

Overview of 31 C.F.R., Part 34: Department of the Treasury Regulations for the Gulf Coast Restoration Trust Fund, Interim Final Rule (“IFR”) and Impact on Multi-Year Implementation Plan Development

Issue:

Impact on MYIP:

<p>Treasury Regulations will be subject to Uniform Cost Principles 2 CFR 200</p>	<p>Many issues are still a moving target. The Rule specifically states that requirements regarding the following topics are addressed by 2 CFR 200:</p> <ul style="list-style-type: none"> • Audits, • Allowable costs, • Disbursements, • Payments, • Procurement, • Recordkeeping, and • Reporting
<p>Additional rules and guidance</p>	<p>IFR states that additional rules and guidance are forthcoming including:</p> <ul style="list-style-type: none"> • Guidance for use in evaluating “best available science” criteria for grants under the Direct Component • Treasury may consider issuing additional guidance on § 34.204 “Limitations on activities” (such as documentation to substantiate certain eligible activities). • Treasury will develop procedures for whenever a waiver of modification would materially change a regulatory requirements (§ 34.105). • Treasury will publish agency-wide NEPA policies and procedures in the Federal Register for public comment.
<p>Administrative cost cap of 3%</p>	<p>Administrative costs do not include (those costs assignable to facilities, eligible projects or activities related to grant applications, awards, audit requirements, or post-award management including payments and collections)</p>
<p>Advance Payments of RESTORE Funds</p>	<p>Explicitly authorized for development of MYIP</p>
<p>“Gulf Coast Region”</p>	<p>Activities must benefit the Gulf Coast Region (not necessarily located within the statutorily defined area)</p>

Infrastructure	Clearer direction on what is and is not considered infrastructure pursuant to the Rule
NEPA	At this time, it does not appear as though NEPA analysis will be required at the MYIP level, but this is subject to further federal rulemaking pursuant to the APA.
Pass Through Entity and Subawards	Regulation explicitly authorizes ability to subgrant money for project implementation (grantee – County- still responsible for compliance, monitoring and reporting)
Plan structure	<p>Plans can be phased, incremental and modified. Guidance document explicitly says initial applications are limited to “money in the Trust Fund” = Transocean payments 2013 and 2014. \$8,370,163 is currently available for distribution to Escambia County.</p> <p>Applications to be made for each individual project (goes to program set up) or more than one project with Treasury approval).</p>
Planning assistance	Several key concepts we proposed were incorporated into the IFR definition of planning assistance including activities to prepare plans and environmental review. The definition goes further to include one-time preparations to allow recipients to create systems to review grant applications, award grants, monitoring and audit compliance. The inclusion of these activities is critical because planning assistance is not subject to the 3% cap on administrative cost.
Pre-Award Costs	Reimbursable per 2 CFR 200 and negotiated per final Grant Agreement.