

DATE: April 3, 2009  
TO: Prospective Applicants  
FROM: Office of Procurement and Grants Management (OPGM)  
SUBJECT: Paul D. Coverdell Drug-Free Workplace Program

You are invited to submit a proposal in response to Program Announcement #SBDC-2009-0007. The U.S. Small Business Administration (SBA) plans to award grants under this Program Announcement in accordance with Section 27 of the Small Business Act (15 U.S.C. § 654) (the Act). The objective of the Act is to provide funding to eligible intermediaries and recipients of Small Business Development Center awards for the purpose of providing financial and technical assistance to small businesses seeking to establish drug-free workplace programs. Awards will be based on technical merit determined in accordance with the evaluation criteria set forth in the program announcement.

Your technical proposal must be type written in single-space format, in no smaller than 12 point type and must not exceed 50 pages including exhibits and appendices, but excluding a cover page, a table of contents, one-page resumes, an organization chart, and a copy of the applicant's drug-free workplace policy. No fold-out pages are permitted. Any proposal that does not meet the above requirements will be considered non-responsive and will not be technically evaluated.

Before using Grants.gov for the first time, each organization must register with the Grants.gov website ([www.grants.gov](http://www.grants.gov)) to create an institutional profile. Once registered, your organization can then apply for any Federal government grant on the Grants.gov website. We recommend you complete registration at least two weeks before the application deadline, as it takes time for your registration to be processed.

The closing date for the program announcement is **May 29, 2009, 11:59PM, Eastern Daylight Time** at [www.grants.gov](http://www.grants.gov).

All applicants are required to meet the standards for financial management systems as described in 2 CFR Part 215, Subpart C, §215.21 through §215.28.

Any questions relating to this program announcement should be directed to Rachel Karton at 202/619-1816. You may fax your questions to her at 202/481-4945. Questions concerning budget or funding matters should be directed to Patricia Branch, Agreement Officer, at [electronic.grants@sba.gov](mailto:electronic.grants@sba.gov).

Sincerely,

Lance Petteway,  
Director, Division of Procurement and Grants Management

PAUL D. COVERDELL DRUG FREE WORKPLACE  
PROGRAM  
ANNOUNCEMENT NO. SBDC-2009-0007

U.S. SMALL BUSINESS ADMINISTRATION  
OFFICE OF SMALL BUSINESS DEVELOPMENT CENTERS

OPENING DATE: April 15, 2009

CLOSING DATE: May 29, 2009

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FISCAL YEAR 2009**

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**Overview Information**

- A. Federal Agency Name: U. S. Small Business Administration, Office of Small Business Development Centers
- B. Funding Opportunity Title: Paul D. Coverdell Drug-Free Workplace Program
- C. Announcement Type: Initial
- D. Funding Opportunity Number: Program Announcement # SBDC-2009-0007
- E. CFDA Number: 59.070
- F. Closing Date for Submission Of Applications: May 29, 2009 11:59PM EST  
(Electronic submission is the **only method** of applying)
- G. Authority: Small Business Act, Section 21(c)(3)(T) and Section 27 (15 U.S.C. §§ 648(c)(3)(T) and 654) (Title IX of Public Law 105-277, Public Law 108-447)
- H. Funding Instrument: Cooperative Agreement
- I. Funding: Funding is for FY 2009 - 2010
- J. Award Amount/Funding Range: Cooperative Agreements for both the intermediaries and SBDCs will be awarded in the approximate range of \$50,000 -\$250,000. There is no matching fund requirement. However, the availability of private sector resources or non-federal funds should be noted in the technical proposal. Inability to obtain such outside funds does not excuse the failure to complete.
- K. Project Duration: Each award will be made for a base project period of 24 months. Options will be exercised for an additional 24 months at the discretion of SBA and subject to the availability of funds, continued program authorization and satisfactory performance by the recipient.
- L. Project Starting Date: Approximately 90 days after closing date, but no later than September 30, 2009

- M. Proposal Evaluation: Proposals will be scored against the evaluation criteria on pages 8 - 11. SBA may ask applicants for clarification on the technical and cost aspects of proposals. This must not be construed as a commitment to fund the proposed effort.

## **I. Funding Opportunity Description**

### **A. Introduction**

The Drug-Free Workplace Act of 1988 (Public Law 100-690) requires many Federal grantees and contractors to provide drug-free workplaces (DFWP) for their employees. This requirement covers some small businesses, but certainly not all of them. Despite this legislation and other efforts to promote drug-free workplace programs in the small business community, Congressional sources state that only 3 percent of small businesses have actually implemented DFWP programs. (Small business is defined in 13 CFR 121. See page 6 for additional guidance.)

The needs of the small business community are different from those of large businesses or the public sector. Many small businesses do not have a full-time human resources person, much less an office to handle such issues.

Some studies have shown that employees who use illegal drugs and abuse prescription drugs and alcohol increase costs for businesses and risk the health and safety of all employees. Absenteeism, workplace accidents, disciplinary actions, and employee turnover are all higher among drug users than for individuals who do not use drugs. Therefore, knowledge and implementation of DFWP programs would benefit small businesses.

Recognizing that it is difficult for small businesses to institute DFWP programs, Congress passed the Drug-Free Workplace Act of 1998 (Public Law 105-277, now codified at 15 U.S.C. § 654), which established the Paul D. Coverdell Drug-Free Workplace Program. This Program permits the U.S. Small Business Administration (SBA) to make grants to eligible intermediaries to assist small businesses financially and technically in establishing DFWP programs. That statute also amended the Small Business Act (15 U.S.C. § 631 et seq.) to require recipients of Small Business Development Center (SBDC) grants to provide information and assistance to small businesses with respect to establishing DFWP programs and authorized SBA to provide additional funding to SBDCs for that purpose.

In enacting the Drug-Free Workplace Act of 1998, Congress stated that it is the sense of the Congress that States should consider incentives to encourage businesses to adopt DFWP programs. These incentives may include financial incentives, such as: a reduction in workers' compensation premiums; a reduction in unemployment insurance premiums; and tax deductions in an amount equal to the amount of expenditures for employee assistance programs, treatment, or illegal drug testing.

They may also include other incentives, such as the adoption of liability limitations or other innovative measures.

The legislative history of the Drug-Free Workplace Act of 1998 provides some guidance on Congressional expectations for the DFWP demonstration programs. The House Small Business Committee conducted a hearing on this issue on June 11, 1998. The Committee recommended that where certification is required in a jurisdiction, it should be required for this program.

The Senate Small Business Committee hearing report for a hearing conducted on September 25, 1998 states that the flexibility in the statute is intentional. It allows intermediaries to provide employers with guidance, while allowing each employer to design the specifics of their DFWP program. The Senate Committee report further expressed an expectation that an employer's DFWP policy will be made available to every employee through such means as inclusion in a personnel manual or handbook or posting the policy in a place accessible to all employees. In addition, prospective employees must be informed of the drug-testing requirement.

The Senate Committee also recommended that drug testing carried out pursuant to a DFWP Program award should be performed by laboratories that have either been certified under the Substance Abuse and Mental Health Services Administration's Mandatory Guidelines or approved for forensic testing by the College of American Pathologists. The Senate Committee did not preclude or discount the use of on-site testing kits as part of a workplace drug testing program, so long as all initial positives are submitted for laboratory confirmation and every attempt is made to ensure privacy of the individuals with initial positive results.

The Senate Committee report stated that the medical review officer must have appropriate medical training to interpret and evaluate an individual's positive test result along with that individual's medical history and any other relevant biomedical information. As part of the employer's DFWP program, the Senate Committee report also stated that employees testing positive or coming forth for assistance must be provided a list of qualified professionals to assist in the evaluation, referral and resolution of their substance abuse problems.

On December 21, 2000, Congress enacted Public Law 106-554 which renamed the DFWP program the "Paul D. Coverdell Drug-Free Workplace Program," to honor the late Senator Paul D. Coverdell who was the sponsor of the original legislation. On December 8, 2004, the Consolidated FY2005 Appropriations bill, Public Law 108-447, made further changes to the Drug Free Workplace Program. Among the significant changes made by that statute was an amendment to expressly permit those organizations that specialize in drug prevention services to communities and small businesses, particularly community anti-drug coalitions, to serve as eligible intermediaries.

## B. Purpose

This Program Announcement seeks proposals from eligible intermediaries and Small Business Development Centers (SBDCs) for Drug-Free Workplace Program awards issued in accordance with § 27 of the Small Business Act (15 U.S.C. § 654). This program permits the U.S. Small Business Administration (SBA) to provide funding to eligible intermediaries and SBDCs via grants, cooperative agreements, or contracts in order to financially and technically assist small businesses in establishing drug-free workplace programs.

## C. Mission Statement

SBA wants to ensure the success of the Paul D. Coverdell Drug-Free Workplace Program, as contemplated by the Small Business Act (the Act). In order to do that, grants made under that program should be viewed as an opportunity to develop a collaborative effort (community-wide, state-wide, region-wide, industry-wide, association-wide, etc.) in which a plan for a system of action aimed at reducing drug abuse in small businesses can serve as a national demonstration model. Applicants are encouraged to design and develop innovative and creative programs and services to address the goals of the Act.

The Act permits the SBA to make grants to eligible intermediaries and SBDCs for the purpose of providing financial and technical assistance to small businesses seeking to establish drug-free workplace programs. Examples of financial assistance may include, but are not limited to, free and/or reduced fees for training sessions, management/supervisor consultations, employee assistance program (EAP) services, and/or drug testing.

Examples of technical assistance may include, but are not limited to, assistance in performing needs assessments; writing/reviewing policies and procedures; providing consultation to management on program development; providing consultation to supervisors on when and how to enforce the drug-free workplace policy and how to intervene and make referrals to drug testing or EAPs; consultation on choosing qualified drug testing or EAP service providers; and training supervisors on the meaning of the term “reasonable suspicion.”

In establishing these DFWP programs, as contemplated by the Act, eligible intermediaries and SBDCs should provide outreach to the small business community, supervisory training, and voluntary education for parents. Outreach must include educating small businesses on the benefits of a drug-free workplace and encouraging small business employers and employees to participate in drug-free workplace programs. Applicants should consider using SBDCs in conducting this outreach. Education efforts for parents must include teaching them how to keep their children drug-free. Parents receiving such assistance must be small business employees.

The SBA is seeking applications that demonstrate:

- Information dissemination techniques
- Outreach efforts in the proposed area of service (community, state, region)
- Collaborative relationships with other organizations involved in Drug Free Workplace efforts
- Innovative/creative approaches
- Fiscal and programmatic strategies for continuation of this effort after conclusions of this award

D. OMB Uniform Administrative Requirements and Cost Principles

2 CFR 215, Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals and Other Non-Profit Organizations containing administrative requirements, and 2 CFR 230, Cost Principles for Non-Profit Organizations, containing cost principles for non-profits are available from the Office of Management and Budget's website. The address is:  
[www.whitehouse.gov/OMB/grants/index.html](http://www.whitehouse.gov/OMB/grants/index.html)

## **II. Award Information**

A. Funding Information

The SBA expects to award a total of approximately \$990,000 through this announcement. Further, the SBA anticipates awarding five or six awards in the form of cooperative agreements in an amount ranging from \$50,000 to \$250,000. The anticipated start date is September 30, 2009 for a two year grant period with the possibility of one two-year option period (subject to the availability of funds, continued program authorization and satisfactory performance by the recipient). Current DFWP recipients are ineligible.

B. SBA Involvement

Each applicant must be responsive to inquiries and visits from the evaluators of this program. The evaluators include representatives from the U.S. Small Business Administration, the Department of Health and Human Services, the Department of Labor, and the Office of National Drug Control Policy. The evaluators will be ensuring that all activities conform to the requirements of the law, the program announcement, the cooperative agreement, and SBA policy.

Additionally, the evaluators will monitor and oversee the cooperative agreement and ongoing operations of the DFWP Program to ensure that Federal funds are used effectively and efficiently by reviewing records and procedures related to performance under this agreement.



The SBA will provide: (1) written approval of all contracts, other than those submitted as part of the proposal, (2) prior approval for the selection of all key personnel, and (3) review performance and financial reports for completeness and accuracy.

### III. Eligibility Intermediaries

#### A. Eligible Applicants

In order to be an “Eligible Intermediary,” the applicant must document in its application that it: **(not to exceed 2 pages + one page resumes + copy of the applicant’s drug-free workplace policy + organization chart)**

1. Has at least 2 years of experience in carrying out drug-free workplace programs;
2. Has a drug-free workplace policy in effect;
3. is located in a state, the District of Columbia, or a territory of the United States; **and**
4. Has as its purpose -
  - a. the development of comprehensive drug-free workplace programs or the provision of drug-free workplace services; or
  - b. the provision of other forms of assistance and services to small businesses; **or**
  - c. that it is eligible to receive a grant under chapter 2 of the National Narcotics Leadership Act of 1998 (must provide certification).
5. Has an established organizational infrastructure with an internal financial management system that meets the standards prescribed in 2 CFR Part 215, Subpart C, Section 215.21 through 215.28, “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations.” The application must include certification to verify that this requirement has been met (e.g., a written statement from a certified public accountant).
6. Has a Data Universal Numbering System (DUNS) number which is a unique nine-digit identification number provided by Dun & Bradstreet. Please see page A-13 for instructions on obtaining a DUNS number.
7. Has a registered with the Central Contractor Registration (CCR).
8. is registered on [www.grants.gov](http://www.grants.gov).
9. Nothing shall preclude a faith-based or community organization from being considered an eligible applicant for the DFWP program, provided it meets all of the requirements listed above.

**Comment [R1]:** Got them all to fit but this one. I think we should just write them all out and forget the “:”

#### B. Small Business Development Centers

In order to be an eligible SBDC, the applicant must be a current lead center SBDC.

**Comment [R2]:** This is ambiguous. We just said that they don’t have to be SBDCs. We need to move this or change it.

**The proposal of any applicant that fails to meet the above eligibility requirements shall be considered non-responsive and will not be technically evaluated.**

C. Cost Sharing or Matching – **No** cost sharing or matching is required. However, the availability of private sector resources or non-federal funds should be noted in the technical proposal. Inability to obtain such funds does not excuse the failure to complete the project.

D. Ineligibility Information

The following types of organizations **will not** be eligible to receive an award under this Announcement:

1. Any organization with an unresolved audit by any Federal agency.
2. Any organization suspended or debarred from receiving contracts or grants from any Federal agency or which is otherwise excluded from Federal procurement programs.
3. Any organization which has defaulted on an obligation to the United States.
4. Any applicant that proposes to serve as a pass-through and permit another organization to hire and employ project staff for the purpose of managing the day-to-day operations of the project.
5. Any organization that intends to use project funds for research.
6. Any organization that proposes a project that cannot be funded under the legislation.
7. Any organization that has no previous business organizational experience and intends to use project funds to start-up or establish itself as a bona fide organization formed for the sole purpose of conducting a DFWP project.
8. Any organization that does not include a certification that the applicant has an established organizational infrastructure with an internal financial management system that meets the standards prescribed in 2 CFR Part 215, Subpart C, Section 215.21 through 215.28, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations." (e.g., a written statement from a certified public accountant).
9. Any organization that proposes to contract the services of other entities in an amount exceeding 49% of Federal funds.
10. Any organization that is a current recipient of a SBA DFWP award.

Ineligible applications will **not** be evaluated. They will be returned to the applicant with a letter from the Director of DPGM informing the applicant why the application is being returned. The ineligible applications will be returned within 30 days after the application closing date.

## IV. Application and Submission Information

### A. Application Package

Application forms and materials are located at [www.grants.gov](http://www.grants.gov) and [http://www.sba.gov/aboutsba/sbaprograms/sbdc/funding/sbdc\\_funding\\_opps.html](http://www.sba.gov/aboutsba/sbaprograms/sbdc/funding/sbdc_funding_opps.html). Electronic submission is the **only method** of applying. A complete application consists of all items on the checklist at the end of this document.

### B. Content and Form of Application Submission

The closing date for submission of applications is May 29, 2009, 11:59 PM Eastern Standard Time and the project starting date is approximately 90 days after closing date, but no later than September 30, 2009. Applications must be submitted electronically via [www.grants.gov](http://www.grants.gov).

A. Technical Proposal Provide the following information in a narrative attachment. The proposal must address the following criteria in the order set forth. **Any proposal which does not include all the information required will be considered non-responsive and will not be technically evaluated. Any proposal which contains documents (including resumes) which exceed the length requirements will be considered non-responsive and will not be technically evaluated.** (pages must be numbered)

1. Cover Page - Should list the following: (9 points total)
  - a. Program Announcement #SBDC-2009-0007 (1 point)
  - b. Applicant's name (1 point)
  - c. Applicant's address (1 point)
  - d. Applicant's contact name for this application (1 point)
  - e. Contact's telephone number (1 point)
  - f. Contact's fax number (1 point)
  - g. Contact's e-mail address (1 point)
  - h. Grant dollar amount requested (1 point)
  - i. Web address (if available) (1 point)
2. Table of Contents (1 point total)
3. Program Narrative – (**not to exceed 15 pages**) (72 points total)
  - a. Mission Statement: The applicant must state its mission in regard to the DFWP. To maximize the effectiveness of the DFWP, its program goals and objectives must align with the mission of the applicant. (2 points)
  - b. Geographic Area: The applicant must identify the geographic area to be covered including business population and industries. (2 points)

**Comment [R3]:** These help but they are also confusing. Let's keep them and get rid of "The Applicant must:" We will just write that at the start of each sentence.

- c. Experience: The applicant must demonstrate its successful experience in delivering all aspects of drug-free workplace technical assistance services to businesses (i.e., training, policy development, EAP, and testing). The applicant must also demonstrate that it has been in business two years prior to the approximate date of funding (approximately September 30, 2009). (5 points)
- d. Eligibility: The applicant must demonstrate its primary purpose is the development of comprehensive DFWP programs, or supplying DFWP services, or providing other forms of assistance and services to small businesses.

**or**

The applicant must demonstrate eligibility to receive a grant under chapter 2 of the National Narcotics Leadership Act of 1998. (5 points)

- e. Small Business Experience: The applicant must demonstrate understanding of the small business community and its needs including past experience. Knowledge of all small business human resource issues, not only substance abuse, is helpful. (5 points)
- f. Drug-free workplace ability: The applicant must demonstrate ability, understanding and/or experience in providing a full range of drug-free workplace services to small businesses including:
  - i. Knowledge of its State Government's financial and/or other incentives that encourage businesses to adopt DFWP programs, (2 points)
  - ii. Knowledge of the substance abuse problem in the workplace, (2 points)
  - iii. Ability to provide drug-free workplace education, (2 points)
  - iv. Ability to establish DFWP programs, (2 points)
  - v. Ability to use a balanced approach to education, and (2 points)
  - vi. Previous SBA DFWP grantees must outline their accomplishments on the SBA DFWP grant. (1 points)
- g. Management Plan: The applicant must demonstrate a management plan to provide financial and technical assistance to small businesses seeking to implement drug-free workplace programs. This plan should include the following:
  - i. Timeline with milestones covering the 24-month grant period. These will be evaluated for reasonableness and achievability. Include projected results/accomplishments for the 24 month grant period. Previous SBA DFWP grantees must compare these statistics with those achieved during their last grant period. Each 12 month period should be on a separate page; **(not to exceed 2 pages)** (2 points)

- ii. Innovative methods which will be used to make DFWP programs available, affordable, and responsive to small business employers and employees (including a list of proposed free and/or reduced costs of services); describe the types of financial assistance that will be provided specifically which services will be free and for which services there will be a fee; (5 points)
- vii. Description of the mechanisms and strategies it will use to reach new small business customers; (5 points)
- viii. Applicant's plan to address the outreach and voluntary parent education requirements of the Drug-Free Workplace Act of 1998, including the incorporation of small business development centers into that plan; (5 points)
- ix. Applicant's plan to train supervisory employees; (5 points)
- x. Applicant's ability to monitor, demonstrate and evaluate results and a description of the applicant's measurement tools, including description of the automation capabilities to track required statistics, the measuring tool the applicant will use to measure participant levels of tardiness, damaged and stolen property, productivity, absenteeism and employee turnover, and number of work place accidents; **(not to exceed two pages)**; (5 points)
- xi. Potential problem areas and alternative options to alleviate these potential problems; (5 points)
- xii. Applicant's ability to sustain the program following completion of the grant period including availability of funds; (5 points)
- xiii. Discussion of how the program can be duplicated by other entities. (5 points)

4. Case Studies **(not to exceed 1 page each)** (10 points total)

In this section, applicants must include two case studies of work specified in the Act; i.e., providing financial and technical assistance to small businesses for the implementation of DFWP programs. The case study should include the reason(s) why a company sought the assistance of the applicant, the assistance provided by the applicant, and the resolution. Further, include contact names and telephone numbers for verification purposes. If the case studies are more than one page each in length, the application will be considered to be non-responsive and will not be technically evaluated. (10 points)

5. Supplemental Attachments (8 points total)

- a) Financial statements for the past two years (income statements, balance sheets - audited preferred); (2 points)
- b) Names of the board of directors members; (1 points)
- c) Copy of organization chart; (1 points)
- d) Copy of applicants' drug-free workplace policy; (2 points)

- e) One-page resumes of all key personnel who will be involved in this project, include information regarding any criminal investigations having to do with the business or principles; and (1 points)
- f) A certificate stating that program income will be kept in a separate account. (1 points)

C. Cost Proposal

Include travel funds in your proposed budget for a two-day conference in Washington, DC. If the performance time for outside consultants exceeds 50% of project services, the application will be considered to be non-responsive and will not be technically evaluated.

**V. Application Review Information**

A. Criteria - Applications will be reviewed for technical merit using the evaluation factors listed below. The points assigned to each factor are also listed. For more detail please see IV Application and Submission Information

	Possible Points
Total	100
1. Cover Page - Should list the following:	9
2. Table of Contents	2
3. Program Narrative – The Applicant must: (not to exceed 15 pages)	71
4. Case Studies (not to exceed 1 page each)	10
5. Supplemental Attachments	8

B. Review and Selection Process

The proposal will be reviewed by a panel of SBA personnel and/or other government personnel using the above criteria.

C. Anticipated Announcement and Award Dates

The anticipated date for announcing or notifying successful and unsuccessful applicants is July 30, 2009. Applicants must be ready to proceed no later than September 30, 2009.

## VI. Award Administration Information

### A. Award Notices

The Notice of award (SBA Form 122) is signed by the Small Business Administration Grants Officer and is the authorizing document. It will be provided through postal mail to the Point of Contact indicated on the application.

Comment [R4]: True?

### B. Reporting

#### 1. Program Impact Data

- a. SBA expects that educating small businesses about the benefits of a DFWP will lead to a greater understanding on the part of entrepreneurs of the connection between alcohol and drug abuse and a business' bottom line. For example, SBA anticipates that small businesses with DFWP plans in place will experience reduced employee turnover, less absenteeism, less tardiness, fewer workplace accidents, lower insurance premiums, less damaged and stolen property, and increased productivity.
- b. Toward this end, each recipient is expected to measure and report on the effectiveness of the DFWP plans it helps implement. Recipients must measure and tabulate data from assisted small businesses identifying their levels of tardiness, damaged and stolen property, productivity, absenteeism and employee turnover, and the number of work place accidents. There should be an initial measurement of these data categories before a small business implements a DFWP plan and at least one follow-up measurement after such a plan has been put in place. Recipients may utilize award funds for this purpose. However, SBA will not provide any additional supplemental funding to cover the cost of developing or procuring this measurement system. Information gained from such measurements must be included or attached to a recipient's performance reports.

#### 2. Financial Reports

Recipients will be required to submit quarterly financial reports utilizing Standard Form 425, "Federal Financial Report" within 30 days of the completion of each quarter and within 60 days of the completion of the project. A copy of the SF 425 will be included in the award package submitted to successful applicants.

#### 3. Performance Reports

- a. Recipients will be required to submit quarterly Standard Form PPR, "Performance Progress Report" to be submitted with the detailed performance

report. A copy of the SF PPR will be included in the award package submitted to successful applicants.

- b. Recipients must also submit detailed performance reports within 30 days of the completion of each quarter and within 60 days of the completion of the project. These reports must be submitted in hard copy and via e-mail using Microsoft Word. The reports must thoroughly outline the following:
  - project accomplishments
  - problems encountered
  - evaluation measurement tools used to address the issue of drug abuse
  - recommendations for improvements or changes to the program
  - comparison between projected milestones and actual accomplishments
  - reasons for slippages and a plan for action to overcome slippages
- c. These reports must also include, but not be limited to, the following results:
  - i. Outputs:
    - number of small businesses financially assisted (describe type of assistance);
    - number of small businesses technically assisted (describe type of assistance);
    - number of small businesses educated (at least two hours of formal training or interactive one-on-one assistance on drug and alcohol use in the workplace);
    - number of small business employees educated (at least two hours of formal training or interactive one-on-one assistance on drug and alcohol use in the workplace);
    - number of small business supervisors educated (at least two hours of formal training or interactive one-on-one assistance recognizing the signs of drug use, making appropriate EAP referral or drug testing);
    - number of working parents educated (at least one hour of formal training or interactive one-on-one assistance recognizing signs of drug use among their children and appropriate actions);
    - number of brochures distributed (list type – supervisor, parent, etc.)
  - ii. Outcomes:
    - number of small businesses that implemented a complete DFWP program;
    - number of small businesses that implemented a partial DFWP program (less than all five elements as described in the Drug-Free Workplace Act of 1998 – list elements not implemented);
    - number of businesses that had an increase in employee turnover, absenteeism, tardiness, insurance premiums; damaged or stolen property, productivity, workplace accidents;



- number of businesses that had an decrease in employee turnover, absenteeism, tardiness, insurance premiums, damaged or stolen property, productivity, and workplace accidents;
- number of businesses that remained unchanged in employee turnover, absenteeism, tardiness, insurance premiums, damaged or stolen property, productivity, and workplace accidents.

iii. Demographic Information:

- types of businesses assisted (service, manufacturing, etc.);
- business ownership (woman-owned, minority-owned, veteran-owned); and
- number and identity of groups collaborated with to provide services to small businesses.

3. The quarterly reports provided by the grantees may be made public.

4. **Payments may be withheld if reports are not submitted within the required timeframe or if the quality of reports is deemed inadequate.**

## VII. Agency Contacts

For programmatic questions, please contact Ms. Rachel Newman Karton at 202/619-1816. For budgetary questions, contact Patricia Branch at [electronic.grants@sba.gov](mailto:electronic.grants@sba.gov). For technical assistance questions using the Grants.gov website, please call 1-800-518-4726 and contact [support@grants.gov](mailto:support@grants.gov).

## VIII. Other Information

### A. Limitations of Liability

In no event will SBA be responsible for proposal preparation costs if the Drug-free program fails to receive funding or is cancelled.

### B. Definitions

1. “Drug-Free Workplace Program” means a complete program which contains the following five elements:

- a. Written Policy The policy must include:
  - i. a clear statement of expectations for workplace behavior;
  - ii. prohibitions against reporting to work or working under the influence of illegal drugs or alcohol;
  - iii. prohibitions against the use or possession of illegal drugs in the workplace; and

iv. a statement of the consequences for violating those expectations and prohibitions.

b. Drug and Alcohol Abuse Prevention Training

The program requires at least two hours of training for each employee annually. The program must also include additional voluntary drug and alcohol abuse prevention training for employees who are parents.

c. Drug Testing

The program requires employee illegal drug testing. The analysis is to be conducted by a drug testing laboratory that is currently certified by the Substance Abuse and Mental Health Services Administration or which is approved by the College of American Pathologists for forensic drug testing. A Medical Review Officer (as defined in Part VIII below) must review each positive test result.

d. Employee Assistance Program

The program must provide access to an employee assistance program, including confidential assessment, referral, and short-term problem resolution.

e. Continuing Education

The program must provide continuing alcohol and drug abuse prevention education.

2. "Employee" includes any: applicant for employment, employee, supervisor, manager, officer of a small business concern who is active in management of the concern, and owner of a small business concern who is active in management of the concern.
3. "Medical Review Officer" means a licensed physician with knowledge of substance abuse disorders. It does NOT include any employee of the small business concern or any employee or agent of, or any person having a financial interest in, the laboratory for which the illegal drug test results are being reviewed.
4. "Small Business" means a business entity:
  - a. that is organized for profit with a place of business located in the United States and which operates primarily within the United States or which makes a significant contribution to the U.S. economy through the payment of taxes or the use of American products, materials or labor; **and**.

b. that does not exceed the applicable size standard for its industry as established under 13 C.F.R. § 121. In general, the most common size standards include:

- 500 employees for most manufacturing and mining industries
- 100 employees for all wholesale trade industries
- \$5 million in average annual receipts for most retail and service industries
- \$31 million in average annual receipts for most general & heavy construction industries
- \$13 million in average annual receipts for all special trade contractors
- \$0.75 million in average annual receipts for most agricultural industries

#### C. Privacy Protection

1. The Act requires privacy protection for employees participating in DFWP programs. Therefore, each drug-free workplace program that is established with this grant assistance will:
  - a. Include, as reasonably necessary and appropriate, practices and procedures to ensure the confidentiality of illegal drug test results and of any participation by an employee in a rehabilitation program;
  - b. Prohibit the mandatory disclosure of medical information by an employee prior to a confirmed positive illegal drug tests; and
  - c. require that a medical review officer reviewing illegal drug test results will report only the final results, limited to those drugs for which the employee tests positive, in writing and in a manner designed to ensure the confidentiality of the results.

#### D. Cooperation with Program Evaluators

Each recipient must be responsive to inquiries and visits from the evaluators of this program. The evaluators may include representatives from the U.S. Small Business Administration, the Department of Health & Human Services, the Department of Labor, and the Office of National Drug Control Policy.

#### E. Cancellation

**SBA reserves the right to cancel this program announcement in whole or in part at the Agency's discretion.**

## F. Drugfree Workplace Complete Application Checklist

- \_\_\_\_\_ Technical Proposal with milestones
- \_\_\_\_\_ SF 424, Application for Federal Assistance
- \_\_\_\_\_ 424A, Budget Information for Non-Construction Programs
- \_\_\_\_\_ A9-12, Budget Detailed Worksheet  
(include detailed narrative description for each line item)
- \_\_\_\_\_ 424B, Assurances for Non-Construction Programs
- \_\_\_\_\_ Resumes and job descriptions
- \_\_\_\_\_ Organization chart
- \_\_\_\_\_ Indirect cost rate
- \_\_\_\_\_ Board of directors
- \_\_\_\_\_ Drug-free workplace policy
- \_\_\_\_\_ SF-LLL, lobbying form
- \_\_\_\_\_ 501(c)3 verification (if applicable)
- \_\_\_\_\_ Certification regarding debarment, suspension and other (SBA Form 1632)
- \_\_\_\_\_ Written agreements for collaborative efforts with community based organizations
- \_\_\_\_\_ CPA certification that financial system meets 2 CFR Part 215, Subpart C,  
Sections 215.21 through 215.28
- \_\_\_\_\_ Past carryover information (if applicable)
- \_\_\_\_\_ Financial Statements for the past two years
- \_\_\_\_\_ Criminal investigation information (if applicable)