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U.S. DEPARTMENT OF AGRICULTURE  
FOOD AND NUTRITION SERVICE

Food and Nutrition Service  
National School Lunch Program  
Fiscal Year 2015

REQUEST FOR APPLICATIONS

**DIRECT CERTIFICATION  
IMPROVEMENT GRANTS**

CFDA#: 10.579

KEY DATES

RFA Release Date: [XXX](#)

Application Submission Date: [XXX](#)

Award Date: [XXX](#)

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## I. PROGRAM DESCRIPTION

The USDA Food and Nutrition Service invites State agencies that administer the National School Lunch Program (NSLP) and School Breakfast Program (SBP) to apply for Direct Certification Improvement Grants to fund the costs of improving their direct certification rates with the Supplemental Nutrition Assistance Program (SNAP), and other assistance programs, as allowed under Federal statute and regulations. Under this request for applications (RFA), approximately \$4.5 million is available for grants to NSLP State agencies to fund direct certification improvement projects.

### A. Background and Authority

The Child Nutrition and WIC Reauthorization Act of 2004, Public Law 108-265[42 United States Code 1751 et. seq.] , required all local educational agencies (LEAs) to establish, by school year (SY) 2008-2009, a system to directly certify children as eligible for free school meals when they are members of households that receive SNAP benefits. Under direct certification, children are approved for school meal benefits automatically without an application from the child's household. Direct certification normally is accomplished through data matching between school enrollment records and public assistance program eligibility records.

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill, P.L.110-246) [42 USC 1758a.] required FNS to assess the effectiveness of State and local efforts to directly certify children for free school meals when they are members of households receiving SNAP, and to provide annual reports to Congress indicating State progress in this area. Each year since 2008, FNS has computed direct certification rates for each State using estimates of the number of school-age SNAP participants (between ages 5 and 17) and the number of children from SNAP households directly certified as eligible for free school meals. These rates have been published in the annual Report to Congress: *Direct Certification in the National School Lunch Program: State Implementation Progress*. The national average direct certification rate for children in SNAP households for SY 2013-2014 was calculated as 87 percent, a decrease of 2 percentage points from the 89 percent reported for SY 2012-2013. The Reports to Congress for 2008 through 2013 are available at: <http://www.fns.usda.gov/ora/menu/Published/CNP/cnp.htm>.

Section 749(h) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2010 (P.L. 111-80) [123 STAT. 2133] provided \$22 million that the Food and Nutrition Service (FNS) must issue as grants to State agencies that administer the NSLP and have the lowest rates of children directly certified for free meals, for the purpose of improving those rates. State agencies may use grant funds, in accordance with FNS requirements, to pay costs associated with improving their direct certification rates. Under this appropriation, in July 2010, FNS announced an RFA for State agencies to apply for Direct Certification planning and implementation grants. Applications in response to the 2010 RFA were accepted on a quarterly basis from November 2010 through July 2012, and FNS awarded 31 grants to 21 State agencies. A second RFA was released in December 2012, and later extended in July 2013, to allow quarterly applications through July 2014 for Direct Certification Improvement Grants. Under the second RFA, FNS has awarded 13 grants to 13 State agencies. FNS now is issuing a new Direct Certification Improvement Grant opportunity to make available to States approximately **\$4.5 million** in remaining funds to be used for direct certification improvements.

### B. Purpose of Grant Funding

The Healthy Hunger-Free Kids Act (HHFKA) of 2010 (P.L. 111-296) [124 STAT. 3185] amended

the Richard B. Russell National School Lunch Act (NSLA) to add provisions intended to encourage States to improve program access through direct certification, including:

1. Requiring States to reach percentage benchmarks for direct certification rates for children in households receiving assistance under SNAP according to the following timelines:
  - 80% for SY 2011-2012;
  - 90% for SY 2012-2013; and
  - 95% for SY 2013-2014 and each school year thereafter.
2. Requiring States that fall below the benchmark for the previous school year to develop and implement continuous improvement plans (CIPs) to describe: 1) specific measures that the State will use to identify more children who are eligible for direct certification, including improvements or modifications to technology, information systems, or databases; 2) a timeline for the State to implement those measures; and 3) goals for the State to improve direct certification results.

**The purpose of the Direct Certification Improvement Grants** described in this RFA is to fund State agency activities in planning and implementing direct certification improvement projects that will help them **reach and maintain the direct certification rate benchmarks** mandated by the HHFKA.

For this purpose, funds may be used for:

- Making technology improvements;
- Providing technical assistance to LEAs; or
- Implementing new or revised State or LEA direct certification systems.

In addition, the grants are intended to fund improvements in direct certification with other public programs where there is statutory authority for direct certification, such as Temporary Assistance to Needy Families (TANF), Food Distribution Program on Indian Reservations (FDPIR), foster care, migrants, homeless, etc. Ultimately, FNS intends for the grants to assist States in improving access, increasing accuracy, and reducing paperwork in the NSLP and SBP by simplifying the certification process for free school meals.

### **Using Grant Funds for Direct Certification with Medicaid**

Applicants may propose to use a portion of the grant funds for activities related to direct certification with Medicaid. However, the use of grant funds for this purpose will be restricted to State agencies that apply for a grant to improve their direct certification rate with SNAP **and** are participating in the demonstration projects to evaluate direct certification with Medicaid, as described in FNS Memorandum SP 12-2014 Revised, *Request for Applications for Participation in Demonstration Projects to Evaluate Direct Certification with Medicaid in School Year (SY) 2014-2015*. This memorandum, along with attachments, is located at <http://www.fns.usda.gov/cnd/governance/policy.htm>.

## **II. FEDERAL AWARD INFORMATION**

### **A. Funding Amount**

FNS is issuing this Direct Certification Improvement Grant opportunity to make available to States approximately **\$4.5 million** in remaining funds to be used for direct certification improvements. The number of grants awarded is dependent upon the number and type of applicants.

## B. Award Type

The FY 2015 Direct Certification Improvement Grant award process involves two types of awards. State agencies may apply for only one grant award under this RFA.

1. Tier 1: Limited-scope planning and implementation projects - up to \$150,000
2. Tier 2: Full-scope implementation projects - up to \$1,000,000

### **Tier 1: Limited-Scope Planning and Implementation Grants - up to \$150,000**

Tier 1 grants may be awarded for up to **\$150,000** under a simplified application process to fund short term projects of limited scope for the distinct purpose of improving direct certification rates. Please note that **funding is limited to no more than \$75,000 for planning activities**. If a State agency proposes to conduct both planning and implementation activities under the grant, the proposed budget must clearly delineate between the costs associated with planning and the costs associated with implementation to ensure that planning costs do not exceed \$75,000.

Regardless of the activities proposed, applicants must provide sufficient documentation to explain and justify all grant project cost estimates to establish that they are reasonable, necessary, allowable and allocable to the purpose of these grants. Additionally, FNS retains authority to award less than the amount requested in the application.

Tier 1 grants may have a performance period of **up to one year** and are intended to pay the costs of direct certification improvement activities, such as one or a combination of the following:

1. Planning activities (limited to no more than \$75,000 in costs for planning only), including acquiring expert assistance in:
  - assessing and analyzing direct certification processes and systems to identify and prioritize needed improvements and plan for implementation; and
  - Developing continuous improvement plans (CIPs), as required for States that do not meet the mandated direct certification benchmarks.
2. Upgrades, add-ons or other enhancements to existing direct certification systems and processes;
3. Purchase of new software or hardware for direct certification purposes;
4. Training LEAs to target specific known problem areas in the direct certification process; or

5. Some combination of the above.

For example, a State agency may have a good direct certification system in place, but needs to engage in short-term projects of limited scope to add a new feature or make one or more adjustments, such as, but not limited to:

1. Increasing match frequency;
2. Adding data elements or new algorithms for more accurate data matching;
3. Adding/improving online lookup capability;
4. Improving data exchange processes with SNAP and TANF agencies;
5. Creating/updating software and reporting tools;
6. Making changes necessary to comply with revised Federal reporting requirements for direct certification data;
7. Simplifying LEA access to data matches;
8. Adding or improving ability to identify other children in the household who are categorically eligible for free meals due to SNAP/TANF/FDPIR eligibility of at least one household member;
9. Prioritizing unmatched results for easier processing;
10. Purchasing hardware or software for direct certification purposes. Software and hardware purchases may be for use by the NSLP State agency, by LEAs within their State, or by SNAP/TANF agencies for the purpose of direct certification;
11. Conducting training with LEAs to improve performance in accessing and processing data matches timely and accurately;
12. Adding or improving monitoring capability so the State agency can assess direct certification performance; or
13. Other targeted efforts to improve current direct certification systems and processes.

To develop an application for a Tier 1 grant, State agencies must address the questions in the ***Appendix C: Tier 1 Limited-Scope Grant Proposal Template & Instructions***. The instructions are designed to assist State agencies in developing fully responsive Tier 1 grant applications for viable projects of limited scope and to bring consistency to the proposal process for evaluation purposes.

#### **B. Tier 2: Full-Scope Implementation Grants – Up to \$1,000,000**

Tier 2 full-scope implementation grants may be awarded for up to **\$1,000,000** to fund direct

certification implementation projects with a performance period of **one to three years**. These grants are for the purpose of supporting State agencies in carrying out projects of significant scope to improve direct certification performance. Tier 2 grants are intended for States that already know “what they need to do to improve,” but lack the resources to implement the improvements. Planning activities, such as system analysis, process assessments, and CIP development are not acceptable activities for these full-scope implementation grants. In order to develop a reasonable proposal for a project of this larger scope, FNS assumes that State agencies already have completed assessment and planning activities and are prepared to move forward with an implementation project.

Tier 2 grants may fund major training and technology improvements (for example, a major re- write of the State’s direct certification system to move from district-level matching to State-level matching) or combinations of improvement activities that will exceed \$150,000 in total cost. Potential uses of Tier 2 grant funds include any of the implementation activities listed above (except for planning activities) under “Tier 1: Limited-Scope Planning and Implementation Grants - up to \$150,000,” as well as more extensive implementation projects to implement new direct certification technologies and training.

Applicant agencies must address the questions in the ***Appendix D: Tier 2 - Full-Scope Grant Proposal Template & Instructions*** to develop an implementation grant application. Appendix D instructions and tips are designed to: 1) guide applicants in thinking through all aspects of implementing proposed solutions, with particular emphasis on reducing risks associated with technology related aspects of their proposals; and 2) assist applicants in considering and capturing budget items such as, but not limited to, costs for personnel, contractors, purchasing equipment, developing training, supplies and travel. Following the guidance will assist State agencies to develop fully responsive implementation grant applications, and help to bring consistency to the proposal process for evaluation purposes.

The maximum amount of any single full-scope implementation grant is **\$1,000,000**. However, the size of implementation grants will likely vary, based on differences in project scope, the responsiveness of application packages (see **Section IV Application and Submission Information**), and clarity of demonstrated need. Regardless of the activities proposed, applicants must provide sufficient documentation to explain and justify all grant project cost estimates to establish that they are reasonable, necessary, allowable and allocable to the purpose of these grants. Additionally, FNS retains authority to award less than the amount requested by an applicant.

### C. Non-Competitive

Grant awards under this RFA will not be competitive as long as sufficient funding is available to fund all fully responsive applications with potential to significantly improve direct certification performance. If sufficient funding is not available to award grants to all applicants, FNS reserves the right to give preference to applications from States with the lowest direct certification rates with SNAP, as reported in the latest Direct Certification Report to Congress. Preference also may be given based on the amount of grant funding already awarded to the applicant agencies for direct certification improvement purposes under the previous Direct Certification Grant RFAs (see <http://www.fns.usda.gov/cnd/Grants/Grants2012.htm>). FNS reserves the right to close the RFA and accept no further applications at any point that available funds are exhausted.



**IMPORTANT:** The CND grants website at <http://www.fns.usda.gov/cnd/grants.htm> will be updated to indicate closure of the RFA if grant funds are exhausted before July 15, 2016 (the final application deadline). If this occurs, the closure information will display as a notice on this public website. **Potential applicants should check the website to ensure that funds are available before submitting an application.**

#### D. Application and Review Dates

##### Tier 1: Limited-Scope Planning and Implementation Grants

The deadline schedule for Tier 1 applications may be found in Section IV. FNS will process Tier 1 applications within approximately 45 days from the application deadline by which it was received.

##### Tier 2: Full-Scope Implementation Grants

The deadline schedule for Tier 2 applications may be found in Section IV. FNS will process Tier 2 applications within approximately 90 days from the application deadline by which it was received.

#### E. Award Periods

The award period for the FY 2015 Tier 1 and Tier 2 grants will be as follows, beginning from the date of the award:

- Tier 1 limited-scope grants will be awarded for up to one year; and
- Tier 2 full-scope implementation grants will be awarded for one to three years.

All grant funds must be obligated and all program activities under the grant (other than activities relating to the close out of the grant) must be completed by the end of award period. The close out of the grant must occur no later than 90 days following the end of the award period, and all obligations incurred under the grant must be liquidated by this date. Any funds that are not liquidated within 90 days following the end of the award period must be returned to FNS. In addition, the final progress reports are due to FNS no later than 90 days following the end of the award period. Please see Section VI Federal Award Administration Information for additional reporting requirements.

#### F. FNS Collaboration with State Grantees

FNS intends to work collaboratively with grant applicants and grantees throughout the application process and the life of grants awarded through this RFA. Accordingly, within approximately three weeks of this RFA's publication, FNS will conduct a webinar with all State agencies and FNS regional offices to review the RFA and address questions regarding the application process. Notification of the webinar date, time and call-in information will be communicated to State agencies via the Child Nutrition Division's PartnerWeb community at <https://www.partnerweb.usda.gov>.

FNS anticipates awarding the funds as cooperative agreements to allow FNS more active participation with the cooperator during both project development and project execution. Examples of FNS participation include activities such as the following:

1. Ongoing evaluation of quarterly progress and financial reports to monitor the grantee's

project activities to ensure that the objectives, terms and conditions of the agreement are met;

2. Periodic on-site and off-site technical assistance to provide evaluation and guidance on project activities and outputs as they relate to child nutrition program objectives, including: providing program guidance on curriculum development; evaluation of training materials and websites; evaluation of technology improvements; review of project plans and milestones; review of procurement documents for sub-grantee involvement (i.e., requests for proposals, contracts, statements of work, and project plans) and other technical assistance related to project objectives; and
3. Periodic collaborative meetings for multiple grantees for the purposes of technical assistance, training, problem solving and sharing successful or promising practices. Meetings may be conducted as webinars, teleconferences or training workshops at a program related conference.

Summaries of Direct Certification grants that were awarded under the previous RFAs are located on the FNS Child Nutrition Division grants website at:  
<http://www.fns.usda.gov/school-meals/grants>

### III. ELIGIBILITY INFORMATION

#### A. Eligible Applicants

Per Section 749(h) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2010 (P.L. 111-80), grants are available to State agencies that administer the NSLP and have the lowest direct certification rates for children who are members of households receiving SNAP benefits. Because of the statutory mandate under the Healthy, Hunger-Free Kids Act for States to **reach** and **maintain** direct certification rates with SNAP of at least 95 percent, and due to the number of recent and upcoming changes in direct certification policy and procedures which may require adjustments to State and local direct certification systems (i.e., elimination of SNAP letter method as a method of direct certification, pending changes in direct certification reporting requirements, mandated increase in frequency for running matches, continuous improvement plans, etc.), this grant opportunity is extended to all States, as follows:

1. **All NSLP State agencies** are eligible to apply for **Tier 1** Direct Certification Improvement Grants, even if they were awarded grant(s) under previous direct certification grant RFAs. However, applications must clearly demonstrate the State's need for grant funds to enable it to reach and maintain SNAP direct certification rates at the 95 percent level.
2. **All NSLP State agencies** are eligible to apply for **Tier 2** Direct Certification Improvement Grants. However, FNS reserves the right to deny or limit funding amounts for new awards to States that already have received Tier 2 grant awards since Tier 2 awards were first introduced in the December 2012 RFA for Direct Certification Improvement Grants. State agencies applying for a second Tier 2 award or who have direct certification rates with SNAP that are already at 95 percent or higher, as reported in the latest Direct Certification Report to Congress, must present a compelling case in their application proposals as to why additional funds are necessary for improvements in their direct certification system or processes for them to reach and/or maintain rates at or above the mandated 95 percent benchmark. (The Reports to Congress can be viewed at <http://www.fns.usda.gov/ora/MENU/Published/CNP/cnp.htm>).

3. FNS will accept **only one grant application** from any State agency under this RFA. However, if funds remain available at the end of the RFA period (ending July 2016), FNS reserves the right to extend the RFA and reconsider this application restriction at that time.

#### **B. Cost Sharing or Matching Considerations**

There are no cost sharing or matching requirements to participate in this grant project.

#### **C. Other Eligibility Information**

The Direct Certification Improvement Grant award process involves two types of awards. State agencies may apply for only one grant award under this RFA during the application opportunities in FY 2015 and FY2016.

1. Tier 1: Limited-scope planning and implementation projects - up to \$150,000
2. Tier 2: Full-scope implementation projects - up to \$1,000,000

State agencies may apply for **only one grant award** under this RFA.

States agencies may apply for one Tier 1 grant or one Tier 2 grant (not both) during this RFA period beginning April 2015 and ending July 2016.

FNS reserves the right to deny or limit funding amounts for new grant awards to States that already have received significant funding under previous Tier 2 awards since this award type was first introduced in the December 2012 RFA for Direct Certification Improvement Grants.

## IV. APPLICATION AND SUBMISSION INFORMATION

### A. Access to Application

Applicants may obtain the RFA package by downloading the application from the FNS website <http://www.fns.usda.gov/school-meals/grants> or by downloading the application from the [www.grants.gov](http://www.grants.gov) website. To be considered for awards, applications must be submitted to Grants.gov. Applications submitted via mail service, facsimile or e-mail will not be considered for funding.

State agencies have the option of applying for either a Tier 1 grant or a Tier 2 grant, but not both. Only one grant application in response to this solicitation will be accepted from any State during the life of the RFA.

- Tier 1 simplified applications (see Appendix B for narrative proposal template) for limited-scope planning and implementation applications must be received by 11:59 pm eastern time on the application due date. Applications submitted after the given deadline will not be accepted.
- Tier 2 applications (see Appendix C for narrative proposal template) for full-scope implementation projects applications must be received by 11:59 pm eastern time on the application due date. Applications submitted after the given deadline will not be accepted.

Applicants may request a paper copy of this solicitation and required forms by contacting the FNS Grants Officer at:

Carla Garcia  
Grant Officer, Grants and Fiscal Policy Division  
U.S. Department of Agriculture, FNS  
3101 Park Center Drive Room 740  
Alexandra, VA 22301  
E-mail: [Carla.Garcia@fns.usda.gov](mailto:Carla.Garcia@fns.usda.gov)  
Phone Number: (703) 305-2760

### B. Content of the Application Submission

To be considered complete, Direct Certification Improvement Grant applications must include all the required documents and information listed in the following sections for the specific type of grant -- Tier 1 or Tier 2.

#### A. **Tier 1: Limited-Scope Planning and Implementation Grant Applications**

To be considered complete, application packages for Tier 1 grants must include all information listed in the following table. Failure to provide any item on the list could result in your application being removed from competition.

<b>Table 1 – Checklist for TIER 1 Simplified Application Package</b>		
<b>Grant Type</b>	<b>Application Due Dates</b>	<b>Maximum per Award</b>
<b>TIER 1 – Simplified Application for Limited-Scope Planning &amp; Implementation Grants</b>	<b>April 15, 2015</b> <b>July 15, 2015</b> <b>October 15, 2015</b> <b>January 15, 2016</b> <b>April 15, 2016</b> <b>July 15, 2016</b>	<b>\$150,000</b>
<b>Required Documents and Information</b>	<b>Explanation</b>	
<b>1. Tier 1: Limited-Scope Grant Proposal Template (or similar format) - <i>Appendix B</i></b>  10-page limit  Make sure pages are numbered	For a Tier 1 grant project proposal narrative to be considered complete, applicants must structure and develop their proposal narrative by answering all questions listed in the <b><i>Appendix B: Tier 1 Limited-Scope Grant Proposal Template &amp; Instructions.</i></b> Applicants should address all questions in the order they are listed. The instructions are intended to simplify both the narrative development for applicants and the evaluation process for reviewers. See <b><i>Appendix A</i></b> for link to OMB Cost Principles at 2 CFR 225.	
2. Form SF-424 Application for Federal Assistance	Link to form at: <a href="http://www.fns.usda.gov/cnd/grants.htm">http://www.fns.usda.gov/cnd/grants.htm</a>	
3. Form SF-424A, Budget Information – Non-Construction Programs	Link to form at: <a href="http://www.fns.usda.gov/cnd/grants.htm">http://www.fns.usda.gov/cnd/grants.htm</a>	
4. Form SF-424B, Assurances – Non-Construction Programs	Link to form at: <a href="http://www.fns.usda.gov/cnd/grants.htm">http://www.fns.usda.gov/cnd/grants.htm</a>	
5. Form SF-LLL, Disclosure of Lobbying Activities	Link to form at: <a href="http://www.fns.usda.gov/cnd/grants.htm">http://www.fns.usda.gov/cnd/grants.htm</a>	
6. Indirect Cost Rate Agreement	If Indirect Costs are included in the budget, applicants must provide a copy of their agency’s signed Indirect Cost Rate Agreement with a Federal agency.	
7. Justification for Sole Source Contracts	If contractual costs are included in the budget estimate and the contractor is (or will be) acquired without competition, the applicant must provide a justification for a sole source contract.	

**B. Tier 2: Full-Scope Implementation Grant Applications**

To be considered complete, application packages for Tier 2 grants must include all information listed in the following table. Failure to provide any item on the list could result in your application being removed from competition.

<b>Table 2 – Checklist for TIER 2 Full Application Package</b>		
<b>Grant Type</b>	<b>Application Due Date (if funds remain available)</b>	<b>Maximum per Award</b>
<b>TIER 2 Application for Full-Scope Implementation Grants</b>	<b>April 15, 2015 July 15, 2015 October 15, 2015 January 15, 2016 April 15, 2016 July 15, 2016</b>	<b>\$1,000,000</b>
<b>Required Documents and Information</b>	<b>Explanation</b>	
1. Cover Page	Include <ul style="list-style-type: none"> <li>- Agency Name and Address</li> <li>- Contact Information - Name, address, phone number, email address, and fax number for the NSLP agency administrator and staff person(s) responsible for the application;</li> <li>- Brief abstract to summarize proposed grant project goals, objectives and proposed solution (maximum 250 words)</li> </ul>	
2. Tier 2: Full-Scope Implementation Grant Proposal Template (or similar format) – <b>Appendix C</b>  35-page limit for responses to Questions 1-22  Make sure pages are numbered	For Tier 2 Implementation project proposal narrative to be considered complete, applicants must structure and develop their project proposal by answering all questions in the <b>Appendix C: Tier 2 Full-Scope Implementation Grant Proposal Template &amp; Instructions</b> . The template is designed to guide applicants in thinking through all aspects of proposed solutions, with particular emphasis on reducing risks associated with technology related aspects of their proposals prior to the grant award. Applicants should address all questions in the order they are listed. See <b>Appendix A</b> for link to OMB Cost Principles at 2 CFR 225.	
3. Form SF-424 Application for Federal Assistance	Link to form at: <a href="http://www.fns.usda.gov/cnd/grants.htm">http://www.fns.usda.gov/cnd/grants.htm</a>	
4. Form SF-424A, Budget Information – Non-Construction Programs	Link to form at: <a href="http://www.fns.usda.gov/cnd/grants.htm">http://www.fns.usda.gov/cnd/grants.htm</a>	
5. Form SF-424B, Assurances – Non-Construction Programs	Link to form at: <a href="http://www.fns.usda.gov/cnd/grants.htm">http://www.fns.usda.gov/cnd/grants.htm</a>	
6. Form SF-LLL, Disclosure of Lobbying Activities	Link to form at: <a href="http://www.fns.usda.gov/cnd/grants.htm">http://www.fns.usda.gov/cnd/grants.htm</a>	
7. Indirect Cost Rate Agreement	If Indirect Costs are included in the budget, applicants must provide a copy of their agency’s signed Indirect Cost Rate Agreement with a Federal agency.	
8. Justification for Sole	If Contractual costs are included in budget estimate and the	

<b>Table 2 – Checklist for TIER 2 Full Application Package</b>	
Source Contracts	contractor is (or will be) acquired without competition, the applicant must provide a justification for a sole source contract.

C. Format of the Application Submission

Applications should meet the following formatting guidelines:

1. **10-page** maximum length for **Tier 1** grant narrative response to **Appendix B**;
2. **35-page** maximum length for **Tier 2** grant narrative response to **Appendix C**;
3. Page restrictions apply only to content of the narrative proposals and do not apply to other required forms and supporting documents, such as the SF-424, SF-424A, SF-424B, cover page, indirect cost rate agreement, resumes, letters of support, and assurance forms);
4. 8 ½” by 11” paper;
5. 12 point Times New Roman or Arial font size (smaller font may be used in tables, charts and graphs as long as they are clearly readable);
6. Numbered pages.

D. Electronic Submission

Applicants **must submit applications electronically through [www.grants.gov](http://www.grants.gov)** by 11:59 PM, Eastern Standard Time, on the scheduled RFA due date. Applications received after the deadline date will be held until the following review period. USDA will not consider any additions or revisions to an application once it is received. FNS will not accept mailed, faxed, or hand-delivered applications. To submit the application electronically via the [www.grants.gov](http://www.grants.gov) website, there are a number of steps in the registration process that will be required before the application may be submitted. It is very important that users of the grants.gov system familiarize themselves with the requirements for system use (see below).

Dun and Bradstreet (DUNS) Number

In order to submit an application via [grants.gov](http://grants.gov), applicants must have obtained a Data Universal Numbering System (DUNS) number and registered in both the new Systems for Award Management (SAM) and on [grants.gov](http://grants.gov). The applicant is strongly advised to allow ample time to initiate the [grants.gov](http://grants.gov) application submission process. Please visit the following websites to obtain additional information on how to obtain a DUNS number ([www.dnb.com](http://www.dnb.com)) and register in SAM (<https://www.sam.gov/portal/public/SAM/>).

**DUNS Number:** In order to obtain a DUNS number, if your organization does not have one, or if you are unsure of your organization’s number you can contact Dun and Bradstreet via the internet at <http://fedgov.dnb.com/webform> or by calling 1-888-814-1435, Monday thru Friday, 8am-9pm EST. There is no fee associated with obtaining a DUNS number. Obtaining a DUNS number may take several days to obtain.

System for Award Management (SAM)

**What is SAM?:** The System for Award Management (SAM) is combining Federal procurement systems and the Catalog of Federal Domestic Assistance into one new system.

For additional information regarding SAM see the following link:

[https://www.acquisition.gov/SAM\\_Guides/Quick%20Guide%20for%20Grants%20Registrations%20v1.pdf](https://www.acquisition.gov/SAM_Guides/Quick%20Guide%20for%20Grants%20Registrations%20v1.pdf)

Below is some additional information that should assist the applicant through this process:

**SAM Registration:** For applicant organizations that were previously registered in the CCR, relevant applicant information is already in SAM; set up a SAM account as necessary to update any information. To register in SAM, the applicant's DUNS number, Tax ID Number (TIN), and taxpayer name (as it appears on the applicant's last tax return) are all required. SAM verifies all information submitted by the applicant using several systems. This verification takes at least **48 hours** after your registration is submitted to SAM. Applicants must have a valid SAM registration no later than 3 days prior to the application due date of this solicitation. **Applicants that do not receive confirmation that SAM registration is complete and active should contact SAM at: <https://www.fsd.gov/app/answers/list>.**

**SAM Presentation/Training:** GSA has created a presentation of a SAM training. To view the presentation, please visit: <http://www.youtube.com/watch?v=mmHcKCchaiY>

This will be extremely useful for SAM users that are:

- Registering at SAM for the first time
- Setting up user permissions from CCR into the SAM registration (called migrating)
- Updating / renewing CCR record in SAM

**PLEASE BE AWARE:** In some instances the process to complete the migration of permissions and/or the renewal of the entity record will require **5-7 days or more**. We strongly encourage grantees to begin the process at least **3 weeks before** grant the due date of the grant solicitation.

[Grants.gov](http://www.grants.gov)

**Grants.gov Registration:** In order to apply for a grant, your organization must have completed the above registrations as well as register on Grants.gov. The Grants.gov registration process can be accessed at [www.grants.govapplicants/get\\_reistered.jsp](http://www.grants.govapplicants/get_reistered.jsp). Generally, the registration process takes between **3-5 business days**. Allow your entity ample time to complete the necessary steps, for the submission of your grant application package, on grants.gov.

Please be aware that the grants.gov system provides several confirmation notices; applicants should ensure receipt of confirmation that the application was accepted.

**NOTICE: Special Characters not Supported:** All applicants **MUST** follow grants.gov guidance on file naming conventions. To avoid submission issues, please follow the guidance provided in the grants.gov Frequently Asked Questions (FAQ):

**[Are there restrictions on file names for any attachment I include with my application package?](#)**

File attachment names longer than approximately 50 characters can cause problems processing packages. Please limit file attachment names. Also, do not use any special characters (example: &, -, \*, %, /, #', -), this includes periods (.), spacing followed by a dash in the file and for word separation, use underscore (example: Attached\_File.pdf) in naming the attachments. **Please note that if these**



**guidelines are not followed, your application will be rejected. FNS will not accept any application rejected from [www.grants.gov](http://www.grants.gov) portal due to incorrect naming conventions.**

In order to submit an application via grants.gov, applicants must have obtained a Data Universal Numbering System (DUNS) number and registered in both the new Systems for Award Management (SAM) and on grants.gov. The applicant is strongly advised to allow ample time to initiate the grants.gov application submission process. All applicants must have current Central Contractor Registry (CCR) status at the time of application submission and throughout the duration of a federal award in accordance with 2 CFR Part 25. Please visit the following websites to obtain additional information on how to obtain a DUNS number ([www.dnb.com](http://www.dnb.com)) and register in SAM (<https://www.sam.gov/portal/public/SAM/>).

E. Application Confirmation

Please be aware that the grants.gov system provides several confirmation notices; you need to be sure that you have confirmation that the application was accepted. Once the confirmation notice that the application has been accepted by the system is received, applicants must then send an email to notify the FNS Grant Officer that the proposal has been submitted through the [www.grants.gov](http://www.grants.gov) portal and that they have received a confirmation notice from [www.grants.gov](http://www.grants.gov) that the application has been accepted by the system. It is recommended that you submit the online application at least two weeks before the application deadline so you may resolve any submission issues.

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Phone Number: (703) 305-2760

Applicants experiencing difficulty submitting applications to [www.grants.gov](http://www.grants.gov) should contact the grants officer listing above for further instructions.

F. Submission Dates and Times

The complete application must be uploaded on [www.grants.gov](http://www.grants.gov) by 11:59 PM, Eastern Time of the scheduled on the scheduled RFA due date. Applications received after the deadline date will be held until the following review period. FNS will not consider any additions or revisions to an application once it is received. FNS will not accept mailed, faxed, or hand-delivered applications.

G. Funding Restrictions

In addition to the administrative requirements contained in this RFA, the provisions below will also be a part of the agreement between FNS and the State agency.

1. Funds authorized cannot be used to replace existing funding (e.g. State Administrative Expense (SAE) funds) earmarked by the State agency for administrative review, oversight and training.

2. Current expenditures of State and local funds for the operation of school nutrition programs shall not be diminished as a result of receipt of funds to implement direct certification improvements.
3. Funds cannot be used to shift existing staff from their normal duties paid with SAE funds to support the grant activities unless the staff that are reassigned are replaced with additional staff in the positions that are vacant.
4. Funds must be used for FNS approved Direct Certification Improvement grant project activities for the purpose of improving direct certification processes and rates.

## V. APPLICATION REVIEW INFORMATION

### Review Criteria & Evaluation Factors

FNS will evaluate the applications in accordance with the criteria outlined in this section to select applications for awards. The actual number of awards will depend on the quality of the applications and the availability of funds. Funds will be made available via a Cooperative Agreement award document following the award announcements.

#### A. Initial Screening

FNS will screen all applications to ensure they are eligible and fully responsive. Eligible and responsive applications are those that meet the following requirements:

- Submitted by eligible applicants (see **Section III, Who May Apply**);
- Submitted on or before the required deadline (see **Section II, Application and Review Dates**);
- Are complete (see **Section IV, What to Include in the Application Package**); and
- Are in the required format (see **Section IV, Application Format**).

Ineligible or nonresponsive applications **will be removed from further consideration** for grant funds. Thereafter, FNS will review and consider eligible applications in accordance with the evaluation process described in the following paragraphs.

#### B. Panel Review

After initial screening, FNS will convene a technical evaluation panel of FNS staff to consider the merit of each grant application. Each application that passes initial screening will be given to the panel to be evaluated as to how well it addresses each application component. The panel will determine if all questions are addressed adequately and identify any areas that need further clarification. If further clarification is needed to determine the merit of the application, FNS will notify the applicant in writing and describe any information that is needed to make the award decision. Applicants will be given an opportunity to provide additional information and documentation needed to clarify the proposal content.

### **1. Evaluation of Tier 1 Proposals (Simplified application for funding up to \$150,000)**

The panel review for Tier 1 applications will focus, at a minimum, on the following components:

- **Project Purpose and Impact on Direct Certification**

- The significance of the problem(s) to be addressed is clearly demonstrated and proposed activities are appropriate to address the problem(s) identified.
- The project goals and objectives are in line with the purpose of the funding described in **Section I-B, Purpose of Grant Funding.**
- The project activities to be completed during the grant period clearly support sustainable improvements that will likely increase direct certification rates with SNAP (and other public programs, if applicable). Proposed activities are in line with the examples given for Tier 1 projects in **Section II-A, Tier 1: Limited-Scope Planning and Implementation Project.**
- **Project Timeline and Sustainability**
  - The scope and timeline proposed for the project are reasonable and attainable during the proposed grant time frame.
  - The applicant demonstrates that the State agency has the capacity to implement and sustain the program improvements resulting from the grant activities after the Direct Certification Improvement Grant funding ends.
- **Budget Plan**
  - The total funding amount requested is appropriate for the scope of the project.
  - Proposed costs are reasonable, necessary, allowable and allocable to carry out the project's goals and objectives.
  - The budget includes a line item description for every allowable cost. If planning activities are included, the budget for planning costs is clearly separated so that all planning costs can be reviewed separately from costs for implementation activities.
  - Budget calculations and documentation show clearly how the budget components were developed and costs estimated.
  - If indirect costs are included, the applicant agency's Indirect Cost Rate Agreement with a Federal agency is provided and the indirect cost rate is applied correctly to allowable direct costs.
  - If contractual costs are included in budget estimate and the contractor is (or will be) acquired without competition, the applicant has provided strong justification for a sole source contract with copies/references to State statutes, regulations and policies that support the sole source decision.

## **2. Evaluation of Tier 2 Proposals (Full application for funding up to \$1,000,000)**

The panel review for Tier 2 applications will focus, at a minimum, on the following components:

- **Project Purpose, Goals and Impact on Direct Certification**

- The significance of the problem(s) to be addressed is clearly demonstrated and proposed implementation activities are appropriate to address the problem(s) identified.
  - The project goals and objectives are in line with the purpose of the funding described in **Section I-B, Purpose of Grant Funding.**
  - The project activities to be completed during the grant period clearly support sustainable improvements that will likely increase direct certification rates with SNAP (and other public programs, if applicable). Proposed activities are in line with the examples given for Tier 2 projects in **Section II-B, Full-Scope Implementation Projects.**
  - The performance measures used to assess success are realistic, measureable and clearly defined.
- **Project Planning, Design and Management**
    - The project organization, project management approach (including staffing, procurement of contractors, communications planning, quality assurance planning, risk management planning, system development lifecycle process planning where applicable, partnering with appropriate stakeholders, tracking timelines, measuring performance, monitoring progress, etc.) indicate that the applicant has the capacity to manage and execute the implementation project successfully to meet the goals of the project.
    - The scope and timeline proposed for the project are reasonable and attainable during the grant time frame.
- **Budget Plan**
    - The total funding amount requested is appropriate for the scope of the project;
    - Proposed costs are reasonable, necessary, allowable and allocable to carry out the project's goals and objectives;
    - The budget includes a line item description for every estimated cost and shows how it supports the project goals.
    - Budget calculations and documentation show clearly how the budget components were developed and costs estimated.
    - If indirect costs are included, the applicant agency's Indirect Cost Rate Agreement with a Federal agency is provided and the indirect cost rate is applied correctly to allowable direct costs.
    - If contractual costs are included in budget estimate and the contractor is (or will be) acquired without competition, the applicant has provided strong justification for a sole source contract with copies/references to State statutes, regulations and policies that support the sole source decision.
- **Sustainability and Transferability**

- The proposed implementation project is likely to produce outcomes and information that not only will aid the applicant State agency in accomplishing direct certification improvements, but also will produce knowledge that is transferable to other State agencies for similar improvement projects.
- The applicant demonstrates that the State agency has the capacity to implement and sustain the program improvements resulting from the grant activities after the Direct Certification Improvement Grant funding ends.

C. Review and Selection Process

Grant awards under this RFA will not be competitive as long as sufficient funding is available to fund all fully responsive applications. If sufficient funding is not available to award grants to all applicants, FNS reserves the right to give preference to applications from States with the lowest direct certification rates with SNAP, as reported in the latest Direct Certification Report to Congress. Preference also may be given based on the amount of grant funding already awarded to the applicant agencies for direct certification improvement purposes under the Direct Certification Grant RFAs announced since December 2012 (please see: <http://www.fns.usda.gov/school-meals/grants>)

The Selection Official has ultimate authority to decide which applications are approved and funded, and *generally* will adhere to the recommendations made by the technical review panel, provided that funding is available. However, the Selection Official reserves the right to deviate from those recommendations to take other factors into account when granting awards and/or not awarding a particular award. Other USDA or FNS priorities the Selection Official may consider include, *but are not limited to*: the innovation demonstrated in an application; agency priorities; and the evaluation by the technical review panel.

D. Determination of Award Amounts

As part of the technical review process, FNS will review applicants' budgets to ensure that all costs are reasonable, necessary, allowable and allocable to the purposes of this RFA. Applications selected and approved for funding with budgets that are realistic, well justified, and supported will likely be funded at the requested amounts. However, FNS reserves the right to fund applications out of rank order to achieve priorities identified earlier; or at lesser amounts if FNS determines that the project can be implemented with less funding; or at lesser amounts if Federal funding is not sufficient to fully fund all applications that merit awards. This is subject to availability of funds.

FNS will review and consider the merit of each grant application and reserves the right to fund only those applications that are able to demonstrate the applicant's capability to improve their State's direct certification processes and rates. Additionally, FNS may adjust the amounts requested in the application to ensure that funds are made available at appropriate levels. FNS also reserves the right to suspend or terminate an award for materially failing to perform in accordance with a State agency's application.

**VI. FEDERAL AWARD ADMINISTRATION INFORMATION**

A. Federal Award Notice

Unless an applicant receives a signed award document with terms and conditions; any contact from a FNS grants or program officer should not be considered as a notice of a grant award. No pre-award or pre-agreement costs incurred prior to the effective start date are allowed unless approved and stated on FNS' signed award document.

The Government is not obligated to make any award as a result of this RFA. Only the recognized FNS authorized signature can bind the USDA, Food and Nutrition Service to the expenditure of funds related to an award's approved budget.

## B. Administrative and National Policy Requirements

### CONFIDENTIALITY OF AN APPLICATION

When an application results in an award, it becomes a part of the record of FNS transactions, available to the public upon specific request. Information that the Secretary determines to be of a confidential, privileged, or proprietary nature will be held in confidence to the extent permitted by law. Therefore, any information that the applicant wishes to have considered as confidential, privileged, or proprietary should be clearly marked within the application. The original copy of an application that does not result in an award will be not released to the public. An application may be withdrawn at any time prior to the final action thereon.

### CONFLICT OF INTEREST AND CONFIDENTIALITY OF THE REVIEW PROCESS

The agency requires all panel reviewers to sign a conflict of interest and confidentiality form to prevent any actual or perceived conflicts of interest that may affect the application review and evaluation process. Names of applicants, including States and tribal governments, submitting an application will be kept confidential, except to those involved in the review process, to the extent permitted by law. In addition, the identities of the reviewers will remain confidential throughout the entire process. Therefore, the names of the reviewers will not be released to applicants.

### ADMINISTRATIVE REGULATIONS

#### Debarment and Suspension 2 CFR Part 180 and 2 CFR Part 417

A recipient chosen for an award shall comply with the non-procurement debarment and suspension common rule implementing Executive Orders (E.O.) 12549 and 12669, "Debarment and Suspension," codified at 2 CFR Part 180 and 2 CFR Part 417. This common rule restricts sub-awards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. The approved grant recipient will be required to ensure that all sub-contractors and sub-grantees are neither excluded nor disqualified under the suspension and debarment rules prior to approving a sub-grant award by checking the System for Awards Management (SAM) at [www.sam.gov](http://www.sam.gov).

#### Universal Identifier and Central Contractor Registration 2 CFR Part 25

Effective October 1, 2010, all grant applicants must obtain a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number as a universal identifier for Federal financial assistance. Active grant recipients and their direct sub-recipients of a sub-grant award also must obtain a DUNS number. To request a DUNS number visit: <http://fedgov.dnb.com/webform>.

The grant recipient must also register its DUNS number in the new Systems for Award Management (SAM). If you were registered in the CCR, your company's information is already in SAM and you will just need to set up a SAM account. To register in SAM you will need your entity's DUNS and your entity's Tax ID Number (TIN) and taxpayer name (as it appears on your last tax return). Registration should take **3-5 days**. If you do not receive confirmation that your SAM registration is complete, please contact SAM at <https://www.fsd.gov/app/answers/list..>

FNS may not make an award to an applicant until the applicant has complied with the requirements described in 2 CFR 25 to provide a valid DUNS number and maintain an active SAM registration with current information.

#### Reporting Sub-award and Executive Compensation Information 2 CFR Part 170

The Federal Funding Accountability and Transparency Act (FFATA) of 2006 (Public Law 109–282), as amended by Section 6202 of Public Law 110–252 requires primary grantees of Federal grants and cooperative agreements to report information on sub-grantee obligations and executive compensation. FFATA promotes open government by enhancing the Federal Government's accountability for its stewardship of public resources. This is accomplished by making Government information, particularly information on Federal spending, accessible to the general public.

Primary grantees, including State agencies, are required to report actions taken on or after October 1, 2010, that obligates \$25,000 or more in Federal grant funds to first-tier sub-grantees. This information must be reported in the Government-wide FFATA Sub-Award Reporting System (FSRS). In order to access FSRS a current CCR registration is required. A primary grantee and first-tier sub-grantees must also report total compensation for each of its five most-highly compensated executives. Every primary and first-tier grantee must obtain a DUNS number prior to being eligible to receive a grant or sub-grant award. Additional information will be provided to grant recipients upon award.

#### Duncan Hunter National Defense Authorization Act of Fiscal Year 2009, Public Law 110-417

Section 872 of this Act requires the development and maintenance of a Federal Government information system that contains specific information on the integrity and performance of covered Federal agency contractors and grantees. The Federal Awardee Performance and Integrity Information System (FAPIIS) was developed to address these requirements. FAPIIS contains integrity and performance information from the Contractor Performance Assessment Reporting System, information from the CCR database, and suspension and debarment information from the EPLS. FNS will review and consider any information about the applicant reflected in FAPIIS when making a judgment about whether an applicant is qualified to receive an award.

#### **CODE OF FEDERAL REGULATIONS AND OTHER GOVERNMENT REQUIREMENTS**

This grant will be awarded and administered in accordance with the following regulations 2 Code of Federal Regulations (CFR), Subtitle A, Chapter II. Any Federal laws, regulations, or USDA directives released after this RFA is posted will be implemented as instructed.

### Government-wide Regulations

- 2 CFR Part 25: “Universal Identifier and Central Locator Contractor Registration”
- 2 CFR Part 170: “Reporting Sub-award and Executive Compensation Information”
- 2 CFR Part 175: “Award Term for Trafficking in Persons”
- 2 CFR Part 180: “OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-Procurement)”
- 2 CFR Part 200: “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”
- 2 CFR Part 400: USDA’s implementing regulation of 2 CFR Part 200 “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”
- 2 CFR Part 415: USDA “General Program Administrative Regulations”
- 2 CFR Part 416: USDA “General Program Administrative Regulations for Grants and Cooperative Agreements to State and Local Governments”
- 2 CFR Part 417: USDA “Implementation of OMB Guidance on Non-Procurement Debarment and Suspension”
- 2 CFR Part 418 USDA “New Restrictions on Lobbying
- 2 CFR Part 421: USDA “Requirements for Drug-Free Workplace (Financial Assistance)”
- 41 U.S.C. Section 22 “Interest of Member of Congress”
- Freedom of Information Act (FOIA). Public access to Federal Financial Assistance records shall not be limited, except when such records must be kept confidential and would have been excepted from disclosure pursuant to the “Freedom of Information” regulation (5 U.S.C. 552)

General Terms and Conditions of the award may be obtained electronically. Please contact the Grants Officer at:

Carla Garcia  
Grant Officer, Grants and Fiscal Policy Division  
U.S. Department of Agriculture, FNS  
3101 Park Center Drive Room 740  
Alexandra, VA 22301  
E-mail: [Carla.Garcia@fns.usda.gov](mailto:Carla.Garcia@fns.usda.gov)

### C. Reporting

#### **FINANCIAL REPORTING**

The award recipient will be required to enter the SF-425, Financial Status Report data into the FNS Food Program Reporting System (FPRS) on a quarterly basis. In order to access FPRS, the SAs are required to obtain USDA e-authentication certification and access to FPRS. More detailed instructions for reporting will be included in the FNS Federal financial assistance award package.

#### **PROGRESS REPORTING**

The Quarterly Progress Reports must include **(in narrative form)**: 1) a brief description of the planned activities for the report period; 2) accomplishments for each activity and completion dates; 3) a



description of any deviations from the approved plan—this summary should discuss difficulties encountered and solutions developed; 4) any other unique aspects that would be useful to share; and 5) an overview of plans for the coming quarter. A Progress Report must be submitted quarterly. In addition, a final progress report is due to FNS no later than 90 days following the end of the award period. Completion dates and the process for reporting will be provided to those receiving awards.

Copies of any deliverables, media or publicity releases/articles and links to materials on websites also should be included or papers resulting from the grant should be attached to the final report. All products should include an acknowledgement of the source of funding. The Federal awarding agency reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes, the copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant or any rights of copyright to which a grantee, sub-grantee, or a contractor purchases ownership with grant support. The recipient may be required to submit performance/progress reports to FNS using SF-PPR, Periodic Progress Report.

## **VII. FEDERAL AWARDING AGENCY CONTACTS**

For questions regarding this solicitation, please contact the Grants Officer at:

Carla Garcia  
Grant Officer, Grants and Fiscal Policy Division  
U.S. Department of Agriculture, FNS  
3101 Park Center Drive Room 740  
Alexandra, VA 22301  
E-mail: [Carla.Garcia@fns.usda.gov](mailto:Carla.Garcia@fns.usda.gov)

## **VIII. OTHER INFORMATION**

### **Projects that Include U.S. Department of Agriculture (USDA) Place Based Initiatives**

Proposals with projects that include interventions in communities that have been designated USDA Place Based Initiatives will receive five bonus points. The USDA Place Based Initiatives include but are not limited to:

1. **StrikeForce for Rural Growth and Opportunity (SF)** – StrikeForce aims to create self-sustaining, long-term economic development in persistent poverty rural communities by increasing investment through intensive outreach and stronger partnership with community leaders, businesses, and foundations. StrikeForce seeks to improve food security by increasing access to safe and nutritious foods.
2. **Promise Zones (PZ)** - Promise Zones are part of the President's plan where the Federal government partners with and invests in selected high-poverty urban, rural, and tribal communities. Promise Zones leverage Federal resources to build up existing local capacity to create jobs, increase economic security, leverage private investment, expand educational opportunities, increase access to quality affordable housing, reduce violent crime and improve public safety.
3. **White House Council on Strong Cities, Strong Communities (SC2)** – As part of the President's priority to strengthen the middle class, create jobs, and build ladders of opportunity,

SC2 seeks to increase cooperation between community organizations, local leadership, and the federal government. SC2 pairs on the ground Federal inter-agency teams with the Mayor and city leadership to support the community's vision for economic development. These SC2 Teams offer technical assistance and expertise to help leverage existing Federal resources to grow local capacity and stimulate economic growth in distressed areas.

4. **Partnership for Sustainable Communities** - The Partnership for Sustainable Communities works to coordinate federal housing, transportation, water, and other infrastructure investments to make neighborhoods more prosperous, allow people to live closer to jobs, save households time and money, and reduce pollution.
5. **Know Your Farmer, Know Your Food (KYF2)** - KYF2 strengthens the connection between farmers and consumers to better meet critical goals, including reinvigorating rural economies, promoting job growth, and increasing healthy and local food access in America. Through KYF2, USDA integrates programs and policies that stimulate food- and agriculturally-based community economic development, foster new opportunities for farmers and ranchers, and cultivate healthy eating habits and educated consumers.

## RFA APPLICATION CHECKLIST

All proposals submitted under this RFA must contain the applicable elements as described in this announcement. The application must be submitted electronically through [www.grants.gov](http://www.grants.gov), by midnight on [add the deadline date]. The following checklist has been prepared to assist in ensuring that the proposal is complete and in the proper order prior to submission.

- ✓ Read the RFA carefully, usually more than once.
- ✓ Have you obtained a Dun and Bradstreet Data Universal Numbering System (DUNS) number and registered the number in the System for Award Management (SAM)?
- ✓ Have you verified that your Central Contractor Registration is active?
- ✓ Have you registered your entity in grants.gov and are you authorized as a user in grants.gov to submit on behalf of your agency?
- ✓ Have you prepared and submitted the appropriate forms as shown under the Required Grant Applicant Forms section of this RFA?
- ✓ Have you included the RFA CFDA # [enter the number] on your application?
- ✓ Have you included your contact information: telephone number, fax number, and e-mail address?
- ✓ Have you addressed, met, and considered any program specific requirements or restrictions?
- ✓ Is the project's proposal clearly stated?
  - Does it comply with any format requirements?
  - Does it comply with the page limitation?
  - Most importantly does it directly relate to the RFA's objectives and priorities?
  - Don't assume that reviewers know anything about your organization and its work.
- ✓ Have one or more persons read your proposal who did not participate in its writing and ensure that it was clear to them?
- ✓ Does the proposed project and budget meet the bona fide needs of the RFA?
- ✓ Is the budget summary included?
  - Does it agree with the calculations shown on the OMB budget form?
  - Is the budget in line with the project description?
- ✓ Be sure to submit a timely application into [www.Grants.gov](http://www.Grants.gov) in order to meet the RFA application deadline.
- ✓ FNS reserves the right to request additional information not clearly addressed in the initial application.

## RFA BUDGET NARRATIVE CHECKLIST

This checklist will assist you in completing the budget narrative portion of the application. Please review the checklist to ensure the items below are addressed in the budget narrative.

NOTE: The budget and budget narrative must be in line with the proposal project description (statement of work) bona fide need. FNS reserves the right to request information not clearly addressed.

	YES	NO
<b>Personnel</b>		
Did you include all key employees paid for by this grant under this heading?		
Are employees of the applicant's organization identified by name and position title?		
Did you reflect percentage of time the Project Director will devote to the project in full-time equivalents (FTE)?		
<b>Fringe Benefits</b>		
Did you include your organization's fringe benefit amount along with the basis for the computation?		
Did you list the type of fringe benefits to be covered with Federal funds?		
<b>Travel</b>		
Are travel expenses itemized? For example origination/destination points, number and purpose of trips, number of staff traveling, mode of transportation and cost of each trip.		
Are the Attendee Objectives and travel justifications included in the narrative?		
Is the basis for the lodging estimates identified in the budget? For example include excerpt from travel regulations.		
<b>Equipment</b>		
Is the need for the equipment justified in the narrative?		

Are the types of equipment, unit costs, and the number of items to be purchased listed in the budget?		
Is the basis for the cost per item or other basis of computation stated in the budget?		
Supplies		
Are the types of supplies, unit costs, and the number of items to be purchased reflected in the budget?		
Is the basis for the costs per item or other basis of computation stated?		
Contractual: (FNS reserves the right to request information on all contractual awards and associated costs after the contract is awarded.)		
Has the bona fide need been clearly identified in the project description to justify the cost for a contract or sub-grant expense(s) shown on the budget?		
A justification for all Sole-source contracts must be provided in the budget narrative prior to approving this identified cost.		
Other		
Consultant Services. – Has the bona fide need been clearly identified in the project description to justify the cost shown on the budget. The following information must be provided in the justification: description of service, the consultant’s name and an itemized list of all direct cost and fees, number of personnel including the position title (specialty and specialized qualifications as appropriate to the costs), Number of estimated hours X hourly wages, and all expenses and fees directly related to the proposed services to be rendered to the project.		
For all other line items listed under the “Other” heading. - List all items to be covered under this heading along with the methodology on how the applicant derived the costs to be charged to the program.		
Indirect Costs		
Has the applicant obtained a Negotiated Indirect Cost Rate Agreement (NICRA) from a Federal Agency? If yes, a copy of the most recent and signed negotiated rate		

agreement must be provided along with the application.		
If no negotiated agreement exists, the basis and the details of the indirect costs to be requested should also be reflected in the budget.		

FOR GRANT APPLICANT USE ONLY. DO NOT RETURN THIS FORM WITH THE APPLICATION

## APPENDIX A: LINKS TO RESOURCES

- **FY 2010-2012 Direct Certification Grant Summaries**  
[http://www.fns.usda.gov/cnd/Grants/2010dc\\_grantsummaries.htm](http://www.fns.usda.gov/cnd/Grants/2010dc_grantsummaries.htm)
- **Request for Applications and Standard Application Forms SF-424, SF-424A, SF-424B, SF-LLL**  
CND Grants Website: <http://www.fns.usda.gov/cnd/grants.htm>  
Grants.Gov: <http://www.grants.gov/>

# APPENDIX B

## FY 2015-2016 Direct Certification Improvement Grant Tier 1 Limited-Scope Grant Proposal Template & Instructions

### APPLICATION INSTRUCTIONS

#### TIER 1 APPLICATION SUBMISSION

- ✓ Applications must be submitted to [www.grants.gov](http://www.grants.gov) by 11:59 pm ET, on one of the deadline dates **April 15, 2015; July 15, 2015, September 15, 2015; January 15, 2016, April 15, 2016, July 15, 2016**. Applications submitted after a deadline will be held for processing until the next deadline. Applications received after January 15, 2016 will not be considered for funding.
- ✓ When submitted successfully, applicants must notify the FNS Grant Officer by email at [Carla.Garcia@fns.usda.gov](mailto:Carla.Garcia@fns.usda.gov) that the application has been accepted by the Grants.gov system.
- ✓ Electronic or paper applications sent via any other method will not be accepted.
- ✓ FNS encourages State agencies to apply early, as the RFA may be closed at any application deadline when sufficient applications are received to exhaust available funds.
- ✓ All questions regarding the application and notifications regarding electronic submission should be referred to the FNS Grant Officer Carla Garcia via email at [Carla.Garcia@fns.usda.gov](mailto:Carla.Garcia@fns.usda.gov).

#### What to Include in a Tier 1 Grant Application Packet

The Tier 1 grant application packet must include:

1. Fully completed Appendix C proposal template (or other format), including cover page and questions 1 through 6f.
2. All required Federal forms: SF-424, SF-424A, SF-424B, and SF-LLL (links to forms can be accessed at [www.grants.gov](http://www.grants.gov) or at <http://www.fns.usda.gov/cnd/grants.htm>)
3. Signed copy of the applicant agency's most current approved indirect cost rate agreement with a Federal agency, if indirect costs are included in budget estimates; and
4. Clear justification for any sole source contracts to be funded under the grant, including references/copies of applicable State statutes, regulations, and policies.

**Proposal Narrative:** For a Tier 1 grant proposal to be considered complete, applicants must structure and develop proposals by answering all questions and addressing all items listed in this Appendix C template. If using some other format, applicants still must address all questions in the order they are listed in the template. The template and instructions are intended to simplify both the narrative development for applicants and the evaluation process for reviewers.

**Timeline: Tier 1 grants may be awarded for up to one year.**

Be sure that the project timeline described in the narrative responses matches the proposed project start and end dates in Section 17 of the SF-424 application form.

**Budget: Applicants may request funding up to \$150,000 under Tier 1 grants.**

Be sure that all budget estimates contained in the Appendix C responses match the budget estimates entered on the Budget Information Form SF-424A, and the total grant funding requested in Section



18 on the Application for Federal Assistance Form SF-424. Remember that a Tier 1 grant budget for planning activities cannot exceed \$75,000. If your Tier 1 proposal contains both planning and implementation activities, the planning costs alone still cannot exceed \$75,000. See **Appendix B, Grant Project Budget Checklist**, for additional budget guidance.

## Tier 1 Grant Proposal Cover Page

**A State Agency may apply for only ONE grant under this RFA. A State Agency that Applies for a Tier 1 grant may not apply for a Tier 2 grant, and vice versa.**

- Planning Only - Maximum \$75,000
- Implementation Only - Maximum \$150,000
- Planning & Implementation - Maximum \$150,000

**Check Application Deadline for this Application**

- April 15, 2015  
  July 15, 2015  
  September 15, 2015  
  January 15, 2016  
 April 15, 2016  
  July 15, 2016

**Enter Applicant Contact Information**

<b>State Agency Name &amp; Address:</b>	<b>Agency Administrator Name, Title &amp; Contact Information:</b>  (Telephone, Email, Fax)
	<b>Application Contact Name, Title &amp; Contact Information:</b>  (Telephone, Email, Fax)

**PROJECT ABSTRACT**

**PROJECT ABSTRACT:** *Enter brief abstract (250 word limit) describing your proposed project to improve direct certification rates under the grant award. (Note: If your application is approved, this*

*abstract will be posted on the FNS website to inform other States about your project).*

**TIER 1: LIMITED-SCOPE GRANT PROPOSAL TEMPLATE**

**DIRECT CERTIFICATION IMPROVEMENT GRANTS**

*Expand Table as Needed to Give Complete Answers for Each Question*

- 2. Project Goals and Objectives.** Briefly explain what you want to accomplish with this grant and what direct certification processes/systems you will address?

*Enter Response to #1*

- 3. Grant Activities.** Briefly describe the activities that you plan to carry out with the grant funding to meet the goals and objectives in #1. Explain how each activity will help you improve direct certification performance.

*Enter Response to #2*

**4. Project Management.** Briefly describe how you will track and manage the project to ensure that activities are completed on time, within budget, and with quality results?

*Enter Response to #3*

**5. Project Timeline.** Provide your proposed schedule for carrying out grant activities. Identify significant project milestones, the major project activities to accomplish the milestone, and the planned start and end dates for each activity. Show when all milestones and grant activities will end. Remember that Tier 1 grants can be awarded for **up to one year**.

*Enter Project Timeline. Expand as needed to include all major milestones and activities.*

Milestone	Project Activities to Accomplish Milestone	Planned Start Date	Planned End Date
-----------	--	--------------------	------------------

<i>Describe Milestone 1</i>	<i>Enter Activity 1 for Milestone 1</i>		
	<i>Enter Activity 2 for Milestone 1</i>		
<i>Describe Milestone 2</i>	<i>Enter Activity 1 for Milestone 2</i>		
	<i>Enter Activity 2 for Milestone 2</i>		

Comments:

**6. Staffing.** Identify the personnel proposed to manage or play a **key** role on the grant project. Indicate whether the staff person is an employee or contractor. Provide a brief description of the role and responsibilities, percent of time to be dedicated to the project and source of funding for the position (i.e., whether time dedicated to the project will be charged to the grant, SAE, or some other funding source).

*Enter staffing information in response to #5*

<b>Staff Name</b>	<b>Is person Employee or Contractor?</b>	<b>Position and Responsibilities</b>	<b>Time dedicated to Project (% FTE)</b>	<b>Source of Funding</b>

Comments:

## BUDGET ESTIMATES

**7. Budget (totals to be entered on SF-424A Budget Form).** Provide a proposed budget estimating costs for all activities and purchases to be charged to the grant funding. **ENTER ONLY THE SECTIONS THAT APPLY TO YOUR PROPOSAL AND MARK OTHERS "NA"**. For example, if you are not proposing travel costs, leave section 6c blank.

Proposed costs must be reasonable, necessary, allowable and applicable to the grant purpose described in the RFA and the project activities described in #2 above. Be sure that your budget includes narrative explaining how you arrived at each cost estimation and how calculations were made for each line item.

Please see **Appendix A: OMB Cost Principles 2 CFR 225** to review OMB Circular A-87, which addresses allowable costs. Provide any additional explanation, as needed, in the Comments Sections.

**6a & 6b. State Agency Personnel & Fringe Costs (SF-424A, Section B, Lines 6a & 6b).** Enter information for State agency personnel assigned to project. You may erase sample information and expand, as needed, to enter your project estimates for employee staff assigned to project.

*6a & 6b Sample Level of Effort Table*

Quantity	Position Title/Role	Hourly Rate or Annual Salary	Total Hours on Grant Project	<u>Direct Personnel</u>  Cost to be charged to grant	<u>Fringe Benefit</u>  List % of salary or actual cost by individual
1	Project Manager  (1 year on project at 25% time)	\$30/hour	520 hours	\$15,600	35% x \$15,600 = \$5,460
1	Trainer (1 year on project at 25% time)	\$25/hour	520 hours	\$13,000	35% x \$13,000 = \$4,550
<b>Total Cost of State Personnel supported by Grant funding</b>				<b>\$28,600</b>	<b>\$10,010</b>
<b>Enter Totals on Form SF-424A as noted</b>				<b>Section B. Line 6a</b>	<b>Section B. Line 6b</b>

**Comments:**

**6c. Travel Costs (SF-424A, Section B, Line 6c).** Enter estimated travel costs required for project staff, such as travel to training sites or project meetings. You may erase sample information and expand, as needed, to enter your project estimates for travel.

**Important:** Travel costs for contractors should be included in their Contract for Services and entered in the Contractual costs section (question #6f) of Appendix C. Do not report contractor travel costs in this section.

Sample Travel Cost Breakdown				
Name(s) or Position(s) Traveling & Purpose	Type of Expense	Quantity	Unit Rate	Line Total
(Example) Trainer traveling to deliver 3 one-day regionally based direct certification training classes for LEA staff	Mode of Travel: Rental of car (unlimited mileage) for 6 days (1 day travel plus 1 day training for each session)	6 days	\$60/day	\$360
same	Meal and/or Per Diem Expenses	6 days	\$50/day	\$300
same	Lodging Expenses	3 nights	\$100/night	\$300
<b>Total for Travel</b>				<b>\$960</b>
<b>Enter Total on Form SF-424A as noted</b>				<b>Section B. Line 6c</b>

Comments:

**6d. Equipment Costs. (SF-424A, Section B, Line 6d).** Provide estimated costs for all hardware and other equipment items costing \$5,000 or more. (Equipment items costing less than \$5,000 should be listed as supplies in 6e or as Other in 6h). Costs reported as equipment should be consistent with OMB, State and local policies for capital costs. You may erase sample information and expand, as needed, to enter your project estimates for equipment.

Sample Hardware/Software/Equipment Cost Breakdown			
Item of Equipment	Quantity	Cost per Item	Total Cost
Server (describe type, size and purpose)	1	\$7,000	\$7,000
<b>Equipment Total</b>			<b>\$7,000</b>
<b>Enter Total on Form SF-424A as noted</b>			<b>Section B. Line 6d</b>

Comments:

**6e. Costs for Supplies. (SF-424A, Section B, Line 6e).** Provide the estimated cost for all supplies. Costs reported as supplies should be consistent with OMB, State and local policies. You may erase sample information and expand, as needed, to enter your project estimates for supplies.

Sample Supply Cost Breakdown				
Supply Items	Purpose	Quantity	Unit Rate	Line Total
Notebooks for Workbook materials	Hardcopies for Training	200 copies	\$5/ea	\$1,000
Laptop	Trainers to use in LEA training and for testing software	1	\$1,500	\$1,500
<b>Total for Supplies</b>				<b>\$2,500</b>
<b>Enter Total on Form SF-424A as noted</b>				<b>Section B. Line 6e</b>

Comments:



**6f. Contractual Costs. (SF-424A, Section B, Line 6f).** Identify all grant work that will be outsourced via contract or interagency agreement for completion. List each contract/agreement, what services will be provided under each contract/agreement, and describe the procurement process the State agency will follow to acquire the listed services. Be sure that all procurement processes are accounted for in the project timeline and milestones. If contractual costs are included in budget estimates and the contractor is (or will be) acquired without competition, the applicant must provide justification for a sole source contract (e.g., State statute or policy references describing circumstances under which competition is not required). You may erase sample information and expand, as needed, to enter your project estimates for Contracts.

Sample Contractual Cost Breakdown					
Contracts for Services/Software/Etc.	Purpose	Quantity	Rate	Unit or Hours	Line Total
Contract #1 for Software upgrades - software developer	Upgrade matching algorithm and web portal	2	\$50/hr	250 hrs	\$25,000
Contract #2 with Expert Consultant to analyze direct cert process & develop recommendations	Planning for CIP development	1	\$100.hr	300 hrs	\$30,000
<b>Total for Contractual Costs</b>					<b>\$55,000</b>
<b>Enter Total on Form SF-424A as noted</b>					<b>Section B. Line 6f</b>

Comments:

**6h. Other Costs. (SF-424A, Section B, Line 6h).** Provide estimates for all Other costs. Include all incidental/other costs to be charged to the grant that do not belong in another budget category. You may erase sample information and expand, as needed, to enter your project estimates for Other costs.

Sample Other Cost Breakdown				
Other Categories	Purpose	Quantity	Unit Rate	Line Total
Web hosting for training materials during grant period	Host Direct Cert online materials	1	\$1000	\$1,000
Printing	Direct Cert Outreach Materials for LEAs & SNAP agency	1000	\$2.00	\$2,000
Software licenses (describe)	5 licenses for State staff to use direct cert software	5	\$3,000	\$15,000
<b>Total Other Costs</b>				<b>\$18,000</b>
<b>Enter Total on Form SF-424A as noted</b>				<b>Section B. Line 6h</b>

**Comments:**

**6j. Indirect Costs. (SF-424A, Section B, Line 6j).** *If indirect costs are included in the SA's cost estimates, applicants must submit a copy of their agency's current approved Indirect Cost Rate Agreement (ICRA) with a Federal agency. Only indirect costs that comply with the ICRA will be allowed. Explain what rate was used and to what direct costs it was applied. **Show your calculations.** Note: be sure all indirect charges included are consistent with the State agency's ICRA, including applicability to sub awards and other contracts. Only charge indirect costs to allowable items per the ICRA. You may erase sample information and expand, as needed, to enter your project estimates for Indirect costs.*

<i>Sample Indirect Cost Breakdown</i>		
<b>Indirect Cost Rate charged to the Grant as follows</b>	<b>All Direct Costs</b>	<b>Direct Costs to Which Indirect Rate Can Be Applied</b>
6a. Personnel Salary Costs	\$28,600	\$28,600
6b. Personnel Fringe Benefit Costs	\$10,010	\$10,010
6c. Travel Costs	\$960	\$960
6d. Equipment (Indirect not allowed for items listed)	\$7,000	0
6e. Supplies	\$2,500	\$2,500
6f. Contract #1 (applied to first \$25,000 - see ICRA)	\$25,000	\$25,000
6f. Contract #2 (applied to first \$25,000 - see ICRA)	\$30,000	\$25,000
6h. Other Direct Costs	\$18,000	\$18,000
Total Direct Costs	\$122,070	\$110,070
Indirect Cost Rate		10%
	<b>Total Indirect Costs</b>	<b>\$11,007</b>
	<b>Enter Total on Form SF-424A as noted</b>	<b>Section B. Line 6j</b>

Comments:

**6k. Total Estimated Grant Project Costs. (SF-424A, Section B, Line 6k).** Total all estimated direct costs plus total indirect costs to arrive at budget total for the proposed Tier 1 grant activities. If project includes both planning and implementation costs, as described in the RFA, explain clearly what portion of costs are for the planning activities. Remember that planning costs cannot be approved for more than \$75,000.

Sample Total Estimated Grant Budget	
Indirect Cost Rate charged to the Grant as follows	Totals
Total Direct Costs	\$122,070
Total Indirect Costs	\$11,007
Total Estimated Project Costs= Grant Total to be Requested	\$133,077
<b>Enter Total on Form SF-424A as noted</b>	<b>Section B. Line 6k</b>

Comments:

Sample explanation for planning budget: Project proposal includes both planning and implementation costs, so planning costs must be explained separately to show that they are under \$75,000, as follows:

(Sample) Planning Costs include:

1. Contract #2 with Expert Consultant to analyze direct cert process & develop recommendations = \$30,000
2. Project Manager - 60 of the total 520 hours will be used to manage planning contract = \$1,800 Salary plus \$630 Fringe
3. Total costs that indirect is applied to equals \$25,000 in contract costs plus personnel and fringe for project management. =  $\$25,000 + \$1,800 + \$630 = \$27,430 \times 10\% = \$2,743$
4. Total Planning cost =  $\$32,430 + \$2,743 = \$35,173$  which is **under \$75,000**.

Cost Categories	Planning Costs
6a. Personnel	60 hrs x \$30 = \$1,800
6b. Fringe	35% of \$1,800 = \$630
6c. Travel	

6d. Equipment	
6e. Supplies	
6f. Contractual	\$30,000
6h. Other	
<b>6i. Total Direct Charges</b>	<b>\$32,430</b>
6j. Indirect Charges (apply to first \$25,000 of contracts plus personnel and fringe)	10% x \$27,430 = \$2,743
<b>6k. Total Estimated Planning Costs</b>	<b>\$35,173</b>

# APPENDIX C

FY 2015-2016 Direct Certification Improvement Grant Narrative

Tier 2 Full-Scope Grant Proposal Template & Instructions

## TIER 2 APPLICATION INSTRUCTIONS

### TIER 2 APPLICATION SUBMISSION

- ✓ Applications must be submitted to [www.grants.gov](http://www.grants.gov) by 11:59 pm ET, on the deadline dates - *April 15, 2015; July 15, 2015; September 15, 2015; or January 15, 2016*. Applications submitted after a specific deadline will be held and processed with those received by the following deadline. Applications received after *January 15, 2016* will not be considered for funding.
- ✓ When submitted successfully, applicants must notify the FNS Grant Officer Carla Garcia by email at [Carla.Garcia@fns.usda.gov](mailto:Carla.Garcia@fns.usda.gov) that the application has been accepted by the Grants.gov system.
- ✓ Electronic or paper applications sent via any other method will not be accepted.
- ✓ FNS encourages State agencies to apply **early**, as the RFA may be closed following any application deadline when sufficient applications are received to exhaust available funds.
- ✓ All questions regarding the application and notifications regarding electronic submission should be referred to the FNS Grant Officer Carla Garcia via email at [Carla.Garcia@fns.usda.gov](mailto:Carla.Garcia@fns.usda.gov).

### Introduction

For a Tier 2 direct certification (DC) improvement implementation project proposal to be considered complete, applicants must structure and develop their project proposal by addressing **all** items in the *Tier 2 - Full-Scope Grant Proposal Template & Instructions* that follow. The questions are designed to guide applicants in thinking through all aspects of proposed solutions, with particular emphasis on reducing risks associated with technology related activities, building the project budget, and bringing consistency to the proposal process for evaluation purposes. The responses also establish the foundation for an overall project management plan prior to grant award. This is intended to facilitate moving forward with development of a full project management plan and successful execution of the Tier 2 direct certification improvement grant project for those State agencies whose applications are approved for grant funding.

### How to Use the Application Template

Applicants may copy and use the template as it appears, or set up their own format *as long as responses to all items are numbered and addressed in the order listed in the template, beginning with the cover page*. The template contains reminder notes and tips with scenarios and suggestions for the kind of content to include in the proposal when describing the requested elements. You may use (and expand as needed) the sample tables throughout or insert your own table format to address specific questions. It is acceptable to use the template for some items and your own format for others, as long as all items are numbered and addressed in the order listed. Additional information may be attached to the application narratives as needed. A 35-page limit for the Tier 2 response applies to the

content of the narrative proposal (responses to questions 1 through 22) and any attached explanations. The limit does not include other required forms and supporting documents, such as forms SF-424, SF-424A, SF-424B, SF-LLL, indirect cost agreement, letters of support, and other required Federal forms and assurance statements.

FNS understands that your agency may not have fully addressed every element detailed in the template prior to submission of a grant application. If an element is not addressed in your application proposal, your application should explain why. **Applications must have an entry for every item.** For each element of the guidance document, please do one of the following:

- (1) Respond to the element;
- (2) State that this element will be addressed if the State agency is awarded a grant;
- (3) State that this element is not applicable and why; or
- (4) If there is duplication with a previous answer(s), explain that the answer is included in the response to a previous item and give the referenced item and response number. However, be sure that you have provided sufficient information to fully respond to both items.

Sample worksheets for building the budget (personnel, travel, equipment related requests, etc.) are included as part of the template. Please refer to ***Appendix B, Grant Project Budget Checklist***, for additional guidance. **FNS encourages your agency to replicate the worksheets in your proposal if you find them to be a helpful model for your agency. Applicants are not required to use the worksheet formats displayed in this document.** Again, however, applicants should provide all information requested in the sample worksheets, in addition to other narrative information to explain estimates and calculations. See ***Appendix A: OMB Cost Principles 2 CFR 225*** to review OMB Circular A-87, which addresses allowable costs.

**Important Note:** Please check to be sure that all budget estimates contained in the Appendix D narrative responses match the budget estimates entered on the Budget Information Form SF-424A, and the total grant funding requested in Section 18 on the Application for Federal Assistance Form SF-424. Also be sure that the project timeline described in the narrative responses matches the proposed project start and end dates in Section 17 of the SF-424 application form.

### **Application Packet**

The Tier 2 grant application packet must include:

5. Fully completed Appendix D proposal template (or other format), including cover page and questions 1 through 22;
6. All required Federal forms: SF-424, SF-424A, SF-424B, and SF-LLL (links to forms can be accessed at [www.grants.gov](http://www.grants.gov) or at <http://www.fns.usda.gov/cnd/grants.htm>)
7. Signed copy of the applicant agency's most current approved indirect cost rate agreement with a Federal agency, if indirect costs are included in budget estimates; and
8. Clear justification for any sole source contracts to be funded under the grant, including references/copies of applicable State statutes, regulations, and policies.

NOTE: In the following sections, examples and tips are given in most sections. To use the template, review the tips and examples, then delete the tips and example data in each question and add your own information. Expand as much as needed to answer every question. You also may copy the questions to another format, if you prefer.

## Tier 2 Grant Proposal Cover Page

**A State Agency may apply for only ONE grant under this RFA. A State Agency that Applies for a Tier 2 grant may not apply for a Tier 1 grant, and vice versa.**

Tier 2 Implementation Grant - Maximum **\$1,000,000**

**Check Application Deadline for this Application**

- April 15, 2015     
  July 15, 2015     
  September 15, 2015     
  January 15, 2016  
 April 15, 2016     
  July 15, 2016

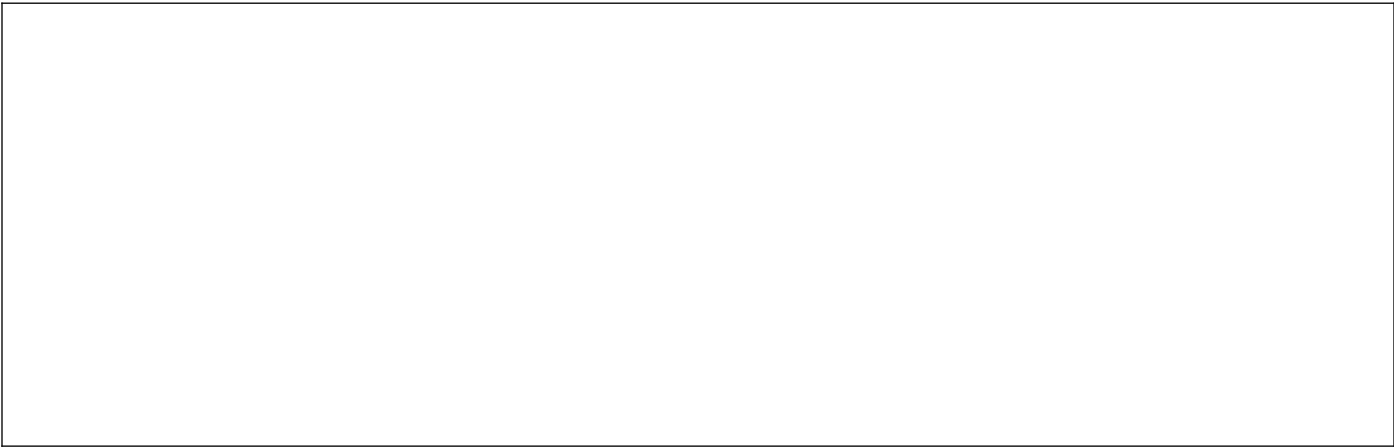
### APPLICANT CONTACT INFORMATION

<b>State Agency Name &amp; Address:</b>          	<b>Agency Administrator Name, Title &amp; Contact Information:</b>  (Telephone, Email, Fax)          <b>Application Contact Name, Title &amp; Contact Information:</b>  (Telephone, Email, Fax)
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### PROJECT ABSTRACT

**PROJECT ABSTRACT:** Enter brief abstract (250 word limit) describing your proposed project to improve direct certification rates under the grant award. *(Note: If your application is approved, this abstract will be posted on the FNS website to inform other States about your project):*





**PROJECT PURPOSE, GOALS AND IMPACT ON PROGRAM INTEGRITY**

**1. PROJECT OVERVIEW AND BACKGROUND: Briefly summarize your State agency’s challenge(s) involved in implementing DC processes:**

*[Tip: Provide a brief description about your State’s DC system operation (IT capabilities and deficiencies, policies and procedures governing direct certification, staffing levels, interagency cooperation etc). Explain the situation or factor(s) that impact your State agency’s ability to more accurately conduct direct certification in Local Education Agencies (LEAs).]*

**2. PROJECT PURPOSE, GOALS AND PERFORMANCE: Summarize the project goals, objectives and proposed solution(s) that will address the gaps identified in #1. For each project goal, describe the performance measures that will be used to evaluate the outcomes of your project activities to determine whether your project is successful in meeting your goals and objectives.**

*[Tip: Explain what your agency expects to accomplish through the proposed project (e.g., increase frequency of matching, develop more complex matching algorithms to improve matching accuracy, interface with point of service (POS) systems automatically, prioritize unmatched student lists, develop monitoring capability for State and LEA levels, implement probabilistic matching, develop training for LEAs, improve data coming from SNAP/TANF agency, change from district level matching to state level matching, improve direct certification reporting tools, etc. Then define what “success” looks like, once the gaps have been fully identified and solutions proposed in the grant application have been implemented. Explain how the State agency will measure success and be able to demonstrate whether the purposes of the DC Improvement grant have been met (e.g. what is the State agency now able to do/offer/analyze, etc. that it couldn’t before? What is impacted as a result of this?) Note: specific measures related to tracking progress of the grant project itself are to be reported in the Project Schedule and Risk Management Sections found later in Appendix D.]*

Sample Table: Project Goals, Objectives, Solutions and Performance Measure

<b>Project Goal 1:</b>	
<b>Objectives</b>	<b>Proposed Solutions</b>
A.	
B.	
<b>Project Goal 1 Performance Measures:</b>	

**Project Goal 2:**

Objectives	Proposed Solutions
A.	
B.	

**Project Goal 2 Performance Measures:**

**PROJECT PLANNING, DESIGN AND MANAGEMENT**

**3. PARTNERS AND STAKEHOLDERS**

- a) Identify the *internal entities (offices within your agency)* and *external entities (LEAs, other experts or key partners, other government agencies)* the **State agency** engaged in planning a solution(s) and developing this grant proposal. Explain briefly the *role each played during your project planning and solution development processes* and the steps taken to ensure the proposed project solutions will be compatible with other State government and LEA business processes.

*[Tip: Review your proposed solution(s) and list all of the offices within your organization that need to collaborate with your team to achieve project success according to the established time and budget requirements. These are the offices you have contacted (or will contact) concerning integration of the project with their business processes. You should work with internal offices such as IT, Finance, Acquisition, Human Resources, Communications, and/or any other applicable internal or external offices such as the LEA or point of sale vendors used by the LEA to understand how initiatives (e.g., enhancing an IT solution, providing end-user training) will impact current systems, financial planning and payment processes, and internal training policies.]*

- b) Identify the required partners (internal and external agencies, stakeholder groups, etc.) or vendors that will work with your **State agency** to successfully complete the DC project. Explain their roles in the project and steps you have taken to ensure their commitment and availability to partner with your agency in carrying out the proposed implementation activities and sustaining the solutions following implementation, as applicable.

*[Tip: Consider those internal and external offices, organizations, and vendors whose assistance or contributions may directly impact the success of the project, including progress toward meeting key project milestones, deliverables, and staying on schedule. Name the partners, and indicate how the collaboration*

between the project team and partners will strengthen your agency's project proposal application and their role if any with ongoing implementation once the project is fully completed. Letters of support or partnership are not required; however, they may demonstrate a well supported project plan. Letters of support will **not** count in the 35-page limit for the narrative proposal.]

To avoid duplication, a table such as the following may be used to list the internal and external entities described in 3a and 3b combined.

*Sample Table: Internal and External Entities Involved with Project Planning and/or Implementation*

Organization and Contact Name	Brief Description of Connection to Project in <u>Planning/Solution Development and/or Implementation</u>	Check Phase	
		3a Planning	3b Implem
1			
2			

**4. TIMELINE: List the proposed grant project timeline for each key phase of the project, including major milestones and deliverables, with estimated start and end dates for each. Assume a start date no earlier than 90 days from the Request for Applications due date.**

*[Tip: Describe how long each phase of your project will take and include the key milestones and deliverables mapped to each phase. For example, provide a timeline with milestone information for: each phase of the project and major task areas necessary for accomplishing a solution; Launch period for each solution; Implementation period for each solution; Operations period for each applicable solution and major task areas necessary for accomplishing a solution; Major benchmark and deliverable dates; and Anticipated project completion date. Applicants need to demonstrate a realistic approach to planning the project timeline. A project timeline will help reduce extension requests. Refer to the Sample Timeline Table below as a sample method to provide timeline details within your proposal.]*

Milestone	Project Activities to Accomplish Milestone	Planned Start Date	Planned End Date
Describe Milestone 1	Enter Activity 1 for Milestone 1		
	Enter Activity 2 for Milestone 1		
Describe Milestone 2	Enter Activity 1 for Milestone 2		
	Enter Activity 2 for Milestone 2		

**5. RISK MANAGEMENT:**

**a) Identify existing and/or probable project risks. Note: Indicating there are no risks, is not a reasonable**

**approach to the project. All projects involve some risks, (i.e. unexpected change in staff, unforeseen costs, etc.).**

*[Tip: To provide information on your project's risks, your agency and partners should consider the realities of the work involved that are exposed to potential breakdown. Causes of risks may include any of the following, as well as others: a complex timeline, inability to procure an acceptable vendor in time to meet the project timeline, unexpected project costs, use of flawed data, or involvement of a high number of partners that have not traditionally worked together, inadequate requirements for system development, system testing failures, etc. Some risks may be known or assumed in advance, while other risks are seen as potential or probable.]*

- b) Briefly describe how the project will be managed to minimize overall risks. In reference to the risks identified in #5a above, explain what actions the project team and partners will take to reduce the potential negative impacts from those risks. Describe the processes that the **State agency** will implement to monitor, identify and mitigate risks that become known throughout the life of the project, in addition to those identified upfront before the project begins.**

*[Tip: Describe how the State agency will track and monitor for project risks throughout the project. In describing actions that will be taken to minimize identified and/or probable risk(s), address what actions the agency plans to take to mitigate the risk and reduce the potential for negative outcomes. Give responses specific to the potential risks already identified in #5 a, as well as the processes you will put in place to mitigate risks that surface after the project begins.*

**6. PROJECT TRACKING AND QUALITY MANAGEMENT: Briefly describe how the project will be managed to ensure that project activities are completed on time, within budget and with quality results. Include a description of the method(s) and tools that will be used to track project progress, ensure that project risks are identified and mitigated, and ensure the quality and acceptability of deliverables throughout the project. Indicate the frequency and method(s) that will be used for project monitoring and tracking.**

*[Tip: Provide information on how often the project schedule will be reviewed and the process for adjusting the schedule; what will be the processes for monitoring budgeted costs; list the tools that will be used to help manage the grant, e.g. Excel to track budget estimates, (forecasts and actual), requirements traceability matrix for testing all system requirements, and review/approval process for key deliverables using Microsoft Project (or other tools), checklists for compliance with project requirements. Example explanation, "two project assistants, R. Thompson and J. Smith, will create an Excel tracking sheet tool with key milestones and budget details for every phase central to accomplishing each deliverable. The tool will track the review and approval decision points for each deliverable, including rejection and revision when deliverables do not meet the requirements. Every applicable project accomplishment will be recorded with weekly status updates, after which the project assistants will then load the applicable dates and background information into the tracking sheet tool. At the end of each week the project assistants will produce a report including deadlines that must be met over the next two weeks; milestone dates that have been missed and by how much time; other deadlines that are put at risk due to the unmet milestone(s); and a summary of risks reported back by project staff as vetted by applicable project managers. A process will be in place for all core managers and staff to receive this weekly progress report. The reports will be saved past the period of performance of the grant and corrective project plans will be put in place (by the applicable managers) for milestones and/or deliverables that are delayed by more than 21 days. The Excel tracking sheet tool will be designed and finalized*

within a week of the project kick-off.”]

**7. STAFFING PLAN:** Briefly describe the plan for staffing the grant project with the needed personnel, including the process for identifying and hiring or contracting for needed staff. .

*[Tip: Include a copy of the anticipated organizational chart for all grant project staff showing how they report to the agency administrator identified on the cover page. List title and name of project staff if known. Explain if agency staff will be used and/or if staff or contractors will have to be hired. Briefly define the process to be used for hiring and the anticipated timetable.]*

**8. KEY PERSONNEL:** Identify the roles, responsibilities, and level of relevant experience for all project personnel supporting the project at least 20% of the time, or managing key project areas if less than 20% on the project.

- a) As part of this response, list the name(s) and title(s) of individual(s) that will be responsible for: 1) monitoring project scope, tracking schedules/costs/resources, monitoring for quality assurance, and submitting progress reports to FNS; 2) verifying overall goals of the grant have been met; 3) measuring results to determine if the project activities are indeed helping to improve direct certification results; and 4) assuring that the plan for sustainability of the project is implemented.
- b) Identify the funding source (e.g., DC grant, State Administrative Expense (SAE) funds, or other) for each staff person listed. If a staff person assigned to the project is being transferred from another role currently funded by SAE funds, include an explanation for how the individual’s SAE funded duties will be handled once the grant project begins. *Note: Staff funded directly by the grant (hired directly by the State agency or via a contract for services) and staff funded by SAE or other means should all be listed here to fully demonstrate the overall project staffing.*
- c) Indicate whether each identified staff person is a State employee or a contractor.

*[Tip: The Sample Personnel Table below will help guide you in providing sufficient staffing information, although additional narrative may be needed to fully respond to a), b) and c) above. Regardless of what format is used, indicate the title of the project role, name of staff (if known), whether or not the person is already on board as an existing State employee or contractor, whether the person is internal to the agency but being transferred from other responsibilities, or if the person is yet to be identified and/or hired. Also show the percent of time the staff person will work on the project throughout the grant period and the source of funding for each person. If a staff member is an existing employee paid for through State Administrative Expense (SAE) funds, but you plan to charge this person to the grant, explain how you will replace them on the SAE work previously assigned]*

Sample Personnel Staffing Table

Position Title	Staff Name	Existing, Transfer, or New Hire / State Staff or	Project Role & Duties	Minimum Level of Direct Experience Required	Percent Time on Project	Funding Source

		<b>Contractor</b>				
LEA Coordinator	Mary Andrews*	Existing-State Staff	Facilitates applicable project work among LEAs	3 years successful experience in providing similar stakeholder coordination support for CN programs.	50%	DC Grant
Lead Database Analyst	TBD	New Hire-Contractor	Manage development of new databases for business intelligence tools	5 years successful experience in database development and certification in business intelligence design	100%	DC Grant

\*A half-time temporary employee will be hired and funded with SAE funds to perform the SAE functions Mary would have done if she were not coordinating activities related to grant.

**9. TRAINING - PURPOSE AND CONTENT: Describe the purpose of any training that is central to the project plan scope.**

[Tip: Explain why training is needed in the project, including the type of training and the benefits of administering/offering the specified training. Note: Training must be related to DC improvements. Training funded with this grant may not supplant other required training.]

**10. TRAINING - LOGISTICS: Summarize the training logistics - Type of training (in person, online, other), location and number of sessions, length of sessions, who will deliver the training, the audience for each training event, etc. Note: All costs related to proposed training must be reported in the appropriate budget plan cost category: personnel, travel, supplies, contractual, etc. Training related costs are not reported separately on Budget Form SF-424A.**

[Tip: Explain which group of employees (title of individuals) will take the training; whether the training is administered online, by CD-ROM, or is classroom-based; and specify the travel plans (location, travel mode, etc.) required to attend classroom-based training. If using the framework of the sample table, provide additional detail as applicable for your particular project. If your agency prefers not to use this table, it is necessary to provide content within the DC grant application proposal describing the training logistics.]

Sample Training Logistics Table

Training name	# Attendees	Participant Description	Location	Travel Requirement
(Example) ABC Training Course	10	LEA Reporting Analysts	Online	None
New Procedures Training	500	School Meals Directors & Managers	5 Regional Locations	2 trainers will travel by car to each of 5 Regions- 5 trips, 1.5 days each

				with one night's lodging and meals each trip.
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**11. TECHNOLOGY GAP ANALYSIS: Summarize the gap analysis performed on your current automated processes.**

*[Tip: Provide goals for the future system processes, and a needs assessment to improve the current state of the existing system. This summary should provide evidence that the agency's internal IT staff validated the gap analysis/functionality, and strongly agrees that the technology solution meets the agency's needs and goals stated in the DC grant project proposal.]*

Sample Gap Analysis Table

End State (Desired)	Current State	Gaps/Action
<i>(Example) State agency is able to run DC data matches at least once per week with current student enrollment and SNAP/TANF data.</i>	<i>Data provided from both SNAP/TANF agency is received only three times during the school year, so matches are run approximately every 3 months.</i>	<i>Work with SNAP/TANF agency to create web service that can access real-time SNAP/TANF data and run matches once per week.</i>

**12. PROPOSED TECHNOLOGY SOLUTION:**

**a) Briefly identify the functional requirements and type of technology solution needed for project completion.**

*[Tip: Explain the function, capabilities, and/or features of the DC system that are required for the proposed project. For example, System X needs to support input from end users; System X needs to track the number of DC matches implemented at the LEA/POS level; System X needs to produce probable matches prioritized by level of probability; System X must include a web portal for LEAs to search for SNAP/TANF matches for new students. Include diagrams, charts, or tables for further explanation as needed. In anticipation of this grant, list the hardware/software you have researched as possible candidates to procure: Include hardware/software type and functionality, and identify possible vendors or systems developed in other States. If there is an upgrade to an existing system, name the hardware/software. In inquiring about items that involve acquisition, FNS reminds agencies that they must comply with all state and federal acquisition regulations.]*



**b) Summarize the proposed hardware/software configuration.**

*[Tip: Provide details of the proposed new and/or existing systems design. Include information regarding the type of system, hardware/software's platform, data storage methods, data security methods, relevant charts, and diagrams.]*

**c) Explain how the proposed technology solution will fit into your business and organizational needs.**

*[Tip: Provide details in your agency's proposal that evidences that x, y and z offices have reviewed relevant proposal components and agreed with the feasibility of acquiring such solutions, and on the proposed schedule and cost.]*

**d) If there is an existing system/software application in place with similar functions, describe the integration plans and its ability to integrate with the existing databases.**

*[Tip: Explain how your agency or applicable partner offices would integrate the new equipment/software with the existing system. Provide evidence that the new hardware/software will be able to communicate with the existing system, for example, include verification information from your IT Office describing the integration within the DC project proposal.]*

**e) If there is a need to migrate or convert data to the new system, describe the process.**

*[Tip: Explain what procedures are needed to transfer old data into the new system; describe if and how unused data will be archived, discarded, or cleansed.]*

**f) Describe the test plan for your system/software, including user acceptance testing.**

*[Tip: Describe how you will verify that your system and/or software is functioning properly; provide the high level functional, data, user and system performance testing procedures; and include the test item, risk issues, and features to be tested complete with proposed test schedule, if available.]*

## PROJECT BUDGET PLAN

**13. PLANS FOR ALLOCATING COSTS:** If the DC grant project proposal includes the implementation of an automated system solution that will benefit programs other than the FNS school meals programs (such as developing an automated system that will benefit both the NSLP and the Child and Adult Care Food Program (CACFP), the State agency's application must clearly describe the cost allocation methodology that will be used to determine the cost share for each program. Only the cost share that can be reasonably allocated to direct certification in the school meals programs can be charged to the DC grant funding.

Please describe the State agency's cost allocation methodology, if applicable to this project:

**14. STATE PERSONNEL & FRINGE COSTS:** Summarize the projected Level of Effort (LOE), inclusive of time and cost, for project staff that are (or will be) hired directly by the State agency. Include only personnel costs that will be covered with DC grant funding. If fringe benefits will be charged to the grant, include a list or description clearly identifying what has been included in determining the fringe benefit amount. If listing fringe benefit costs as a % of total salary,

clearly show methodology for calculating; or if actual cost is known state as such. Fringe benefit costs should be shown by individual. If no fringe benefit costs will be charged to the grant, explain why.

Note: Staff hired or expected to be hired as part of a Contract for Services are to be included in the Contractual costs section of Appendix D. Do not report contractor staff in this section. Also, if indirect costs will be charged on personnel costs, report the indirect costs charged to personnel as part of the Indirect Cost Section, later in Appendix D.

[Tip: Describe how the LOE was calculated for staff hours and labor costs to complete project work. The Personnel Cost Breakdown Table will assist in determining Total Cost of Project Personnel to be supported by the grant funding. If using the framework of the sample table, provide additional detail as applicable for your particular project. If your agency prefers not to use this table, it is necessary to provide content within the DC application proposal describing how LOE estimates were calculated.]

Sample Level of Effort Table

Quantity	Position Title/Role	Hourly Rate or Annual Salary	Total Hours on DC Grant Project	Direct Personnel Cost to be charged to grant	Fringe Benefit Cost List % of salary or actual cost by individual
(Example) 1	ABC Systems Administrator  (2 years on project at 25% time)	\$20/hour	520 hours annually x 2 years = 1040 hours	\$20,800	30% x \$20,800 = \$6,240
(Example) 1	Trainer (1 year on project at 50% time)	\$25/hour	1040 hrs annually x 1 year	\$26,000	30% x \$26,000 = \$7,800
<b>Total Cost of State Personnel supported by DC Grant funding</b>				<b>\$46,800</b>	<b>\$14,040</b>
<b>Report Totals on Form SF-424A as noted</b>				<b>Section B. Line 6a</b>	<b>Section B. Line 6b</b>

Example: The 30% fringe benefit cost, was derived by calculating the projected annual total fringe benefit costs for all full time School Program staff and dividing by total salaries. Fringe benefit costs included are single dental plan coverage, single health insurance coverage, \$50,000 in life insurance, long term disability, worker's compensation, 15 days annual sick leave, and 8 paid holidays.

**15. TRAVEL COSTS:** Summarize the anticipated travel details and costs for all phases of the DC Grant project. In this section, for each year of the grant period, be sure to include the estimated cost of travel to be charged to the DC grant funding as necessary to accomplish the project. All costs must be itemized and calculations explained.

**Important:** Travel costs for contractors should be included in their Contract for Services and included in the Contractual costs section (question #18) of Appendix D. Do not report contractor travel costs in this section. Also, if indirect costs will be charged on travel costs, report the indirect costs charged to travel as part of the Indirect Cost Section later in Appendix D.

[Tip: Include the positions of individuals traveling, the purpose of travel, projected location and mode of travel. The sample Travel Cost Breakdown Table will assist in determining Total Costs for Travel to be supported by the grant funding. Provide sufficient detail within the travel categories to identify if the travel is related to training (noted above), meetings with stakeholders for input, visits for a software demonstration, etc. Only actual travel related costs should be reported here. If using the framework of the sample table, provide additional detail as applicable for your particular project. Applicants may choose to use a different format, but must provide all the requested information.

Sample Travel Cost Breakdown				
Name(s) or Position(s) Traveling & Purpose	Type of Expense	Quantity	Unit Rate	Line Total
(Example) Trainer traveling to deliver 2 one day regionally based application training sessions for LEA staff,	Mode of Travel: Rental of car (unlimited mileage) for 3 days	3days	\$60/day	\$180
	Meal and/or Per Diem Expenses:	3 days	\$70/day	\$210
	Lodging Expenses:	2 nights	\$100/night	\$200
	Other Travel related expenses:			
<b>Total for Travel</b>				<b>\$590</b>
<b>Report Totals on Form SF-424A as noted</b>				<b>Section B. Line 6c</b>

**16. EQUIPMENT COSTS:** Provide estimated costs for all hardware and other equipment items costing \$5,000 or more. (Equipment items costing less than \$5,000 should be listed as supplies in section 17 or as Other in Section 19). Costs reported as equipment should be consistent with OMB, State and local policies for capital costs. [Tip: List the

hardware/software product and how many items are needed to implement your project proposal.]

Sample Hardware/Equipment Cost Breakdown			
Item of Equipment	Quantity	Cost per Item	Total Cost
Server (describe type, size and purpose)	2	\$10,000	\$20,000
Equipment Total			\$20,000
Report Totals on Form SF-424A as noted			Section B. Line 6d

**17. COSTS FOR SUPPLIES:** Summarize the estimated cost for all supplies. Costs reported as supplies should be consistent with OMB, State and local policies. Note: if indirect costs will be charged on supply costs, report the indirect costs charged to supplies as part of the Indirect Cost Section later in Appendix D.

[Tip: Include all incidental costs to be charged to the grant.]

Sample Supply Cost Breakdown				
Supply Categories	Purpose	Quantity	Unit Rate	Line Total
(Example) Workbooks for New Procedures Training	Training Manual	500 copies	\$20/copy	\$1,000
(Example) Laptops	Testing & training	2	\$1,500/ea	\$3,000
Training Related Expenses:				
List items				
General Grant Supply Expenses:				
List items				
Total for Supplies				\$4,000
Report Totals on Form SF-424A as noted				Section B. Line 6e

**18. CONTRACTUAL COSTS:**

- a) Identify all grant work that will be outsourced to a contractor for completion. List each contract, what services will be provided under each contract, and describe the procurement process the State agency will follow to acquire the listed services. If the procurement process will vary for different contracts, describe each process separately. Be sure that all procurement processes are accounted for in the project timeline and milestones. If contractual costs are included in budget estimate and the contractor is (or will be) acquired without competition, the applicant must provide justification for a sole source contract (e.g., State statute or policy references describing circumstances under which competition is not required).

*[Tip: All contracting must be in compliance with the State and Federal procurement policies and regulations. Contracting related to the use of these grant funds will be the same as for all other federal dollars.]*

- b) Summarize the estimated cost for all Contractual costs and explain what work is represented by the cost. (Listing only a total cost is not acceptable. Sufficient detail must be provided to allow FNS to determine how the State agency came up with the estimate(s) for any proposed contracts.)

*[Tip: Include all contracted costs to be charged to the grant, such as training consultants, software developers, software hosting services, etc.]*

*Sample Contractual Cost Breakdown*

Contractual Categories	Purpose	Quantity	Unit Rate	Line Total
Contract #1 with expert to Train the Trainers for State agency to conduct Regional New Procedures Training	Develop Training & Train LEAs on new procedures	1	\$75/hr for 1,000 hrs	\$75,000
Contract #2 for Software upgrades - software developers	Develop web portal for LEA access to match data. Upgrade matching algorithm. Develop reporting tools. Develop automatic real time match process	2	\$60/hr for 2000 hrs =\$120,000 ea	\$240,000
Training Related Expenses:				
List items				
System Development Contract:				
List items				

Other Contractual expenses:				
List items				
<b>Total for Contractual Costs</b>				<b>\$315,000</b>
<b>Report Totals on Form SF-424A as noted</b>				<b>Section B. Line 6f.</b>

**19. OTHER COSTS:** Summarize the estimated cost for all Other costs. Costs reported as Other should be consistent with OMB, State and local policies.

*[Tip: Include all incidental/other costs to be charged to the grant that do not belong in another budget category ]*

Sample Other Cost Breakdown				
Other Categories	Purpose	Quantity	Unit Rate	Line Total
(Example) Printing costs	Registration	10	\$100	\$1,000
(Example) Software permanent licenses for LEAs	To connect to State Direct Cert online software.	200	\$1,000	\$200,000
List items				
<b>Total Other Costs</b>				<b>\$201,000</b>
<b>Report Totals on Form SF-424A as noted</b>				<b>Section B. Line 6h</b>

**20. INDIRECT COSTS:** If indirect costs are included in the State agency’s cost estimates, you must submit a copy of your agency’s current approved Indirect Cost Rate Agreement (ICRA) with a Federal agency. Only indirect costs that comply with the ICRA will be allowed. Explain what rate was used and to what direct costs it was applied. Show your calculations. Note: be sure all indirect charges included are consistent with the State agency’s ICRA, including applicability to sub awards and other contracts. Only charge indirect costs to allowable items per the ICRA. (Refer to Appendix A: OMB Cost Principles and the Budget Grant Project Checklist provided in Appendix B for guidance.)

*[Tip: Explain how the indirect costs were calculated – to what costs the ICRA was applied and the rate that was used. Include a copy of the indirect cost rate agreement and any necessary explanation.]*

*Sample Indirect Cost Breakdown*

Indirect Cost Rate charged to the Grant as follows:	Total Direct Costs	Direct Costs to Which Indirect Cost Rate Can be Applied
<i>Example: Personnel Salary Costs</i>	\$46,800	\$46,800
<i>Personnel Fringe Benefit Costs</i>	\$14,040	\$14,040
<i>Travel Costs</i>	\$590	\$590
<i>Equipment (Indirect not allowed for capital equip over \$5,000)</i>	\$20,000	0
<i>Supplies (including equipment costing less than \$5,000)</i>	\$4,000	\$4,000
<i>Contract #1 (usually applied to first \$25,000 per year- see ICRA)</i>	\$75,000 (1 yr)	\$25,000
<i>Contract #2 (usually applied to first \$25,000 per year - see ICRA)</i>	\$240,000 (2 yr)	\$50,000
<i>Other Direct Costs</i>	\$201,000	\$201,000
<b>Total Direct Costs</b>	<b>\$601,430</b>	<b>\$341,430</b>
<i>Indirect Cost Rate</i>		10%
<b>Total Indirect Costs</b>		<b>\$34,143</b>
<b>Report Totals on Form SF-424A as noted</b>		<b>Section B. Line 6j</b>

*Sample Total Estimated Grant Budget*

Indirect Cost Rate charged to the Grant as follows	Totals
<b>Total Direct Costs</b>	\$601,430
<b>Total Indirect Costs</b>	\$34,143
<b>Total Estimated Project Costs= Grant Total to be Requested</b>	<b>\$635,573</b>
<b>Enter Total on Form SF-424A as noted</b>	<b>Section B. Line 6k</b>

## PROJECT SUSTAINABILITY AND TRANSFERABILITY

**21. SUSTAINABILITY:** Describe the plans to maintain the overall project, system and/or software. Indicate the cost of ongoing maintenance and how the State will fund these costs to keep the system in operation beyond the grant period.

*[Tip: If there are ongoing costs associated with the grant purposes after the grant ends, describe how these costs will be covered. If the State agency anticipates a need for periodic updates to the project or system, describe how this will be accomplished. Provide information on procedures to sustain the project, system and/or software: Define the support environment, roles and responsibilities, and maintenance activities; monitor the system for continued performance and provide the necessary system modifications; and identify the support environment, including the development, maintenance, and target host environments.]*

<b>Ongoing Operation and Maintenance Costs after grant ends (These <i>will not be charged to the grant</i>, but are costs estimates needed for the State agency to plan and budget for sustainability of the project)</b>				
	Quantity	Unit/Hourly Rate	Ongoing Operation & Maintenance Cost Total	How costs will be funded
Maintenance contractor	1	\$50.00/hr	200 hrs x \$50 = \$10,000 annually	State IT Funds
Example: Vendor annual maintenance fee for 1 year maintenance contract	1 annually	\$10,000	\$10,000 annually	SAE Funds

**22. TRANSFERABILITY:** Describe how the proposed implementation project is likely to produce outcomes and information that not only will aid the applicant State agency in accomplishing program improvements, but also will produce knowledge that is transferable to other State agencies for similar improvement projects.



