.

CCMPs are living documents and as such should be re-examined and revised on a regular basis. EPA recognizes that CCMPs are also critical components of the NEP model of adaptive management as it facilitates a continual process of integrating new data and results. EPA expects that revised CCMPs will discuss the relevance and applicability of the: 1) monitoring, 2) habitat, 3) finance, and 4) outreach component strategies, including any needed substantive changes. If such changes are not discussed in the revised CCMP as language within a chapter or as a separate Action Plan, they should be described in a separate document and completed within 3 years of the final Revised CCMP.

1.____ Include a Monitoring approach to track and detect changes and/or improvements within the study area (so change in environmental indicators can be detected over time), and effectiveness of CCMP Actions. This can be described in a separate, brief, higher level document, or chapter or action in the CCMP. The Monitoring approach should identify: a) objectives, b) data the NEP and partners are collecting for which parameters; c) the party/parties responsible for collecting the data; d) frequency of collecting and reporting the monitoring data; e) how the data are shared, reported, and used; f) data gaps; and g) additional funding needed for monitoring activities and filling data gaps. This section should explain how monitoring has/will change as a result of new/modified actions and priorities, and any new environmental indicators. Monitoring should be tied to the State of the Bay Report which has similar components. **Please note**: A Quality Management Plan or Quality Assurance Project Plan can supplement the Monitoring Plan, but does not in and of itself meet this requirement.

2.____ Include a Finance strategy that will establish long-term financial sustainability to implement the CCMP through diverse resources and partners. The strategy can be a separate document or chapter or action in the CCMP. The strategy should discuss: a) priorities for funding; b) current funding and other support such as staff assignments, or in-kind partnering; c) short- and long-term resource needs; and d) proposed actions or strategies to maintain or garner new resources for CCMP implementation and their timeframe.

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3.____ Include a Habitat Protection/Restoration strategy. The strategy should clearly tie back to habitat or ecosystem issues addressed in the CCMP, including those habitats and species prioritized for protection and or restoration efforts. Strategies can be addressed in a separate document or as an action in the CCMP and should discuss: a) relevant habitat types and key species in the study area; b) goals and measurable objectives to address them; and c) actions that reflect a climate change vulnerability assessment. The Strategy can make it easier for NEPs to plan and report on their habitat protection results under GPRA.

4. Include a Communication/Outreach Strategy to ensure community involvement and ownership in CCMP implementation that can be represented as a stand-alone document, chapter, or a series of actions in the CCMP that includes: a) guiding principles, or goals and objectives; b) a target audience(s); c) a narrative description of activities, including any tool used such as branding and messaging, behavior change campaigns, or social media; d) implementers for those activities; e) any key deliverables, and f) a budget and timeframe for implementing the activities.

   NOTE: Make sure to include a public review process that extends beyond the Management Conference members. Responses to comments should be summarized and be made publically available.

Content Checklist - Essential Components of an Updated CCMP (minor changes)

An Updated CCMP can take the form of: 1) an Addendum to the Current CCMP, 2) a Strategic Plan or updated Implementation Plan that serves as a companion piece to the CCMP, or 3) changes to select Action Plans in the current CCMP. An updated CCMP should:

1.____ Describe clearly the priorities, goals, measurable objectives (where possible), and Action Plans. Changes made from the previous CCMP should be described in the document. This could include a summary table listing the prior CCMP's actions as either: completed, revised, new, ongoing, or those deemed obsolete.

2.____ Clarify whether Action Plans are replacements for or enhancements of former/previous Action Plans. Clearly articulate how CCMP and Actions relate to the previous CCMP. (This enables the reader to understand: what changed and why, which actions are new, what was completed, and why actions were not implemented, etc.). The discussion of changes may be contained in the Introduction or an Appendix that might include a comparative table of original and revised actions.

3.____ Be clear, understandable, and consistent with and linked to CWA § 320 (See 4th bullet under ***Purpose of Conference***). Action plans should:

   a) describe the activity/what is proposed;

   b) articulate where the action will take place or location and/or resource (s) it will affect;

   c) identify the entities responsible for implementing the action if known, including likely lead parties if known, along with any implementing partners;

   d) include a timeframe, and where appropriate, key milestones for completion;

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e) provide the potential cost of the action (can be a range) and potential sources of funding; and

f) address performance measures (quantitative/environmental results measures where possible).

Those CCMP Actions eligible for CWA §320 funding (and as stated in your EPA Assistance Agreement) should be fleshed out and contained in the NEP Workplan submitted to EPA. CCMP Actions not funded by Section 320 should be clearly identified along with the potential funding source.

4.____ Describe any other changes to your existing CCMP and identify those changes. This may be done in an Appendix.

5.____Depending on the extent and magnitude of the changes, stakeholder involvement could simply involve an internal Management Conference member discussion. If the NEP decides to send the Updated CCMP out more broadly for public comment, response to comments should be summarized and be made available.

Process for CCMP Revisions and Updates

☐ Regional and Headquarters Coordinators will collaboratively review updated and revised CCMPs so that EPA can respond with one voice to the proposed changes. A key element of this cooperation is early communication between Coordinators as the process unfolds. The Regional Coordinator will take the lead in identifying potential issues in a timely manner and securing the endorsement of Regional management in providing the final CCMP for Headquarters review. The checklist is a means to ensure common review and comment criteria. Note that delivery and review of CCMP documents will be through email or other digital means.

- ☐ Regional Coordinator shares early draft versions of the CCMP and associated documents with the HQ Coordinator. Coordinators confer and discuss initial feedback on documents. Regional Coordinator shares feedback with NEP Director and may invite the Headquarters Coordinator to participate in discussions.

- ☐ Regional Coordinator sends final draft CCMP and associated documents to HQ Coordinator for comment. Region works with HQ to develop and provide integrated EPA comments to the NEP Director.

- ☐ The NEP addresses EPA comments. If any issues remain, the Regional Coordinator will work with the NEP Director, Management Conference and Regional Managers to resolve as necessary. The Regional Coordinator may invite the HQ Coordinator in these discussions, as necessary.

- ☐ Regional Coordinator shares the revised final draft CCMP and associated documents with the HQ Coordinator to ensure that the documents reflect and address: 1) elements identified in the NEP Funding Guidance, 2) CCMP Checklist components, and 3) HQ comments, upon which review, the HQ and Regional Coordinators jointly agree that the draft CCMP is ready for submission as final.

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- HQ Coordinator confirms with the appropriate HQ Manager* that the document addresses all comments and requirements, and will be submitted as final by the Regional Manager.
- The Regional Coordinator formally requests the Regional Manager to send a concurrence email to the appropriate HQ Manager* certifying that the final CCMP submission meets the CCMP Guidelines with a copy to the HQ and Regional Coordinators.
- The appropriate HQ Manager* acknowledges the Regional Manager's certification that the CCMP meets the Guidelines. The CCMP, any associated documents, and the HQ email acknowledgement (with copy to the HQ and Regional Coordinators), serves as the final and official record of the CCMP Revision or Update."

*Division Director for CCMP Revisions and Branch Chief for CCMP Updates

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