

Frequently Asked Questions

- General
- Eligibility
- Required Application Documents
- Matching Funds
- Payment
- Changes to Award
- Changes to Budget

General

1. Can a grantee build facilities with grant funds?

In the Community Food Projects Competitive Grants Program (CFPCGP) RFA under Section E. Funding Restrictions – Construction and Renovation, it states the following “With prior approval, and in accordance with applicable Federal cost principles, grant funds may be used to plan, acquire, or construct a building or facility, or to acquire land: and for improvements, alterations, renovations, or repairs to land or buildings, necessary to carry out a funded project under this program. However, requests to use grant funds for such purposes must demonstrate that such expenditures are essential to achieving the major purpose for which the grant request is made.”

Also, when submitting proposals, the grantee should include the costs in the budget, and provide the information in the budget narrative. For additional information on capital expenditures and facilities the grantee can refer to OMB Circular A-21, Cost Principles, under General Principals Provisions for selected Items of Cost, under Section 16, subsection b., subpart 1, 2, 3 & 4

2. What is meant by a one time infusion of Federal Funds? Can we ever apply again?

The legislation requires that any one project can only be funded once. If the same organization has a different project, it may submit for that different project.

3. What are allowable and unallowable costs for Community Foods Grants?

Allowable

Equipment purchased for use on the project

Equipment use charges if it is normal policy

Unallowable

Equipment already on hand

Equipment use charges if part of Indirect Cost Rate base

Space rental/lab use charges necessary to complete project etc.

Entertainment costs, memorabilia,

Indirect Cost: Grantee's Negotiated Approved Indirect Cost Rate

Any amount in excess of the allowed Indirect Costs

Salaries and Wages for student workers for actual work performed on the project

4. What is the process for making an award once the grant award is decided?

The Competitive Program Staff will request any needed revisions to goals, objectives and budget information. After receipt of this information, the proposal will then be forwarded to our Awards Management Branch (AMB). An AMB Grants and Agreements Specialist will review it for administrative and legal sufficiency. The Grants and Agreements Specialists will determine if all required information and forms (Current and Pending Support, Resumes or Vitae of Key Personnel, etc.), are in the file. They may also request additional documentation such as organizational financial information, additional budget details and/or additional information on matching costs. This administrative review normally takes up to 30 days.

5. What are some sources of information on how to administer grant funds?

You may refer to the Office of Management and Budget's (OMB) Circular A-110 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations"; OMB Circular A-122 "Cost Principles for Non-Profit Organizations"; U.S. Department of Agriculture's 7 CFR Part 3019 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-profit Organizations."; as well as 2 CFR Part 215 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations (OMB Circular A-110)"; and 2 CFR Part 230 "Cost Principles for Non-Profit Organizations (OMB Circular A-122)". These documents, along with other information may be found through the CSREES website at <http://www.csrees.usda.gov/business/business.html>

Eligibility

1. Does a non-profit organization have to obtain tax-exempt status?

No.

2. Are food cooperatives eligible to apply for a community foods grant?

Yes, if they meet the "private, non-profit entity" per the definition in the Community Food Projects RFA.

Required Application Documents

1. When I create my budget narrative, what information is needed? *Please see the “Required Budgetary Details” information document*

http://www.csrees.usda.gov/business/awards/budg_det_grantee_09.pdf to better explain what the Awards Management Branch requires for the submission of a budget narrative.

2. Why do you need resumes or Vitae of senior personnel?

To ensure that the Project Director(s) are qualified to carry out the objectives of the project.

3. Why are current and pending support forms needed; how are they used?

These forms are required for all Project Director(s) listed on the grant. They are reviewed to ensure that the Project Director(s) have not overcommitted their time; and that duplicate funding or overlapping of projects does not exist.

Matching Funds

1. Do we have to have all the required matching resources secured prior to issuing the award?

Yes, In order for us to issue the award, the grantee must meet the Program requirement of 100% matching by providing verification they have the funds in place. Please note that upon an administrative review of the grant, some matching may be deemed unallowable and therefore additional matching resources may be required.

2. How do you confirm matching funds?

We review the budget, budget narrative and the Third Party’s letters confirming their matching funds as required in the Request for Application (RFA).

3. Can other Federal funds be used as matching on this project?

No, matching contributions must come from non-Federal sources unless funds are specifically authorized by Federal statute to be used as matching.

4. Can funds provided from a state or local government for another similar project be used as required matching?

No. If the funds were provided specifically for another project, they cannot be used as matching for this project regardless of similarities.

5. If I anticipate receiving funds from other sources in the future (i.e. weeks, months, year, etc.) may I count them as anticipated matching costs?

No. All matching must be secured at the time of award to be considered as a part of the required matching. See Item #1 above.

6. What are cash contributions?

Those allowable costs which have been incurred by the grantee or subgrantee in the performance of project objectives for which the organization pays with their own resources; it also refers to cash contributed to the grantee by non-Federal third parties which then will be used to cover allowable costs incurred by the grantee or subgrantee. Some examples of cash contributions are:

- The grantee’s cost to purchase items of equipment to be used under a project;*
- The grantee’s cost to pay the salary of grantee employees in proportion to their efforts under a project.*
- Indirect Costs*

7. What are In-Kind Contributions?

The value of allowable noncash contributions which will directly benefit a project and which are provided by non-Federal sources. Some examples of in-kind contributions are:

- The value of services which are donated by a person to a project (the person is not compensated with project funds, but is donating his/her time to work on the project; the value of the person’s time is used to meet cost-sharing requirements)*
- Rental of space, laboratory or classroom use costs—these types of charges are allowable if needed to conduct the project, as long as they are normally charged to all projects and are not included as part of the organization’s indirect cost rate base.*

8. What are the regulations on in-kind costs?

Grantee’s may refer to the CSREES website for 7 CFR 3019, USDA’s Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations. In this document under Section 3019.23 – Cost Sharing or

Matching, explains the requirements for matching. This information also is referenced in OMB Circular A-110, Subpart C, Section .23 and 2 CFR 215.

9. What information should be included in the pledge agreement letter?

The Third Party pledge agreement letters should each contain the following information: a) authorized organizational representative's signature of the donor organization and the applicant organization; b) the name, address and telephone number of the donor; c) the title of the project for which the project is made; d) the dollar amount of the cash or in-kind donation; e) a statement that the donor will make the cash/in-kind contribution during the grant period and f) whether the applicant can designate the cash donation as they deem necessary or whether the cash contribution has been designated to a particular budget item by the contributor.

10. If an item is unallowable for Federal funds, may we use it as a matching cost?

No. If it is unallowable for Federal funds, it would also be unallowable as matching.

11. May we use donated land as a matching contribution for the project and if so, how do we determine its current value?

Yes, land may be used as a matching contribution. The value of donated land and buildings shall not exceed its fair market value at the time of donation to the recipient as established by an independent appraiser (e.g., certified real property appraiser or General Services Administration representative) and by a responsible official of the recipient.

12. May we use land and equipment donated to our organization several years ago?

No, donation of land or equipment must be specifically for the grant and provided within the project period.

13. May we use staff time as a matching contribution towards the project?

Yes, you must provide the hourly rate of pay applied and the number of hours spent on the project for each individual and the task to be completed.

14. Can volunteer's time be used as matching and if so, how do we determine what value the time has?

Yes, rates for volunteer services must be consistent with those paid for similar work in the recipient's organization. In those instances in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market in which the recipient competes for the kind of services involved. In either case, paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation. If including volunteer time, present the information in the following manner - hourly rate x the number of hours = the amount to be paid or the value of volunteer time.

15. May we include the costs for ethnic entertainment under the request for Federal funds or under our matching as it applies to our grant project?

No, entertainment costs are unallowable.

16. May we include rent and utility costs under the Federal funds or to help meet our matching requirement?

Yes, rent and utility costs are allowable under both Federal Funds and as matching as long as they are not included as part of indirect costs. If they are going to be applied as a direct cost item, the costs must be applied on a pro-rated basis.

17. Do changes in matching funds such as the expenditures made or the sources of matching funds after the award has been made require approval?

Once the grantee's matching funds have been approved, the grantee may make changes to their matching funds as long as they continue to meet their required level of matching from non-Federal sources. Accurate records of the matching must be kept and reported during the period of the award.

18. What documentation must be kept for the expenditure of Federal or Matching grant funds?

It is best to retain as much detailed information as possible to explain the expenditures on a grant (e.g., checks, receipts, procurement requests, etc.) In the event of an audit, you will be required to produce this supporting documentation.

Payment

1. Describe the whole funds management process from when the award is completed until the funds are made available?

After the award is signed, AMB notifies the Funds Management Section (FMS) that an award has been issued. Upon notification, FMS enters award and grant recipient information into the Agency's and DHHS' databases. When DHHS receives this information, they establish a letter of credit account where the grant recipient will be able to draw down their funds.

2. How are funds made available to us?

Through the Department of Health and Human Services (DHHS) Payment Management System. Reimbursement is made by drawing funds from a letter of credit account.

3. Who do we call when we can't access our funds?

If your Award Face Sheet (Form CSREES 2009) does not indicate that funds are being withheld pending receipt of additional information, and you are having trouble accessing your funds you

should contact the Funds Management Section at 202-401-4527. For programmatic or administrative issues, please see the contacts listed on your Award Face Sheet, Form CSREES-2009.

4. What does it mean to have funds withheld? How can I get them released?

All or part of the Federal funds may not be available for use until specific criteria are met as stated on the Award Face Sheet, CSREES 2009. Some examples could be missing forms and/or the clarification of incomplete and unclear budget information.

Refer to the Award Face Sheet, Form CSREES-2009, as documented in the Provisions Section in order to provide the requested information and obtain approval for the release of funds.

5. Is there any penalty for having funds withheld?

No, there is not a penalty. However, the longer the grantee takes to provide the necessary information required to release their funds, the less time they will have to spend their funds or work on the project until the grant expires.

6. What reporting is required by DHHS?

A quarterly SF-272 form, Federal Cash Transaction Report.

7. What reporting is required by the Program, the Awards Management staff and the Funds Management staff?

The Program requires that you respond to goals and objectives and report on results and outcomes of your projects. Since the 2004 awards, grantees are required to report on Common Output Measures to contribute to a program-wide evaluation of the program. The award terms and conditions state that a final technical report should be submitted within 90 days of the expiration of the grant. A Final Financial Status Report, Form SF-269 must be completed at the closeout of the grant project and be submitted to the Awards Management Branch. In addition, an annual SF-269 is required as indicated at time of award on your Award Face Sheet.

Changes to Award

1. What if our key personnel change?

If the personnel change occurs with those originally listed on the Organizational Information, Form CSREES-666 and Assurance of Compliance, Form CSREES-665, your organization will need to submit updated forms to the Awards Management Branch (AMB), so that we may update our records. In the event that there is a change in the Project Director (PD) your organization would need to request from AMB approval for the new PD. All the necessary documents and signatures would need to be sent to our office for approval.

2. What if an organization ceases to exist or has been taken over by another organization; can the grant be transferred to another organization?

If another organization takes over control of the grantee organization, a successor in interest agreement would be required. Grantees should contact the administrative point of contact noted in block 14 of the Award Face Sheet, CSREES 2009, if this occurs. However, if the organization simply ceases to exist, any remaining funds would be returned to the agency and the project would be terminated.

Changes to Budget

1. What happens if we have budget changes?

Most budget changes may be made without CSREES approval. However, there are some changes that do require prior approval by the Awards Management Branch. Those changes are as follows:

- a. If a change in the budget brings the total of subcontracts to more than 50 percent of the total dollars of the award;*
- b. Any subcontract awarded to a Federal agency; and*
- c. For budget costs that require prior approval under the Program's Request for Application.*

2. How much flexibility do grantees have on the line items proposed in our budget submissions?

Prior to the final awarding of the grant, the grantee may work with the Grants and Agreements specialist assigned to their proposal to negotiate changes in their budget. However, after the award has been made, please refer to the answer given in Question # 1 above.