Pre-Award: FMCSA Application Review Module 4

Instructor Notes:

Welcome to Module #4 in which we will discuss the pre-award process that FMCSA undertakes once you have submitted your application and it is under review at FMCSA.

Slide 2 Objective

- By the end of this module, you should be able to successfully:
    - Identify the key components in the FMCSA application review process, to include:
    - FMCSA Application Review Process Overview
    - Business Management Review
    - Technical Review Panel

<u>Instructor Notes:</u>
- If you are following along in your grantee manual, we are now in Chapter 4 on page 32.
- This module includes the highlights of the FMCSA application review process overall, including the business management review. As well as what your role as a grantee in this process.
- Following this manual you should understand what goes on once your application leaves your hands and arrives at FMCSA, as well as have a general understanding of the Business Management Review and the Technical Review Panel process that occurs before you see the actual NGA.

Slide 3 **Application Review Process Overview**

<u>Instructor Notes:</u>
(Title Slide)

Slide 4 Overall Application Review Process

1. Applicant submits applications to Grants.gov

2. FMCSA Program Managers review for basic eligibility

3. Program Managers Conduct Intake & Business Management Review (* Incomplete applications may delay processing or cause applications to be rejected)

4. FMCSA DAs, SPMs and PMs Review Applications

5. TRP Conducts A Full Evaluation of Applications

6. TRP and PMs Conduct Negotiations with Applicants

7. TRP Makes Funding Recommendation

8. Funding Recommendation Goes Thru Approval Process

9. FMCSA Administrator and DOT Secretary Make Final Funding Decision

Instructor Notes:

- This process flow gives you a sense of what happens to your application once it leaves your hands.   I won't go through each box but will point out some of the more important points in the process from your perspective.
- One being the Intake Review and the Business Management Review (which I will discuss in subsequent slides). The relevance to you is that if there are incomplete elements based upon the Intake Review FMCSA may hold the application until all elements have been filed, reject the application and request that the grantee re-submit a complete application and/or determine the application ineligible. This is somewhat of a new perspective for FMCSA and one that some of our more long standing grantees may need to adjust to.
    - Particularly for our discretionary grant programs FMCSA is requiring application packages to be complete upon submission. We will accept some exceptions, but we aren't going to accept highly incomplete applications. In some cases these applications will still be reviewed but last after all of the complete applications have been reviewed and evaluated.
- Once the Intake Review is complete the Division Administrators and State Program Managers in the Service Centers review the applications for the project viability, allowability under the grant program, response to the grant announcement, budget and provide comments for the Technical Review Panel - budget makes sense and calls for allowable activities and costs and the project plan makes sense, for this grantee, program and based on prior grant awards

- The Grant Program Managers will also look at the budget, completeness and compliance with the announcement, and conduct a Business Management Review (on the next slide)
- At the end of the process the Associate Administrator for Enforcement and Safety Programs and the Administrator make final funding recommendations based upon the recommendations of the TRP and the staff and the Secretary makes the final funding decision.
- As you can see the Application Review process is a very thoughtful, thorough but lengthy process.   This is done so for a reason – to make sure that we treat every application equally, as well as that we get the best possible product/service for our limited grant funds. However, this doesn't make it a speedy process. We are doing everything we can to improve on our processing time and we are making progress, but it is not accomplished overnight, particularly when being done in a thoughtful manner.

Slide 5 Business Management Review

- A process used to determine whether an applicant has the management, organization, personnel and systems in place to manage FMCSA grant funds properly

  - The BMR is comprised of:

    - Conflict of Interest/Hatch Act/Lobbying Restrictions/Debarment and Suspension Review

    - Delinquent Federal Debt Analysis

    - Review of Previous FMCSA Grant Performance

    - Review of Previous Audits

    - Administrative Capabilities Questionnaire Review

    - Additional Resources Review (as needed)

Instructor Notes:
- You will find more information on the Business Management Review or BMR on page 34 of the grantee manual.
- The BMR is based on federal grants management best practices and is designed to help FMCSA lower potential financial and performance risk at the outset and maximize the award of grant funds to the best possible grantees for the best possible grant performance overall
- Of the six basic components of the review there are two that can stop an application before it ever makes it to a substantive review – they are: Debarment and Suspension and delinquent federal debt.
    - If there is a debarred individual that is responsible for your grants or close to that position within your organization, no federal agency can award a grant to you. There are caveats to this, based on the person and the debarment, but generally speaking this is an accurate statement
    - Secondly, FMCSA will not award additional federal money to an entity that is already carrying federal debt.
- As noted on this slide there are six basic elements to the BMR: Conflict of Interest/Hatch Act/Lobbying Restrictions and Debarment and Suspension Review; Delinquent Federal Debt Analysis; Review of Previous FMCSA Grant Performance (if applicable); Review of Previous Single Audit; Administrative Capabilities Questionnaire Review; and Additional Resources Review (as needed).
- Most of these are done in-house at FMCSA with no additional input from the grantee or FMCSA Grant Managers. But there are two elements that I think are important to point out. The first is submission of the Administrative Capabilities Questionnaire. This is required with all applications and is part of the application package for all grants in FY12. Omission of this form could prevent an application from TRP review if it is not received prior to the TRP. It must be signed by the Authorized Official of the

organization. If you have several FMCSA grant submissions in a given year, you may duplicate this form for submission on subsequent applications, but a new form must be submitted annually with the first application of that fiscal year.

- FMCSA also now asks the Division Offices to complete a Past Performance form for all existing grantees that is taken into consideration when making the final funding decisions. Past or delinquent grant performance may have significant bearing on the receipt of future grant funds or cause the inclusion of special conditions on a grant award.

- The BMR is completed preferably prior to the TRP, but definitely before final recommendations are sent to the Associate Administrator.

Slide 6 Technical Review Panel

<u>Instructor Notes:</u>
(Title Slide)

Slide 7 Technical Review Panel

- A Technical Review Panel (TRP) is a thorough, consistent, and independent examination of an application based on pre-established criteria by persons with subject matter expertise.

- All FMCSA grant programs are required to use a Technical Review Panel (TRPs)

Instructor Notes:
- More information about Technical Review Panels (TRPs) can be found on Page 37, Section 4.3 of the grantee manual.
- What is a Technical Review Panel (TRP)? It is a thorough, objective, standardized format by which applications are reviewed and scored based on pre-established criteria by program subject matter experts.
- All FMCSA grant programs are required to use a Technical Review Panel (TRPs)
- Why do we do TRPs? Because we want to perform a fair, equitable, and objective review
    - This means that all applications are evaluated the same way, using the same evaluation criteria, same process, same information
    - Standardization and fairness is key for the discretionary grant programs, but is still a goal and appropriate for the formula programs as well.

Slide 8 Technical Review Panel

- Perform budget and cost analysis review

- Evaluate cost data includes determining if costs are appropriate for grantee type and in accordance with applicable cost principles.

- Costs must be:

  o Allowable

  o Necessary

  o Reasonable

  o Allocable

- All TRP discussions, application scores and associated score comments are captured electronically

- Score applications based on published evaluation criteria

Instructor Notes:
- The TRP members are responsible for evaluating the applications for their technical merit – such as how they have addressed the safety objectives or data collection objectives of the particular program.
- The TRP is also responsible for determining the appropriateness of the budget and costs based on the project plan, as well as their experience. They will also evaluate for allowability, allocability, and to determine if they are necessary and reasonable.
- The better detail and justification you provide in your budget (particularly as it pertains to equipment), the easier it is for us to determine whether the costs are allowable, necessary, reasonable and allocable.
- The FMCSA Grant Program Manager's will provide the TRP with written instructions, in an attempt to make sure that all applications are reviewed similarly and based on the same criteria.
- All key TRP discussions and decisions are captured in the electronic Application Review Module (ARM), which is a part of the GrantSolutions grant management suite operated by FMCSA. MCSAP Basic doesn't use ARM, but the discussions and decisions are still captured in GrantSolutions.

Slide 9 Mandatory/Formula TRP Process

1. TRP Panelists independently review applications

2. TRP meets/discusses individual applications and panelists evaluation

3. TRP recommends adjustments and additions to application

4. Division Office works with applicant to finalize application

5. Additional documentation is reviewed by FMCSA

6. Application is finalized and submitted for approval

- TRPs are hosted regionally

- FMCSA provides the TRP feedback to grantee for final adjustments to the application/CVSP, missing documentation, etc.

Instructor Notes:
- These next two slides will just give you a quick overview of the two TRP processes at FMCSA – the formula and the discretionary grant processes.
- Although FMCSA can provide more hands on assistance to MCSAP Grantees in the development of their Basic/Incentive applications and CVSP, we cannot write your CVSP or application and generally will provide our technical assistance through the Commercial Vehicle Safety Plan (CVSP) workshops, national MCSAP Leadership meetings, and local meetings. Consistency in the information and assistance we provide is important.
- The Formula grant TRP is primarily designed to determine whether the application meets the MCSAP grant requirements, and to help create as high quality project plan as possible.
- These TRPs are more meetings with the grantees to review their CVSP and discuss ways to improve upon it, alter the budget based on unallowable costs or lack of MCSAP fund allocation. Also to help focus the priorities of a particular state plan.
- FMCSA has 30 days to review and provide comments to the applicant, then the applicant then has 30 days to respond.
- There is often some back and forth on the application and the CVSP to obtain final documentation, budget adjustments, and acquire more details as needed, etc.
- Additional delays can be caused by Congressional funding delays and Continuing Resolutions in which Congress only approves partial funding.
- MCSAP Basic TRPs are conducted regionally.

Slide 10 Discretionary TRP Process

1. TRP Panelists independently review and score each application

2. TRP discusses individual applications and panelists evaluation

3. TRP finalize and rank order applications

4. FMCSA prepares final award recommendation package based on TRP

- Scores are based on the evaluation criteria and weights in the Grants.gov announcement

- FMCSA may request additional information, clarification or budget rework from applicants, as needed

- Panel may meet a second time depending on the level of clarification needed from the applicants

Instructor Notes:
- Contrary to the Formula TRP process, the Discretionary TRP process must be more removed from the applicant.
- In conducting a full and open competition for discretionary grant awards, the general FMCSA selection process is as follows: (although it can differ slightly as needed by the program or the TRP)
    - All applications are reviewed and ranked by the independent reviewers' scores.
        - Initial applications are scored by each panel member independently
        - TRP members scoring is based on the selection criteria published in the grant solicitation and the instructions provided to the TRP
        - The panelists make detailed notes of their review, documenting strengths and weaknesses
- The applications are evaluated exclusively on their own merits against the evaluation criteria and input provided from Program Manager, Division Office & SPM.
- Then using the points associated with each evaluation criterion, the panelist scores the application.
- Once the applications have been scored individually, the TRP will convene and panel members will discuss their individual evaluations with other panel member as needed to finalize funding recommendations, adjustments to budgets, outstanding questions, negotiation points, etc.
- The FMCSA Program Manager ultimately prepares a final funding recommendation package that goes to the Associate Administrator for review and approval.

Slide 11 What Is the TRP Looking For?

- All requested documents completed fully and accurately

  - SF-424, 424a, 424b, SF-LLL, Administrative Capability Questionnaire, Contact Form

  - Program specific documents such as a complete CVSP, project plan, etc.

- An application that clearly addresses the program priorities and evaluation criteria listed in the Grants.gov announcement

- Meets the statutory and regulatory requirements of the program and grant administration

Instructor Notes:

- On the next two slides we are trying to sum up the key take aways from this session to help you prepare the best possible application for FY13. By giving you a look at what FMCSA really looks at when evaluating their applications, hopefully you can then model this list and prepare a winning application.
- When review an application we look to verify that the application package is complete.
  - We check if the application is complete, i.e., is there a complete SF-424, 424a (Budget), 424b (Assurances), SF LLL (Lobbying Disclosure Form)
  - Is there an Administrative Capability Questionnaire, complete and signed?
  - Is the narrative project/program proposal /and specific line-item budget included and complete?
    - If the budget includes indirect costs, is there a current IDCR letter?
  - Is this proposal appropriate/eligible for this funding opportunity?
  - Is the proposed match calculated correctly?
  - Does the application include Maintenance of Effort (if applicable)?
  - Does the application contain a monitoring and evaluation plan?
- The applicant doesn't necessarily have to respond to every single program priority or national program objective (unless the announcement states otherwise), however the ones that they do choose to address must be clearly identified and addressed.
- The application must meet the program and administrative statutory and regulatory requirements based on 49 CFR Part 350 and the 49 CFR Part 18 and 19, as we as the applicable OMB Circulars

Slide 12 What Is the TRP Looking For?

- Has programmatic technical merit

- Contains a quality and reasonable project plan

- Complete budget that correlates to the project activities and meets all of the cost principles

- Grantees that have performed well in the past and/or have the management, financial and organizational capability to administer the grant funds properly

- Accurate calculation of match and MOE, where applicable

- Approved Indirect Cost (IDC) Rate letter (if budget includes IDC), where applicable

<u>Instructor Notes:</u>
- Does the application truly meet the programmatic requirements?
  - For some programs that require coordination, this must be clearly shown in the application as well.
- Does the application contain a quality and reasonable project plan, that can be accomplished with the budget provided and in the time frame allowed?
- Does the budget map to the project activities and meet all of the cost principles?
- The TRP will also look at whether grantees have performed well in the past and/or have the management, financial and organizational capability to administer the grant funds properly and will take this into consideration.
- [Instructor – at the end of this slide, go back to Slide 5, final green box and reference the talking points below]
- Once the TRP has completed its scoring and deliberation and recommendations those recommendations move on to the FMCSA approval process.
- This involves a briefing to senior FMCSA leadership and the sign-off of seven parties within FMCSA from the Program Manager and the SC SPM to legal, finance and ultimately the Associate Administrator
- It is then approved by the Administrator and goes to the Secretary for final approval
- All of this occurs prior to the creation of the final Notice of Grant Award document that you all see and we will address in the next Module.

Slide 13 Wrap-up and Knowledge Check

Instructor Notes:
(Transition Slide)

Slide 14 Summary

- Now that you have completed this module, you should:

  o Understand the key components in the FMCSA application review process, to include:

  o FMCSA Application Review Process Overview

  o Business Management Review

  o Technical Review Panel Process

Instructor Notes:
- At this point you should understand:
  - The general elements of the application review process
  - What a Business Management Review is and why FMCSA does one
  - What occurs in a TRP
- Attached at this link is a Knowledge Check, feel free to take this "quiz" and then check your answers to determine how well you understood and synthesized this information. The answers can then be found at the link listed at the bottom of the slide.

Slide 15 Check Your Knowledge

- Module 4 Knowledge Check

- Module 4 Knowledge Check Answers