

Rurality Score for Projects in which all End-User Sites are Non-fixed

Before you begin, remember that non-fixed site projects must have a defined service territory based on the map you provided with the Site Worksheet under Tab A of your application as described on page 15. Also, as you read this section, you may wish to refer to the *Rurality Worksheet-for Non-Fixed Sites* in the *Toolkit* or the excerpt of that *Worksheet* that appears several pages below. Finally, we note that many applicants try a different approach in order to use populations that are more familiar to them such as townships, boroughs, or zip codes. Use of political jurisdiction populations is to be avoided. Such population numbers are frequently misleading and can not be used directly as described below.

Enter each Census Urbanized Area and Urban Cluster in the service territory on a separate line. Show the name of the Urban Area in column 1, its Census Designation in column 2, and its Census Population in Column 3. In most cases, the service territory will include all of the Urban Area, and the same population that is shown in column 3 will be entered in column 4. If the applicant does not serve the entire Census Urban Area, provide a demonstration of the portion that is in the service territory and enter that population in column 4. Enter the entire Census Rural population in the service territory on one line. *Rurality Points* are based on the size of the Census Urban Area or the Census Rural Designation as entered in column 3, regardless of whether the applicant serves it in whole or in part. In other words, if the Urban Area is an Urban Cluster of 15,675, it will be scored as 15 points. If it is an Urban Cluster of 4,324 or if it is a Census Rural Area, it is scored as 45 points. On each line, multiply the population shown in column 4 by the points shown in column 5 to obtain the product, which is entered in column 6. Divide the total of column six by the total of column 4 to obtain the *Rurality Score*. Document the Urban Area populations with Census printouts in the manner described above under fixed sites and as demonstrated in the example that follows. Before reviewing the example of a non-fixed site project, you may find it useful to review the use of the Census tool as described above under “*Rurality Score for Projects in which all End-user Sites are Fixed.*”

Example of a Rurality Score for a Non-Fixed Site Project:

Imagine that a visiting nurse association serves Centre County Pennsylvania. As shown below, Center County contains 3 Census Urban Areas: State College Urbanized Area and the Bellefonte and Philipsburg Urban Clusters. The Philipsburg cluster straddles the border with another County. The balance of the County is Census Rural. For purposes of illustration, we will assume that this organization’s defined service territory includes only Centre County residents.

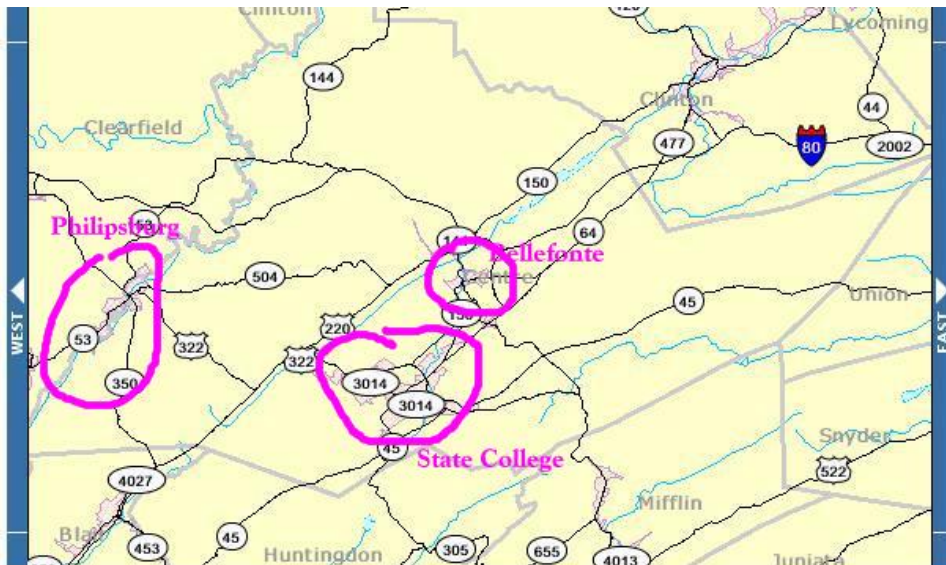


Image 12

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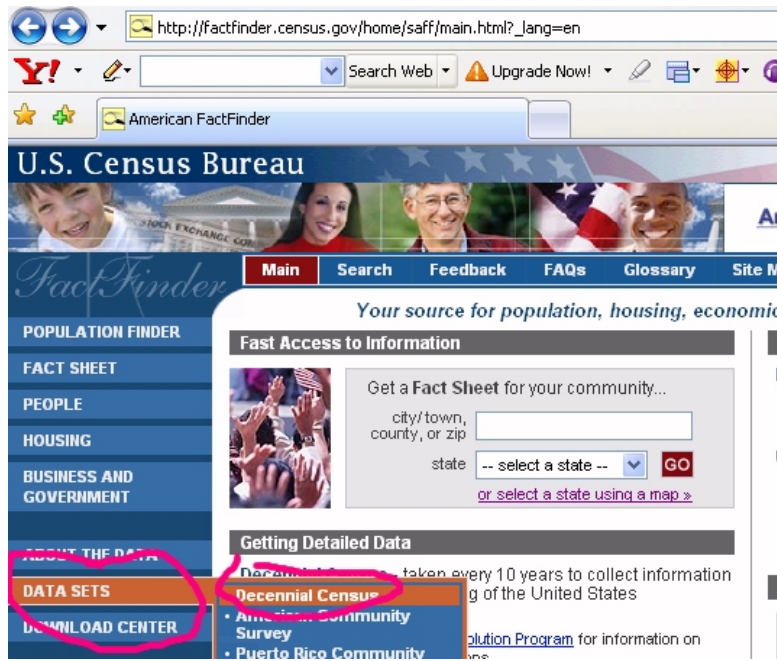


Image 13

Start by going to the main Fact Finder website as shown above and click on the dropdown menu “Decennial Census” under “Data Sets.” On the next screen, choose “Detailed Tables.” Choose “County” and “Pennsylvania” from the drop down menus as shown below. Wait for the website to populate the list of counties. Choose “Centre” and then “add” and finally “show results.”

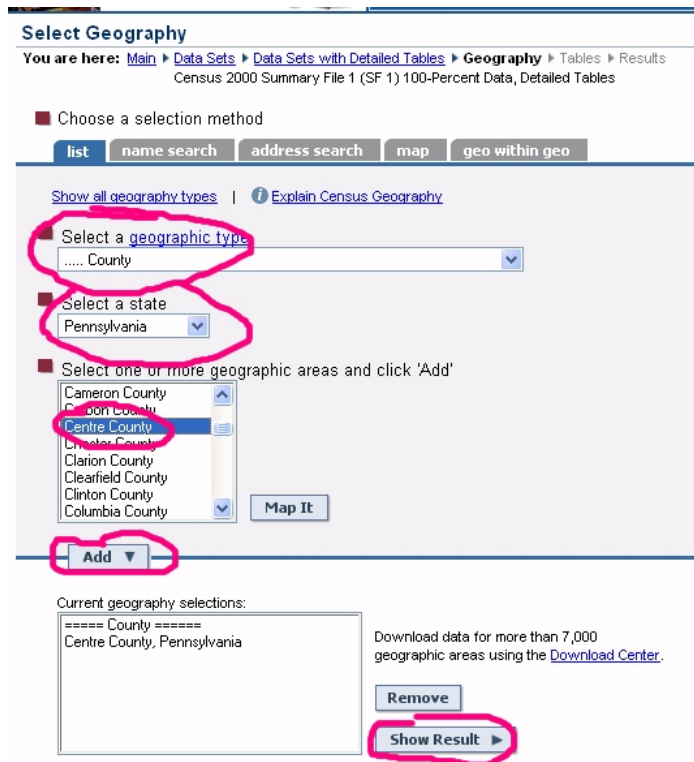


Image 14

The next screen will look like image 10. Choose P1 and P2, “add,” then “show results.” The next screen shows the population of Centre County (135,758), the population in Urbanized Areas (71,301), the population in Urban Clusters (16,021), and the population in Census Rural Areas (48,436).

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P1. [TOTAL POPULATION \[1\]](#) - Universe: [Total population](#)
 Data Set: [Census 2000 Summary File 1 \(SF 1\) 100-Percent Data](#)

NOTE: For information on confidentiality protection, nonsampling error, definition <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.

Centre County, Pennsylvania	
Total	135,758

U.S. Census Bureau
 Census 2000

Census [count corrections](#) for American Indian and Alaska Native Areas (AIAN census tracts, and blocks may have been released as a result of an external [Program](#).

P2. [URBAN AND RURAL \[6\]](#) - Universe: [Total population](#)
 Data Set: [Census 2000 Summary File 1 \(SF 1\) 100-Percent Data](#)

NOTE: For information on confidentiality protection, nonsampling error, definition <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.

Centre County, Pennsylvania	
Total	135,758
Urban:	87,322
Inside urbanized areas	71,301
Inside urban clusters	16,021
Rural	48,436
Filler	0

U.S. Census Bureau
 Census 2000

Image 15

With knowledge of its service territory, the applicant can guess that State College is the Urbanized Area, and that Bellefonte and Philipsburg are the Urban Clusters. If you refer to image 11 from the previous section on Fixed Sites, you will see that State College Urbanized Area’s population of 71,301 accounts for the entire “Inside Urbanized Areas” population in Centre County. To find the size of Bellefonte and Philipsburg, return to the screen shown in Image 14, select “Urban Areas,” wait for the website to populate the list, choose “Bellefonte Urban Cluster,” “add,” “Philipsburg Urban Cluster,” “add,” then “show results.”

P1. [TOTAL POPULATION \[1\]](#) - Universe: [Total population](#)
 Data Set: [Census 2000 Summary File 1 \(SF 1\) 100-Percent Data](#)

NOTE: For information on confidentiality protection, nonsampling error, definitions, and count corrections <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.

	Bellefonte, PA Urban Cluster	Philipsburg, PA Urban Cluster
Total	11,241	8,737

U.S. Census Bureau
 Census 2000

Census [count corrections](#) for American Indian and Alaska Native Areas (AIANAs), states, county census tracts, and blocks may have been released as a result of an external challenge through the [Program](#).

P2. [URBAN AND RURAL \[6\]](#) - Universe: [Total population](#)
 Data Set: [Census 2000 Summary File 1 \(SF 1\) 100-Percent Data](#)

NOTE: For information on confidentiality protection, nonsampling error, definitions, and count corrections <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.

	Bellefonte, PA Urban Cluster	Philipsburg, PA Urban Cluster
Total:	11,241	8,737
Urban:	11,241	8,737
Inside urbanized areas	0	0
Inside urban clusters	11,241	8,737
Rural	0	0
Filler	0	0

U.S. Census Bureau
 Census 2000

Image 16

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The sum of these two (19,978) exceeds the County Urban Cluster Population (16,021) shown in image 15 by 3,957. By looking at the maps for Bellefonte and Philipsburg, and recentering throughout the county, it can be determined that that Bellefonte Urban Cluster is entirely within Centre County, whereas Philipsburg Urban Cluster is partly in Clearfield County. It can also be determined that there are no other urban clusters in Centre County. Therefore, the portion of the Phillipsburg Urban Cluster Population within Centre County is 8,737 less 3,957 or 4,780.

The applicant would complete the *Rurality Worksheet* as shown below. In this case, the hypothetical project’s score would be 18.35. This project would not be eligible for DLT Grant funding, because the minimum required *Rurality* score is 20 points. If the score were eligible, the applicant would attach the appropriate Census Data Sheets like the ones above as documentation behind a copy of the *Rurality Worksheet – Non-Fixed Sites*, which would look as follows:

	1. Service Territory Population Centers (List each Urbanized Area & Urban Cluster on a separate line. Show Census Rural Area(s) separately.)	2. Census Designation	3. Census Population	4. Population in Service Territory	5. Rurality Points	6. Product (4 X 5 = 6)
1	State College	Urbanized Area	71,031	71,031	Zero	Zero
2	Bellefonte	Urban Cluster	11,241	11,241	15	168,615
3	Phillipsburg	Urban Cluster	8,737	4780	30	143,400
4	Centre County Rural	Census Rural	48,436	48,436	45	2,179,620
5						
Sum Rows 1-5 of columns 4 & 6 ► (include any additional rows from continuation sheets)				135,758		2,491,635
Applicant’s Estimated Rurality Score (Sum of Column 6 ÷ Sum of Column 4)			18.35	Rurality Score (For Agency Use)		

Autonomous Service Territories – We operate under the assumption that a non-fixed site project will operate over the entire area served by the applicant/organization. In other words, that any grant or match funded equipment will be used throughout the entire service territory based on medical need, not the location of the person to whom the service is provided. As such, the entire population of the service territory must be used in determining the *Rurality* score because the entire population benefits from the grant and/or match.

However, we are aware that in some cases a service provider will have multiple, discrete service territories that are essentially stand-alone operations. For example, a visiting nurse association may serve three counties, but operate as three discrete and autonomous units, each providing their service out of a separate physical facility in one of the three counties and providing service only in that county. Such an organizational arrangement can be referred to as a regional division.

In cases such, where an applicant serves more than one service territory, and those territories are well defined, already in existence, and operating autonomously out of a separate physical facility as a

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regional division, we can have reasonable confidence that if a grant is awarded to such a regional division, its benefit will flow only to the residents within that regional division. As a consequence, we will entertain an application specific to one (or more) regional division(s) of the operation and consider scoring the application on the specific regional division(s).

The burden of proof will be on the applicant to demonstrate that the equipment and personnel will work out of an existing physical location separate from other territories served by the organization and that the division provides service only within that defined territory. Future service territory divisions, pledges to reorganize by territory, organizational service territories on paper, and other types of arrangements, that are not distinct and physically autonomous regional divisions will not be considered. To be considered as stand-alone, the regional division must be existing and genuine. Otherwise, the applicant must base its scores on the population of the entire service area.

Supplemental Guidance for Non-Fixed Site Projects:

Complicated Service Territory - Some projects entire service territory may be in an exceptionally rural area (5,000 or less). If the Pine County visiting nurse association serves all of Pine County, and the Census website shows no Urban Cluster in the entire County, or no Urban Cluster larger than 5,000, the *Rurality Worksheet* and supporting data are easily prepared.

On the other hand, a service territory may not be tied to easily identifiable borders like a county. In such cases, the Census website provides additional levels of detail which should allow evaluation of even the most complicated service territory by allowing the applicant to align its service boundary with these smaller population units. The Census provides population information at the County, sub-County and Subbarrio level. It also provides data and maps at the Census Tract, Census Block Group, and Census Block level. You can obtain these other categories by altering what was done in images 5 - 7, above. After repositioning on the zip code for State College and choosing “Change Boundaries and features,” we turn off some things as before but leave Census Tract, Block Group, and Urban Area. When the map is updated, the Census Tracts and Block Groups are outlined and numbered. If even finer detail is needed, Census Blocks can be mapped.

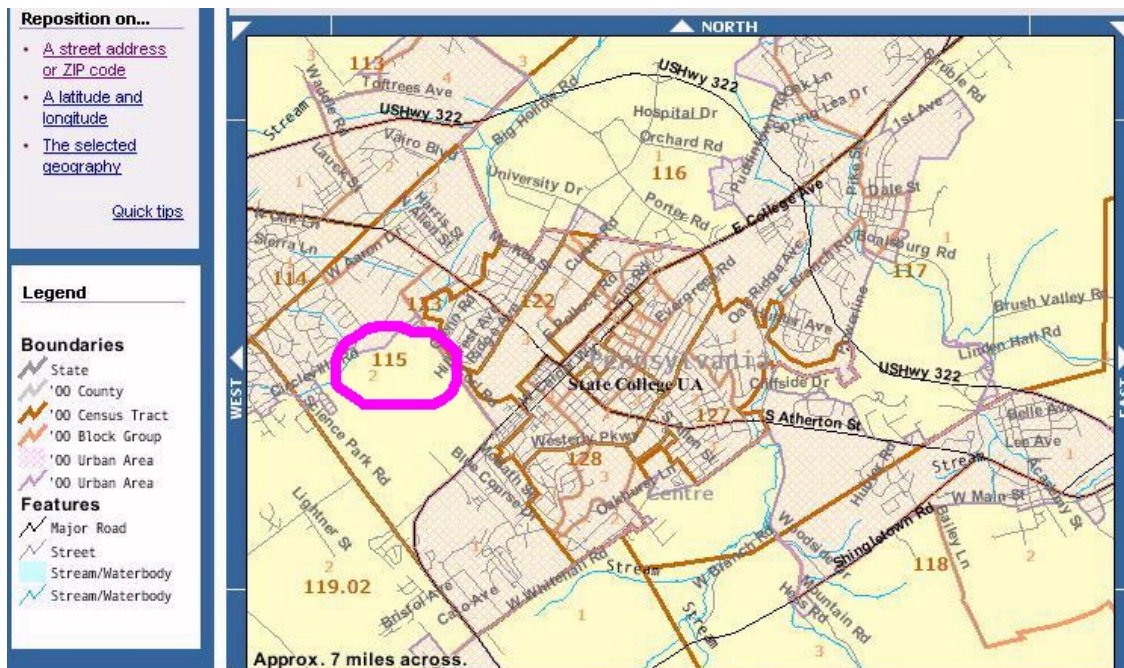


Image 17

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To obtain the population of Census Tract 115, Block Group 2 (circled on the map above), return to “Detailed Tables” as shown in Image 14, enter the details as shown below, then select “Add” and “Show Results” as in previous examples to obtain the population of that individual Block Group. Note that this particular tract contains a mixture of urban and rural population:

Current geography selections:
 ===== Block Group =====
 Block Group 2, Census Tract 115, Centre County, Pennsylvania

Image 18

<http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>

Block Group 2, Census Tract 115, Centre County, Pennsylvania	
Total	4,072

U.S. Census Bureau
 Census 2000

Census [count corrections](#) for American Indian and Alaska Native Areas (AIANAs), states, counties, places, county subdivisions, census tracts, and blocks may have been released as a result of an external challenge through the [Count Question Resolution Program](#).

P2. URBAN AND RURAL [6] - Universe: Total population
 Data Set: [Census 2000 Summary File 1 \(SF 1\) 100-Percent Data](#)

NOTE: For information on confidentiality protection, nonsampling error, definitions, and count corrections see <http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.

Block Group 2, Census Tract 115, Centre County, Pennsylvania	
Total	4,072
Urban:	3,854
Inside urbanized areas	3,854
Inside urban clusters	0
Rural	218
Filler	0

U.S. Census Bureau
 Census 2000

Image 19

E-2. National School Lunch Program (NSLP)

This criterion uses National School Lunch Program (NSLP) eligibility statistics as a way to measure the financial need of the beneficiaries of the DLT project. We ask you to present an estimated *NSLP* score in your application. An *NSLP Worksheet* is provided in the *Toolkit* for this purpose. The Agency will review your estimate and correct it if necessary. For purposes of the DLT Program, the NSLP percentage reflects the percentage of students **eligible** for reduced-price or free lunches for each area served by a hub/end-user or end-user site, **not the percentage of actual participation**.

Background of the NSLP

The NSLP is a federally assisted meal program providing nutritionally balanced, low-cost or free lunches to millions of children in thousands of schools and childcare institutions. School districts and independent schools in the program receive cash support and donated commodities from USDA for each meal they serve. In return, they must serve lunches that meet Federal requirements and they must offer reduced-price or free lunches to eligible children. The Food and Nutrition Service of USDA administers the program at the Federal level. At the State level, state education agencies and local school districts usually administer the NSLP.

The NSLP Score by Type of Project – Fixed and Variable Sites

Most DLT projects operate at fixed sites such as schools or medical facilities. For these traditional DLT projects, the *NSLP* score is based on NSLP data for the sites where the end-users are located.

As discussed with greater elaboration above with respect to the *Rurality* score, other projects serve end-users that are not fixed but vary over time such as home health care. For these types of projects, the *NSLP* score is based on NSLP data for the entire service territory.

Tips:

- **If you have no supporting data behind your *NSLP Worksheet*, you have not documented your NSLP percentages, and you will receive a zero in this category.**
- If you are in a small district, where K-12 is in one school, or on one campus where the lunch facility is shared so that separate NSLP data is not available for the individual high, middle, or elementary school, make this clear in the supporting documentation you supply behind the *NSLP Worksheet*.
- If you provide printouts of NSLP data for many schools other than the sites in the application, please **highlight** the data relevant to your application.

Determining the NSLP Score for Projects in which all End-user Sites are Fixed

The *NSLP* score is based on the average of the relevant NSLP eligibility percentage for all hub/end-user and end/user sites. Use the following guidelines in preparing the *NSLP Worksheet*.

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Does the applicant use **specific school or district-wide** statistics?

1. If the hub/end-user or end-user site is a **public school or non-profit private school of Kindergarten through Grade 12 (K-12)**, use the eligibility percentage for that **specific school**. If it is a high school, provide high school data. If it is an elementary school, provide data for the elementary school. Do not provide district-wide data or data from another school.
2. If the hub/end-user or end-user site is **any other entity** (college, private for-profit school, library, hospital, clinic, etc.) use the NSLP eligibility score for the **school district** in which the site is located.

How does the applicant enter data on the *NSLP Worksheet*?

1. Enter each hub, hub/end-user, and end-user site onto the *NSLP Worksheet* placing them in the same order as on the *Site Worksheet and Rurality Worksheet*. Identify the site by type. Provide data for hubs. Although pure hubs are not part of the calculation, the Agency will need this data if it determines that the site is actually a hub/end-user. Place pure hubs at the beginning of the list separated by a space and do not include them in your NSLP calculations as described below.
2. Your sites (fixed-site projects) or service territory (non-fixed-site projects) must be consistent throughout the application. **If the end-user sites or service territory are not consistent, your application cannot be evaluated and will be returned as ineligible.**
3. Applicants **must document** each site's NSLP percentage with a certification from the organization that administers the NSLP in your area that the data is accurate and the most recent available. **Any site without verifiable documentation attached behind the *NSLP Worksheet* will be evaluated at zero percent eligibility.** Some official NSLP data is posted on state and/or local governmental websites. If so, you may provide printouts from these official sites. Make certain that the official website from which those printout are obtained is provided either on the printout or is added to it so that we can verify the information. A web address is to be provided with the printout, but if you provide only a web address, with no data, you have not documented your data and those sites will be evaluated at zero percent eligibility. Printouts without evidence of source and data from unofficial sites, such as commercial websites that report information about schools, are frequently out-of-date and/or unreliable, so they are not acceptable. Place all NSLP certifications and any other documentation behind the *NSLP Worksheet* under Tab E-2 of your application.

NSLP Documentation Errors to Avoid:

1. **No documentation. Your application will receive an NSLP score of zero.**
2. A statement from the certifying NSLP official that the data is correct and the most recent available, but with no evidence in the letter of what the data is.
3. An unsigned letter from the certifying official.
4. A letter from the certifying official without a clearly printed name and title.

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How is the score calculated?

1. The “Average NSLP” entered on the *NSLP Worksheet* is the rounded average of the relevant NSLP eligibility percentages for all the hub/end-user and end-user sites or, in the case of a non-fixed site project, all the school districts that serve within the project service territory. When calculating the average, use the eligibility percentages exactly as received from the source of the NSLP data. In other words, if the administrator of the lunch program provides data to two decimal places, enter that data for each site on the *NSLP Worksheet* to two places.
2. **Use rounding:** After calculating the average, round the result to an integer in the standard manner. (If less than 0.5, round down - 39.379% rounds to 39%. If 0.5 or greater, round up - 39.571% rounds to 40%.) Enter the rounded average in the “Average NSLP” block on the *Worksheet*.
3. Use the decision table below (it also appears on the *NSLP Worksheet*) to enter the score in the “Applicant’s Estimated NSLP Score” block.

Decision Table	
<u>NSLP Percentage:</u>	<u>Points</u>
NSLP < 25%	0
25% ≤ NSLP < 50%	15
50% ≤ NSLP < 75%	25
75% ≤ NSLP	35

Excluded Sites - Your project may benefit urban sites (>20,000) that would not score well in the *Rurality* and *NSLP Categories*. Remember that the DLT Grant Program is intended to benefit rural sites. We encourage applicants not to include urban end-users in their project. Should you choose to include urban end-users, but wish to exclude such sites from the calculations, show the excluded sites separately on the *Worksheets* with a clear indication that they have been excluded from the calculations. **In such cases, all funds that benefit the excluded sites must come from other funds. None can be included in the grant or match budget. This is true even if the funds are used for facilities located at a Hub/End-user site that is included in the *Rurality* calculation. (See D-1, *Telecommunications System Plan*, for detail on apportioning DLT project benefit.)**

Example of NSLP Calculation for a Project with Fixed Sites:

Central Community College will link itself, a community library, and two schools to the Deepwoods Nature Center for the purpose of receiving environmental distance learning courses via teleconference. The Deepwoods Nature center is the source of the distance learning content and does not receive any content from the other sites nor will it use equipment placed at Deepwoods to benefit users not shown on the *Worksheet*. As such, the applicant considers it a pure hub and does not use it in the calculation. The applicant correctly provides the NSLP data anyway so that if the Agency finds that the site is an end-user, it can recalculate the score. Central Community College will be the electronic hub of the network, but it will receive distance learning content from the Nature Center so it is a hub/end-user. The average of the four relevant percentages is 36.125% which rounds to 36%. The applicant looks at the decision table and enters 15 points in the “Applicant’s Estimated *NSLP* Score” block.

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	Site Name (Same numbering and order as <i>Site & Rurality Worksheets</i>)	Site Type (Hub, etc.)	Total Students	% Eligible (See Attached)
1	Deepwoods Nature Center (school district data)	Hub Not Incl.	347	37.1
2	Central Community College (use school district data)	Hub/End-User	3,200	24.2
3	Kingstown Library (use school district data)	End-user	1,200	28.9
4	Farwell High School (use specific school data)	End-user	235	34.1
5	Clarksburg High School (use specific school data)	End-user	432	57.3
Average NSLP (Sum of NSLP Percentages ÷ # of Sites & then rounded to an Integer)				36%

Applicant's Estimated NSLP Score (Enter Points from Scoring Table)	15	NSLP Score (for Agency Use)	
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NSLP Score for Projects in which all End-user Sites are Non-Fixed

The *NSLP Worksheet* for Non-Fixed Sites is quite similar to that for Fixed Sites except that it comprises all the Public School Districts that serve the non-fixed site service territory, whether in whole or in part.

	School District Name	Total Students	% Eligible (See Attached)
1	Valley Falls School District	658	37%
2	Great Meadow School District	345	56%
3	Sandy Beach School District	532	42%
4	Roosevelt Public Schools	439	32%
5			
Average NSLP (Sum of NSLP Percentages ÷ # of School Districts rounded to an Integer)			42

Applicant's Estimated NSLP Score (Enter Points from Scoring Table)	15	NSLP Score (for Agency Use)	
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E-3. Leveraging (Matching Funds and other Assistance)

The *Leveraging* score is based on the eligible matching fund contribution of the applicant and others. The applicant proposes a match. The Agency determines what is eligible. Based on what you believe to be eligible, we ask you to present an estimated *Leveraging* score in your application. The Agency will correct your estimated score if necessary. This criterion is intended to measure the level of commitment in the local community for the project. A DLT project that is widely supported within a rural community is more likely to be strong and successful. Remember that your application is evaluated for eligibility and scored based on the material submitted by the deadline. Additional information and clarifications not provided as part of the application as received by the deadline will not be solicited or considered by the Agency.

Eligible purposes for matching funds are identical to eligible purposes for a DLT grant. If an item is not eligible for grant funding, it can not be credited as a match. For a line-item to be eligible in full for match funding, the application must demonstrate:

1. That none of the use is for ineligible purposes,
2. That none of the use is to benefit sites not shown in the scoring, and
3. That the predominant purpose (over 50% of use) of that line-item is for purposes which meet the DLT grant definition of distance learning or telemedicine as described in the application.

If any part of a line-item is for ineligible purposes, the line-item cannot be budgeted for match. If otherwise eligible but the predominant purpose (50% or more of use) is not for the DLT project, or if some of the use will benefit sites not shown in the scoring, the applicant can propose that a portion of the line-item be budgeted for match. The portion eligible for match is that attributable to the sites on which the project is scored. The balance must come from other funds. **(See D-1, *Telecommunications System Plan and Scope of Work*, for detail on apportioning DLT project benefit.)**

- To be eligible, **items proposed as match must be integral to the project** in exactly the same way as items the applicant proposes to obtain with the grant. Keep in mind that the DLT Program is not simply a technology support program. The purpose of matching funds is not to give an advantage to institutions for general technology purchases that are not part of the project and which they would have made in any case such as annual computer purchases. It is intended to build distance learning and/or telemedicine systems by encouraging support for a project that would not exist if not for the grant.
- Your project must have non-Federal matching funds equal to at least 15% of the DLT grant requested to qualify for the DLT Program. The minimum match receives no points. Matches that exceed 15% can earn points on a sliding scale. There are special matching provisions for American Samoa, Guam, Virgin Islands, and the Northern Mariana Islands. Applications from these areas are not required to provide a minimum match in order to be eligible for the DLT Program. However, they must meet the same thresholds (30%, 50%, etc.) in order to earn points in the *Leveraging* category.
- From time to time, applicants seek to use an existing non-federal grant as matching funds towards their DLT Grant application. To document the match, they include a copy of the announcement letter from the grantor. However, the letter from the grantor is often not explicit about the purpose of the grant or the letter may imply unstated limitations or exclusions. Under such circumstances, we cannot credit the proposed match. If you intend to apply another grant as matching funds toward the DLT Grant application, you should still include a letter from the

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grant recipient stating that the money in that grant is available and can be applied to the purposes of the DLT Grant.

- Frequently, a complete project requires items that are ineligible as grant or match such as a building addition. Although not eligible as matching funding, financial support and in-kind contributions from the local community (other than the applicant) that go toward such items shows evidence of the commitment of the community to the project. Detail this support in the *Budget* and provide evidence of this type of support under F-2, *Needs and Benefits*, but do not claim credit for it as a match.

Sources of Eligible Matching Funds:

- The Applicant. During this discussion of matching funds, when we speak of the applicant, we include the formal applicant (the organization that signs the SF-424) and also those entities that participate in the project as a hub, hub/end-user and or end-user site regardless of whether grant or match funds are budgeted for that site.
- Parties not participating in the DLT project either as a hub, hub/end-user or end-user site or as manufacturer, vendor, or service provider that will benefit from the grant through the prospective sale of goods or services. Parties not participating in the project include donors such as individuals, community groups, state and local governments, and charities. It also includes businesses whose products or services will not be purchased for the project. In general, federal funds cannot be used for match. An important exception is funding from the **Appalachian Regional Commission** (ARC). Please see www.arc.gov for a list of eligible counties under the *Counties in Appalachia* heading. Applying ARC funds as a match requires coordination with ARC State Program Managers and States in the Region. See the *ARC Members, Partners and Staff* link also at www.arc.gov for ARC State Program Managers contact information. DLT applicants considering an ARC match are strongly encouraged to contact their ARC State Program Manager(s) early in the process to explore the feasibility of an ARC grant.

Sources that Cannot Be Considered for Matching Funds

- Except as provided for under Federal law, funds from other Federal sources cannot be used for matching.
- Manufacturers, vendors, and service providers whose equipment or services will be used as part of the DLT Project.

Note: The regulation (7 CFR 1703) states that in-kind items must have an “established monetary value” and that “manufacturer’s or service provider’s discounts are not considered in-kind matching.” Because the purposes for grant and match are identical, a discount cannot be considered a cash match either. The reason for not considering discounts is that, in the world of telecommunications, list prices are nominal. They are not an established monetary value. Actual prices are flexible and it is impossible for us to evaluate whether a discount has an actual established monetary value. The same logic applies to any proposed match (cash or in-kind) from a manufacturer, vendor, or other service provider that stands to benefit from the grant or match funds through the prospective sale of equipment or services. A match from one of these entities is indistinguishable from a discount and impossible to evaluate as to its value. As a consequence, we will not accept cash or in-kind matching funds from manufacturers, vendors, or service providers whose equipment or services will be used in the project.

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Types of Matching Funds:

Cash: The regulation conveys explicitly the expectation that cash will be the usual method of leveraging when it states that “matching contributions must generally be in the form of cash.” Cash is unambiguous and can be applied to any eligible item in the budget. During review of an application, if the Agency were to determine that some items in the budget are ineligible, the removal of those items would not lower the dollar value of the applicant’s proposed match.

From time to time, applicants characterize their match as “cash,” but specify particular items that they will acquire with their matching funds. When linked to a specific item, such a proposed match is “in-kind,” not cash. As such, the eligibility of the proposed match is directly related to the eligibility of the item as described in the next paragraph.

In-Kind Match: In-kind matches are also acceptable under the regulation, but we do not recommend that the applicant propose them. In-kind matches must be closely scrutinized to determine if they have the same relevance and credibility as a cash match. Remember, an in-kind match must be integral to and necessary for the DLT project, not simply a technology purchase made in the same timeframe. Unlike cash, in-kind matches are tied directly to the eligibility of the proposed in-kind item. Should we determine that the item is not eligible, the item would be removed from the grant and match budget and the proposed match would disappear with it. This may lead to a lower *Leveraging* score than you expected to earn. If the reductions were to lower your eligible match below 15%, your application would be ineligible for the DLT competition.

As a practical matter, there is no compelling reason for an applicant to propose an in-kind match. Because items acquired before the application deadline are not eligible for grant or match, any items that the applicant would propose as an in-kind match must be obtained with cash after the application is submitted. In other words, when an applicant proposes an in-kind match, it is in effect committing cash with which the proposed in-kind item will be purchased at some point after the deadline, except that if the item is not eligible, neither is the match. A true cash match (unspecified) can be applied against any remaining eligible purpose.

Proposed in kind matches from organizations not affiliated with the applicant and whose products or services will not be purchased as part of the DLT project are acceptable. Remember that the established monetary value of any proposed in-kind match must be demonstrated through evidence such as actual selling price. List prices and valuations assigned outside of the marketplace by the donor or others are not evidence of an established monetary value.

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Funding Commitments

Failure to properly document the minimum required match is the single largest reason that an application is returned as ineligible. For that reason, before we describe how to document your match, we include this list of errors to avoid.

TIPS AND MATCH DOCUMENTATION ERRORS TO AVOID

1. Only documented matches will be credited. Each donor, including the applicant, must document its match. If you have nothing under Tab E-3 in your application, or nothing but a *Leveraging Worksheet* without proper documentation behind that *Worksheet* as described below, you have no match. As a consequence, your application is ineligible and will be returned without being considered for funding.
2. A signature on the SF-424, *Application for Federal Assistance*, does not document the commitment of matching funds in a form satisfactory to the Agency. Neither is a reference to matching funds, say in the *Budget* or *Telecommunications System Plan*, unless properly documented by the donor under Tab E-3.
3. The person signing letters documenting matching funds must have authority to commit funds on behalf of the donor. If you are not clearly such a person, for example, a chief executive officer, a board chairman, or school superintendent, you should attach evidence of your ability to commit matching funds. Examples of titles that do not convey clear authority are “technical coordinator,” “IT Manager,” or “Radiology Department Manager.”
4. An unsigned letter or a letter that does not carry the donor’s title is not acceptable. Neither is a letter that is signed “for” the responsible party and initialed, unless the person who initialed for the responsible party provides evidence not only of the responsible party’s authority to commit the organization, but of the initialing party’s authority to sign on the responsible party’s behalf.
5. You cannot commit funds on behalf of any organization except your own. If you are the superintendent of XYZ High School, you cannot commit funds on behalf of ABC middle school, a school over which you have no authority. The commitment for ABC school must come from that organization.
6. Conditional Matches are not acceptable. For example, “We commit ZYX Funds, subject to Board Approval.” Until the Board Resolution is passed, no match exists. If it is not passed before the application deadline, no proposed match can be credited because the funds were not committed by that deadline as required under the regulation. If it is passed by the deadline, the resolution should be included under Tab E-3 to show that the condition has been satisfied.
7. Remember that proposed matches must be relevant to the project in the same way as items for which grant funds are requested. Do not propose as match items that are not going to the project. For example, if the proposed match is coming from a school district, you cannot be credited for funds going to schools that are not end-users as shown in the application. If you are proposing an in-kind match, specify the line-items in your supporting letter by the line-item number shown in the budget.
8. **Proposed Matches must be committed and available as of the application deadline.** Matches proposed in future years are considered conditional and will not be credited. For example, if an applicant proposes \$100 per year for ten years, we will credit only the \$100 committed in the year of the application. While you may wish to do internal budgeting over time, a match commitment must be for the entire amount without conditions.
9. Match letters must be specific and state the dollar amount. Avoid statements like “We commit 15% of our need.” Instead, state a specific dollar amount such as “We commit \$320 dollars, 15% as much as the grant budget proposed for our site in the application.” If your cash match is intended only for the benefit of a specific site(s), so state in your letter such as “We commit \$480 dollars, 30% as much as the grant budget proposed for our site in the application. Should the grant budget for our site be reduced, our proposed match is also reduced so that it remains 30% of the grant budget for our site in the application.”

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Match Documentation Specifics - The applicant must document the project’s proposed matching funds in form and substance satisfactory to the Agency. The documentation must be placed under Tab E-3 of your application. We have arranged the *Leveraging Worksheet* to provide a place to enter each contribution. Each proposed match entry on the worksheet must be supported by a signed letter from the individual donor proposing the match.

1. **Be signed by a person capable of obligating the donor organization.** Include the printed name and title of the person signing the letter. The letter must clearly indicate the name of the donor organization and state that the funds are committed to the proposed DLT project as described in the *Budget* and elsewhere in the application. If your name and title do not appear on the donor organization’s letterhead, attach evidence of your position to the letter.
2. **If the match is cash, state the \$ amount.** Letters without a stated cash amount cannot be credited as a cash match.
3. **If the proposed match is in-kind, state the \$ amount and give a complete description of the donation identified by the line-item number in the budget and the expected date of purchase.** Letters that do not identify the line-items in the budget cannot be credited as an in-kind match. Keep in mind that items acquired before the application deadline are not eligible for grant or match. Also, demonstrate how the established monetary value of the item was determined.

Proposed matches must be consistent on the SF-424, the *Budget*, and the *Leveraging Worksheet*. Proposed matches not documented under Tab E-3 with a letter as described above will not be credited in the *Leveraging* score.

Criterion Point Value and Allocation

Up to **35 points** are available under this criterion. Points are awarded as follows:

<u>Percentage of Eligible Match Compared to Grant Request</u>	<u>Points</u>
15% < Match % ≤ 30%	0
30% < Match % ≤ 50%	15
50% < Match % ≤ 75%	25
75% < Match % ≤ 100%	30
Match > 100%	35

Example: Applicants receive different scores based on their proposed matching funds:

	<u>Grant Requested</u>	<u>Matching Funds</u>	<u>% of GRANT Funds</u>	<u>Points Scored</u>
Applicant #1	\$100,000	\$15,000	15%	0
Applicant #2	\$100,000	\$45,000	45%	15
Applicant #3	\$100,000	\$60,000	60%	25
Applicant #4	\$100,000	\$80,000	80%	30
Applicant #5	\$100,000	\$105,000	105%	35

**E-4. USDA Empowerment Zones/Enterprise Communities
And Champion Communities (EZ/EC)**

This criterion documents project participation in USDA’s Empowerment Zone/Enterprise Community (EZ/ECs) and related Champion Community programs, based on end-user site locations within these designated areas. We ask you to present an estimated *EZ/EC* score in your application. An *EZ/EC Worksheet* has been provided in the *Toolkit* for this purpose. The Agency will review your estimate and correct it if necessary.

EZ/EC Points

Up to **15 points** may be awarded for this criterion. If your project has:

<u>At Least 1 End-user Site Located in a USDA:</u>	<u>Your Application will Receive</u>
EZ/EC Community	10 points
Champion Community	5 points

If any of your sites are located in a current USDA Rural Empowerment Zone, USDA Enterprise Community or USDA Champion Community, your application may be eligible for points in this category. **The category does not include Rural Economic Area Partnerships (REAP) Zones.** Check the official websites shown below for USDA designated areas. These lists are reprinted on other websites and sometimes the other sites are not up-to-date. We do not accept information not shown on the official website. If you believe the official website to be in error, use the “feedback” link on that site to contact the webmaster responsible for maintaining the site.

Check these Web pages to find out whether any of the communities in your project are located in one of the EZ/EC or Champion Communities. Check the official websites shown below for designated areas. We do not accept information except from official sites so do not substitute printouts from other sites, which may be out of date. If you believe the official website to be in error, use the “feedback” link on that site to contact the webmaster responsible for maintaining the site. The official sites are:

- EZ/EC:** www.ezec.gov/Communit/ruralezec.html
- Champion Communities:** www.ezec.gov/Communit/champions.html

Ten points can be earned if at least 1 end-user site is within an EZ/EC. (Additional sites located in that or another EZ/EC do not earn additional points. If you have two or more EZ/EC Communities, your application still earns only ten points.) Five points can be earned if at least 1 end-user site is in a Champion Community. (Again, additional sites located in that or another Champion Community do not earn additional points.) The maximum score an applicant can earn in this category is fifteen points for having at least one site in an EZ/EC and another site in a Champion Community. Remember that the two categories are mutually exclusive. There are no areas that are both an EZ/EC and a Champion Community so one site cannot earn all fifteen points.

Any end-user site shown on the *EZ/EC Worksheet* must be consistent with the sites shown elsewhere in the application such as on the *Rurality* and *NSLP Worksheets*. To document the EZ/EC or Champion Community status of the sites, place printouts from the USDA websites shown above behind the *Worksheet* under Tab E-4. **If not documented under Tab E-4, no points will be awarded in this category.** USDA EZ/EC designations use Census tracts. The Census tract information for each EZ or EC is available at the Web page listed above. You **must** supply the Census tract information if you

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wish to claim either EZ or EC status. Check the Census Tract information as shown on the EZ/EC website against the 2000 Census and explain any discrepancies.

For further information on the EZ/EC and Champion Community Programs, contact:

USDA Office of Community Development
1400 Independence Ave. SW Stop 3203
Washington, DC 20250-3203

202-619-7980 or 800-645-4712

www.ezec.gov

Email: CDPWebmaster@wdc.usda.gov

F. Subjective Scoring Supporting Documentation

In the four subjective scoring categories (*Additional NSLP, Needs and Benefits, Innovativeness and Cost Effectiveness*), scoring is relative, not absolute. The scoring mechanism is intended to create a ranking of projects within these categories. This means, for example, that an applicant's score is dependent on the qualities of documentation presented by all other applicants. Applications tend to improve from year to year, so an applicant who uses the same quality of documentation year after year can expect to receive progressively lower scores.

Provide self-contained arguments in each of the four subjective scoring categories. Reviewers will not consider information outside a category's write-up. For example, all information that the applicant believes could support its *Needs and Benefits* score must be under Tab F-2 of the application.

Each of the four subjective scoring categories assesses a unique characteristic of the project which is not captured by the other scoring categories. For example, *Needs and Benefits* assesses the specific educational or health care needs, not the general economic needs, of a project's beneficiaries. Economic need is captured by other scoring categories. *Needs and Benefits* also does not attempt to assess the *Rurality* of a project's area, although an applicant can argue that an unusual rural characteristic of its area contributes to its needs in a way that does not affect rural areas in general.

Generally speaking, applicants who apply to the DLT Program are rural and share relatively high levels of need. For a project to receive a competitive score in this program, the applicant must successfully demonstrate that it exceeds the norm for rural projects in a particular category.

Applicants are reminded that this is a national competition. Arguments showing only comparisons with other areas *in a state* are not compelling in this program. Comparative data should be both local and national in coverage.

In presentation in each of the four subjective categories, statements supported by numerical data receive the higher scores. Statistics about a project should be compared to national averages and ranges. These comparisons help reviewers understand statistics presented about a project. Presenting a spreadsheet showing, for example, statistics about end-user sites, with national references, is an especially effective way to support subjective scoring arguments.

F-1. Additional NSLP

The primary measure of general economic need for an area served by a proposed project is based on the National School Lunch Program (NSLP as described above under E-1) and is captured in the *NSLP* score. **The *Additional NSLP* category is intended to provide an opportunity to correct for an *NSLP* score that understates the relative economic need of a project's beneficiaries.**

If an applicant has an NSLP eligibility below 50%, and the applicant can demonstrate that the area it would serve, or the subset of the public it would serve, is not accurately captured by the NSLP percentage, it may request *Additional NSLP* points. **Based on the strength of the evidence provided by the applicant, the Agency may award up to ten points in this category.**

To score well, it is not sufficient to demonstrate, for example, above average unemployment compared to the state average without putting that statistic into context. The key to scoring points in this category is providing a convincing demonstration that the economic plight of the applicant's target beneficiaries is more challenging than that of other areas with similar NSLP scores.

To gain points in this category, the applicant must specifically request them in Section F-1 of the Application (See *Additional NSLP Worksheet* in the *Toolkit*).

F-2. Community Needs and Project Benefits

This criterion measures the extent to which the proposed project meets the goals and objectives of the DLT Program. We may award up to **45 points** in this category. You must **document the specific needs of the community and how the proposed project will address those needs**. You must also document evidence of support from the community.

Tip: Remember, this category is not intended to capture the general economic need of the area served by the project. That need is captured by the *NSLP* score, and, if applicable, *Additional NSLP* scores described above under E-2 and F-1. While a brief overall sketch of the local economy and geography is useful for context, extended discussions of the overall economic health of a region generally do not help tell the story of the specific needs to be addressed by your project.

Discuss Other Projects

DLT Grants cannot be awarded to projects that duplicate facilities. If any of the sites or service territory in the project as described in the application are part of another application in FY 2009 or were part of a project funded in the previous two fiscal years (2006 & 2007), explain any relationship between or among these projects as you discuss the specific need and benefit that will be provided by the proposed project. In particular, discuss how match and grant funding for this project, if approved, would complement previous efforts. (Provide a more thorough discussion of project overlaps in the *Telecommunications System Plan*, as described above. In the absence of an explanation, overlaps in projects are assumed to be duplication and as a consequence, proposed grant and match budget may be adjusted to remove such duplication.)

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Define the Community

In some cases, projects propose serving specific communities – the entire population of a town; all adults in several towns; or students in a particular school district. In others, the community to be served is a subset of the entire community. Whatever the nature of the community, your narrative should give us a clear picture of it.

Need for Services

Clearly state the economic, educational, or health care challenges facing the project's respective communities, and provide documentation that explains the challenges. Use verifiable data and statistics to substantiate and quantify these challenges. **Demonstrate how the proposed project will help resolve these challenges** and why the applicant cannot afford the project without a grant.

Document support for the project provided by experts in the educational or health care fields. Remember that the more specific the expert opinion is to your project, the more compelling it is. Substantiate the underserved educational or health care nature of the project's proposed service area; and **justify, explain, and document the specific educational or medical services that will provide direct benefits to rural residents.**

You should demonstrate that rural residents and other beneficiaries want the educational or medical services from the project. In other words, **show that the reason for the project is to meet local community needs, not simply to install technology that could possibly benefit the community.** Willingness of local end-users or community-based organizations to contribute to the costs of completing, operating, or maintaining the project is a strong indication of community support. Documentation of support includes letters of financial and non-financial commitment towards the project from local organizations.

Address the participation by local residents and organizations in planning and developing the project. Include evidence of this participation in your application. Examples of evidence of community involvement include community meetings, public forums and surveys.

The Agency will also consider the extent to which the application is consistent with the State strategic plan prepared by the USDA Rural Development State Director. (See IV-G, *Contact With USDA State Director.*)

Benefits Derived from Services

In addition to documenting the need for services, describe how the project would assist the community in solving these challenges. **Document the specific benefits of your project and quantify them in terms of expected outcomes.** Tie the benefits of your project DIRECTLY to the stated needs you intend to address. Provide measurable targets or goals such as estimates of the number of people that will benefit from the project.

Tip: Do not address benefits to your organization in this section, unless they are directly tied to community benefit. Benefits of the project that accrue primarily to your organization should be addressed under *Cost Effectiveness*.

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Examples:

For a distance learning project that serves secondary schools, provide the **number of schools and students** that will benefit. You should also **document** all other benefits provided by the project with quantifiable goals when possible such as:

- four-year foreign language availability up from 300 to 1,200 students
- organic chemistry offered for first time to entire district
- expanded educational facility use, like evening vocational training
- reducing the dropout rate from 17% to 12%

For a telemedicine project that serves a consortium of hospitals, provide the **number of health care facilities and the potential number of patients** to benefit. You should also **document** all other benefits provided by the project such as:

- time and monetary savings to the community from telemedicine diagnoses
- 400 patients receiving at-home monitoring
- 4 doctors retained in your community
- lives saved due to prompt medical diagnosis

Document ancillary benefits or multiple uses that create value in the rural communities which the project will serve. Examples include training, information resources, library assets, adult education, lifetime learning, community use of technology, jobs, and connection to the local and global information networks. If applicable, you should address particular community problems such as out-migration and the extent to which the project would reduce or prevent population loss.

Tip: Do not restrict your supporting documentation to the guidance and examples cited here or use them as a template for your application. The material in this section is intended only to provide a starting-point. Neither should you think that gaining a grant requires special expertise or that you will be more successful if you model your application on that of a previously successful applicant. You, the applicant, are the expert about the needs of your community and how your project will meet those needs. Use that expertise to paint a compelling picture of what your project can accomplish.

F-3. Innovativeness of the Project

This criterion assesses how the objectives of the proposed project are met in new and creative ways. Up to **15 points** may be awarded for this criterion. There are two obvious ways that a distance learning or telemedicine project can be innovative, *i.e.*, technical and in application. Technical innovation is rare but possible in rural distance learning and telemedicine projects. Most of the innovativeness we encounter is in the application of state-of-the-art technologies to solve problems in new ways.

Innovation Issues

Technical innovativeness occurs where a new type of device is used to provide a capability. Examples of innovative technologies are the mobile presentation of a capability that previously had only been available in fixed locations, or where a new transmission medium (such as the Internet) is used to deliver data, replacing leased or dial-up telecommunications facilities. We expect applicants to use

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state-of-the-art equipment, so doing this alone does not contribute to a high score in this category. Technical innovativeness can be risky, so wherever it is truly present, the applicant should address any risks inherent in the approach.

Application innovativeness occurs where a tried and true technology is applied in a unique or unusual way to provide a new capability, or to provide a familiar capability in a new way. Presumably, all proposed projects will provide new capabilities to their beneficiaries, so an application with this characteristic alone would not earn a high score in this category.

The application should explore the following sources of evidence of innovativeness:

- Does the project employ technical innovation?
- Are there educational and medical programmatic innovations proposed?
- Does the project use unique adaptations of technology to better meet the special needs or circumstances of the project's proposed service area or beneficiaries?
- Does the project have the potential to influence or promote changes in how distance learning or telemedicine services can be delivered in other areas?
- Does the project use existing resources (telecommunications facilities) in a new way?

Tip: The best examples of innovativeness will come from the imagination of applicants and cannot be suggested here. Technical and application innovativeness are by no means the only forms of innovativeness that will be credited by the reviewer.

F-4. Cost Effectiveness of the Project

This criterion evaluates the efficiency with which the proposed project delivers educational and medical benefits to beneficiaries. Up to **35 points** may be awarded for this criterion. Generally, efficiency of delivery is accomplished by studying every technology option, considering the use of available resources and using them wherever possible, creating a project that not only accomplishes the primary service delivery, but accomplishes many other functions as well. The emphasis in this criterion is *value*, not lowest cost alone.

Cost-Effectiveness Scores are Based On:

1. The extent to which your organization considered alternative technological options for delivering the proposed services. The applicant must provide sufficient documentation reflecting accepted analytical and financial methodologies to substantiate its choice of technology as the most cost effective option. Cost information such as quotations from multiple vendors that you provide in the TSP and Budget is useful for demonstrating cost effectiveness.
2. The extent to which the project uses existing telecommunications transmission facilities. Supporting information may include evidence of considerations of the use of existing facilities, agreements between the applicant and other entities for sharing transmission facilities, and all other measures taken to lower the project's costs for using such facilities.
3. The extent to which the project will use existing networks at the regional, statewide, national, or global levels. Most projects connect to the Internet, so this use of an existing network has a minimal effect on an application's score.
4. The extent to which the requested financial assistance will extend or enhance the benefits of the project.

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5. Whether buying or leasing specific equipment is more cost-effective.
6. Whether a proposed project will accomplish purposes beyond the primary objective. Although the applicant is asked to specify whether distance learning or telemedicine is the predominant use of the project, the facilities funded by the project may benefit the community in other ways. Generally, a multi-use facility will be a greater asset to a rural area than a single-use facility if the two are equally efficient at performing the project's primary function.
7. Whether the proposed project creates the appropriate level of capability to reasonably meet the community's needs. This refers to a matching of project capability to the defined need.

Tips:

- Unsupported assertions of cost effectiveness are not useful. A spreadsheet showing initial cost and annual costs of all considered alternative technologies and implementations can offer strong support for a good score in this category. Don't forget to explain all assumptions and sources for cost information used in the comparison.
- Be sure that the facts presented are meaningful to the reviewer. For example, a statement that a telemedicine project will provide the capability for 42,000 rural residents to have access to teleradiology facilities at a cost of 29¢ per resident is not meaningful, but a statement that the teleradiology project will reduce the cost to a rural resident of a chest x-ray from \$125 to \$20, and will save the patient 6 hours of driving time, is meaningful.

G. Contact with USDA State Director

You must provide evidence that your organization has consulted with the USDA State Director for Rural Development about the availability of other sources of funding available at the State or local level. Include this evidence as part of your application.

You must also provide evidence from the State Director for Rural Development that your application conforms with the State strategic plan as prepared under section 381D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 *et seq.*). Not all states have a strategic plan, so you should indicate if such a plan does not exist. See Section IV, F-2, *Community Needs & Project Benefits*, for our use of this evidence in scoring your application. Include the evidence in your application.

Note: Applicants should contact the USDA State Director as early as possible in the application process. You can find a listing of the State Rural Development Offices here:

www.rurdev.usda.gov/recd_map.html

H. Certifications

The *Toolkit* contains certification forms to demonstrate compliance with other Federal statutes and regulations. There are nine required certifications and we have numbered them C-1 through C-9 so that you can see at a glance if they are all in your application. **Applications submitted without a non-duplication certification cannot be evaluated and will be returned as ineligible.**

- C-1 Equal Opportunity and Nondiscrimination
- C-2 Architectural barriers
- C-3 Flood hazard area precautions
- C-4 Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
- C-5 Drug-free workplace
- C-6 Debarment and suspension rules
- C-7 Lobbying for contracts, grants, etc.
- C-8 Non-duplication of services
- C-9 Environmental impact

Section V - Putting it all Together

Assemble and tab your grant application in the following order, which is the same order as described under Section IV - *The Complete Application*. Material not located under the proper tab will not be considered by reviewers. If material is relevant under more than one tab, it should be repeated under each relevant tab. Any supplemental information that the applicant wants to submit should be included under the relevant tab. The *Toolkit* provides forms, worksheets, sample certifications, and Web resources to help you find information and present it in your application.

TAB	ITEM
A	SF-424 – Application for Federal Assistance w/attech. (Site Worksheet & Optional Survey)
B	Legal Eligibility
C	Executive Summary
D.	Project Information
D-1	Telecommunications System Plan and Scope of Work
D-2	Budget
D-3	Financial Information and Sustainability
D-4	Statement of Experience
E.	Objective Scoring
E-1	Rurality Calculation Worksheet and Supporting Documentation
E-2	NSLP Worksheet and Supporting Documentation
E-3	Leveraging Worksheet and Evidence of Funding Commitments
E-4	EZ/EC Worksheet and Supporting Documentation (If Applicable)
F.	Subjective Scoring Supporting Documentation
F-1	Request for Additional NSLP Points Worksheet (If Applicable)
F-2	Need for Services and Project Benefits
F-3	Innovativeness of the Project
F-4	Cost-Effectiveness of the Project
G.	Contact with USDA State Director—Rural Development
H.	Certifications

2009 DLT Grant Application Guide – Appendix Process Changes from FY 2006 & 2007

This appendix repeats discussion of significant process changes as those changes were described in the Fiscal Year 2006 and 2007 *Application Guides*.

2006 Application Review Process Changes

Eligibility and Scoring Information to be Complete by Application Deadline

The regulation requires that a “complete” application contain certain information and that it be submitted by the application deadline. Fundamental information such as that necessary to establish eligibility to enter the scoring pool and for the scoring itself are expected to be in the original application. This is confirmed by §1703.129, which concerns an applicant’s right to appeal its score. In that section it states that an appeal must be based on inaccurate scoring of the application and “no new information or data that was not included in the original application will be considered.” It follows that information submitted after the application deadline is not a basis for eligibility or scoring. To do otherwise gives applicants who do not follow the rules an unfair advantage by allowing them to demonstrate their eligibility and perfect their score after the deadline. This is not fair to applicants who submitted a proper application by the deadline according to the rules.

In our continuing effort to make certain that all applications receive fair and equal consideration, all information necessary for establishing eligibility for the program, for the eligibility of the project, and for determining the score must be submitted by the application deadline. We will not request such information after the deadline as part of the completeness review process.

So that there is no ambiguity about what is required by the application deadline, this *Application Guide* is cross-referenced so that you will know precisely what to include in your application. The three thumbnails that follow give a brief description of how applications will be reviewed:

1. Applications whose eligibility cannot be determined because they did not submit information sufficient to evaluate their project and establish that they meet the minimum set of requirements as specified in the relevant rules (7 CFR 1703, the 2009 Notice of Solicitation of Applications, and as elaborated upon throughout this *Guide*) will be returned as ineligible. In particular, any proposed match that is not properly documented under Tab E-3 will not be credited. This can reduce the applicant’s *Leveraging* score from what they expect. It can also result in the applicant’s being ineligible for funding consideration because of not meeting the 15% minimum match. Such applications are ineligible and will be returned to the applicant. **See E-3, *Leveraging*, in Section IV of the *Application Guide* for more detail on matching funds and the *Leveraging* score.)**
2. Information not necessary for determining eligibility but necessary for scoring must also be submitted by the application deadline. If scoring information is missing, the application will be scored based on the information submitted by the deadline.
3. Applications should be complete when submitted. However, information not required under the previous two paragraphs but necessary in order to be awarded a grant (the information required under Tabs G and H) will be requested as part of the completeness review process.

Application Format Described in the *Application Guide* Must Be Followed

The implementing regulation, 7 CFR 1703, is not designed for nor is it intended to be a guide on how to present your application. That is specified in the *Application Guide*. In order to make it administratively possible to review hundreds of applications and make the grant awards within a

2009 DLT Grant Application Guide – Appendix Process Changes from FY 2006 & 2007

reasonable time, all applications must follow the format set in the current year's *Application Guide*. Applications not presented in this format will be returned as ineligible. In particular, matches not properly documented under Tab E-3 of your application will not be credited as an eligible match. Please submit your application in an appropriately sized three-ring binder with tabbed dividers as described below and throughout the *Application Guide*. If you submit electronically, make certain that each page is clearly identified by Tab and page number, as if it were a physical application.

All information relevant to a section must be included under that section. Information contained elsewhere in the application will not be considered and cannot be a basis for a scoring appeal. For example, the only information that reviewers will consider in scoring *Needs and Benefits* is information which the applicant provides under Tab F-2, *Needs and Benefits*. If the applicant believes that information in another section (such as the *Telecommunications System Plan*) is relevant to the *Needs and Benefits* category, the information should be repeated under that category.

Proof of Shipping

Paper applications that are not delivered into our hands by the application deadline must carry proof-of-shipment by the application deadline from a third-party shipper such as a commercial carrier or the postal service. Other indications, such as a printed label from a postage meter, do not constitute proof-of-shipment. **(Look at C, *How to Submit a Paper Application*, and D, *How to Submit an Electronic Application*, in Section II of the *Application Guide* for information on submitting your application.)**

Apportioning DLT Project Benefit

Neither grant nor match funds may be used for ineligible purposes. Nor do ineligible purposes become eligible when they are lumped into a single line-item with eligible purposes. If a line-item will be used for any ineligible purpose, applicants are advised to obtain vendor pricing that apportions the eligible and ineligible purposes into separate line-items so that the eligible portion can be considered for grant or match. Otherwise, the entire line-item is ineligible. Also, to be eligible in full as grant or match, the applicant must demonstrate, not merely assert, that it will be used at least 50% of the time for purposes that meet the grant definition of distance learning or telemedicine and must also demonstrate that none of the other use is for ineligible purposes. Line-items that are used less than 50% of the time will be eligible as match or grant only for the percentage that does meet the grant definition of distance learning and telemedicine. **See D-1, *Telecommunications System Plan & Scope of Work*, in Section IV of the *Application Guide* for more detail on apportioning DLT project benefit.**

Third-Party Procurement

All items to be funded with match or grant must be obtained from an organization other than the applicant or other entities participating in the applicant's DLT project as hubs, hub/end-users, or end-users, *i.e.*, items must be procured from a third party. **See D, *Project Information*, in Section IV of the *Application Guide* for more detail on third-party procurement.**

Matching Funds from Vendors, Manufacturers and Other Interested Parties

We will not accept cash or in-kind matching funds from manufacturers, vendors, or service providers whose equipment or services will be used in the project. **See E-3, *Leveraging*, in Section IV of the *Application Guide* for more detail on matching funds and the *Leveraging* score.)**

In-Kind Matching Funds from Applicant and Participating Sites

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The regulation explicitly conveys the expectation that cash will be the usual method of leveraging when it states that “matching contributions must generally be in the form of cash.” Cash is unambiguous and can be applied to any eligible item in the budget. During review of an application, if the Agency were to determine that some items in the budget are ineligible, the removal of those items would not lower the dollar value of the applicant’s proposed match.

In-kind matches are also acceptable under the regulation, but we do not recommend that the applicant or other sites participating in the project propose them. In-kind matches must be closely scrutinized to determine if they are integral to and necessary for DLT purposes, not simply a technology purchase made in the same timeframe. Unlike cash, in-kind matches are tied directly to the eligibility of the proposed in-kind item. Should we determine that the item is not eligible, the item would be removed from the grant and match budget and the proposed match would disappear with it. This may lead to a lower *Leveraging* score than you expected to earn. If the reductions were to lower your eligible match below 15%, your application would be ineligible for the DLT competition. **Please remember that when you state in your matching documentation or budget that a specific line-item will come from matching funds, that is a proposed in-kind match, not a cash match. As such, its eligibility to be credited as a match is tied directly to the eligibility of that line-item.**

As a practical matter, there is no compelling reason for an applicant to propose an in-kind match. Because items acquired before the application deadline are not eligible for grant or match, any items that the applicant would propose as an in-kind match must be obtained with cash after the application is submitted. In other words, when an applicant proposes an in-kind match, it is in effect committing cash with which the proposed in-kind item will be purchased at some point after the deadline. Applicants should instead propose true cash matches which can be applied against any eligible item in the budget as a whole. **See E-3, *Leveraging*, in Section IV of the *Application Guide* for more detail on matching funds and the *Leveraging* score.)**

Consistent Site Information

DLT Grants are awarded as a result of a competition based on scoring. The nature and location of the sites and service territory in a DLT project are the basis for that competition. **Sites and service territory must be consistent throughout the application.** Otherwise, the application cannot be properly evaluated as to eligibility or score. **Applications without consistent site information will be returned as ineligible.** In particular, the sites must be consistent throughout the application including the:

1. **Standard Form 424, *Application for Federal Assistance*** (Tab A of your application package). The applicant provides the most detailed site information on the ***Site Worksheet*** as an attachment to the SF-424. The ***Site Worksheet*** provides space to respond to information requested on the SF-424 and is designed to link that information to the project as described throughout the balance of the application package. The information includes the precise name and location of the site or service territory. If the applicant wishes to use a shortened name for a site, the abbreviation must be shown here and that abbreviation must then be used consistently throughout the application.
2. ***Telecommunications System Plan*** (Tab D-1)
3. ***Budget*** (Tab D-2)
4. ***Rurality Worksheet*** (Tab E-1)
5. ***NSLP Worksheet*** (Tab E-2)

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2007 Application Review Process Changes

Refinement of the Tool for Evaluating *Rurality*

In our continuing effort to ensure fairness in the competition and to simplify the application process, we have adopted a new tool for use in calculating the *Rurality* score of a project. As before, the score will be based on data of the US Census. We will use their objective and extensive urban and rural area analysis while remaining consistent with the words and intent of the statute and regulation. More detail is provided below and elsewhere in the *Application Guide*.

If you are familiar with previous *Application Guides*, one of the first things you may notice is that this year’s guide is considerably longer. This is due almost entirely to the additional guidance we have provided about how to use the Census website for determining your *Rurality Score*. This guidance contains many images of the relevant portion of Census web pages highlighting the navigational techniques needed to gain access to the data.

Background - The DLT program was created and operates under three pieces of legislation – the Farm Bill of 1990, an Amendment to the Farm Bill of 1992, and the Farm Bill of 1996. The program was conceived in the first of these bills, implemented in the second, and had features added to it in the third.

The statutory authority directs the Agency to finance “the construction of facilities and systems to provide telemedicine services and distance learning services in rural areas,” but leaves the determination of “rural areas” largely to the Agency, which is instructed to consider the “population sparsity of the affected rural area.”

Without new guidance in the legislation, the Agency adapted the definition of “rural” from the Rural Electrification Act under which we have operated our Telecommunications Program since 1949 and the Electric Program since 1935. As guided by the “sparsity” language and other guidance in the statute, we set an “urban” threshold of over 20,000 and divided populations under 20,000 into scoring ranges.

We repeat the DLT regulatory definition here for ease of reference:

EXCEPTIONALLY RURAL AREA – 5000 and under. Any area of the United States not included within the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 5,000 inhabitants. (45 points)

RURAL AREA – 5,001-10,000. Any area of the United States included within the boundaries of any incorporated or unincorporated city, village, or borough having a population over 5,000 and not in excess of 10,000 inhabitants. (30 Points)

MID-RURAL AREA – 10,001-20,000. Any area of the United States included within the boundaries of any incorporated or unincorporated city, village, or borough having a population over 10,000 and not in excess of 20,000 inhabitants. (15 Points)

URBAN AREA - Over 20,000. Any area of the United States included within the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 20,000 inhabitants. (Zero Points)

In short, the lower the population, the more points are scored. Clearly, the regulatory intent is to target program benefit to the most rural (sparsest) areas by giving those areas the highest score.

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As the awareness of the DLT Program has spread through the education and medical communities and from its intended rural constituency to suburban and urban America, we have been receiving more applications to serve areas that no observer would characterize as “rural,” but if scored on the individual city, village, or borough jurisdictions, would receive a higher score than if the entire population center were considered. This is because the larger urban population is often divided into a number of separate jurisdictions whose individual populations may each be a small percentage of the overall urban population.

To ensure accuracy in a competitively scored program aimed at sparsely settled areas, the tools used to evaluate “rural” and “urban” should lead to a genuine characterization of how rural an area is. In other words, given two otherwise identical population centers, they should be scored similarly. The score should not be the result of varying jurisdictional peculiarities.

Analysis - There are two striking characteristics of the definition that must be considered in refining the scoring tool:

1. The language in the regulation refers to “any incorporated *or unincorporated* city, village, or borough” having a certain population. Because an “unincorporated city, village, or borough” has no defined boundaries or even a legal existence, the definition can be construed as referring to a collection of people in a population center that has characteristics typical of population centers such as cities, villages, and boroughs. In other words, in a state where towns are often not incorporated, a collection of 700 people living around a crossroads could be considered an unincorporated village. In another state, several adjacent boroughs that share the population characteristics of a city could be considered an unincorporated city.

The jurisdictional nature of population centers varies greatly from state to state. Townships, which are not mentioned in the regulation, are borough-like entities in some states. In others, a borough does not even describe a population center. A borough in Alaska is more like a county. Using a borough population would greatly overstate the population of a specific end-user site located outside of any town but within an Alaskan borough. Similarly, some cities have limits that extend far beyond the Urban Area and include significant rural area(s). Sites in the rural area, but within the city limits, would be scored inaccurately if based on the population inside the city limits.

Otherwise identical collections of people are organized politically in many different ways across the country. It is clear that using population data only from individual incorporated cities, villages, and boroughs provides non-uniform and unfair outcomes in the *Rurality* scoring category between projects and among states. Complicating this, prior to this year, we had not found a satisfactory tool for evaluating the population of an “unincorporated city, village, or borough” that is accurate, objective, and publicly available at no cost to applicants.

2. The word “boundaries” is plural. This suggests that we consider not only the individual boundary of each city, village, or borough, but the collective boundaries should such jurisdictions be part of one population center. It also directs us to consider the *de facto* boundaries of similarly populated unincorporated areas.

There is a compelling reason for looking at urban populations as a whole rather than by jurisdiction. As noted above, in some states, areas that have large populations are divided into multiple adjacent jurisdictions. Such individual jurisdictions within a larger population do not look or feel rural in the way that an isolated jurisdiction with a similar population does and they do not share the isolated community’s challenges that flow from an overall low population.

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Conclusion - Similar populations should produce similar scores. We believe we must use an objective, nationally consistent, and publicly available (at no cost to applicants) tool to evaluate *Rurality* and that we have found that tool in the extensive data and objective analysis of the Department of Commerce’s US Census. The Census defines Urban Areas by the collective urban characteristics of a population center independent of political jurisdictions. We know of no other objective measure that is free and easily available to the public that comes closer to capturing the intent of the statutory direction to consider the “population sparsity of the affected rural area” while remaining consistent with the words and intent of the DLT regulation.

Census Designated Urban Areas - The Census defines two sizes of Urban Area:

1. **Urbanized Area (UA)** - An Urbanized Area is a statistical geographic entity comprising a central core and adjacent densely settled territory that together contain at least 50,000 people, generally with an overall population density of at least 1,000 people per square mile. An Urbanized Area can include all or part of one or more city, village, or borough as well as adjacent areas not incorporated as a city, village, or borough. An Urbanized Area does not share any area with another Urbanized Area or Urban Cluster. To learn more about Census geography, terms and criteria see www.census.gov/geo/www.
2. **Urban Cluster (UC)** - An Urban Cluster is a new statistical geographic entity designated for the 2000 Census, consisting of a central core and adjacent densely settled territory that together contains between 2,500 and 49,999 people. Typically, the overall population density is at least 1,000 people per square mile. Urban Clusters are based on Census block and block group density and do not coincide with official municipal boundaries. An Urban Cluster can include all or parts of one or more city, village, or borough as well as adjacent areas not incorporated as a city, village, or borough. An Urban Cluster does not share any area with, or touch another Urbanized Area or Urban Cluster.

The example that follows is for illustration. Guidance on how to use the website from which this Census Data is obtained is provided under E-1, *Rurality*, in Section IV of this guide. In addition to population data, the Census site has a wealth of information, including mapping of school and Congressional Districts, which can be of assistance in completing the Site Worksheet attachment to the Standard Form 424, *Application for Federal Assistance*.

Example: Lincoln Park is a Census-designated place in Colorado. Here is how its population and area (in yellow) are displayed on *Fact Finder* if you use the “fast access to information” lookup on its main page (factfinder.census.gov/home/saff/main.html?_lang=en).

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U.S. Census Bureau
American FactFinder

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POPULATION FINDER

FACT SHEET

- **Fact Sheet**
- Fact Sheet for a Race, Ethnic, or Ancestry Group

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Lincoln Park CDP, Colorado

state

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2000
2005 data [not available](#) for this geography

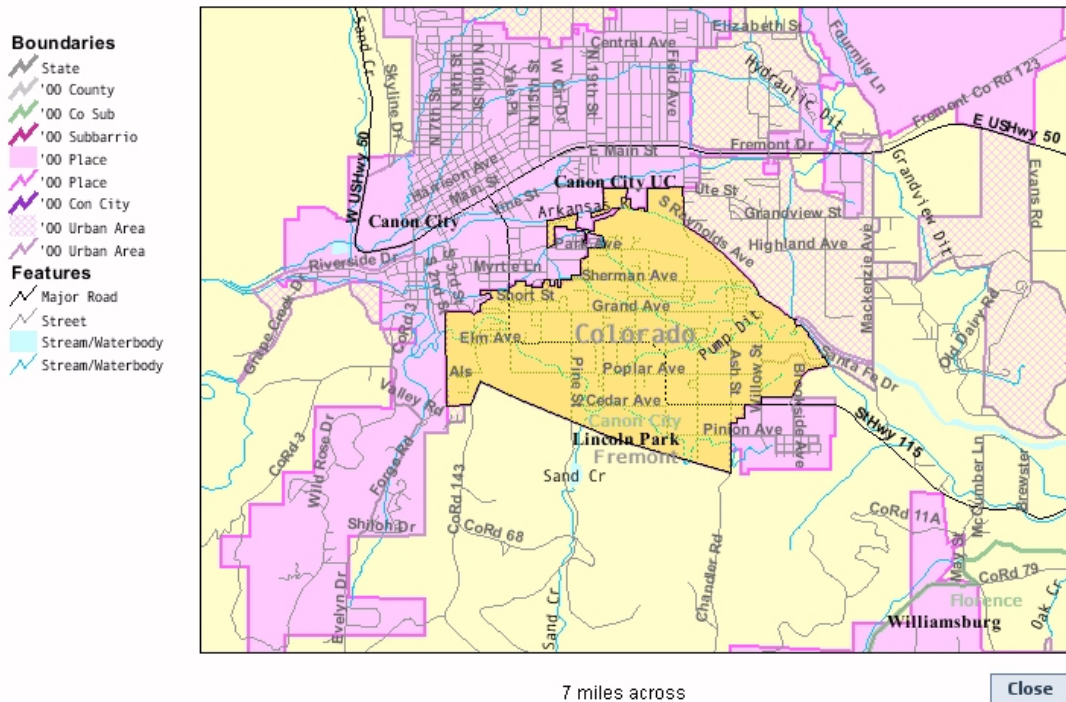
[View a Fact Sheet for a race, ethnic, or ancestry group](#)

Census 2000 Demographic Profile Highlights: [Reference Map](#)

General Characteristics - show more >>	Number	Percent	U.S.	map	brief
Total population	3,904				
Male	1,882	48.2	49.1%	map	brief
Female	2,022	51.8	50.9%	map	brief

Lincoln Park’s population is given by *Fact Finder* as 3,904, but if you click on “reference map,” it is clearly part of the greater Canon City population center. A site located in Lincoln Park, immediately adjacent to the Canon City population of 15,431 is not as rural as one located in an isolated town of 4,000. It does not share the reduced access to goods, opportunities, and services, particularly telecommunications, typical of the more thinly populated isolated town.

Lincoln Park CDP, Colorado



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Canon City city, Colorado

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Colorado
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2000 2005 data not available for this geography

View a Fact Sheet for a race, ethnic, or ancestry group

Census 2000 Demographic Profile Highlights: [Reference Map](#)

General Characteristics - [show more >>](#)

	Number	Percent	U.S.
Total population	15,431		map brief
Male	7,720	50.0	49.1% map brief
Female	7,711	50.0	50.9% map brief

However, even adding Lincoln Park to Canon City doesn't capture the actual size of the population center. The total population, as determined by the Census' Urban Cluster analysis, comprises Canon City, Lincoln Park, and parts of other adjacent places for a total in the contiguous built-up Urban Area of 26,332.

[P2. URBAN AND RURAL \[6\] - Universe: Total popula](#)
Data Set: [Census 2000 Summary File 1 \(SF 1\) 100-F](#)

NOTE: For information on confidentiality protection, nonsampling
<http://factfinder.census.gov/home/en/datanotes/expsf1u.htm>.

Canon City, CO Urban Cluster	
Total:	26,332
Urban:	26,332
Inside urbanized areas	0
Inside urban clusters	26,332
Rural	0
Filler	0

U.S. Census Bureau
Census 2000



If a site is located in Lincoln Park, the Canon City Urban Cluster population is a better indicator of *Rurality* than is Lincoln Park's individual jurisdictional population. The situation is similar in many major metropolitan areas. Highland Park is an independent city in Texas with a population of 8,842. But it is surrounded by the City of Dallas, and is an integrated piece of the Dallas-Fort Worth Urbanized Area, which the Census shows as having a population of 4,145,659. Clearly, the Census' Urbanized Area population gives a more accurate picture of whether a site in Highland Park is located in an urban or rural area.

Throughout this guide, we will use population data from Census designated Urbanized Areas (≥50,000), Urban Clusters (2,500-49,999), and Census Rural (<2500) as the tool for determining populations located “within the boundaries of an incorporated or unincorporated city, village, or borough.” Guidance for completing your *Rurality Worksheet* and for finding population data are provided in this guide under E-1, *Rurality*, in Section IV of the *FY 2007 Application Guide*.

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***Rurality* and NSLP Scoring for Applicants with Non-Fixed End-User Sites**

Applicant eligibility and scoring, particularly with respect to the *Rurality* category, is based on the location of the specific end-user sites such as schools or rural health clinics where people will benefit from the distance learning or telemedicine project. In recent years, we have received increasing numbers of applications from projects in which the end-user sites are not fixed. An example of this is a home health monitoring project where the equipment is moved over time from one patient's home to another as medical needs arise. Another example is an ambulance-based telemedicine project, where the equipment will serve an entire area.

These types of projects were not contemplated when the regulation was adopted. As a consequence, there is no established method for the applicant to estimate and for us to evaluate such an applicant's *Rurality* score or its NSLP score. *Rurality*, in particular, is central to the process because it is important not only in scoring, but in determining if the applicant is eligible for the program.

Because these types of projects are becoming more common, we must specify a fair scoring method that meets the spirit of the regulation while providing a measure of rural benefit that is reasonably comparable to that captured by the method for fixed-site projects. We have provided such a method in this *Application Guide*. Applicants for such projects will base their *Rurality* calculation on the total population within their service territory that is located in each population zone using the *Urban Area* and *Rural* designations of the US Census as described above and under E-1, *Rurality*, in Section IV of this guide. In other words, each person, or potential end-user, is treated as if it were an actual end-user.

Because this method will not look at specific sites but on the population as a whole, such applicants will base their NSLP calculations on the average for all school districts in the service territory. Also, because we must be able to evaluate the population that benefits from the project, the applicant must have a defined service territory (and end-users) that can be definitively shown on a map. Projects to serve undefined users (fixed sites or not) cannot be evaluated or scored, which makes them ineligible for the competition.

Finally, an application must be exclusively for one or the other, either fixed or non-fixed sites. The service areas of fixed and non-fixed site projects are not directly comparable because they are unlikely to benefit the same universe of people. As a consequence, we have no administratively practical way to score an application that contains both types of projects. An example would be an application for a fixed site teleradiology project that connects four clinics operated by technicians with the radiology department of a hospital as well as a non-fixed site project such as placing a videoconferencing system connecting an ambulance to the emergency room for purposes of triage. In other words, if you have both components in your plans, and you include both in one application, we cannot evaluate or score it, which will result in its being ineligible. See E-1, *Rurality*, and E-2, *NSLP*, for more detail about developing the *Rurality* and *NSLP* data and scores for projects with non-fixed end-user sites.

New Worksheets

In an effort to make certain that applicants know exactly what to submit and that it is submitted in a form that will speed the grant award process, we modified several worksheets in the *DLT Grants Toolkit* in FY 2006. This year we have added *Site*, *Rurality*, and *NSLP Worksheets* specifically designed for projects with non-fixed end-user sites as described in the preceding paragraphs.

We stress that all the *Worksheets* are there to guide you through the process and will prevent your making errors in the application. For example, the *Leveraging Worksheet* reminds you to document each donation in your proposed match under Tab E-3 behind that *Worksheet*. If you do not

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do so, the undocumented matches can not be credited, which could result in your application's being ineligible. (See the *Toolkit* for all the worksheets and forms you need to complete your application.)