

POST TERMINATION PRIORITIES

May 28, 2025





Guidance on Drawdowns

Staying in Compliance

- ❖ Properly document drawdowns and update SF 425
- ❖ Key actions for grantees:
 - Document drawdowns
 - Memo detailing individual transactions
 - Invoices, supporting documentation, proof of payment
 - Subrecipient & contractor agreements
 - Compliance with EPA approved workplan
 - Timely completion of project outputs, outcomes
 - Update SF 425 after major drawdowns



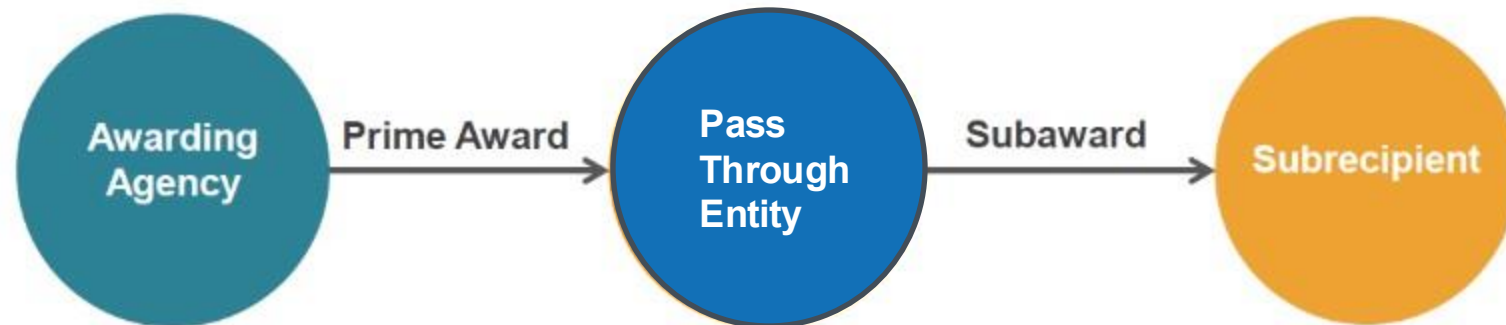
Drawdown Justification

- ❖ Starting May 19, 2025, EPA will require justification for ASAP payment requests by grantees
- ❖ Generic payment justification language:

“Payment request is for costs that are necessary to perform the approved scope of work and comply with requirements for allowability in 2 CFR Part 200, Subpart E. This covers compensation for recipient personnel, invoices submitted by recipient contractors, payment requests by subrecipients, participant support costs, and allowable indirect costs. These are documented in records contained in the recipient’s financial management system.”
- ❖ Tailor language for each request
- ❖ Supporting documentation for payment requests

Documenting Subawards

- ❖ Grantees must take lead role in managing subawards
 - Ideally, subawards executed prior to contract termination and work performed
 - Enable reimbursement of subrecipient expenses
 - Subrecipient workplan and budget consistent with EPA approved workplan
 - Recommend executing subawards if subrecipient scope defined
 - Subrecipient pre-award costs require EPA written approval
- ❖ Full documentation of all subrecipient work performed to defend costs
- ❖ If grant restored, will need to negotiate with EPA for approval of subrecipient pre-award costs



Mobilization Plan



- ❖ Create plan and tasks to restart project if grant restored
- ❖ Keep project and financial reports up to date
- ❖ Track staff time separately after date of termination:
 - Minimal project activities to stay in compliance
 - Closeout activities
- ❖ Documentation for future drawdowns of incurred expenses prior to termination or closeout activities
- ❖ Minimal activities at grantee risk:
 - Procurements without executing contracts
 - Quality Plans for EPA approval
- ❖ Continue to submit reporting to stay in compliance
- ❖ Build administrative record of harms to organization

QUESTIONS?

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