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or more years and may be extended incrementally, up to 12 months at a time, with EPA approval;

(d) *Certifications* for a drug-free workplace; debarment, suspensions, and other responsibility matters; procurement; and lobbying, pursuant to §35.6105(a) (3) through (6) of this subpart.

§ 35.6235 Cost sharing.

The recipient of a Core Program Cooperative Agreement must provide at least ten percent of the direct and indirect costs of all activities covered by the Core Program Cooperative Agreement. The recipient must provide its cost share with non-Federal funds or with Federal funds authorized by statute to be used for matching purposes. Funds used for matching purposes under any other Federal grant or Cooperative Agreement cannot be used for matching purposes under a Core Program Cooperative Agreement. The recipient may provide its share using in-kind contributions if such contributions are provided for in the Cooperative Agreement. The recipient may not use CERCLA State credits to offset any part of the recipient's required match for Core Program Cooperative Agreements. See §35.6285 (c), (d), and (f) regarding credit, over match, and advance match, respectively.

SUPPORT AGENCY COOPERATIVE AGREEMENTS

§ 35.6240 Eligibility for support agency Cooperative Agreements.

States, political subdivisions, and Indian Tribes may apply for support agency Cooperative Agreements to ensure their meaningful and substantial involvement in response activities, as specified in sections 104 and 121(f)(1) of CERCLA and the NCP. (See §35.6800 (a) and (b).)

§ 35.6245 Allowable activities.

Support agency activities are those activities conducted by the recipient to ensure its meaningful and substantial involvement. The activities described in section 121(f)(1) of CERCLA, as amended, and in subpart F of the NCP, are eligible for funding under a support agency Cooperative Agreement.

§ 35.6250 Support agency Cooperative Agreement requirements.

(a) *Application requirements.* The applicant must comply with the requirements described in §35.6105(a) (1), (4), (5) and (6), and other requirements as negotiated with EPA. (Indian Tribes are exempt from the requirement of Intergovernmental Review in part 29 of this chapter.) An applicant may submit a non-site-specific budget for support agency activities, with the exception of remedial action support agency activities, which require cost share and must be applied for within a site-specific budget. All support agency activities are subject to the applicable sections of this subpart.

(b) *Cooperative Agreement requirements.* The recipient must comply with the requirements regarding financial administration (§§35.6270 through 35.6290 of this subpart), property (§§35.6300 through 35.6450), procurement (§§35.6550 through 35.6610), reporting (§§35.6650 through 35.6670), records (§§35.6700 through 35.6710), and other administrative requirements under a Cooperative Agreement (§§35.6750 through 35.6790) described in this subpart.

§ 35.6255 Cost sharing.

The requirements for cost sharing under a support agency Cooperative Agreement are the same as the cost sharing requirements of §35.6105(b)(2) of this subpart. The State may use in-kind services as part of its cost share. (See §35.6815(b) for SSC payment requirements.)

FINANCIAL ADMINISTRATION REQUIREMENTS UNDER A COOPERATIVE AGREEMENT

§ 35.6270 Standards for financial management systems.

(a) *Accounting system standards.* (1) *General.* The recipient's system must track expenses by site, activity, and operable unit, as applicable, according to object class. The system must also provide control, accountability, and an assurance that funds, property, and other assets are used only for their authorized purposes. The recipient must allow an EPA review of the adequacy of

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the financial management system as described in 40 CFR 31.20(c).

(2) *Allowable costs.* The recipient's systems must comply with the appropriate allowable cost principles described in 40 CFR 31.22.

(3) *Pre-remedial.* The system need not track expenses by site. However, all pre-remedial costs must be documented under a single Superfund account number designated specifically for the preremedial activity.

(4) *Core Program.* Since all costs associated with Core Program Cooperative Agreements are non-site-specific, the systems need not track expenses by site. However, all Core Program costs must be documented under the Superfund account number(s) designated specifically for Core Program activity.

(5) *Support Agency.* Unless otherwise specified in the Cooperative Agreement, all support agency costs, with the exception of remedial action support agency costs, may be documented under a single Superfund account number designated specifically for support agency activities. Remedial action support agency activities must be documented site-specifically.

(6) *Accounting system control procedures.* Except as provided for in paragraph (a)(3) of this section, accounting system control procedures must ensure that accounting information is:

(i) Accurate, charging only costs attributable to the site, activity, and operable unit, as applicable; and

(ii) Complete, recording and charging to individual sites, activities, and operable units, as applicable, all costs attributable to the recipient's CERCLA effort.

(7) *Financial reporting.* The recipient's accounting system must use actual costs as the basis for all reports of direct site charges. The recipient must comply with the requirements for financial reporting contained in § 35.6670 of this subpart.

(b) *Recordkeeping system standards.* (1) The recipient must maintain a recordkeeping system that enables site-specific costs to be tracked by site, activity, and operable unit, as applicable, and provides sufficient documentation for cost recovery purposes.

(2) The recipient must provide this site-specific documentation to the EPA

Regional Office within 30 working days of a request, unless another time frame is specified in the Cooperative Agreement.

(3) In addition, the recipient must comply with the requirements regarding records described in §§ 35.6700, 35.6705, and 35.6710 of this subpart. The recipient must comply with the requirements regarding source documentation described in 40 CFR 31.20(b)(6).

(4) For pre-remedial and Core Program activities, the recordkeeping system must comply with the requirements described in paragraphs (a)(3) and (a)(4), respectively, of this section.

§ 35.6275 Period of availability of funds.

(a) The recipient must comply with the requirements regarding the availability of funds described in 40 CFR 31.23.

(b) Except as permitted in § 35.6285, the Award Official must sign the assistance agreement before costs are incurred. The recipient may incur costs between the date the Award Official signs the assistance agreement and the date the recipient signs the agreement, if the costs are identified in the agreement and the recipient does not change the agreement.

§ 35.6280 Payments.

(a) *General.* In addition to the following requirements, the recipient must comply with the requirements regarding payment described in 40 CFR 31.21 (f) through (h).

(1) *Assignment of payment.* The recipient cannot assign the right to receive payments under the recipient's Cooperative Agreement. EPA will make payments only to the payee identified in the Cooperative Agreement.

(2) *Interest.* If the recipient earns interest on an advance of EPA funds, the recipient must return the interest unless the recipient is a State or State agency as defined under section 203 of the Intergovernmental Cooperation Act of 1968, or a Tribal organization as defined under section 102, 103, or 104 of the Indian Self-Determination and Education Assistance Act of 1975 (Pub. L. 93-638).