Guidelines for States Participating in the Underground Natural Gas Storage Safety Program - Grant Monitoring Checklist

Appendix M

Underground Natural Gas Storage (UNGS) SAFETY GRANT (CFDA 20.725) MONITORING CHECKLIST

Date(s) of Review	**From: xx/xx/2019**		**To: xx/xx/2019**
State Program	Choose an item.		
State Representative(s)			
PHMSA Representatives	Choose an item.	Choose an item.	
General Notes:			

Program costs shall clearly relate to and comply with the program budget submitted with the grant application. Program costs shall also be consistent with the following program and codified guidance:

- 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Guidelines for States Participating in the Underground Natural Gas Storage Safety Program
- UNGS Safety Grant Monitoring Procedures
- All Terms and Conditions listed in Notice of Grant Award
- § 200.317 Procurements by states. When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with § 200.322 Procurement of recovered materials and ensure that every purchase order or other contract includes any clauses required by section § 200.326 Contract provisions. All other non-Federal entities, including sub-recipients of a state, will follow §§ 200.318 General procurement standards through 200.326 Contract provisions.

COMPENSATION FOR PERSONNEL - SALARY AND FRINGE BENEFITS

§ 200.430 Compensation—personal services (Salaries). • **Program Managers, Supervisors, Inspectors, Technical, Administrative, etc.** • **Review Program Organization Chart** • **Match personnel with information on Attachment 7 of Progress Report**	**YES**	**NO**	**N/A**
1. Are personnel listed directly involved in the UNGS program?	☐	☐	☐
2. If personnel are devoted to less than 100% UNGS safety activities is time and effort adequately documented?	☐	☐	☐
3. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
NOTES: Are costs included in this category reasonable and directly assignable to the UNGS program?			

§ 200.431 Compensation—fringe benefits • **Statewide service allocations should not be included (i.e. per employee payroll or IT costs, etc.)** • **Typically included are employee insurance, FICA, pensions, unemployment and other items established by state policy.**	**YES**	**NO**	**N/A**
1. Are fringe benefit costs standard among all agency employees?	☐	☐	☐
2. Are costs included in this category reasonable and directly assignable to the pipeline program?	☐	☐	☐
NOTES:			

UNGS SAFETY PROGRAM ACTIVITY COSTS

§ 200.425 Audit Services • **Audit costs required by the Single Audit Act are the only allowable audit costs unless preapproved in advance** • **<u>There should rarely or never be costs in this category</u>** • **Most audit costs are "statewide" and will be recovered in an indirect cost plan** • **This would be a good time to see if A-133 audit done by state included CFDA 20.725 for the** UNGS **safety grant. This should be listed on document submitted to clearinghouse.**	**YES**	**NO**	**N/A**
1. Was UNGS Safety Grant CFDA 20.725 included in Statewide A-133 audit?	☐	☐	☐
NOTES:			

Communication and Transportation Costs • **Communication has been deleted from "selected" items of cost and is subject to guidance in Subtitle II "Basic Considerations" in Subpart E – Cost Principles.** • **This category would be for all telephone and cell phone services, data plans, air-cards, postage and shipping** • **200.473 Transportation costs is area in new cost principles that discusses charges for freight, express, postage, etc.** • **Allocated costs from statewide or agency billings should only be collected as indirect costs**	**YES**	**NO**	**N/A**
1. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
NOTES:			

§ 200.452 Maintenance and repair costs. • **Costs incurred for utilities, insurance, necessary maintenance, repair or upkeep of building and equipment** • **Any "allocated" or "pro-rated" costs are typically indirect and should not be included** • **Direct costs in this category are rare for any utilities, maintenance etc.**	**YES**	**NO**	**N/A**
1. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐

NOTES:

§ 200.454 Memberships, subscriptions, and professional activity costs. • Costs of memberships in business, technical, and professional organizations • Subscriptions to business, professional, and technical periodicals • Costs of membership in any civic or community organization are allowable with prior approval from PHMSA • Costs of membership in organization whose primary purpose is lobbying are unallowable • Agency memberships in NARUC or other national and regional regulatory or industry associations are not allowed as a direct cost	YES	NO	N/A
1. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
NOTES:			

§ 200.459 Professional service costs. • Costs of professional and consultant services, contractual studies, etc. • There should be documented pre-approval of any contractual service agreements in either separate correspondence with PHMSA or detail outline in grant application for applicable year. Review SharePoint files.	YES	NO	N/A
1. Have any costs in this category been preapproved?	☐	☐	☐
2. Do costs applied in this category meet scope and intent of contract?	☐	☐	☐
NOTES:			

§ 200.461 Publication and printing costs. • Publication costs for electronic and print media. • Generally there are not large amounts charged in this category.	YES	NO	N/A

1. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
NOTES:			

§ 200.465 Rental costs of real property and equipment. • **Rental costs of building and equipment** • **Calculation of rental costs should be examined and should include a determination of reasonableness of square footage charged to grant.** • **There will typically be a property lease available that outlines costs per square foot or other document from state which outlines agency cost for building rental.** • **Lease costs cannot be included in any indirect cost plan if collected as a direct cost.**	**YES**	**NO**	**N/A**
1. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
2. Did program provide a detailed calculation on how costs were determined?	☐	☐	☐
NOTES:			

§ 200.472 Training and education costs. • **These are costs for training and education provided for employee development.** • **This would be costs for tuition, registration fees, training materials, etc.** • **Travel costs for training should not be included in this category.** • **§ 200.432 Conference Costs would be included in this category (Registration or other fees collected should be deducted).**	**YES**	**NO**	**N/A**
1. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
NOTES:			

§ 200.474 Travel costs. • **Travel costs are expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on office business of** UNGS **program.** • **Costs may be charged on an actual basis, on a per diem or mileage basis in lieu of actual costs or a combination of the two provided the method used is applied to entire trip and not just selected days of the trip.** • **These are charges for travel including automobile expenses, auto leasing, costs billed per automobile by state central service offices.** • **Review travel vouchers, airline receipts, mileage statements.** • **Verify that costs were not reimbursed by another entity, such as PHMSA invitational travel.**	**YES**	**NO**	**N/A**
1. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
2. If program automobiles are shared with any other part of agency are charges separated and appropriately billed?	☐	☐	☐
NOTES:			

MATERIAL, SUPPLIES AND EQUIPMENT COSTS

§ 200.453 Materials and supplies costs, including costs of computing devices. • **Also see § 200.314 Supplies.** • **Costs incurred for materials and supplies necessary to carry out Federal award** • **Any withdrawals from central storerooms or stockrooms should be charged at actual net costs – allocated costs of agency wide supplies would be collected under indirect costs.** • **These include things such as office supplies, safety clothing and any other general supplies used by program.** • **Office and Testing Equipment may very well apply to this category rather than equipment based on value.**	**YES**	**NO**	**N/A**
1. Are costs for **SUPPLIES** included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
2. Are costs for **SAFETY CLOTHING** included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
NOTES:			

§ 200.439 Equipment and other capital expenditures. • **Also see §§ 200.33 Equipment, 200.48 General purpose equipment, etc.** • **Capital expenditures with a unit cost of $5000 or more must have prior approval of PHMSA. This information should be outlined on approved grant application or under separate correspondence typically found in SharePoint.** • **Individual invoices should be reviewed and inventory of previous purchased equipment over $5000 should be appropriately accounted for.** • **Office and Testing Equipment will likely fall under guidance of §§ 200.453 or 200.314 but review of various expenditures will not differ.**	**YES**	**NO**	**N/A**
1. Are costs for **MOTOR VEHICLES** included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
2. Are costs for **OFFICE EQUIPMENT** included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
3. Are costs for **TESTING EQUIPMENT** included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
NOTES:			

OTHER COSTS

§ 200.xxx Various. • **Any costs applied in this category should be tied back to some part of 2 CFR Part 200 and should be listed in notes.** • **State program should be advised if cost listed could be applied to any of the sections above and asked to submit accordingly on future submissions.**	**YES**	**NO**	**N/A**
1. Are costs included in this category reasonable and directly assignable to the UNGS program?	☐	☐	☐
NOTES:			

INDIRECT COSTS

§ 200.414 Indirect Costs. • **Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved.** • **Also see various other sections of 2 CFR 200, including §§ 200.415, 200.416.** • **State should have updated negotiated indirect rate on file with PHMSA and will likely be found in SharePoint folders. Advise program to submit current document if not.** • **Rate and dollar amount calculation should be verified.** • **Cost basis of calculation should be noted.** **State agency may use a de minimis rate of 10% of Modified Total Direct Costs (MTDC) N/A**	**YES**	**NO**	**N/A**
1. Are costs calculated in the category correct in accordance with either negotiated rate basis or use of de minimis rate?	☐	☐	☐
2. Is current rate documentation on file?	☐	☐	☐
NOTES:			