



Pipeline & Hazardous Materials Safety Administration: Hazardous Materials Emergency Preparedness (HMEP) Grant General Updates and 2 CFR Changes



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

PHMSA: Your Safety is Our Mission



Award and Closeout Announcements



Award Announcements

- FY2024 Year 3 (States and Territories) and Annual FY 2024 (Tribes) awards were publicly announced August 12.
- Notice of Grant Agreements (NGA) will be sent via DocuSign to the Program Manager and Authorized Representative start week of August 19.
- NGAs will not go out via FedConnect this year.



Closeout Announcements: Part 1

- HMEP Tribal grantees FY23-24 grant cycle ends on September 30, 2024. This is not applicable to anyone with an approved extension.
- **Final Reports** are **due 120 days** after the end of the performance period ends.
Final reports include:
 - ✓ Federal Financial Report (SF425 form),
 - ✓ SF424A form and
 - ✓ Performance Progress Report.
- Reports should be electronically submitted to the HMEP mailbox HMEP.Grants@dot.gov



Closeout Announcements: Part 2

- **Final Federal Financial Report (SF425 form):** should capture the **cumulative** obligations and disbursements that have occurred from the initial grant award date through the end date of the performance period.
- **Final SF-424A Form:** All Grantees must provide a final SF424A form (budget summary of object class category) that reflects **the combined total for all three years of funding.**
- **Final Performance Progress Report:** is comprehensive report of the entire performance period. It should include all activities that were completed during the **entire performance period.**





2024: 2 CFR Update



2024 Uniform Guidance Updates

Revisions are effective for all federal awards issued on or after October 1, 2024.

2 CFR 200, OMB has:

- Changed the name of Title 2, from “Grants and Agreements” to “Federal Financial Assistance.”
- Updated SAM.gov and Unique Entity Identifier (UEI) information.
- Revised sections to align with authorizing statutes and clarifies subaward reporting requirements
- Revised section to align with authorizing statutes, and revised compliance plan and certification requirements.
- Made plain language revisions.

OMB revised the Uniform Guidance with the intention of:

1. Incorporating statutory requirements and administration priorities.
2. Reducing agency and recipient burden.
3. Clarifying sections that recipients or agencies have interpreted in different ways.
4. Rewriting applicable sections in plain language, improving flow, and addressing inconsistent use of terms.

In addition to the changes throughout 2 CFR 200, OMB also:

- Changed the name of Title 2, from “Grants and Agreements” to “Federal Financial Assistance”.
- Updated SAM.gov and Unique Entity Identifier (UEI) information (Part 25).
- Revised sections to align with authorizing statutes and clarifies subaward reporting requirements (Part 170).
- Revised section to align with authorizing statutes, and revised compliance plan and certification requirements (Part 175).
- Made plain language revisions (Parts 180, 182, & 183).
- Established Part 184 Buy America Preferences for Infrastructure Projects through a separate process.
<https://www.federalregister.gov/documents/2023/08/23/2023-17724/guidance-for-grants-and-agreements>

Revisions are effective for all federal awards issued on or after October 1, 2024.

Refer to Websites

For a complete description of the changes to 2 CFR, visit:

- OMB's October 5, 2023, *Federal Register* notice at: <https://www.federalregister.gov/documents/2023/10/05/2023-21078/guidance-for-grants-and-agreements>
- OMB Blog Post Introducing Final Rule at: <https://www.whitehouse.gov/omb/briefing-room/2024/04/04/the-biden-harris-administration-finalizes-guidance-to-make-grants-more-accessible-and-transparent-for-families-communities-and-small-businesses/>



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Summary of Significant Changes to 2 CFR Part 200

Subpart A 2 CFR 200.00	Subpart B 2 CFR 200.100	Subpart C 2 CFR 200.200	Subpart D 2 CFR 200.300	Subpart E 2 CFR 200.400	Subpart F 2 CFR 200.500
<ul style="list-style-type: none"> Removes acronyms that only appear once New acronyms (200.0): <ul style="list-style-type: none"> Government Accounting Standards Board (GASB) Notice of Funding Opportunity (NOFO) Unique Entity Identifier (UEI) New definitions (200.1): <ul style="list-style-type: none"> Continuation funding For-profit organization Participant Prior approval Expands and clarifies definition of questioned cost (200.1) 	<ul style="list-style-type: none"> Agencies permitted to use a language other than English when appropriate (200.111) Revises section on mandatory disclosures to better align with the FAR 	<ul style="list-style-type: none"> Clarifications on fixed amount awards (200.201) Updates and expands Program Planning and Design (200.202) Assistance listings must be in plain language (200.203) Revises section on NOFOs to make them more accessible (200.204) Clarifies that agencies should consider diversity in merit reviews (200.205) Establishes risk assessment as a standard term, clarifies agency responsibilities (200.206) Specifies that the terms and conditions of loans and loan guarantee programs must specify any continuing compliance requirements (200.211) Certifications requirements (200.209) Expands prohibition on certain communication and video surveillance services or equipment (200.216) New section on Whistleblower Protections (200.217) 	<ul style="list-style-type: none"> Requires recipient/subrecipient internal controls to include cyber security (200.303) Flexibilities on interest (200.305) Revises cost sharing including definition of (200.306) Clarifies program income (200.307) Combines budget/program plan requirements for construction & non-construction awards (200.308) Modifications to periods of performance (200.309) Increases equipment threshold and allows Indian Tribes to dispose of equipment in accordance with tribal law (200.314) Increases threshold on supplies (200.313) Allows Indian Tribes to follow their own procurement standards (200.317) Removes prohibition on geographic preferences for procurement (200.319) Revises and clarifies procurement guidance (200.319 & 200.320) Adds veteran-owned business to types of businesses prioritized for procurement (200.321) Clarifies reporting timelines and requirements (200.328 & 200.344) Add requirement for PTEs to confirm that subrecipients are not suspended/disbarred (200.332) Raises the threshold on fixed amount subawards to \$500,000 (200.333) Clarifies termination and closeout guidance (2 CFR 200.340 & 200.344) 	<ul style="list-style-type: none"> Removes 9 items from prior approval reqs (200.407) De minimis rate increase (200.414) Removes requirement that IDC rates must be publicly available (200.414) Requires PTEs to certify to subrecipients that financial info submitted is complete and accurate (200.415) Updates Interagency Service to align with new de minimis rate (200.417) Removes requirement for IHE to submit DS-2 (200.419) Revisions to general provisions for items of cost including: <ul style="list-style-type: none"> Advisory councils (200.422) Compensation - Fringe benefits (400.431) Conferences (200.432) Entertainment and prizes (200.438) Equipment and other capital expenditures (200.439) Publication and printing costs (200.461) Termination and standard closeout costs (200.472) 	<ul style="list-style-type: none"> Raises audit threshold from \$750,000 to \$1,000,000 (200.501) Revises responsibilities of federal agency (200.513) Compliance testing must include transaction testing, other necessary auditing procedures, and provide sufficient evidence to support opinion (200.514) Revises definition of known questioned cost and likely questioned cost (200.516) Adjust thresholds for Type A programs to align with new audit threshold (200.518)
Appendix 1 – Full Text of Notice of Funding Availability OMB updated this Appendix to: <ul style="list-style-type: none"> Follow plain language principles Group similar items together Align sections more closely to application process Include basic information at top of funding opportunity Clearly define what must be included versus what is an agency's discretion Provide flexibility to agencies while giving applicant a common way to find information 					

The above is a high-level list of key changes - please refer to OMB's guidance for the definitive list and rationale for each update.

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2024 Uniform Guidance Update Overview

OMB revised the threshold and rates for several key elements. These apply to all grant awards issued on or after October 1, 2024.

Table: Threshold and Rate Changes

Threshold/Rate	Location	Previously	As of the 2024 Update
Equipment threshold*	2 CFR 200.313	\$5,000	\$10,000
Supply threshold*	2 CFR 200.314	\$5,000	\$10,000
Fixed amount subaward threshold	2 CFR 200.333	\$250,000	\$500,000
De minimis rate (IDC)	2 CFR 200.414	10%	15%
Audit threshold	2 CFR 200.501	\$750,000	\$1,000,000
Modified total direct costs exclusion for subawards	Appendix III to Part 200 Appendix IV to Part 200	Above \$25,000	Above \$50,000

*Guidance on the ^[No Title] ~~procurement~~ selling unused equipment or supplies revised to refer to \$1,000 as amount recipients may be permitted to retain from Federal Share (was previously \$500 or 10 percent).

Most notably, OMB changed the title of Title 2 to Federal Financial Assistance. OMB updated the guidance using plain language principles, clarifying language and reducing jargon.

Table: Language Changes

Previously	As of the 2024 Update
Grants and Agreements (Title 2 of CFR)	Federal Financial Assistance (Title 2 of CFR)
Federal awarding agency	Federal agency
Non-federal entity	Recipient (or subrecipient, as appropriate)
Cost share and match	Cost share (match is a type of cost share)
DUNS number	Unique entity identifier (UEI)
OMB designated government system	Using actual system name (i.e., SAM.gov, USAspending.gov, CPARs, Grants.gov)

Prior approval means the written approval obtained in advance by an authorized official of a Federal agency or pass-through entity of certain costs or programmatic decisions.

The updates to 2 CFR 200 remove the following items from the list of items requiring prior approval.

Table: Prior Approval (2 CFR 200.407)

200.201 Use of grant agreements	200.438 Entertainment and prizes	200.456 Participant support costs
200.311 Real property	200.413 Direct costs	200.467 Selling and marketing costs
200.313 Equipment and other capital expenditures	200.454 Memberships, subscriptions and professional activity costs	200.470 Taxes (including Value Added Tax)





Upcoming Events



Grant Reporting Due Dates

Grant Reporting: Grant recipients should double check with their grant specialist to we have ensure all required documentation and reporting have been submitted to the HMEP grant program.

For FY2022-2024 HMEP States and Territories:

- Year 2, **FY23 Annual Federal Financial Report due December 30, 2024.**
- Year 2, **FY23 Annual Performance Progress Report due December 30, 2024.**
 - Reporting period October 1, 2023 - September 30, 2024

For FY2023 Tribal Grantees:

- Final Reporting are due **120 days after** the end of the performance period ends.

Reports should be electronically submitted to the HMEP mailbox HMEP.Grants@dot.gov

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HMEP Kickoff Webinar

PHMSA will host a kickoff webinar for the start of the FY 2024 performance cycle in October.

Purpose of webinar:

- Introduction/networking between tribal grantee.
- Share expectations
- Answer questions.

More information forthcoming in September.



FY 2025 – 2027 Application Cycle

- Will begin a new three-year performance cycle.
- HMEP Application Webinars will be held December/January timeframe.
- Allocations emails will go out December/January timeframe.
 - Allocation formula will be updated. Allocations will increase, decrease, or remain the same.
- Program related questions when completing the application, contact your grant specialist or email HMEP.grants@dot.gov.



House Keeping Items



Making Changes to Your Project Plan

Otherwise known as a Post-Award Adjustment, Activity Requests (ARs) can be submitted to the HMEP program when the following occurs:

Budget Revision ([2 CFR 200.308](#))

❖ Change in scope ([2 CFR 200.308](#))

Activity Requests :

- ❖ Common occurrence within the management of the HMEP Grant.
- ❖ Allows for additional approval of activities.
- ❖ Enables the program to provide detailed technical assistance.



Making Changes to Your Project Plan

HazMat Grants



Page 1 of 2

HazMat Grant Activity Request Form

Section A - Requesting Organization

Organization: *

Street Address:

City:

State:

Zip Code:

Section B - Point of Contact

First name: *

Last name: *

Phone: *

Email: *

Position: *

Section C - Grant Activity Request Information

Grant Program: * ☐ HMEP ☐ HMIT ☐ SPST ☐ ALERT ☐ CSG

Grant Number: * (example: 693JK32240099HMEP)

UEI Number: *

Amount: *

Activity to Fund: *

Account Type to Fund: * ☐ Planning ☐ Training

Activity to Offset:
(if applicable)

Account Type To Offset:
(if applicable) ☐ Planning ☐ Training

https://hazmatgrants.phmsa.dot.gov/activity_request.asp

01/23/2023

Activity request template form is a fillable PDF that can be submitted via email at HMEP.grants@dot.gov

Your Grant Specialist will review complete the review portion and return the Activity Request form for your records.



Submitting Reimbursement Requests

Reimbursement requests require the submission of the following in the DELPHI accounting system:

- ❖ SF-270 form (provided in my last quarterly meeting note)
- ❖ Appropriate supporting documentation per your risk rating which can be found on your NGA.

*Risk assessment rating is evaluated and determine each grant award year.



Submitting Reimbursement Requests

The naming convention of the invoice should reflect:

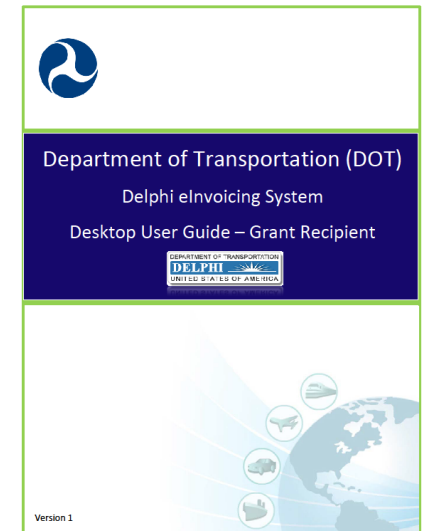
1. The grantee's initials or acronym
2. The fiscal year the grant was awarded
3. Incremental number (starting from 01)
4. "PR" or "CM" abbreviation added after the incremental number, where:
 - a. PR indicates a grantee's request for reimbursement (i.e. CL-23-01PR)
 - b. CM indicates a credit memo, (i.e. CL-23-01CM)

Invoices can be submitted via Delphi eInvoicing at:

<https://einvoice.esc.gov>

Instructions for submitting an invoice are available at:

<https://einvoice.esc.gov/grantee.html>



Friendly Reminders

- ❖ Any changes to HMEP staff or designated agency should be communicated with your Grant Specialist.
- ❖ Activity Requests should be submitted through the HMEP mailbox and approved by PHMSA prior to conducting activity.
- ❖ Annual and Final Reports should be submitted to HMEP.grants@dot.gov and CC your Grant Specialist.



Hazmat Grant Program Contact Information:

- Chief: Carla Sheppard, Carla.Sheppard@dot.gov, 202-689-9818
- General Inquiries E-mail: HMEP.Grants@dot.gov
- General Inquiries Telephone number: 202-366-1109
- Hazardous Materials Grants Program Website: <http://www.phmsa.dot.gov/hazmat/grants>
- HMEP Resources: <https://www.phmsa.dot.gov/grants/hazmat/hmep-resources>
- PHMSA Hazardous Materials Grant Program Site: [PHMSA Hazardous Materials Grants Program Site - Home \(sharepoint.com\)](https://www.phmsa.dot.gov/grants/hazmat/hmep-resources)



