§ 30.24 Equipment, buildings and land for which title passes to the recipient may differ according to the purpose of the award, if paragraph (g) (1) or (2) of this section applies.

(1) If the purpose of the award is to assist the recipient in the acquisition of equipment, buildings or land, the total value of the donated property may be claimed as cost sharing or matching.

(2) If the purpose of the award is to support activities that require the use of equipment, buildings or land, normally only depreciation or use charges for equipment and buildings may be made. However, the full value of equipment or other capital assets and fair rental charges for land may be allowed, provided that the EPA technical program office, after consultation with EPA property management personnel, has approved the charges.

(h) The value of donated property shall be determined in accordance with the usual accounting policies of the recipient, with the following qualifications.

(1) The value of donated land and buildings shall not exceed its fair market value at the time of donation to the recipient as established by an independent appraiser (e.g., certified real property appraiser or General Services Administration representative) and certified by a responsible official of the recipient.

(2) The value of donated equipment shall not exceed the fair market value of equipment of the same age and condition at the time of donation.

(3) The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.

(4) The value of loaned equipment shall not exceed its fair rental value.

(5) The following requirements pertain to the recipient’s supporting records for in-kind contributions from third parties.

(i) Volunteer services shall be documented and, to the extent feasible, supported by the same methods used by the recipient for its own employees.

(ii) The basis for determining the valuation for personal service, material, equipment, buildings and land shall be documented.

§ 30.24 Program income.

(a) EPA shall apply the standards set forth in this section in requiring recipient organizations to account for program income related to projects financed in whole or in part with Federal funds.

(b) Except as provided in paragraph (h) of this section, program income earned during the project period shall be retained by the recipient and, in accordance with EPA regulations or the terms and conditions of the award, shall be used in one or more of the ways listed in the following.

(1) Added to funds committed to the project by EPA and recipient and used to further eligible project or program objectives.

(2) Used to finance the non-Federal share of the project or program.

(3) Deducted from the total project or program allowable cost in determining the net allowable costs on which the Federal share of costs is based.

(c) When EPA authorizes the disposition of program income as described in paragraphs (b)(1) or (2) of this section, program income in excess of any limits stipulated shall be used in accordance with paragraph (b)(3) of this section.

(d) In the event that the EPA does not specify in its regulations or the terms and conditions of the award how program income is to be used, paragraph (b)(3) of this section shall apply automatically to all projects or programs except research. For awards that support research, paragraph (b)(1) of this section shall apply automatically unless EPA indicates in the terms and conditions another alternative on the award or the recipient is subject to special award conditions, as indicated in §30.14.

(e) Unless EPA regulations or the terms and conditions of the award provide otherwise, recipients shall have no obligation to the Federal Government regarding program income earned after the end of the project period.

(f) If authorized by EPA regulations or the terms and conditions of the award, costs incident to the generation of program income may be deducted.
from gross income to determine pro-
gram income, provided these costs have
not been charged to the award.

(g) Proceeds from the sale of property
shall be handled in accordance with the
requirements of the Property Stan-
dards (See §§ 30.30 through 30.37).

(h) Unless EPA regulations or the
terms and condition of the award pro-
vide otherwise, recipients shall have no
obligation to the Federal Government
with respect to program income earned
from license fees and royalties for
copyrighted material, patents, patent
applications, trademarks, and inven-
tions produced under an award. How-
ever, Patent and Trademark Amend-
ments (35 U.S.C. 18) apply to inventions
made under an experimental, develop-
mental, or research award.

§ 30.25 Revision of budget and pro-
gram plans.

(a) The budget plan is the financial
expression of the project or program as
approved during the award process. The
budget shall include both the Federal
and non-Federal share. It shall be re-
lated to performance for program eval-
uation purposes whenever appropriate.

(b) Recipients are required to report
deviations from budget and program
plans, and request prior approvals for
budget and program plan revisions, in
accordance with this section.

(c) For nonconstruction awards, un-
less EPA regulations provide other-
wise, recipients shall request prior
written approvals from:

(1) The EPA Award Official for the
following:

(i) Change in the scope or the objec-
tive of the project or program (even if
there is no associated budget revision
requiring prior written approval).

(ii) The need for additional Federal
funding.

(iii) The inclusion of costs that re-
quire prior approval in accordance with
OMB Circular A-21, “Cost Principles
for Institutions of Higher Education,”
OMB Circular A-122, “Cost Principles
for Non-Profit Organizations,” or 45
CFR part 74 appendix E, “Principles for
Determining Costs Applicable to Re-
search and Development under Grants
and Contracts with Hospitals,” or 48
CFR part 31, “Contract Cost Principles
and Procedures,” as applicable.

(2) The technical program office for
the following:

(i) Change in a key person specified
in the application or award document.

(ii) The absence for more than three
months, or a 25 percent reduction in
time devoted to the project, by the ap-
proved project director or principal in-
vestigator.

(iii) The transfer of amounts budget-
eted for indirect costs to absorb in-
creases in direct costs, or vice versa.

(iv) The transfer of funds allotted for
training allowances (direct payment to
trainees) to other categories of ex-
 pense.

(v) Unless described in the applica-
tion and funded in the approved award,
the subaward, transfer or contracting
out of any work under an award. This
 provision does not apply to the pur-
chase of supplies, material, equipment
or general support services.

(d) No other prior approval require-
ments for specific items may be im-
posed unless a deviation has been ap-
proved by OMB.

(e) Except for requirements listed in
paragraphs (c)(1)(i) and (ii) of this sec-
tion, the EPA Award Official may
waive cost-related and administrative
prior written approvals required by
this part and OMB cost principles. For
awards that support research, these
prior approval requirements are auto-
matically waived unless:

(1) EPA provides otherwise in the
award or agency regulation or

(2) One of the conditions in paragraph
(f)(2)(i) of this section applies.

(f) Recipients are authorized without
prior approval or a waiver to:

(1) Incur pre-award costs 90 calendar
days prior to award.

(i) Pre-award costs incurred more
than 90 calendar days prior to award
require the prior approval of the EPA
Award Official.

(ii) The applicant must include all
pre-award costs in its application.

(iii) The applicant incurs such costs
at its own risk (i.e., EPA is under no
obligation to reimburse such costs if
for any reason the recipient does not
receive an award or if the award is less
than anticipated and inadequate to
cover such costs).