

Frequently Asked Questions

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General

1. Can a grantee build facilities with grant funds?

In the Community Food Projects Competitive Grants Program (CFPCGP) RFA under Part V.D. 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 The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (The Uniform Guideline), Subpart E – Cost Principles.

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	Unallowable
<p><i>Equipment purchased for use on the project</i></p> <p><i>Equipment use charges if it is normal policy</i></p> <p><i>Space rental/lab use charges necessary to carry out the project</i></p> <p><i>Indirect costs in accordance with the grantee's negotiated indirect cost rate</i></p> <p><i>Salaries and wages for student workers for actual work performed on the project</i></p>	<p><i>Equipment already on hand</i></p> <p><i>Equipment use charges if part of indirect cost rate</i></p> <p><i>Entertainment costs, memorabilia, complete project etc.</i></p> <p><i>Any amount in excess of the allowed</i></p>

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 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards found at 2 CFR Part 200

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”. A private nonprofit entity, for the purpose of the Community Foods Project (CFP), is any nongovernmental corporation, trust, association, cooperative or other organization which: (i) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (ii) is not organized primarily for profit; and (iii) uses its net proceeds to maintain, improve, and/or expand its operations. The annual CFP RFA identifies the eligibility requirements grantees must meet.

Required Application Documents

1. When I create my budget narrative, what information is needed?

Please see the “Required Budgetary Details” information document <https://nifa.usda.gov/resource/nifa-grantsgov-application-guide> 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. The information on these forms are also used in the pre-award budget review to verify that the amount of salary requested and/or used as matching does not exceed the time commitment stated for the project.

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?

You will obtain third-party donor letters which should include the donor organization's name, address and telephone number, title of the project for which the donor is providing funds, the dollar amount of the cash or in-kind donation, a statement that the donor will make the cash/in-kind contribution during the grant period, and 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. This letter must contain the signature of the Authorizing Representative of the organization. You will keep these letters on file for audit purposes. In the proposal, you will provide us with a listing of your matching sources to include the third-party's name and the total dollar amount being provided. Your budget for the non-Federal matching portion will show which budget categories the funds will be expended. During the pre-award review, we will review your budget and budget narrative and may ask for additional information such as the Third-Party Donor letters if we have questions.

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?

In-Kind costs are addressed in The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards found at 2 CFR Part 200. Refer to Subpart D –

Post Federal Award Requirements, Paragraph 200.306.

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. These Pledge Letters do not have to be included in the proposal submission. However, they must be kept on file at your organization for the life of the grant and for the period of time required after award close-out. The Awards Management Division will be conducting Desk Audits on awards and you may be asked to provide this information for that audit.

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. For these costs to be included as a direct cost to the project either under the Federal portion or the matching, you must normally charge them as direct costs for all programs and projects being performed by your organization. If you do not normally charge other programs for these costs, then they may not be charged directly to the NIFA award.

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?

In addition to retaining the Third-Party Donor Letters, 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, The Awards Management Division (AMD) notifies the Financial Operations Division (FOD) that an award has been issued. Upon notification, FOD enters award and grant recipient information into the Agency's and ASAP's databases. When ASAP 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 Automated Standard Applications for Payment System (ASAP), operated by the Department of Treasury's Financial Management Service. Reimbursement is made by drawing funds from a letter of credit account. Additional information on enrollment in ASAP is available on the NIFA website [at https://nifa.usda.gov/tool/asap](https://nifa.usda.gov/tool/asap)

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

NIFA's Office of Grants and Financial Management's (OGFM) Financial Management Division (FMD) is responsible for the maintenance of the ASAP accounts. If you have successfully set up your ASAP account and have linked that account to NIFA, and still cannot access your account, or the funds are not available, you may contact the FMD at asapcustomerservice@nifa.usda.gov, explaining the issue. You will receive a service ticket tracking number and updates as the issue is resolved. There may be reasons that your funds are not available such as your account has been suspended or the percent of funds that can be drawn down for that quarter has been met. Please wait until the next quarter. Verify that the performance period has not expired and you are not trying to draw funds after the 90-day close-out period following the expiration date. Also, you should verify that your funds are not being withheld for any reason – refer to the Provisions Section on your Award Face Sheet. If funds are being withheld, Provision No. 1 will provide the information. Please note, too, that all ASAP accounts are suspended for 4 days at the end of the month for reconciliation. If you are trying to draw during that time period, please try again at the beginning of the new month.

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, NIFA 2009. Some examples could be missing forms and/or the clarification of incomplete and unclear budget information. Refer to the Award Face Sheet, Form NIFA-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.

Changes to Award

1. What if our key personnel change?

NIFA must approve any changes in Key Personnel (Project Director (PD) Co-Project Directors (Co-PD)). If a change occurs, notify NIFA via letter, on organization letterhead, signed by your Authorized Representative and the person replacing the PD or Co-PD. Include a Current and Pending Support Form and the person's Resume or Curriculum Vita. This information should be submitted to the Awards Management Division at awards@nifa.usda.gov. If approved, you will receive an award amendment documenting the change.

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

NIFA must be notified if another organization takes over control of your organization. In order for the project to continue, the controlling organization must be eligible under the Program's Eligibility Requirements. Otherwise, you will have to terminate the award as being no longer eligible. If eligible, your Authorizing Representative should submit a letter informing us of this change. You will then be directed to provide us with additional information documenting the change and providing information on the new organization.

Changes to Budget

1. What happens if we have budget changes?

Most budget changes may be made without NIFA approval. However, there are some changes that do require prior approval by AMD. Those changes are as follows:

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

Requests for budget revision approval should be sent to awards@nifa.usda.gov.

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 management 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.