

## Frequently Asked Questions

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### General

1. **Does a perspective grantee have to have established facilities before applying to a Community Foods grant? Suggested alternative question: Can a grantee build facilities with grant funds?**

*In the Community Food Projects Competitive Grants Program (CFPCGP) RFA under Section E. Funding Restrictions – Construction and Renovation, it states the following “With prior approval, and in accordance with applicable Federal cost principles, grant funds may be used to plan, acquire, or construct a building or facility, or to acquire land: and for improvements, alterations, renovations, or repairs to land or buildings, necessary to carry out a funded project under this program. However, requests to use grant funds for such purposes must demonstrate that such expenditures are essential to achieving the major purpose for which the grant request is made.”*

*Also, when submitting proposals, the grantee should include the costs in the budget, and provide the information in the budget narrative. For additional information on capital expenditures and facilities the grantee can refer to OMB Circular A-122, Cost Principles for Non-Profit Organizations.*

2. **What is meant by a one time infusion of Federal Funds? Can we ever apply again?**

*The legislation requires that any one project can only be funded once; however, the same organization may submit a proposal for a different project.*

3. **What are allowable and unallowable costs for Community Foods Grants?**

**Grantee should refer to the applicable cost principles, A-122, Cost Principles for Non-Profit Organizations <http://www.whitehouse.gov/omb/circularsa122/print/a122.html>**

**Selected items of cost are listed below:**

#### Allowable

*Equipment purchased for use on the project*

*Equipment use charges if it is normal policy*

#### Unallowable

*Equipment already on hand*

*Equipment use charges if it is already a part of Indirect Cost Rate base*

*Space rental/lab use charges necessary to complete project*

*Entertainment costs, memorabilia, etc.*

*Minor alterations/renovations/repairs needed to conduct the project*

*Major building construction if not approved by the agency cost*

*Indirect Cost: Grantee's Approved Negotiated Indirect Cost Rate*

*Any indirect costs in excess of the approved Indirect Cost Rate*

*Salaries and Wages for student workers for actual work performed on the project*

*Stipends/scholarships for students*

**4. What is the process for making an award once the recommendation for a grant award has been made?**

*The Competitive Program Staff will request any needed revisions to goals, objectives and budget information. After receipt of this information, the proposal will then be forwarded to our Awards Management Branch (AMB). At AMB a Grants and Agreements Specialist will review it for administrative and legal sufficiency. As part of the review, the Grants and Agreements Specialists will determine if all required information and forms (Current and Pending Support, Resumes or Vitae of Key Personnel, etc.) They may also request additional documentation such as organizational financial information, additional budget details and/or additional information on matching costs. This administrative review normally takes up to 30 days.*

**5. What are some sources of information on how to administer grant funds?**

*You may refer to the Office of Management and Budget's (OMB) Circular A-110 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations"; OMB Circular A-122 "Cost Principles for Non-Profit Organizations"; and, U.S. Department of Agriculture's 7 CFR Part 3019 "Uniform Administrative Requirements for Grant and Agreements with Institutions of Higher Education, Hospitals, and other Non-profit Organizations." These documents, along with other information may be found through the CSREES website at <http://www.csrees.usda.gov/business/business.html>*

**Eligibility**

**1. How does a non-profit organization obtain tax-exempt status?**

*The IRS is responsible for granting this status. The form 1023 is filed with the IRS by organizations that wish to apply for recognition of exemption from Federal income tax under section 501(c)(3). Please refer to the eligibility criteria in the RFA.*

**2. How is the organization information used?**

*To ensure the grantee has 501(c)3, Non-Profit status, to verify that they are financially capable of managing the grant, to establish a file of basic information on the grantee including contacts with signature authority and to assist the Funds Management Section in establishing an account*

*with the Department of Health and Human Services Payment Management System for the grantee to draw funds.*

**3. Are food cooperatives eligible to apply for a community foods grant?**

*Yes, if they meet the “private, nonprofit entity” requirement as well as be registered as a 501 ©)(3) non-profit organization. Please see eligibility criteria in RFA.*

**Required Application Documents**

**1. When I create my budget narrative, what information is needed?**

*Please see the “Required Budgetary Details” information sheet to better explain what the Awards Management Branch requires for the submission of a budget narrative.*

**2. Why do you need resumes or Vitas of senior personnel?**

*To ensure that the Project Director(s) are qualified to carry out the objectives of the project.*

**3. Why are current and pending support forms needed; how are they used?**

*These forms show us that for the Project Director (s) listed on the grant that they have enough time to commit to our award and get the project objectives completed.*

**Matching Funds**

**1. Do we have to have all the required matching resources secured prior to the issuing of the award?**

*Yes, In order for us to issue the award, the grantee has to meet the statutory requirement of 100% matching by providing verification they have the funds in place. Please note that upon an administrative review of the grant that some proposed matching may be deemed unallowable and therefore additional matching resources may be required.*

**2. How do you confirm matching funds?**

*We review the budget, budget narrative and the Third Party’s letters confirming their matching funds as required in the Request For Application (RFA).*

**3. Can other Federal funds be used as matching on this project?**

*No, generally matching contributions must come from non-Federal sources. If there is a question of allowability, organizations should contact the Awards Management Branch.*

**4. Can funds provided from a state or local government for another similar project be used as required matching?**

*No. If the funds were provided specifically for another project, they cannot be used as matching for this project regardless of similarities.*

**5. If I anticipate receiving funds from other sources in the future (i.e. weeks, months, year,**

**etc.) may I count them as anticipated matching costs?**

*No. All matching must be secured at the time of award to be considered as a part of the required matching. See Item #8 above.*

**6. What are cash contributions?**

*Those allowable costs which have been incurred by the grantee or subgrantee in the performance of project objectives for which the organization pays for with their own resources; it also refers to cash contributed to the grantee by non-Federal third parties which then will be used to cover allowable costs incurred by the grantee or subgrantee. Some examples of cash contributions are:*

- the grantee’s cost to purchase items of equipment to be used under a project;*
- the grantee’s cost to pay the salary of grantee employees in proportion to their efforts under a project.*
- Indirect Costs if they have not been requested under the Federal funding portion of the budget.*

**7. What are In-Kind Contributions?**

*The value of allowable noncash contributions which will directly benefit a project and which are provided by non-Federal sources. Some examples of in-kind contributions are:*

- The value of services which are donated by a person to a project (the person is not compensated with project funds, but is donating his/her time to work on the project; the value of the person’s time is used to meet cost-sharing requirements)*
- Rental of space, laboratory or classroom use costs—these types of charges are allowable if needed to conduct the project.*

**8. What are the regulations on in-kind costs?**

*Grantee’s may refer to the CSREES website for 7 CFR 3019, USDA’s Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations. In this document under Section 3019.23 – Cost Sharing or Matching, explains the requirements for matching. Another area that can be referenced is the OMB Circular A-110, Subpart C, Section .23 which is the same language found in 7 CFR 3019.*

**9. What information should be included in the pledge agreement letter?**

*The Third Party pledge agreement letters should each contain the following information: a) authorized organizational representative’s signature of the donor organization and the applicant organization; b) the name, address and telephone number of the donor; c) the title of the project for which the project is made; d) the dollar amount of the cash or in-kind donation; e) a statement that the donor will make the cash/in-kind contribution during the grant period and f) whether the applicant can designate the cash donation as they deem necessary or whether the cash contribution has been designated to a particular budget item by the contributor.*

**10. If an item is unallowable for Federal funds, may we use it as a matching cost?**

*No. If it is unallowable for Federal funds, it would also be unallowable as matching.*

**11. May we use donated land as a matching contribution for the project and if so, how do we determine its current value?**

*Yes, land may be used as a matching contribution. The value of the donated property for cost sharing or matching shall be the lesser of either the certified value of the remaining life of the property recorded in the recipient's accounting records at the time of donation or the current fair market value of the remaining life of the property as determined by an independent appraiser or thru city/county assessment records.*

**12. May we use staff time as a matching contribution towards the project?**

*Yes, please provide the hourly rate of pay applied and the number of hours spent on the project for each individual and the task to be completed.*

**13. Can volunteer's time be used as matching and if so, how do we determine what value the time has?**

*Yes, rates for volunteer services shall be consistent with those paid for similar work in the recipient's organization. In those instances in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market in which the recipient competes for the kind of services involved. In either case, paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation. If including volunteer time, present the information in the following manner - hourly rate x the number of hours = the amount to be paid or the value of volunteer time.*

**14. May we include the costs for entertainment under the request for Federal funds or under our matching as it applies to our grant project?**

*No, entertainment costs are unallowable.*

**15. May we include rent and utility costs under the Federal funds or to help meet our matching requirement?**

*Yes, rent and utility costs are allowed to be applied under both Federal Funds and as matching as long as they have not been applied as indirect costs. If they are going to be applied as a direct cost item, the costs must be a pro-rated amount as it applies to this project only.*

**16. Do changes in matching funds such as the expenditures made or the sources of matching funds after the award has been made require approval?**

*Once the grantee's matching funds have been approved, the grantee may make changes to their matching funds as long as they continue to meet their required level of matching funds by non-Federal sources. Accurate records of the matching must be kept and reported during the final reporting period.*

**17. What documentation must be kept for the expenditure of Federal or Matching grant funds?**

*Organizations must retain detailed information to support all expenditures on a grant. (e.g., checks, receipts, invoices, procurement requests. etc.)*

## Payment

- 1. Describe the whole funds management process from when the award is completed until the funds are made available?**

*After the award is signed, AMB notifies the Funds Management Section (FMS) that an award has been issued. Upon notification, FMS requests banking information from the grantee which is forwarded to DHHS. When DHHS receives this information, they establish an account and provide the grantee with materials and information needed to access this account.. FMS sends a funding authorization to DHHS PMS after which a grantee will have access to their funds.*

- 2. How are funds made available to us?** *Through the Department of Health and Human Services (DHHS) Payment Management System. Funds may be drawn on a reimbursement basis or as needed .*

- 3. Who do we call when we can't access our funds?**

*If your funds have all been released, but you are having trouble accessing your funds you should contact DHHS point of contact, Tonja Thomas, 301-443-9141. If you still cannot access your funds, contact the Funds Management Section at 202-401-4527. For programmatic or administrative issues, please see the contacts listed on your Award Face Sheet, Form CSREES-2009.*

- 4. What does it mean to have funds withheld? How can I get them released?**

*All or part of the Federal funds may not be available for use until specific criteria are met as stated on the Award Face Sheet, Form CSREES 2009. Some examples could be missing forms and/or the clarification of incomplete and unclear budget information.*

*Refer to the Awards Face Sheet, Form CSREES-2009 as documented in the Provisions Section in order to provide the requested information and obtain approval for the release of funds.*

- 5. Is there any penalty for having funds withheld?**

*No, there is not a penalty. However, the longer the grantee takes to provide the necessary information required to release their funds, the less time they will have to spend their funds or work on the project before the grant expires.*

- 6. What reporting is required by DHHS?**

*DHHS-PMS requires a quarterly SF-272 form, Federal Cash Transaction Report.*

- 7. What reporting is required by the Program and the Awards Management Branch?**

*The Program requires that you respond to goals and objectives and report on what results you have had. Since the 2004 awards, grantees will also be required to report on Common Output Measures to contribute to a program-wide evaluation of the program. The awards terms and conditions state that a final technical report should be submitted within 90 days of the expiration of the grant. The Awards Management Branch requires a Final Financial Status Report, Form SF-269 to be completed at the closeout of the grant project. In cases of cost-sharing, an annual SF-269 reporting is required as indicated on your Award Face Sheet.*

## **Changes to Award**

### **1. What if our key personnel change?**

*If the personnel change occurs with those originally listed on the Organizational Information, Form CSREES-666 and Assurance of Compliance, Form CSREES-665, your organization will need to submit updated forms to the Awards Management Branch (AMB), so that we may update our records. In the event that there is a change in the Project Director (PD) your organization would need to request from AMB approval for the new PD. All the necessary documents and signatures would need to be sent to our office for approval.*

### **2. What if an organization ceases to exist or has been taken over by another organization; can the grant be transferred to another organization?**

*If another organization assumes control of the grantee organization, the grantee should notify the Awards Management Branch for further instructions. Generally a successor in interest agreement would be required. However, if the organization simply ceases to exist, then the project would be terminated and all remaining funds would be returned to the agency.*

## **Changes to Budget**

### **1. What happens if we have budget changes?**

- a) **If the changes are 10% or less than the whole grant amount?**
- b) **If the changes are less than 10% of a budget category?**

*Any budget change that exceeds 10% of the total budget amount must be approved in writing by the Authorized Departmental Officer (ADO). However, if the cumulative amount of the budget change is less than 10% , prior ADO approval is not required. Please see Article 4 of the applicable award terms and conditions.*

### **2. How much flexibility do grantees have on the line items proposed in our budget submissions?**

*Prior to the final awarding of the grant, the grantee may negotiate any changes with the cognizant grants specialis.. However, after the award has been made, please refer to the answer given in Question #1 above.*