



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
ADMINISTRATION
AND RESOURCES
MANAGEMENT

February 5, 2015

Dear Assistance Agreement Recipient:

The Environmental Protection Agency (EPA) has modified the Disadvantaged Business Enterprise (DBE) Reporting Requirement in 40 C.F.R. Part 33 Section 33.502. Reporting will no longer be required if the funds budgeted for procuring construction, equipment, services and supplies, including funds budgeted for direct procurement by the recipient or procurement under sub awards or loans in the "Other" category, is \$150,000 or less. The current approved budget for one or more of your current EPA grants meets this condition. Reporting will still be required if subsequent amendments and funding cause the total amount of procurement to surpass the \$150,000 threshold. Should this occur, reporting will be required on ALL funds procured over the life of the agreement.

EPA does not intend to issue a formal amendment to your grant(s). EPA recommends that you retain this communication and make it a part of your grant file documentation. Below is the revised term and condition regarding DBE Reporting for your grant(s). If you have any questions regarding this change, please contact the grants management specialist identified on your grant award document.

Also note that this change relates to DBE reporting. It does not affect recipient obligations to make good faith efforts as described in 40 C.F.R. Part 33 Subpart C, or recipient obligations to negotiate fair share objectives as described in 40 C.F.R. Part 33 Subpart D.

Sincerely,

A handwritten signature in black ink that reads "Howard F. Corcoran".

Howard F. Corcoran
Director, Office of Grants and Debarment

UTILIZATION OF SMALL, MINORITY AND WOMEN'S BUSINESS ENTERPRISES (MBE/WBE) Term and Condition

GENERAL COMPLIANCE, 40 CFR, Part 33

The recipient agrees to comply with the requirements of EPA's Disadvantaged Business Enterprise (DBE) Program for procurement activities under assistance agreements, contained in 40 CFR, Part 33.

REPORTING PROVISION

MBE/WBE reporting is required annually for assistance agreements where there are funds budgeted for procuring construction, equipment, services and supplies, including funds budgeted for direct procurement by the recipient or procurement under subawards or loans in the "Other" category, that exceed the threshold amount of \$150,000, including amendments and/or modifications.

Based on EPA's review of the planned budget, this award does not meet the condition above and is not subject to the reporting requirements of the Disadvantaged Business Enterprise (DBE) Program. However, if during the performance of the award the total of all funds expended for direct procurement by the recipient and procurement under subawards or loans in the "Other" category exceeds \$150,000, annual reports will be required in accordance with the reporting paragraph below and you are required to notify your grant specialist for additional instructions.

The recipient also agrees to request prior approval from EPA for procurements that may activate DBE Program reporting requirements.

This provision represents an approved deviation from the MBE/WBE reporting requirements as described in 40 CFR, Part 33, Section 33.502; however, the other requirements outlined in 40 CFR Part 33 remain in effect, including the Good Faith Efforts requirements as described in 40 CFR Part 33 Subpart C and Fair Share Objectives negotiation as described in 40 CFR Part 33 Subpart D and explained below.

MBE/WBE REPORTING, 40 CFR, Part 33, Subpart E

When required, MBE/WBE reports must be submitted annually. The recipient agrees to complete and submit a "MBE/WBE Utilization Under Federal Grants, Cooperative Agreements and Interagency Agreements" report (EPA Form 5700-52A) on an annual basis. All procurement actions are reportable, not just that portion which exceeds \$150,000.

When completing the annual report, recipients are instructed to check the box titled "annual" in section 1B of the form. For the final report, recipients are instructed to check the box indicated for the "last report" of the project in section 1B of the form. Annual reports are due by [October 30th](#) of each year. Final reports are due by [October 30th](#) or 90 days after the end of the project period, whichever comes first.

The reporting requirement is based on total procurements. Recipients with expended and/or budgeted funds for procurement are required to report annually whether the planned procurements take place during the reporting period or not. If no budgeted procurements take place during the reporting period, the recipient should check the box in section 5B when completing the form.

MBE/WBE reports should be sent to [insert name and contact information of the appropriate DBE coordinator and Grants Specialist (optional)]. The current EPA Form 5700-52A can be found at the EPA Resources for Small Business Programs Page at http://www2.epa.gov/sites/production/files/documents/5700-52a_updated.pdf .

Note - For borrowers doing DBE utilization reporting under the ACWF and ADWF loan programs. Please do not use EPA's 5700-52A form and report directly to EPA. Please access ACWF/ADWF DBE utilization reporting at the following web link: <http://dec.alaska.gov/water/oasys/index.html> (A MyAlaska account will need to be entered to access the appropriate reporting site.)