

**Competitive Grants
Technical Assistance Guide (TAG)
2nd & 3rd Year Optional Funding Grant Modifications**

I. Eligibility for Optional Year Funding:

The Homeless Veterans' Reintegration Program (HVRP) and Veterans' Workforce Investment Program (VWIP) Solicitation for Grant Application (SGA) will indicate if optional years funding will be available. Grantees do not have to compete for 2nd and 3rd year optional funding as they have already successfully competed for these funds with their initial grant award. The Veterans' Employment and Training Service (VETS) will allow for two (2) optional years of funding provided satisfactory grantee performance in the previous performance period and availability of sufficient funding. Funding to support 2nd and 3rd year options is automatically set aside upon receipt of program allocations.

A list of HVRP and VWIP grantees that are eligible to apply for 2nd or 3rd year funding is provided as Attachment 1.

II. Applying for 2nd or 3rd Year Optional Funding:

Any grantee identified in Attachment 1 that wishes to apply for 2nd or 3rd year funding must prepare and submit the following documents to the Director for Veterans' Employment and Training (DVET), also known as the Grant Officer's Technical Representative (GOTR) in their respective State:

- A. Transmittal Memorandum** with an original signature requesting the 2nd or 3rd year optional funding. The memorandum must specify the name of the authorized representative who is able to enter into this grant agreement with the Department of Labor. Grantees may also indicate if there are any changes to the scope of the original grant agreement.

- B. Program Narrative** - If program components will remain unchanged the grantee may reference this in the transmittal memorandum by stating: "This request is a continuation of the current program as originally approved" without an additional program narrative.

If program changes are requested, a Program Narrative is required. The narrative must include a statement of need, program design, program goals, qualifications, utilization of community linkages, and budget information. The requested program changes must clearly identify program activity, program efficiency, or resolve problems which have been identified during operations during the last Program Year (PY).

- C. Standard Form (SF) 424 - Application for Federal Assistance**, provided as Attachment 2, with original signature in blue ink. The SF 424 should reflect the original start date of the grant and indicate the modification request is a "revision" of an existing grant. The SF 424 should identify the total amount of projected funding needed to continue operations for the new 12-month period of performance period **not to exceed the original grant award**. The grantee can request less funding than what was originally awarded but not more.

- D. SF 424A - Budget Information**, provided as Attachment 3, showing four (4) new quarters of funding. The amount of funding requested on the SF 424A must cross-walk and equal the funding requested on the SF 424, the Budget Narrative, and the Direct Cost Description for Applicants and Sub-Applicants. **Grantees must obligate 100% of all funds by the end of the 4th quarter June 30th 2011. The grantee must "liquidate" or "zero out" all un-liquidated obligations within 90 days or September 30th 2011 for the final financial report.**
- 1) PY 2009 grantees are required to obligate enough funds for all follow-up activities.
 - 2) PY 2007 and 2008 grantees are required to operate under the previous policy. "All PY funds must be obligated by June 30th of the program year, including funds necessary to perform all participant follow-up activities."
- E. Budget Narrative** that crosswalks and equals the funds requested on the SF 424 and SF 424A that explains each of the SF 424A budget line items, how the funds will be used including Direct Cost Descriptions for Applicants and Sub-Applicants, and the methodologies used to determine the budget line item expenditures. For example: Planned travel expenditures for privately owned vehicle reimbursement of cents per mile for approximate mileage.
- F. Direct Cost Description for Applicants and Sub-Applicants**, provided as Attachment 4, that cross-walks and equals the total amount requested on the SF 424, SF 424A, and Budget Narrative.
- G. Indirect Cost Rate Agreement Form**, provided as Attachment 5. If a grantee is charging indirect costs they must submit a copy of the approval of their indirect cost rate for the subject performance period and include the methodologies used. **Note: The Grant Officer will not award funding without a copy of the indirect cost approval letter for the specific grant period or the letter requesting an indirect cost rate from the Division of Cost Determination.**
- H. A Recommended Format for Planned Common Measures Quarterly Technical Performance Goals Chart**, provided as Attachment 6, that is equal to or exceeds the first or second year pertinent final goals unless an explanation and justification is provided to verify that first or second year pertinent final goals were unattainable due to circumstances beyond the grantee's control. **Please note that funding may be reduced if proposed second or third year pertinent final goals are reduced.**
- I. A Certifications and Assurances Signature Page**, provided as Attachment 7, must be signed and submitted **only** if the grantee representative authorized to enter into the agreement with the U.S. Department of Labor has changed. All certifications and assurances remain in effect throughout the duration of the grant, including the optional 2nd or 3rd years. The grantee continues to be bound by these when accepting the 2nd or 3rd year optional grant funding.
- J. Survey on Ensuring Equal Opportunity for Applicants**
Provided as Attachment 8

- K. **Actual technical and financial performance reports for the period ending December 31, 2009.** Printing a Common Measures data spreadsheet is acceptable). If the technical performance and/or financial data are unavailable at the time of application, 2nd or 3rd year funding availability will be impacted.

III. DVET/GOTR/Regional Administrator for Veterans' Employment and Training (RAVET) Responsibilities:

- A. **Goals Comparison Chart**, provided as Attachment 9, noting justification for deviations.
- B. **DVET Transmittal Memorandum** with recommendation for approval or disapproval.
- C. **DVET/GOTR On-Site Monitoring Report**, if applicable. If not, the reason(s) for not completing the on-site evaluation must be explained in the DVET Transmittal Memorandum.
- D. **RAVET Transmittal Memorandum** with recommendation for approval or disapproval.
- E. **Grant Review Checklist**, provided as Attachment 10, with the appropriate sections completed by the DVET and RAVET.

IV. Grant Application Forms and Instructions:

The grant application forms with applicable instructions can be downloaded from:

http://www.whitehouse.gov/omb/grants/grants_forms.html **or**
www.dol.gov/vets/grants/main.htm

V. Grant Provisions:

The grant award requirements, General Grant Provisions, HVRP/VWIP SGA, and their respective Program Year Special Grant Provisions will remain in effect for the new period of performance unless updated and provided to the grantees by the VETS National Office and/or Grant Officer.

The VETS National Office typically reviews the Special Grant Provisions at least annually to ensure programmatic and financial reporting requirements are current. If/when Special Grant Provisions are updated and/or modified, the new Special Provisions are provided to grantees by the Grant Officer with the Notice of Award document.

VI. Grant Modification Reviewers:

The following VETS staff persons review 2nd & 3rd year optional funding requests:

- The appropriate DVET/GOTR reviews requests and makes recommendations for approval or disapproval;
- The appropriate RAVET reviews requests and makes recommendations for approval or disapproval;

- The Regional Competitive Grants Expert Team (CGET) member reviews requests either simultaneously with the RAVET/Regional Office review or as a part of the National Office Review Team;
- The CGET Team Lead and the Competitive Grants Lead reviews requests, make recommendations for approval or disapproval, and generate financial documentation;
- The Director of Operations, Grants and Transition Programs reviews requests, makes recommendation for approval, and authorizes the financial obligations;
- The ASVET and/or Deputy Assistant Secretary for Veterans' Employment and Training (DASVET) reviews requests, makes final recommendations for approval, and authorizes the financial obligations; and
- The Grant Officer reviews requests and approves all grant awards and modification requests, generates the grant award documents, and forwards financial obligation documents to the Department's Finance section. The Grant Officer maintains the "official" grant files.

VII. Grant Modification Review Process:

The grant modification review process consists of analyzing the grant modification application package for completeness and accuracy, ensuring the financial data cross-walks on all forms and narratives and that all required forms are completed as required. The review process also includes analyzing grantee actual vs. planned technical performance reports and fiscal activity through the quarter ending December 31st.

- A. DVETs/GOTRs must compare each grantee's original goals from the last approved application with proposed final goals for the current year.
- B. If proposed final goals are less than the previous year, the DVET/GOTR will notify the grantee.
- C. The DVET/GOTR is authorized to negotiate with the grantee to ensure that the proposed final performance goals are at least equal to last year's approved final goals, unless there are special circumstances that prevent the grantee from performing. If so, the grantee is to provide an explanation and justification for each goal deviation.
- D. DVETs/GOTRs are to conduct their annual on-site monitoring visits for each active HVRP/VWIP grant within their respective State. A courtesy copy of the on-site monitoring report is to be sent to each appropriate grantee and a "hard copy" forwarded with each grant modification request.

In an effort to preserve travel funds for priority program activities:

- An on-site evaluation is required for all HVRP/VWIP grantees at "high risk" during the PY performance period;
- An on-site evaluation is highly recommended for all HVRP/VWIP grantees currently on a Corrective Action Plan (CAP); and
- An on-site evaluation should be performed for all HVRP/VWIP grantees with a history of successfully achieving their programmatic and financial goals when travel funds and time permit.

VIII. Recommendations for Approval or Disapproval:

- If the eligible grantee meets or exceeds all of their planned activities for the pertinent performance goals the DVET/GOTR/RAVET should recommend 2nd or 3rd year funding;
- If the eligible grantee experiences deviations of $\pm 10\%$ to $\pm 15\%$ from planned technical performance and/or financial goals, the DVET/GOTR/RAVET should initiate a CAP before recommending 2nd or 3rd year funding "at high risk". A high risk designation requires grantees to report technical and financial progress on a monthly basis and DVETs/GOTRs to provide monthly technical assistance to the high risk grantee via on-site, e-mail, or phone conversations.
- For those eligible grantees that were on a CAP and/or placed on "high risk," the DVET/GOTR and their respective RAVET must indicate in their Transmittal Memorandums whether or not the approved CAP had a positive effect on the grantee's ability to perform according to the original grant agreement. Further, if recommending 2nd or 3rd year funding for a previously designated "high risk" grantee that is now performing satisfactorily, the memorandum should note that the grantee is expected to perform satisfactorily during the 2nd or 3rd year funding period (within $\pm 15\%$ of planned goals).
- If a "high risk" grantee has failed to show improvement after being provided extensive and documented technical assistance, to include a CAP, the DVET/GOTR and the respective RAVET may recommend disapproval of 2nd or 3rd year funding.

IX. Grantees that Choose Not to Apply for 2nd or 3rd Year Funding:

If an eligible HVRP/VWIP grantee "voluntarily" not to apply for 2nd or 3rd year funding, the DVET/GOTR must secure an original signed "withdrawal" letter from the grantee and forward it to their respective RAVET who will forward it to National Office, Attention: Competitive Grants Lead.

X. Required Actions and Due Dates:

- A. DVETs/GOTRs are to immediately ensure that eligible HVRP/VWIP grantees within their respective States are aware of the 2nd or 3rd year funding requirements as outlined in this TAG (see Attachments 1 for a list of eligible applicants). **Note:** DVETs/ GOTRs are not authorized to deviate from the instructions and/or due dates contained in this TAG. If the grantee is unable to meet the requirements, DVETs/GOTRs are to inform their respective RAVETs, who will inform their respective CGET member and the Competitive Grants Lead.

Grantees must submit their 2nd or 3rd year optional funding grant modification request to their respective DVET by no later than close of business March 12, 2010. Addresses for DVETs can be found at:

<http://www.dol.gov/vets/aboutvets/contacts/main.htm>

- B. The DVET will forward the "original" grant modification request with his or her Transmittal Memorandum indicating recommendation for approval or disapproval, completed Grant Review Checklist, and completed Goals Comparison Chart to the RAVET by no later than March 19, 2010. DVETs will ensure any necessary corrections are made prior to submitting grant modification requests to the RAVET.

- C. RAVETs and their Regional CGET Representatives will simultaneously review the 2nd and 3rd year grant modification requests; make their recommendation for approval or disapproval in the RAVET Transmittal Memorandum addressed to Grant Officer Cassandra Mitchell through the Director of Operations, Grants and Transition Programs, Gordon J. Burke, Jr. The RAVET will complete their section of the Grant Review Checklist and ensure any necessary corrections are made prior to submitting grant modification request to the National Office.
- D. All complete, original grant modification requests will be forwarded to the National Office via FedEx to the attention of the Competitive Grants Lead Kenneth Fenner, Room S-1312 by no later than close of business March 26, 2010.

Note: Please do not use regular mail to send the grant modification requests to the National Office as they are still radiating the incoming mail and it is usually received several weeks later and damaged by the radiating process.

- E. The Competitive Grants Lead will accept 2nd and 3rd year grant modification applications and grantee actual technical performance reports received late at the DVET and RAVET levels and make a determination of acceptance or rejection on a case-by-case basis.
- F. The Competitive Grants Lead will accept any type of grant modification request (i.e., budget line item deviations, change in scope, etc.) up to close of business March 26, 2010. Please note that grant modification requests received after close of business March 26, 2010 will not be considered for approval.

XI. Approved Modification Requests:

The Grant Officer will generate a grant award document and send it directly to the grantee point of contact listed on the SF 424 Application for Federal Assistance. The grant award document will indicate that the grant modification request was approved and is effective the date signed by the Grant Officer.

The Grant Officer will send the Competitive Grants Lead a copy of all grant award documents, scan the documents and send them electronically to the appropriate RAVET and DVET.

Grantees recommended and approved for continued funding "at high risk" will receive a letter from the VETS Director of Operations, Grants and Transition Programs shortly after the grant awards are finalized by the Grant Officer. Copies will be sent to the appropriate DVET/GOTR and RAVET. The high risk letter will indicate that grantee technical, programmatic and financial reporting will be required on a monthly basis. The DVET/GOTR will provide technical assistance to each grantee awarded "at high risk" on a monthly basis in order to ensure performance increases to the expected levels.

XII. Attachments:

- (1) HVRP/VWIP Eligible Applicants for 2nd and 3rd Year Funding
- (2) SF 424 Application for Federal Assistance
- (3) SF 424A Budget Information
- (4) Direct Cost Description for Applicants and Sub-Applicants
- (5) Indirect Cost Rate Agreement Form

- (6) Recommended Format for Planned Common Measures Quarterly Technical Performance Goals Chart
- (7) Certifications and Assurances
- (8) Completed Survey on Ensuring Equal Opportunity
- (9) Goals Comparison Chart
- (10) DVET/RAVET Grant Review Checklist