

## APPLICANT INFORMATION

**Deadlines:** Pre-Application Data Collection – July 20, 2007 to be e-mailed to [HERA2@ed.gov](mailto:HERA2@ed.gov).

Final Applications – August 14, 2007 via Grants.gov at <http://www.Grants.gov>

Applicants failing to meet these deadlines will be ineligible for an award.

**Application Process:** Hurricane Education Recovery Awards will be made through a three-stage process:

1. Eligible applicants download and complete the Hurricane Education Recovery data information form from this website and e-mail the completed form to program contact Cassandra Courtney at [HERA2@ed.gov](mailto:HERA2@ed.gov) by July 20, 2007.
2. The Office of Postsecondary Education (OPE) will enter this data into a formula to determine each applicant's equitable share of the \$30,000,000 available for these awards. OPE will e-mail each institution's allotment to the contact person named on the data information form by July 24, 2007.
3. Applicant institutions will then prepare and submit a final application for the exact amount of their allotments, through the Grants.gov system. Final applications must be submitted by August 14, 2007. OPE will review the final applications and budgets to ensure compliance with applicable regulations and the requirements in the application materials on this website. ***If necessary, OPE will contact the institution's named contact person to address questions or concerns about the application. For this reason, it is important that the project director be someone who will be readily available for consultation between August 14 and August 20, 2007. All awards must be processed and obligated by September 27, 2007.*** Upon final approval, Grant Award Notification (GAN) documents will be printed and mailed to the named project director and to the authorized institutional representative who signed the application title page. Receipt of the GAN signifies that the award has been officially made and the recipient institution may begin to draw down funds in accordance with its approved grant application.

### **Required Elements of the Final Application**

Explanations for each required element of an application for a Hurricane Education Recovery Award are included at the Grants.gov application site for this program. (<http://www.Grants.gov>). The following comments are intended to reinforce certain elements of those instructions.

## I. FORMS AND DOCUMENTS

Each application must include the following forms and documents, completed per their instructions:

- A title page (ED 424) signed by an authorized institutional representative [link];
- A budget summary form (ED 524) [link] showing, in Section A, project costs to be charged to the Hurricane Education Recovery Award. Project periods may extend to 24 months for applicants not requesting construction activities and to 36 months for applicants requesting construction activities. Recipients of Hurricane Education Recovery Awards are not required to provide matching funds, so Section B of the budget summary form should be left blank;
- A statement in response to the Department of Education's General Education Provisions Act (GEPA), Section 427 [link];
- Form 424B - Assurances, Non-construction programs (see note below) [link];
- Certifications form regarding lobbying and other matters [link];
- Certifications form regarding debarment and other matters [link]; and
- Form SF-LLL - Disclosure of Lobbying Activities [link].

Regarding the **title page** (ED 424), please note that no application can be processed without all the required information. If the organization named as recipient of the award under this program does not already have D-U-N-S and T-I-N numbers, *numbers must be obtained before the application is submitted* (see instructions included with Form ED-424). The **project director** named on the application must be someone empowered to negotiate with the Department on the terms and conditions of the award, and should be someone who will be readily available for consultation during the application process. Communications will generally occur through e-mail, so it is important that a valid e-mail address for the project director be recorded on the title page.

The title page requires applicants to designate start and end dates for their Hurricane Education Recovery Awards. October 1, 2007 is the earliest possible start date and is recommended for all applicants. Project end dates can extend to September 30, 2009 (if no construction activities are included in the budget), or September 30, 2011 (if construction is included among project activities). Note that all grant funds must be obligated by September 30, 2009, or they must be returned to the Department of Education. Funds obligated for purposes other than construction must be fully expended by December 30, 2009. Funds obligated for construction purposes must be fully expended by September 30, 2011. The Secretary will consider requests for no-cost extensions beyond these end dates, as needed.

For the purposes of this program, the Secretary has waived the usual 90-day limitation on pre-award costs that may be charged to project budgets. Applicants may seek to recover/defray expenses incurred as a direct result of hurricane damage from Hurricanes Katrina or Rita, and for payments to enable affected institutions to provide grants to

students who attend such institutions for academic years beginning on or after July 1, 2006 occurring in August 2005 or thereafter.

## **II. APPLICATION NARRATIVES**

In addition to the required forms and documents noted above, each application must include:

- **Abstract:** A one-paragraph abstract describing the purposes and activities for which the Hurricane Education Recovery Award will provide support. This statement will be sent to your Congressional representatives and should begin: “X (institution) will use its Hurricane Education Recovery Award of \$X to.....”
- **Statement of Work:** A statement of work (project narrative), not to exceed 20 double-spaced pages, describing the activities to be supported by the grant and their relationship to the Congressional purposes established for these awards, the persons responsible for implementing those activities (including any subcontractors), etc. This narrative should answer the following questions in some detail: What does the institution plan to do with the grant funds? How do these grant activities serve to defray expenses directly related to damage resulting from ~~h~~Hurricanes Katrina or Rita or enable the institution to provide grant funds to students attending the institution for academic years beginning on or after July 1, 2006 on the Gulf Coast in calendar year 2005? Who will be responsible for carrying out these activities? What is the project timeline and when is it expected to be completed?
- **Line item budget and budget narrative:** The line item budget expands on the summary budget presented in Form ED 524, breaking down the costs in each budget category into their component parts.

***Note: Each applicant's budget narrative should record, at the top of the first page of the narrative, the following three figures:***

- a) the percentage of time the named project director will devote to the project, whether or not a portion of that person's salary is included in the project budget;
- b) the amount of the grant request that is for non-construction activities (these funds must be obligated within two years, by September 30, 2009);
- c) the amount of the grant request that is for construction-related activities (these funds must be obligated within the first two years, but recipient institutions will have four years -- until September 30, 2011 -- to complete the construction activities and pay the bills).

Additional notes on the budget form and narrative: The budget categories for "Personnel," "Fringe Benefits," and "Travel" only include payments for services rendered by regular employees of the applicant institution. Salaries, benefits, and travel for any sub-contractors should be included in the "Contractual" category. If any employee *salaries* are to be covered by the grant, the budget narrative should indicate whose salaries are included (by title, not name), at what percentage of their time, the base annual salary, and the amount of their salary to be charged to the grant. In the case of *equipment purchases* (items over \$5000 per unit; smaller purchases are included in the *supplies* category), it is sufficient to describe the equipment/supplies in a general way (e.g., 20 desktop computers) with an approximate cost estimate. It is not necessary to specify manufacturers or model numbers; the Department assumes that you will choose machines appropriate to the task and at the best price available at the time of purchase. Budget figures for *student tuition and/or fees* are included on the budget line entitled "Training Stipends."

See also "Post-Award Information" in these application materials regarding changes in budgets after an award is made.

Special note on construction activities: "Construction" includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and the purchase of initial equipment of any such buildings, or any combination of such activities (including architects and engineering fees and the cost of land acquisition). Applicants that apply for construction funds under the Hurricane Education Recovery Awards program must comply with Executive Order 13202 signed by President George W. Bush on February 17, 2001 and amended on April 6, 2001. This Executive Order provides that recipients of Federal construction funds may not ``require or prohibit bidders, offerors, contractors, or subcontractors to enter into or adhere to agreements with one or more labor organizations, on the same or other construction project(s)" or ``otherwise discriminate against bidders, offerors, contractors, or subcontractors for becoming or refusing to become or remain signatories or otherwise adhere to agreements with one or more labor organizations, on the same or other construction project(s)." However, the Executive Order does not prohibit contractors or subcontractors from voluntarily entering into these agreements. Projects funded under these programs that include construction activity will be provided a copy of this Executive Order and will be asked to certify that they will adhere to it.

Department of Education regulations generally prohibit the use of grant funds for construction purposes. Consequently, the standard forms included in this application package may describe Department grants as "non-construction" awards. For the purposes of the Hurricane Education Recovery Awards, the Department has waived its limitation on construction to fully implement the Congressional purpose of these awards. Applicants are therefore to read any form

headed "non-construction" as "construction and non-construction" for the purposes of this grant program. See, for example, Form 424B above.

### **III. PREPARING THE APPLICATION BUDGET: WHAT EXPENSES CAN BE COVERED BY THE GRANT?**

Budgets should be constructed to add to the *exact amount* of the Hurricane Education Recovery Award allocation that will be sent to each applicant following submission of the data information form.

The basic principle is that all costs charged to the grant must be reasonably and directly related to the purpose(s) defined by Congress for these awards. *In the case of Hurricane Education Recovery Awards, Congress has decided that such grants can be used only to defray expenses directly related to damage resulting from ~~the~~ Hurricanes Katrina or Rita, s on the Gulf Coast in calendar year 2005.* Such expenses may include expenses that would have been covered by revenue lost as a direct result of ~~a~~ Hurricanes Katrina or Rita, reimbursement for expenses already incurred in remedying damage caused by ~~the~~ Hurricanes Katrina or Rita, and construction expenses directly related to damage resulting from ~~the~~ Hurricanes Katrina or Rita, and for payments to enable affected institutions to provide grants to students who attend such institutions for academic years beginning on or after July 1, 2006. ***Other hurricane-related expenses may be permitted; it is the applicant's responsibility to explain, in the required budget narrative, how each claimed expense is related to the effects of the hurricanes.*** Failure to do so may result in denial of funding for that portion of the proposed budget.

Many institutions in the affected area have already received grants for damage caused by the hurricanes through previous awards from the Department of Education (in the states of Louisiana and Mississippi, through the state Board of Regents), the Federal Emergency Management Agency (FEMA) and other government agencies, from private insurance companies, and from other foundation and charitable organizations (such as the Bush-Clinton campaign for hurricane relief). To avoid duplicative payments, the pre-application information form asks applicants to summarize the amount of hurricane-related aid it has already received. This figure will be considered in relation to the applicant's total hurricane-related expenses in calculating each institution's Hurricane Education Recovery Award. The aim of these awards is to assist institutions in regaining the physical and financial position they enjoyed before the hurricanes struck.

Pre-award costs (EDGAR, Part 75.263): Project expenses incurred before Departmental approval of your application may be reimbursed from the grant award if those expenses were the direct result of hurricane ~~damage~~ damage from Katrina or Rita, in 2005.

Indirect costs: Indirect costs may not be included in the budget for Hurricane Education Recovery Awards.

Matching requirement: Recipients of Hurricane Education Recovery Awards are *not* required to contribute any matching costs (Section B of budget form). Applicants are advised that, if matching funds are entered into the budget form, those funds will be subject to audits just like the funds expended through the grant.

#### **IV. PREPARING THE APPLICATION BUDGET: WHAT EXPENSES CANNOT BE COVERED BY A HURRICANE EDUCATION RECOVERY AWARD?**

Two limitations have already been discussed: 1) Grants through the Hurricane Education Recovery Awards can only be used to defray expenses related to damage caused by [Hurricanes Katrina or Rita the 2005 hurricanes and for payments to enable affected institutions to provide grants to students who attend such institutions for academic years beginning on or after July 1, 2006.](#) 2) The Department will not fund indirect costs on these awards.

Government-wide and Department of Education regulations also serve to limit the uses to which a Hurricane Education Recovery Award can be put. The government-wide regulations come from the Office of Management and Budget (OMB). Explanations of OMB regulations are written in documents called “circulars.” The Department of Education’s regulations governing these awards are contained in the Education Department General Administrative Regulations (EDGAR). The Department’s Grants Policy and Oversight Staff (GPOS) also publishes helpful documents called “bulletins.” The most relevant regulations, circulars and bulletins include:

- Office of Management and Budget:
  - OMB Circular A-21: This set of cost principles applies to educational institutions.
  - OMB Circular A-122: This set of cost principles applies to non-profit organizations.
  - OMB Circular A-87: This set of cost principles applies to state, local, and tribal governments.
  - OMB Circular A-133: This circular outlines OMB’s auditing requirements.
  - Federal Acquisition Regulation (FAR) or 48 CFR Part 31.2: This set of cost principles applies to for-profit institutions.

OMB Circulars can be accessed at:  
<http://www.whitehouse.gov/OMB/circulars/index.html>

- Department of Education: The Education Department General Administrative Regulations (EDGAR) apply to all grants funded through the Department; they are cited below along with their location in the Code of Federal Regulations (CFR) and include:
  - 34 CFR Part 74 (Administration of Grants with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations);
  - 34 CFR Part 75 (Direct Grant Programs)
  - 34 CFR Part 76 (State-Administered Programs)
  - 34 CFR Part 77 (Definitions That Apply to Department Regulations)
  - 34 CFR Part 79 (Intergovernmental Review of Department of Education Programs and Activities)
  - 34 CFR Part 80 (Uniform Administrative Requirements for Grants and Cooperative Agreements to States and Local Governments)
  - 34 CFR Part 81 (General Education Provisions Act)
  - 34 CFR Part 82 (New Restrictions on Lobbying)
  - 34 CFR Part 85 (Governmentwide Debarment and Suspension and Governmentwide requirements for Drug-Free Workplace)
  - 34 CFR Part 86 (Drug and Alcohol Abuse Prevention)
  - 34 CFR Part 97 (Protection of Human Subjects)
  - 34 CFR Part 98 (Student Rights in Research, Experimental Programs, and Testing)
  - 34 CFR Part 99 (Family Educational Rights and Privacy)

The EDGAR regulations and bulletins can be accessed at:  
<http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html> and  
<http://www.ed.gov/policy/fund/guid/gposbul/gposbul.html>

Without attempting to present an exhaustive list, the following sections identify some common restrictions:

- Use of funds for religion prohibited (Part 75.532)
- Entertainment costs (OMB Circular A-21) are not allowable.
- Fund raising (OMB Circular A-21) and Lobbying (Part 82.100): Costs of organized fund raising incurred to raise capital or obtain contributions are not allowable. In addition, no portion of these awards may be used to pay anyone for “influencing or attempting to influence” a member of Congress or the Executive Branch to award funds for this project or any other project. Note that this prohibition includes not only paid outside lobbyists but employees of the recipient institution. *Examples*: No project funds may be used for lobbyists’ fees or travel costs incurred in seeking this award, or in other fund raising activities. A person whose salary is 100% supported by the award may not spend *any* time on lobbying activities or fundraising. A person whose

salary is 75 percent supported by the award may spend the 25 percent of their time not supported with Federal grant funds on lobbying activities or fund raising.

Other regulations prohibit the use of awarded funds for alcohol, international travel and various other items. The regulations also explain how organizations will be required to account for their expenses under the grant award, and should be reviewed by all parties responsible for preparing the application and conducting grant activities.

If in doubt about whether a particular expense can be covered by the grant, include it in your budget and discuss in the budget narrative how this item is an expense directly related to damage caused by the hurricanes. An OPE program officer will contact the project director if changes are necessary.

## **V. POST-AWARD INFORMATION: PROJECT MONITORING, BUDGET CHANGES, NO-COST EXTENSIONS, AND DRAWING DOWN GRANT FUNDS**

A. Project Monitoring: Your Grant Award Notification (GAN) will identify an OPE program officer as the “Education Program Contact” for the award. Any questions or requests for changes to the approved project application must be directed to the monitoring program officer identified there. Be sure to include your project number (assigned when you complete the online application, it will begin "P938H07----") so the program officer can easily locate your project files.

Due to the large volume of grants and a shortage of staff and travel monies for their oversight, it is unlikely that a Department staff person will visit your project during its lifetime. Site visits will be made, however, to institutions that fail to conform to the requirements of the grant, such as by not submitting required progress or final reports.

B. Post-Award Budget Changes: Changes in approved project budgets are not uncommon. As a general rule, moving funds from one budget category to another (e.g., from “equipment” to “salaries”) can be made without prior consultation with the Department, so long as: a) the amount of money involved does not exceed 10 percent of the total project budget; b) the budget changes are intended to address the goals and objectives set by Congress for the award; and c) the budget changes lie within the scope of project activities previously approved by the Department. In such a case, the project director should simply make a formal note about the change and the reasons for it, email a copy to the monitoring OPE program officer, and include a copy in the institution’s file on the project. Where the amount exceeds 10 percent of the project budget, prior approval for budget changes must be obtained from your monitoring program officer.

Certain other changes always require prior approval: changes in key personnel, including the project director; post-award decisions to transfer or contract-out any work; and post-award requests for international travel. See Grants Policy Bulletin #19 on the “Expanded Authorities” at <http://www.ed.gov/policy/fund/guid/gpos19.html>.



*No changes can be permitted in project's goals and objectives – the supplemental appropriation statute established the goals and objectives of Hurricane Education Recovery Awards and these cannot be altered.*

C. Extensions of the Project Period: It is the Department's expectation that Hurricane Education Recovery Awards will be fully expended within two (non-construction) or four (construction) years. The Secretary will, however, consider requests for no-cost extensions beyond these dates.

D. Drawing Down Project Funds: Recipient institutions will not receive a check for the full amount of their awards. Department regulations forbid the earning of interest on grant awards, so funds are disbursed as they are spent or in the form of reimbursements. Your business office must set up an account with the government so that funds can be transferred electronically. Contact the GAPS Payee Hotline for information on how to set up and draw down from an account, at 888-336-8930. Your monitoring program officer cannot help with this aspect of grant management.