

**Competitive Grants Technical Assistance Guide (TAG)
for Option Year Funding Grant Modifications
February 29, 2012**

I. Determining Eligibility for Option Year Funding:

The Homeless Veterans' Reintegration Program (HVRP), Homeless Female Veterans and Veterans with Families Program (HFVWWF), Incarcerated Veterans Transition Program (IVTP) and Veterans' Workforce Investment Program (VWIP) Solicitation for Grant Application (SGA) and any future competitive grant SGA will indicate if option years funding will be available.

VETS will allow additional years of funding (refer to the original SGA) provided satisfactory grantee performance in the previous performance period and sufficient funding is available. Funding to support option year awards is automatically set aside upon receipt of program allocations.

Grantees do not have to compete for option year funding as they have already successfully competed for these funds with their initial grant award. A list of competitive grantees that are eligible to apply for option year funding is provided (*Attachment 1*).

In deciding whether to exercise the first two option year(s) of funding, VETS will consider grantee performance during the previous period of operations as follows:

- The grantee should meet, at minimum, **85%** of planned cumulative quarterly goals by the end of the **second quarter of the current Program Year (PY)** for:
 - 1) Enrollments;
 - 2) Placements;
 - 3) Placement Rate; and
 - 4) Cost Per Placement,

Upon notification of award, grantees should contact their Grant Officer Technical Representative (GOTR) / Director for Veterans' Employment and Training Service (DVET) to ensure they fully understand the performance requirements to be considered for additional year of funding.

In deciding whether to exercise any optional year of funding, VETS also will consider grantee performance during the previous period as follows:

- 1) If a grantee does not meet the criteria described above, VETS is under no obligation to fund a grantee for any optional year of funding;

- 2) The grantee must have complied with all terms identified in the SGA, the grant award document, and the General and Special Grant Provisions, as verified by the GOTR;
- 3) All program and fiscal reports must have been submitted by the established due dates and the grantee must verify these reports for accuracy; and
- 4) All issues related to performance measures not in compliance which resulted in a Corrective Action Plan (CAP) at any time during the program year (PY) must be addressed to the satisfaction of the GOTR.

II. How Competitive Grantees apply for Option Year Funding.

- A. To request any type of competitive grant modification, the following forms and information must be submitted by the eligible grantee to the DVET/GOTR in their respective State (see web site address in Section VI.1below).
- B. What forms and documents are required for a grant modification request?

TO BE COMPLETED BY THE GRANT APPLICANT:

1. **A Transmittal memo** with an original signature requesting option year funding that specifies the name of the representative who is authorized to enter into this grant agreement with the Department of Labor. Grantees must indicate if there are any changes to the scope of the original grant agreement.
2. **SF 424 Application for Federal Assistance** (*Attachment 2*) with original signature in blue ink reflecting the original start and end date (block 17. a and b) of the grant, and indicating that this is a “revision” of an existing grant. The SF 424 identifies the total amount of projected funding needed to continue operations for the new 21 month award period **not to exceed the original grant award.** The grantee can request less funding than what was originally awarded but not more.
3. **A SF 424A Budget Information** (*see Attachment 3*) showing four (4) new quarters of funding. The funding on the SF 424A must crosswalk and equal the funds requested on the SF 424, budget narrative, and Direct Cost Description for Applicants and Sub-Applicants. **There will be no carryover funds. All funds must be obligated by June 30, of the Program Year (PY), including funds necessary to perform all participant follow-up activities in the 5th, 6th, and 7th quarters.**

4. A Program Narrative: **If components remain unchanged** reference may be provided by the eligible grantee in their Transmittal Memo that, “**this request is a continuation of the current program as originally approved**” without an additional Program Narrative.

If program changes are being requested, a Program Narrative is required. This 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 the last PY program operations.

5. **A 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. VETS no longer accepts cost categories of Other or Miscellaneous, the applicant must itemize each expenditure.

6. **Direct Cost Description for Applicants and Sub-Applicants** (*see Attachment 4*) that crosswalks and equals the total amount requested on the SF 424, SF 424A, and Budget Narrative.

7. **Indirect Cost Rate Agreement form is to be completed by all grantees**. 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.** (*see Attachment 5*)

8. **Planned Common Measures Quarterly Technical Performance Goals Chart (recommended format attached)** (*see Attachment 6*) that is equal to or exceeds the current pertinent final goals unless an explanation and justification is provided to verify that current year pertinent final goals were unattainable due to circumstances beyond the grantee’s control. **Please note that funding may be reduced if proposed optional year pertinent final goals are reduced.**

9. **All Certifications and Assurances** remain in effect throughout the duration of the grant. The grantee continues to be bound by these when accepting the optional year grant award. However, if the grantee representative authorized to engage in this type of grant activity has changed, then the grantee must submit a new original signed Certification

and Assurances form and indicate the change in their Transmittal Memo.
(see Attachment 7)

10. Actual Technical and Financial performance reports for the period ending December 31, of the current funding year are to be submitted with their grant applications (printing a Common Measures data spreadsheet is acceptable). If the technical performance and/or financial data are unavailable at the time of application, option year funding availability will be impacted.

DVET/GOTR/RAVET Responsibilities:

1. Goals Comparison Spreadsheet (see Attachment 8) noting any justifications for deviations.

2. DVET Recommendation Memorandum and Grant Review Checklist (see Attachment 9, checklist)

3. DVET/GOTR On-Site Monitoring Report, if applicable and if not, reason(s) for not performing the on-site evaluation explained in the DVET Recommendation Memorandum. Refer to section (III.B.4).

4. RAVET Recommendation Memorandum and Grant Review Checklist (see Attachment 9).

C. Grant Application Forms and Instructions

The grant application forms and their instructions can be downloaded from below listed web site addresses:

http://www.whitehouse.gov/omb/grants/grants_forms.html
www.dol.gov/vets

D. Grant Provisions in effect:

The grant award requirements, General Grant Provisions, competitive grant SGA, and their respective PY Special Grant Provisions will remain in effect for the PY 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 yearly to ensure updated programmatic and financial reporting requirements are current. If/when Special Grant Provisions are updated

and/or modified, the new Special Provisions are provided by the Grant Officer with the Notice of Award document.

III. Grant Modification Review Process

A. Who Reviews and Approves Option Year Grant modifications?

The following U.S. Department of Labor, Veterans' Employment and Training Service staff will review the option year grant modification application packages from their respective State(s) and Region(s).

- DVET/GOTR and RAVET reviews and makes recommendations to the National Office for approval/disapproval;
- Competitive Grants Lead, reviews, makes recommendation for approval/disapproval;
- The Director of National Programs reviews, makes recommendation for approval, and authorizes the financial obligations;
- The Assistant Secretary for Veterans' Employment and Training (ASVET) and/or the Deputy Assistant Secretary for Veterans' Employment and Training (DASVET) reviews, makes final recommendations for approval, and authorizes the financial obligations;
- The Grant Officer reviews and approves all grant awards and modification requests, generates the grant award documents, and forwards financial obligation documents to DOL Finance. The Grant Officer maintains the "official" grant files.

B. The 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 crosswalks on all forms and that it is completed as required. The review process also includes analyzing grantee actual vs. planned technical performance reports and fiscal activity through the quarter ending December 31.

1. DVETs/GOTRs must compare each grantee's original goals from the current approved application with proposed final goals for the next optional year.

2. If proposed final goals are less than the previous year, then the DVET/GOTR is to notify the grantee.
3. The DVET/GOTR is authorized to negotiate with the grantee to ensure that the proposed final performance goals are at least equal to the current 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.
4. The DVET/GOTR must ensure that all eligibility requirements, for option year funding, have been successfully met. If so, the DVET/GOTR should indicate that the grantee has met the required standards on the Grant Review Checklist.
5. DVETs/GOTRs are to conduct their annual on-site monitoring visits for each active competitive 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 application request package.
 - For all competitive grantees currently on a Corrective Action Plan (CAP), an on-site evaluation should be conducted before recommendation for an option year award.
 - For all HVRP/VWIP grantees with a history of successfully achieving their programmatic and financial goals, an on-site evaluation should be performed as travel funds permit.

C. Recommendations

- If the eligible grantee meets or exceeds all of their planned activities for the pertinent performance goals the DVET/GOTR/RAVET should recommend option year funding.
- If the eligible grantee has not met the minimum 85% goals, the DVET/GOTR/RAVET may consider recommending approval of option year funding, at high risk, as long as they have shown substantial and progressive improvements for the prior two quarters. Special consideration may be made for 1st year grantees as they do not yet have two full quarters of performance.
- If the eligible grantee has not met the minimum 85% goals and has not demonstrated positive improvements, the DVET/GOTR/RAVET should not recommend funding.

D. If a Grantee Does Not Want to Apply for Option Year Funding;

If an eligible HVRP/VWIP grantee “voluntarily” does not apply for option year funding, then the DVET/GOTR is to secure an original signed **“withdrawal”** letter from the grantee and forward it to their respective RAVET who, will forward it to National Office to the attention of the Competitive Grants Lead.

IV. Actions Required and Due Dates

1. DVETs/GOTRs are to immediately ensure that eligible competitive grantees within their respective States are aware of the option year funding requirements as outlined in this Technical Assistance Guide (see Attachment 1 for lists of eligible applicants). Note: DVETs/ GOTRs are not authorized to deviate from the instructions and/or due dates contained in this directive. If the grantee is unable to meet the requirements, DVETs/GOTRs are to inform their respective RAVETs, who will inform the Competitive Grants Lead.

2. Grantees must submit their optional year grant modification requests to their respective DVET ***by no later than close of business on March 9th (or on the last workday before the 9th, if the 9th falls on a non-business day).***

3. DVETs will forward the “original” grant modification request package with his/her cover memo indicating their recommendation for approval/disapproval, completed grant review checklist (*see Attachment 9*) and completed comparison of goals spreadsheet (*see Attachment 8*) to the RAVET ***by no later than March 21st (or on the workday before the 21st, if the 21st falls on a non-business day).*** DVETs will ensure any necessary corrections are made prior to submitting grant modification packages to the RAVET.

4. RAVETs will review the option year grant modification packages, make their recommendation for approval/disapproval in the RAVET transmittal memo addressed to Grant Officer Cassandra Mitchell through the Director of National Programs, Ruth Samardick. RAVETs will complete their section of the Grant Review Checklist and ensure any necessary corrections are made prior to submitting grant modification package to the National Office.

5. All completed original grant modification request packages are to be **mailed via UPS** to the attention of the Competitive Grants Lead Kenneth Fenner, Room S-1312 **by no later than close of business April 2nd, (or**

***on the workday before the 2nd, if the 2nd falls on a non-business day).* Note: Please do not use regular mail to send the grant modification applications to Washington D.C. as they are still radiating the incoming mail and it is usually received several weeks later and altered by the radiating process.**

6. The Competitive Grants Lead will accept option year grant modification applications and grantee actual quarterly reports received late at the DVET and RAVET levels and make a determination of acceptance or rejection on a case by case basis.

V. Once Request is approved

- 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, and the Competitive Grants Lead will send electronically to their respective RAVETs and DVETs.
- 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 their respective DVETs/GOTRs and RAVETs. 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 each grantee awarded “at high risk” technical assistance on a monthly basis in order to ensure performance increases to the expected 85% of planned levels.

VI . Technical Assistance

1. Grantees are to contact their DVETs/GOTRs for technical assistance. A list of DVETs is located at website address:

[\(http://www.dol.gov/vets/\)](http://www.dol.gov/vets/) -- **Staff Directory**

Attachments:

- (1) List of Competitive Grant Eligible Applicants for Option 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) Goals Comparison Spreadsheet
- (9) DVET/RAVET Grant Review Checklist