



Grants Clearinghouse  
Pre-Award Handbook  
2012

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# California Fire Safe Council

Pre-Award Workshop  
2012-Cycle Grant Projects

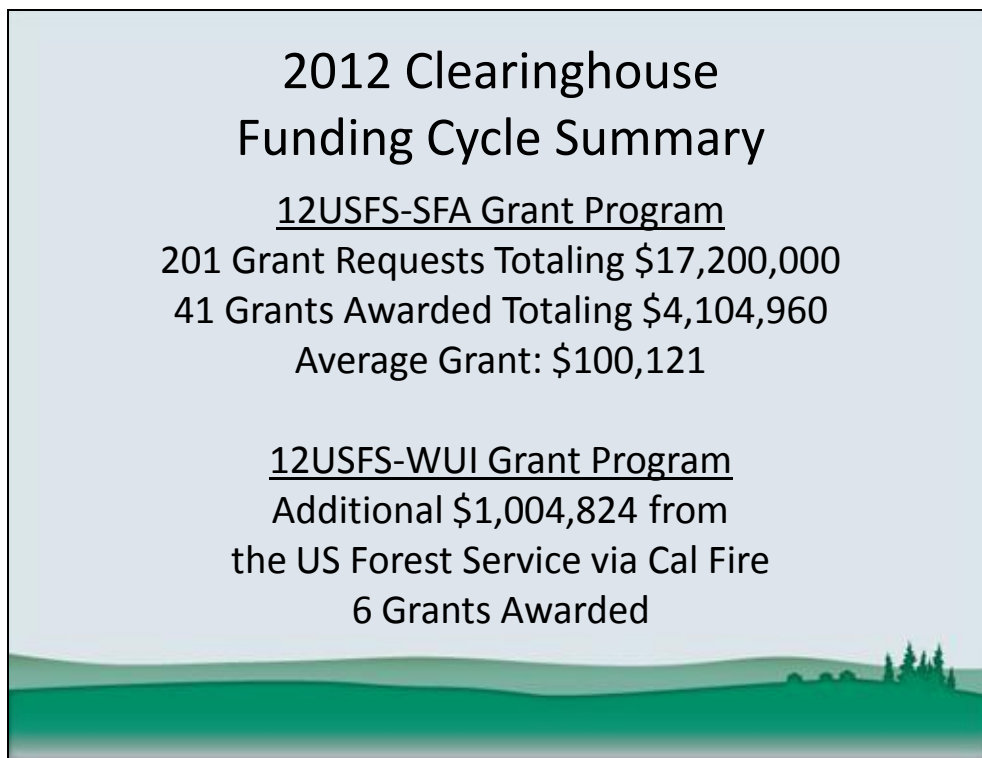


[www.grants.firesafecouncil.org](http://www.grants.firesafecouncil.org)

The slide features a light blue background with a green landscape at the bottom. The text is centered in the upper half. The logos are positioned in the middle. The California Fire Safe Council logo is on the left, and the California Fire Alliance logo is on the right. The website URL is centered below the logos.

Welcome to the CFSC Pre-Award workshop for 2012 cycle grants and congratulations on getting your projects selected for funding!

This meeting is being held to give our new and repeat grant recipients details and updates on the Clearinghouse funding process, and to provide you with information on your responsibilities relative to using federal grant funds and completing your project.



**2012 Clearinghouse  
Funding Cycle Summary**

12USFS-SFA Grant Program  
201 Grant Requests Totaling \$17,200,000  
41 Grants Awarded Totaling \$4,104,960  
Average Grant: \$100,121

12USFS-WUI Grant Program  
Additional \$1,004,824 from  
the US Forest Service via Cal Fire  
6 Grants Awarded

Here are the numbers of grants and the total funding awarded for the 2012 cycle. This is a 40% decrease from the level of funding we had last year, and a 42% decrease in the number of grants we were able to fund.

## Content:

### **Anatomy of a Grant Sub-Award:**

*(Sample Grant Sub-Award behind tab 1)*

- Basic Award Information
- Federal Administrative Requirements
- Environmental Requirements
- Payments
- Insurance
- Changes
- Documentation and Progress Reporting
- Procurement
- Site Visits and Success Stories
- Closeout and Extensions
- Your questions

We go over this information each cycle to emphasize the importance of having project documentation, communicating with your grant manager, and understanding the grant timeline.


These are the general topics that we'll cover today.

We're going to work our way through the grant sub-award agreement since it contains the documentation requirements and describes the events in the life of a grant.

There is a sample sub-award in tab number 1

## Basic Grant Award Information

- **Grant Number:**            **Cycle**        **Funding**        **Number**  
   **Year**            **Source**  
   (example)                            **12USFS-SFA 0123**
- **Grant period**
  - Complete the project within this period.
- **Legislation that made funding available for your grant:** such as “Cooperative Forestry Assistance Act of 1978, PL 95-313...” etc.

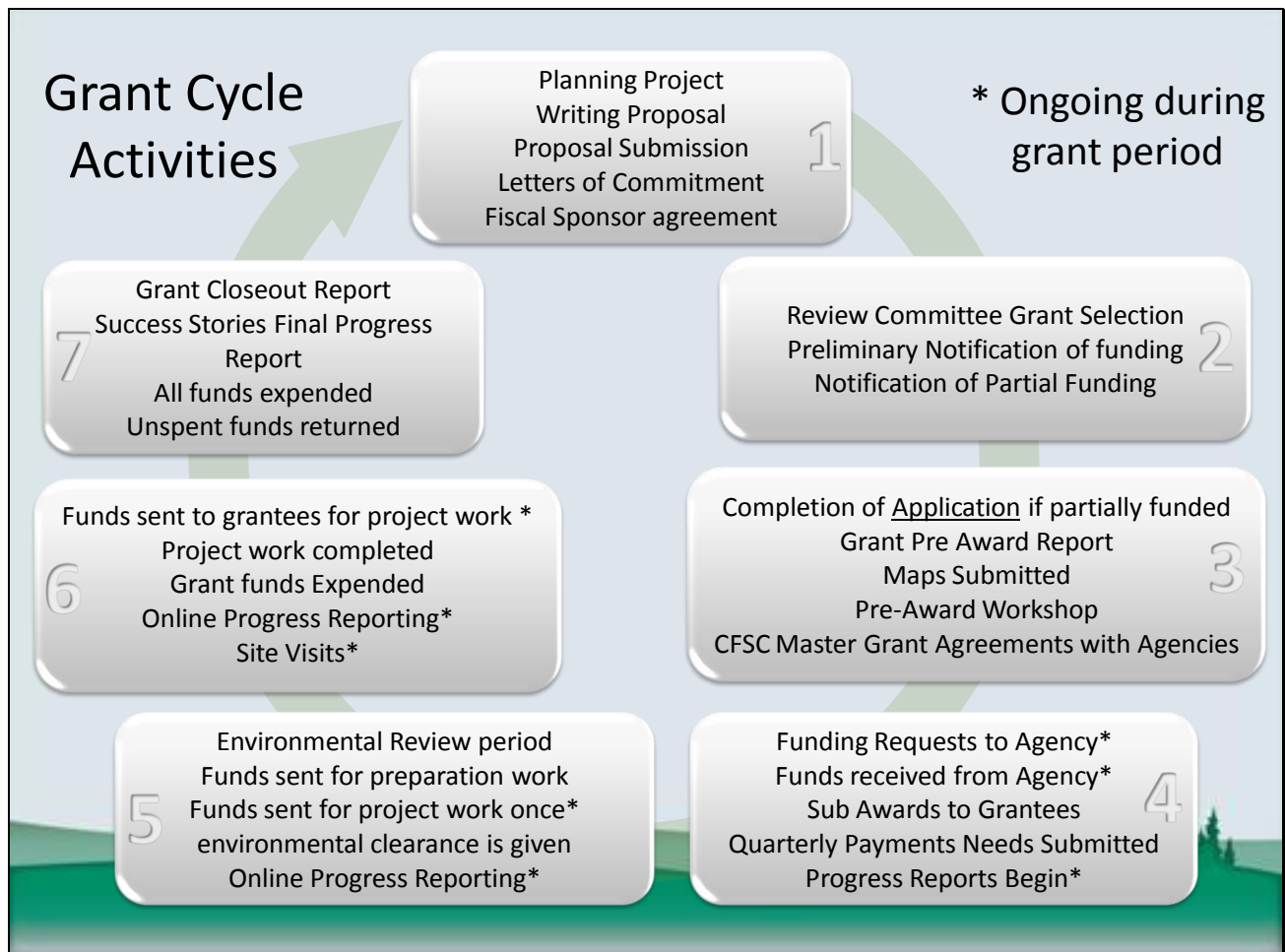


On the first page of your sub-award, in the second paragraph, is your grant number. These are the parts of your grant number. These should go on any documents that are part of your project and on correspondence that you send to the CFSC.

The grant period is also shown in the second paragraph, and that period depends on when the CFSC enters into its master agreement with the federal funding agency. Every batch of federal funding has a different award date. The reporting period quarters will not be the same as standard calendar quarters (Jan-Mar, Apr-Jun, etc.). And they may even be shorter or longer than three months so that we get your information ahead of when our master reports are due. We'll discuss quarters more when we cover progress reporting, but just remember that the quarters are offset to accommodate the reporting requirements of our master grant agreement with the funding agency.

You need to finish your project work within the approved grant period. If you experience delays that are beyond your control, it may be possible for us to extend the grant period, but ideally you will have a two working seasons within the grant period, and you should plan to finish your work within that time.

This page also identifies the legislation that created the grant program, and it tells you things like applicant eligibility requirements, the purpose of the program, etc. You can use the CFDA number if you want to look up the grant program description. (CFDA stands for “Catalog of Federal Domestic Assistance”)



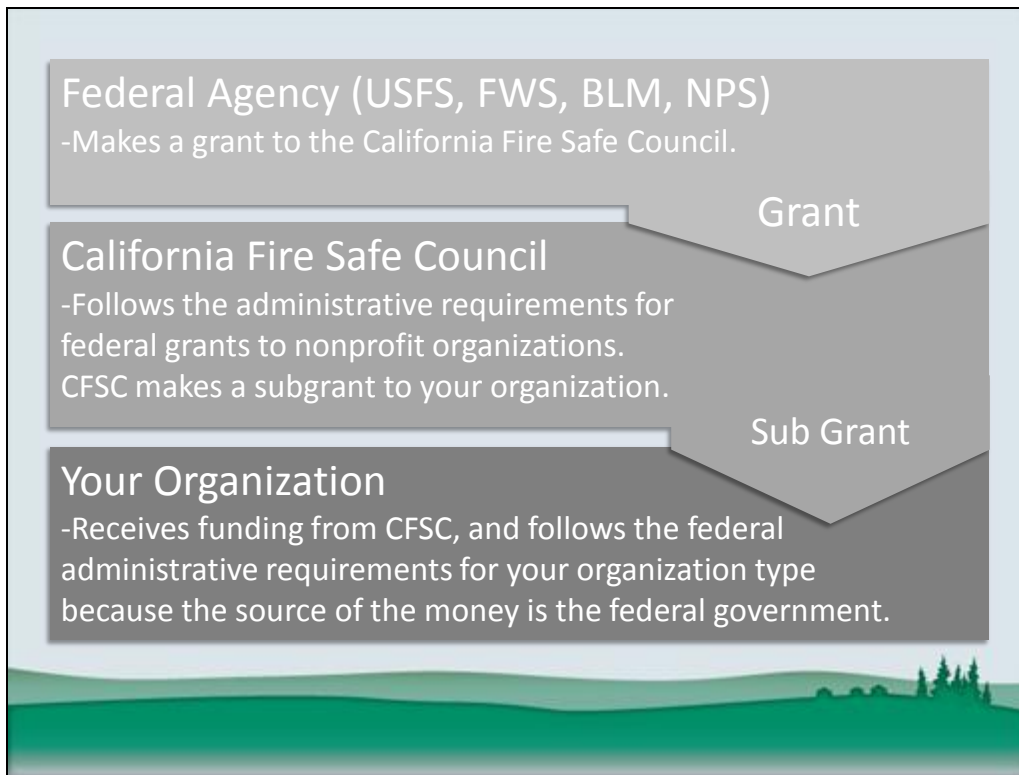
We will talk more about what happens during the “Grant Cycle” a little later, but this slide shows the distinct chunks of activities that happen as the process moves along.

Right now we should be in step 3 or 4.

There aren’t dates on here because many of the events in the life of a grant depend on things like the timing of the master grant agreement, weather, the complexity of projects in terms of the federal environmental review, and limitations that are put on the process by the administrative requirements for federal grants, which we will talk about.

The items with asterisks may happen earlier or later than when they are shown.

Grant Proposals have been selected for funding under the 12USFS-SFA and 12USFS-WUI grant programs. No other funding is available at this time.



At the bottom of page 1 of your sub-award is a list of terms or definitions used in the federal grant regulations to describe the parties involved in the grant process. We usually refer to you all as “grantees” though technically CFSC is the “recipient” and you are “subrecipients.”

The relationship between the CFSC and the federal agency is almost identical to the relationship between your organization and the CFSC. We have the same responsibilities as you do to manage the grant funds and to do what we said we were going to do with them.

So, the CFSC monitors your progress toward accomplishing of your project objectives during the grant period and makes funding requests to the agencies based on your project work plan.

In return, the funding agencies expect progress reports from the CFSC so they can monitor the overall grant program accomplishments and provide a steady flow of funds during the grant period.

Since the funds for these grants originally came from federal agencies, and we are passing it on to you via a sub-grant, we must both follow the federal regulations that govern how the money can be used.

## (Part A) Administrative and Other Requirements: What You Should Know

- The Code of Federal Regulations (CFR) and Office of Management and Budget (OMB) circulars are the source of rules for organizations managing federal grant funds.
  - This Part addresses three subjects:
    1. Administrative Requirements
    2. Cost Principles
    3. Federal Audit Requirement
- *To search and view the regulations go to:*  
<http://www.gpo.gov/fdsys/>

The administrative requirements for managing federal grants are contained in the Code of Federal Regulations and Office of Management and Budget Circular Letters. These are intended to prevent grantees from misusing government funds.

They prescribe how subrecipients must do business if they want to use federal dollars to provide a public benefit.

Each subrecipient organization must **have their own set** of administrative requirements for managing funds, one set of cost principles (which describe what you can spend grant funds on), and one set of audit requirements that apply if a federal audit is needed.

*If you don't already have organizational policies and procedures that meet the federal standards* you will need to create and adopt them.

If you go to the link above you can see individual sections of the rules that are listed in your individual sub-award. You can use those as a model for any policies and procedures that you need to develop and adopt.

## (Part A) Administrative and Other Requirements (continued)

- Grant rules apply based on your organization type.
  - OMB Circular A-102 for state and local governments
  - 2 CFR 215 for non-profits and educational institutions
- Your subaward agreement will describe which specific set of administrative requirements apply to your organization.
- Funding agencies take the CFR's and OMB circulars and restate them for their own agency. They are re-numbered in the process.  
For example: 2 CFR 215 → 7 CFR 3019  
when interpreted by the USDA

Here's how to recognize what the citations in your sub-award mean.

The specific citations that apply to your organization are in your sub-award. That's where you go if you have a question about what is allowable. Or you call your grant manager.


Take a look at the sample sub-award document in the tabbed sections.

The grant rules are adopted and revised by the individual cabinet departments to provide more specific direction, and in the process are renumbered. It's a little confusing, but that's why you see two citations covering the same numbers for the same rules. The citations shown in the example at the bottom of the slide are for a non-profit grantee. The citations will be different for a government agency, but the requirements will be basically the same.

We realize that you're probably not going to go read the administrative requirements unless there is a specific question about something, but the payment and reporting processes that you go through with CFSC help you meet the requirements that are universal to any federal grant without having to develop your own process based on the CFR's.


## (Part B) Environmental/Cultural Resource Protection Requirements

- Federal Environmental Acts that are Triggered by Grant Funding:
- Projects are reviewed for compliance by the agency that made the award to the CFSC (Forest Service grants are reviewed by BLM)



- **Endangered Species Act**
- **Migratory Bird Treaty Act**
- **National Historic Preservation Act**
- Determining if your project complies with local and state environmental requirements is your responsibility

*Resources: Sample environmental clearance letter behind tab 3*



The next part of the sub award agreement describes the federal environmental requirements for these grants. These are the three acts that are automatically triggered when these grants are made.

Once the grantee Pre-Award Report packets are returned, all the projects are reviewed by a team of federal biologists and archeologists. Non-fuels projects are processed quickly, but fuels projects can take longer depending on the complexity and location of the projects, and how many must be reviewed.

Sometimes a project will be evaluated and given clearance before the sub-award agreements are written. If that's the case, the clearance will be explained in the sub-award agreement.

Most of the time, the project will be cleared sometime after the start of the grant period, and you will receive a letter once that happens. We typically send out the first large grant payment at that point if we have the funds on hand. But typically we don't, because the funding agencies don't like to give us the money until you need it. There is an example of a typical clearance the letter in the tabbed section.

This review is just to check to see that the project complies with federal requirements. But it is your responsibility to make sure that you comply with any local or state rules that apply to your project. We don't know what those are, but there could be a lot of them depending on the complexity of your project and where it is located. This is especially true for large acreage projects or ones that involve thinning. Your local Cal Fire foresters may be able to tell you what laws apply, and who you can contact to learn more about them. But they won't do the work for you: you'll have to do that yourself. That is why we strongly encourage you to contact a Registered Professional Forester BEFORE you even start planning your project to prepare a cost-effective treatment prescription and a plan for complying with environmental laws. But if you haven't already done that, it's not too late. A RPF can still develop a plan and assist you in implementing it on the ground.

## (Part B) Environmental/Cultural Resource Protection Requirements (continued)

- **Do not begin** fuel reduction work or any other ground-disturbing activities until you receive a letter or notification that your project has received environmental/cultural resource clearance.
  - All fuels projects are reviewed.
- **You may request funds** for purchasing insurance, preparing survey documents, marking the treatment area, and other administrative costs before you receive environmental/cultural resource clearance.
  - All funding requests should be sent to your grant manager.

If archeological, plant, or wildlife surveys are needed, the reviewers will contact you. Also Katie Ziemann, a staff member in the Glendora office tracks the compliance progress for each grant cycle and makes sure that we tell you as soon as your project has been cleared so that you can start work.

You can receive funds before getting environmental clearance if you need it for non-ground-disturbing work. This could be for things like the cost of environmental and cultural surveys, or for education or administration.

If you want to receive a payment before your project is cleared, send your request directly to your grant manager in writing (email is fine) with a description of what the request is for and why you need it now.

## (Part C) Grant Award Provisions

“The subrecipient agrees to comply with all applicable federal, state, and local laws, regulations, and policies governing the funds provided under this agreement.”

(and there are a lot of ‘em)



This is the catch-all statement where you agree to comply with every law, regulation, and policy that anybody thinks applies to the grant funds or to your project.

## (Section 1) Worker's Compensation Insurance


“The subrecipient shall provide workers compensation insurance for all employees (not including contractors) involved in the performance of this agreement.”

We also strongly encourage you to provide Workers Compensation coverage for volunteers and anyone else doing anything under the direction of your organization.

Workers Compensation Insurance provides medical care compensation for employees who are injured in the course of employment. But if you also use volunteers we encourage you to provide Worker's Comp insurance for them as well. They can be injured just as easily as an employee, and if they are, and are unable to work because of helping your organization, that would be a bad situation.

**(Section 2) Insurance Requirement**

- You and/or your Fiscal Sponsor **MUST** carry insurance that is sufficient to protect the agreement assets from loss due to theft, fraud and or undue physical damage. “Assets” includes the grant funds.
- Grant funds can be used to purchase insurance.
  - May be purchased with the initial grant payment
- Contractors working on your project must carry their own insurance and furnish proof of coverage to you.
  - Keep proof of coverage in your project file



YOU are responsible for all grant funds you receive from the Grants Clearinghouse and for all assets purchased with grant funds.

This responsibility extends to any loss of grant funds or other assets due to fraud and/or misappropriation by third persons and to any expenditure not allowed by this agreement.

If any loss or improper expenditure of grant funds occurs, YOU will be required to reimburse the awarding agency for those amounts.

Given this responsibility, YOU shall carry insurance coverage sufficient to protect all grant funds and assets from loss.

Types of insurance may include, but are not limited to, general liability, errors and omissions, directors and officers, and the acquisition of a fidelity bond.

YOU shall provide proof of appropriate insurance to the California Fire Safe Council prior to engaging in activities for which we provide funding. YOU are responsible for sending all current insurance certificates of coverage upon their annual renewal.

YOU can use grant funds to purchase insurance, but you must provide proof of insurance to the California Fire Safe Council within 30 days of obtaining the policy.

**PLEASE** discuss this potential liability and any pertinent requirements with regard to the various types of insurance needed to meet the above requirement with your insurance broker.

## (Section 2) Insurance Requirement (continued)

Insurance helps protect consumers and businesses when certain things happen that were not planned for.

- Workers Compensation
- Property and Equipment
- Liability for Directors and Officers, Volunteers and Staff
- Fidelity Bonding
- Errors and Omissions
- Contractors must be insured

*(Description of insurance standard behind tab 3)*

This is not an all-inclusive list of insurance types, but these are some common types of insurance that you should consider.

**Directors and Officers** – is to cover the Directors and Officers (D&O) of your company in the event they are ever sued in conjunction with the performance of their duties that relate to the company. D & O insurance can also be seen as an Errors and Omissions policy.

**Workers Compensation** - provides medical care compensation for employees who are injured in the course of employment.

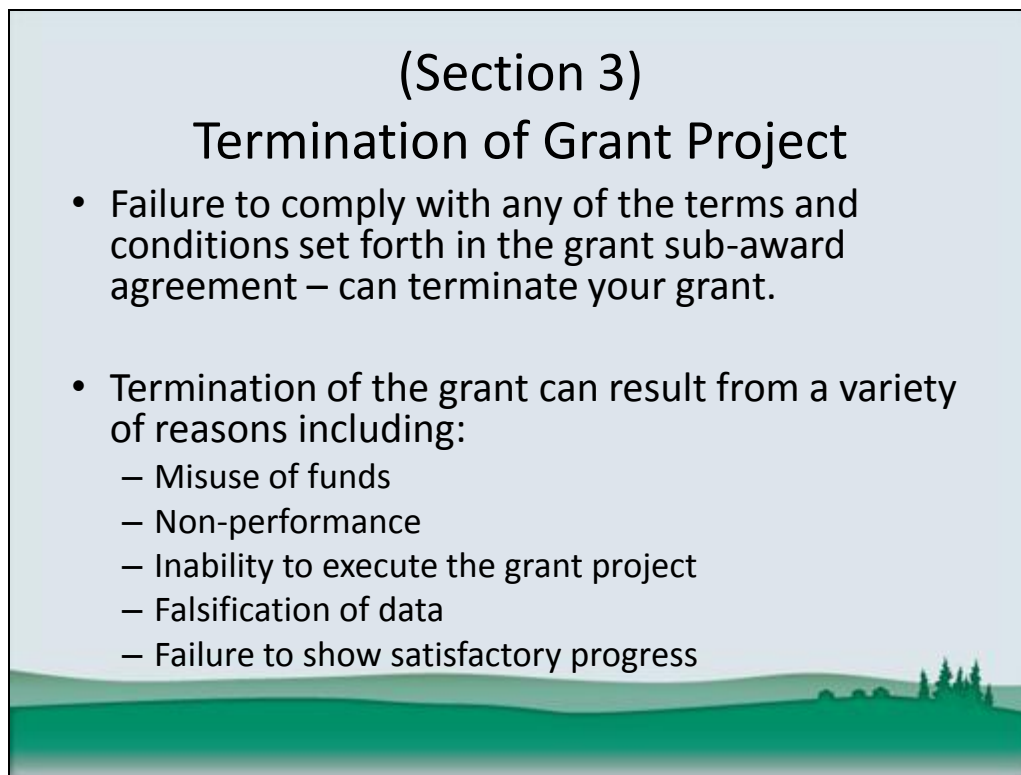
**Liability** - insurance provides protection from claims arising from injuries or damage to other people or property.

**Equipment** – the basics for equipment coverage is loss, theft and physical damage (can include more, but needs to be specified on the policy).

**Errors and Omissions** – protects the organization against claims resulting from mistakes and things that your organization's officers and employees forgot to do.

**Fidelity Bond** - is a form of insurance protection that covers policyholders for losses that they incur as a result of fraudulent acts.

**Criminal Acts** – protects against damage or loss resulting from criminal acts of employees, officers, and contractors



### (Section 3)

## Termination of Grant Project

- Failure to comply with any of the terms and conditions set forth in the grant sub-award agreement – can terminate your grant.
- Termination of the grant can result from a variety of reasons including:
  - Misuse of funds
  - Non-performance
  - Inability to execute the grant project
  - Falsification of data
  - Failure to show satisfactory progress

The next section of the sub-award describes the circumstances under which a grant may be terminated.

Don't confuse "Termination" of grant with "Closing" out the grant, which happens at the end of the grant term.


Procedures have been put in place for uniformity of "**Termination**" of grants. **2 CFR 215.61**

If you are having a problem with managing your grant or completing your project we will most likely be flexible, and help resolve things so that you can finish your project. But don't do the things on this list since they can cause you to lose the grant. Call us for help early so we will have time to help you solve the problem while it's still small.

## (Section 4 and 31) Audits

- Organizations expending over \$500,000 in one fiscal year must complete an **A-133 audit**.
  - conducted by a Certified Public Accountant
  - The resulting report will be posted to the federal audit clearinghouse at <http://harvester.census.gov/sac/>  
You can also visit this site for more information about the process
- **SF424B** “Standard Form” used for the master grant application. These requirements flow down to subrecipients.
  - gives assurance that federal laws will be followed, records will be available for review, and grant work will be completed within the allowed timeframe and following all requirements.
- **2CFR 215.48** (refers to the contract provisions)
  - An auditor may look at your contracts so make sure they are complete!

*(See the tabs for the contract provisions that should be included)*



The A-133 audit requirement is the third administrative requirement that you will find in your sub award.

The A-133 audit is an organization-wide examination of your financial records, your internal controls and your compliance with regulations governing federal awards.

The audit is performed by a CPA in accordance with OMB Circular A-133 and 2 CFR 215.26 (which in the case of USFS grants is as implemented in 7 CFR 3052 for both government and non-profit grantees).

The \$500,000 threshold is for all federal funds spent by your organization in a fiscal year, not just CFSC grant funds.

If you believe your organization is subject to an A-133 audit, contact your grant manager to discuss the next steps to take.

Some grantees who have multiple grants from various federal sources keep close tabs on when they receive and spend the funds so that they don't go over the \$500,000 mark within their fiscal year. In some cases they ask the grant manager to postpone payments until the end of their fiscal year has passed.

## (Section 5) Record Retention

- In addition to the A-133 audit requirement, you may also be audited by the California Fire Safe Council or the funding agency to determine if you have been following the terms of your subaward agreement. (7 CFR 3019.53 for non-profits, 7 CFR 3016.42 for government agencies)
- For that reason you must retain all grant-related records for 3 years from the close of the CFSC master grant, or longer if told to do so by the CFSC.
- You must also make those records available for inspection by the CFSC and the funding agencies.

### **Access to Records:**

7 CFR 3019.53(e) and 7 CFR 3016.42(e) say that The Federal awarding agency, the Inspector General, Comptroller General of the United States, or any of their duly authorized representatives (meaning the CFSC), have the right of timely and unrestricted access to any documents and records of recipients that are pertinent to the awards, in order to make audits, examinations, and copies.

This right also includes timely and reasonable access to a recipient's personnel for the purpose of interview and discussion related to such documents.

The rights of access in this paragraph are not limited to the required retention period, but shall last as long as records are retained.

Once your grant ends and you submit your last report, keep everything: files, receipts, contracts, bid notices, time sheets, personnel time certifications, volunteer records, email, letters/memos, permits, grant application, progress reports, sub-award agreement, etc. for three years past the end of CFSC's master grant period. When your sub grant closes out your grant manager should be able to let you know how long to keep your records.

In some cases, you might be required to keep your files (e.g., legal action, pending audit, etc.). If you are notified by your grant manager or by the federal government to retain your records past the retention period, you must keep them until you are told it's okay to dispose of them.

## (Section 6) Financial Support

- **Advance payments**
  - Every effort will be made to send advance payments on a quarterly basis, however, if CFSC does not have the funds available, payment will be delayed until CFSC receives its advance payment from the federal agency.
- This will occur by an electronic **direct deposit** into your bank account
  - *(See tab 4 for an example payment form)*
- **Cost Sharing** and Matching Contributions from partners provide additional financial support for your project
- **Program Income** must be added to the grant funds committed, and used to further project objectives

To the extent possible, we will make payments to you based on the Estimated Quarterly Payment and Match Schedule you returned with your signed sub-award agreement.

Whether or not we are able to follow that schedule depends on:

- CFSC receiving payment from the federal funding agency,
- Whether you have spent the funds previously received and accrued matching contributions in accordance with the schedule,
- Whether progress reports are up to date,
- And whether insurance coverage is current.
- You will also not receive 100% of your grant amount in any one quarter.

Advance payments will be made by an electronic direct deposit through the Automated Clearing House into your bank account. (The Automated Clearinghouse, or ACH, is a banking industry clearinghouse for electronic funds transfers, and has nothing to do with the CFSC Grants Clearinghouse)

Cost Sharing and Matching Contributions for this agreement shall be in accordance with 7 CFR 3019.23 for non-profits, or 7 CFR 3016.24 for government agencies.

Program income must be added to the grant funds committed, and used to further project objectives in accordance with 7 CFR 3019.24 for non-profits, or 7 CFR 3016.25 for government agencies.

## (Section 7) Property Management and Disposition

***Property*** means, unless otherwise stated, real property, equipment, intangible property and debt instruments.

For future grant cycles purchase of **equipment** must be shown to be more cost effective than options such as renting, hiring a contractor or borrowing equipment from another federally funded program during the proposal process.


Any property used or acquired under this agreement, including intangible property such as copyrights and patents, is governed by the provisions of 2 CFR 215.30-.37, and 7 CFR 3019.30-3019.37.

Applicants are discouraged from purchasing equipment; ideally grant funds are meant to go directly on the ground. There may be equipment available that was purchased as part of another grant funded project in the area.

Future grant proposals will require comparison of equipment purchase versus leasing, borrowing or other options before the grant proposal is submitted.

### (Section 8) Equipment

- Equipment is defined as a purchase of a tangible item with a unit price of **\$5,000** or more and with a life span of more than one year.
- Title of equipment acquired with grant funds shall be vested in the recipient's name.
- Equipment shall be used in the project or program for which it was acquired. Do not sell or donate equipment to another organization.
- A control system must be in effect to ensure adequate safeguard for prevention of:
  - Loss, Damage, Theft
- CFSC will track equipment purchased with grant funds every two years until the unit cost falls below \$5,000. Tracking includes:
  - Physical inspection by Grant Manager
  - Pictures
  - Equipment Schedule completed by the sub-recipient
    - *(Required if purchasing equipment – sample behind tab 5)*



There should not be any groups purchasing equipment this cycle but the definition is included here and the forms relating to equipment are included in tab 5.

This gives you an idea, if you were to purchase equipment, of what would be involved. An equipment purchase would require prior approval from CFSC.

Equipment is not to be confused with supplies:

Equipment items cost \$5,000 or more per item.

For example, 10 saws that have a total cost of \$5,000 are considered supplies.

If equipment is purchased, an "Equipment Schedule" will be provided to grantee. The grantee will be required to report on the condition of the equipment until the value is less than \$5,000. As part of that reporting the applicant will need "Equipment Photos" and a "Maintenance Procedure and Schedule" based on the manufacturer's recommendations.

It's important to read the "Equipment Schedule Guidelines" because grantees who have purchased equipment continue to use it after the grant period or make it available to other organizations in their area and there are specific rules on how to do that since the equipment was purchased with grant funds.

## (Section 9-10) Programmatic Changes Revision of Budget and Program Plans

- **Programmatic Changes**
  - Prior written approval is required from Grant Manager before ANY changes to:
    - Scope/Objectives of the approved project
    - Key Personnel during grant period
    - Location or transfer of programmatic work to another party
- **Revision of Budget:**
  - Need to be in writing
  - Discussed with your GM before changes are made
  - If 10% or more of Federal Funds need to be moved **Require** prior **written** approval

Section 9 - A grantee must submit to their GM a written request before ANY changes can be made to their original proposed project, to include key personnel and transfer of work to another party.

Section 10 - Recipients are required to report deviations from budget and program plans, and request prior approvals for budget and program plan revisions.

### (Sections 11-13) Notification, Eligibility and Liability

- Must notify CFSC immediately of significant changes impacting activities on the sub-award
- Must give written notice of problems, delays or important conditions impacting the inability to meet the objectives of sub-award
- Shall ensure employees complete I-9( form) and adhere to requirements.
  - **Immigration and Nationality act (8 U.S.C.1324a)**
- California Fire Safe Council does not assume liability for 3<sup>rd</sup> party claims for damages arising out of this subaward.

Section 11 – It is critical that the sub-recipient advise CFSC immediately of any significant changes or developments under this sub-award.

Section 12 - Eligible Workers – only applies to-grantees that have employees. The Sub-recipient shall abide with the regulations regarding certification and retention of the completed forms.

Section 13 – if liability issues arise with the grantee, these liability issues do not extend to CFSC; However you must kept us in the loop of ANY situations.

## (Sections 14 and 16) Public Notices & Statements

- Press releases or other public notices:
  - **“Funding provided by the National Fire Plan from the Cooperative Fire Program of the U.S. Forest Service, Department of Agriculture, Pacific Southwest Region, through the California Fire Safe Council”.**
- Must provide draft copy to CFSC in advance of release for review.
- Nondiscrimination Statement” must be included in **any** printed, electronic or Audiovisual Material:
  - **“In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discrimination on the basis of race, color, national origin, sex, age, or disability. “ OR**
  - **“This institution is an equal opportunity provider.”**

Section 14 – This is the statement that should be used when doing press release and notices. This statement is in your “sub-award” letter. Also, it is important to allow your Grant Manager/(CFSC) enough time to review press releases or newspaper articles before they are release.

Section 16 - For the nondiscrimination statement, if the document is too small to print the first statement, the second statement can be used.

## (Section 15, 17 & 18) Agency and Legislative Requirements

- **(Section 15) Forest Service Insignia** – Permission must be granted by California Fire Safe Council
- **(Section 17) Funding Accountability and Transparency Act** – Creates a searchable website (FSRS.gov) with info on federal grants, subawards, contracts and subcontracts over \$25,000
- **(Section 18) Text messaging** – is banned while driving on official business or when performing any work on behalf of the award. It is always best to pull over to talk even on a hands-free phone.


Section 15 – Sub-recipient must get permission from CFSC to use the FS insignia on any published media to include “webpage, printed publication or audiovisual production.

Section 17 – Federal Funding Accountability and Transparency Act of FFATA maintained by the Office of Management and Budget.

Section 18 – Subrecipients are encouraged to adopt and enforce a policy that enforces no text messaging when driving (on company business). To be safe, this should be adopted at all times.

## ( Section 19) Progress Reports

<b>Items to include in progress reports</b>	<b>Items that should go into your reports and also be sent directly to your grant manager</b>
<ul style="list-style-type: none"><li>• Current project activities</li><li>• Project tours or meetings</li><li>• Human interest Info</li><li>• Media Coverage</li><li>• Conflicts/Challenges</li><li>• Environmental Process</li><li>• Match Contributions</li><li>• Payments and expenses</li><li>• Acres treated/resources protected</li></ul>	<ul style="list-style-type: none"><li>• Requests for grant period extensions</li><li>• Requests for changes to your payment schedule</li><li>• Changes in the project contact information</li><li>• Anything that is time sensitive. It may take several weeks for your grant manager to read your report.</li></ul>



These are the kinds of items that should go into your progress reports. Progress reports must be detailed! No two sentences narratives. The items on the right should also be sent directly to your grant manager.

Don't forget these items in the accomplishments section of the report:

**Number of fire education community workshops/training sessions presented**

Number of meetings, not the number attending or cost of the meetings.

**Number of outreach/education programs**

Usually you are developing one or two programs. Examples would be "How to ignition proof your home" or "How to evacuate safely"

**Number of education/information products generated**

Again this is typically one or two. If you print 2000 copies of the same pamphlet, that's one. If you print posters and pamphlets, that's two.

**Photo monitoring of projects**

Put a 1 if you plan to take photos during your project. Enter 2 if you plan to take before and after pictures on a fuel break project.

**Estimate the number of homes protected by your project**

No home is 100% protected, but if you have bettered its chances of surviving a typical fire in your area, count it. Hopefully it's more than one, probably less than 3,000.

**Estimate the value of property protected by your project**

Again, just the value of what has the chance of being protected by your project in a typical fire for the area. Report values protected as the project progresses, don't necessarily save them for the last quarter.

## Progress Report Periods for 2012 USFS-SFA Grants

Progress Report Quarter Dates	Progress Report Due
January 1, 2012 – February 29, 2012	March 31, 2012
March 1, 2012 – May 31, 2012	June 30, 2012
June 1, 2012 – August 31, 2012	September 30, 2012
September 1, 2012- November 30, 2012	December 31, 2012
December 1, 2012 – February 28, 2013	March 31, 2013
March 1, 2013– June 30, 2013	July 31, 2013

These are the grant period quarters for the 2012 SFA grants. The progress reports are due one month after the close of each quarter.

We have to stagger your progress reporting quarters because our quarterly financial reports to the Forest Service are due based on calendar quarters.

## (Section 19) Deliverables – New & Required

- Subrecipient agrees to submit the following no later than 30 days after the close of each quarter in their “Progress Report” narrative:
  - a) A comparison of actual accomplishments to the goals established for the period
  - b) Delay in project – reason needs to be discussed on progress report
  - c) Cost Overruns – analysis and explanation of higher unit costs
- Progress reports shall be filed electronically with CALIFORNIA FIRE SAFE COUNCIL at [www.grants.firesafecouncil.org](http://www.grants.firesafecouncil.org)  
(CFSC contact information behind tab 6)

19 – Deliverables – “NEW and REQUIRED” These new deliverables have been passed down to us by our Federal partners in the form of additional reporting requirements on our master grant, so we must pass these requirements to the sub-grantee. They are in place to provide more information on how federal grant funds are being spent and to help ensure the grant funds are being used appropriately.

a) NOTE: Where the output of the project is expressed in numbers, a computation of the cost per unit of output may be required if that information is useful. Describe how the calculations were arrived at during the quarter.

b) If the project is delayed or the established goals will not or cannot be met, an explanation will need to be provided.

c) If costs are higher than **budget or work plan**, additional explanation will be required.

All quarterly reports need to be completed by the timeline. This schedule has been determined by the timing of the California Fire Safe Council master grant.

## Site Visits

- Grant Manager and Grantee/Fiscal Sponsor agree on a date for the visit
- Grant Manager gives details on the items that will be reviewed during the visit
  - May include grant fund accounting, salary expense documentation, match documentation and other source documentation for project expenses
- Visits usually last ½ day to 1 day depending on the number and location of projects.
- GM sends a follow up letter of thanks and may include additional information about grant management or issues that need further attention

We try to do a site visit once in the life of a grant, usually during or after the project is completed.

Your grant manager will send out a list of documentation they would like to see, so that you know what to expect ahead of time.

In the case of an organization that has already had a site visit, we may just go take a look at the current project.

If you have a fiscal sponsor organization it's good if they can participate in the site visit too since they are the ones responsible for financial management of the grant.

You usually spend a half day to a day looking at the project and discussing project management, documentation, and any changes that you may have. The GM will then send you a follow-up letter of thanks which describes the visit and may give recommendations.

One of the grant management requirements that we often point out at site visits is the need for policies and procedures for project management so the next slide lists the types of policies and procedures that grant recipients should have.

## (Section 20) Grant Closeout

- Paying Final Bills: Only allowable grant-related costs incurred before the expiration of the grant period can be paid with grant funds or matching funds.
  - Complete project work by the grant period end
  - Return unspent funds and interest over \$100 (local governments) or \$250 (nonprofits)
- Final Progress Report is due online 30 days after the close of the grant period. Dates are in your subaward agreement.
- Records: You must keep all subaward records for three years beyond the date that the master grant closes out.

When the end of the grant term is nearing, make sure you will complete all project activities by the end date in your sub-award. If you need more time for your project you can request an extension. If awarded, those are typically 3 months, or may be longer if there is justification.

You will have 90 days after the close of the sub-award term to pay all bills per **2 CFR 215.71(b) and A-102\_23(b)**

You will enter a final progress report (remember to check the “final report button”) and you will need to decide how to store the grant related documents.

## (Section 20) Grant Closeout (continued)

### **Items to be sent to your Grant Manager**

- One original and two copies of educational or outreach products developed with grant dollars
- Photos on CD that can be used in the future to create success stories to help continue the grant program.
- Close-out report
  - (will be emailed towards the end of grant period)  
*(Sample closeout report behind tab 7)*
- Final progress report – submitted online; paper copy with close-out report

When closing the grant out, these items will need to be sent to your Grant Manager.

( Section 20 and 21) Grant Closeout (continued)

**Items sent to Glendora Office**

– Confidential Questionnaire to:

California Fire Safe Council

Margaret Grayson – Executive Director

502 W. Route 66 Suite 17

Glendora, CA. 91740

*(Section 21 contains contact info as well as tab 6)*

– A check made payable to CALIFORNIA FIRE  
SAFE COUNCIL for:

- Any unused grant funds
- Any interest earned in excess of \$250

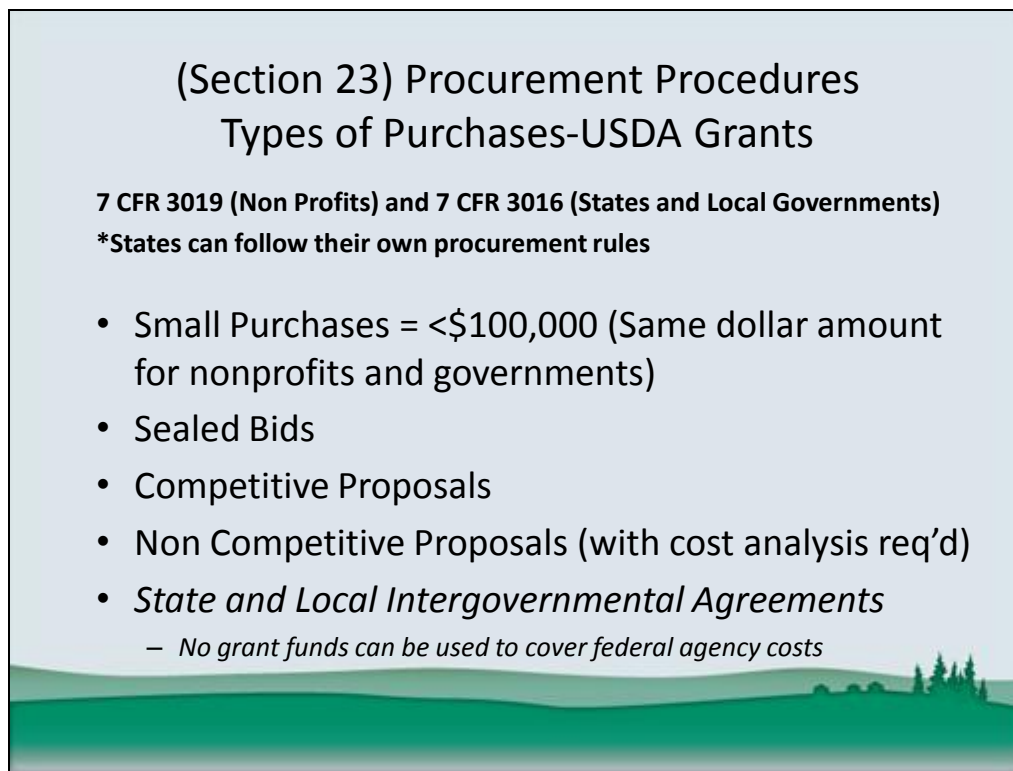
When closing the grant out, these items will need to be sent to the Glendora office.

## (Section 22) Order of Precedence

Any inconsistency in this agreement will be resolved by giving precedence in the following order:

- (a) any national policy requirement and administrative management standards;
- (b) requirements of the applicable OMB Circulars and Treasury regulations;
- (c) 2CFR 215;
- (d) special terms and conditions; and
- (e) all Agreement sections, documents, exhibits, and attachments

If there is any contradiction found in the agreements for funding the items at the top of this list have precedence.



(Section 23) Procurement Procedures  
Types of Purchases-USDA Grants

7 CFR 3019 (Non Profits) and 7 CFR 3016 (States and Local Governments)  
\*States can follow their own procurement rules

- Small Purchases = <\$100,000 (Same dollar amount for nonprofits and governments)
- Sealed Bids
- Competitive Proposals
- Non Competitive Proposals (with cost analysis req'd)
- *State and Local Intergovernmental Agreements*
  - No grant funds can be used to cover federal agency costs

One of the most common questions we get is about the requirements that are in the CFR's regarding procurement and bids.

The basic message of both sets of administrative requirements is that organizations should use the CFR as a standard for evaluating their own Policies and Procedures for procurement. Your organization will then follow procedures that have been adopted to match its capacity and its activities.

Having your procedures defined makes your process consistent, clear to potential contractors, and helps ensure that your operation will be smooth as your board and staff change.

The CFR's for both local governments and nonprofits have similar standards for procurement types, competition, small business inclusion, women and minority inclusion, and protests, so we will provide a general summary, and point out areas where they differ.

The standards for states and local governments are laid out more specifically than the standards for nonprofits, but they describe the same basic options for procurement.

States are able to follow their own procurement rules.

The five types of procurements described in the CFR:

Small Purchases made by comparing price, quality, and evaluating competitive fairness and ensuring opportunities for inclusion. (Sometimes a bid or proposal process is still the best way to complete purchases less than \$100,000)

Sealed Bids are chosen based on price and past performance. You need to evaluate contractor eligibility and clearly describe project activities and contract provisions that may impact costs, such as environmental constraints and working with individual landowners

Competitive Proposals are chosen based on price and how well the project will meet the goals of the grant program. This might be a good option if you have a project that could be completed with very different methods, or if it's a creative project like an outreach video that could be more or less expensive depending on the quality of production.

Non Competitive Proposals are used only in cases where there are not multiple qualified bidders. This may happen in remote areas. **A cost analysis is required to show that the contract is reasonable.**

Intergovernmental Agreements can be made with the use of grant funds except with a federal agency

## (Section 23 continued) Procurement Procedures Competition

- Provide open, free, full competition
- Separate RFP/prescription preparation from contract
- Advertise the project clearly and widely
- Don't create restrictive requirements
- Be aware of non competitive pricing
- Award
  - 2 CFR 215: based on price, quality, and other factors
  - A-102: Lowest bid that meets standards/proposal that is most advantageous to the program  
(May consider past performance)

Both sets of administrative requirements contain these items:

### **Competition**

There is no strict definition of what open competition looks like since it will depend on what resources are available in your area but the standards call for free, open, and full competition.

### **Separation**

Part 215 specifically disallows those involved in the preparation of specifications from competing. A-102 is less strict but prohibits non-competitive awards to be given to consultants on retainer. With either of these two requirements, the purpose is to allow for competition whenever possible and to provide reasonable justification for your selection of contractors so that the competitive process has been open.

### **Advertisement**

Describe the technical requirements and the project conditions, such as environmental protections, so that potential contractors can clearly represent their cost.

### **Restrictions**

Plan your project to minimize constraints such as the type of equipment needed or the use of local versus out of town contractors.

### **Pricing**

If you feel that you have not received bids or proposals that are reasonable you can choose to reject all of them. The Cost Principles require that purchases be allowable, allocable and reasonable and that reasonableness may need to be demonstrated during an audit. You want

to keep a good relationship with your potential contractors too and you can make the point to them that in order to award this work you need them to clearly justify their costs.

### **Award**

Be sure, especially in the case of those who follow A-102 that you have clearly communicated the project requirements so that when you make a selection based on price, you are getting the best value for the program. Under 2 CFR 215 the standards allow consideration of “other factors”. Ideally you would have made the technical requirements clear in the RFP and so an award based on price would also make the most sense. 2 CFR 215 does allow you to consider things like work scheduling needs, past performance, and incorporating small, woman or minority owned businesses according to your organization’s policies.

## (Section 23 continued) Procurement Procedures Protests

- Written procedures for avoiding real or apparent conflicts of interest are required.
- Subrecipients are responsible for resolving disputes, protests, claims and questions over source documentation.
- If there is an issue relating to statutes, the appropriate local, state, or federal authority will have jurisdiction.
- A-102 Written procedures for protests required

### **Conflicts of Interest**

Both sets of administrative requirements call for written standards of conduct for avoiding real or perceived conflicts of interest.

The avoidance of perceived conflicts can be a challenge for fire prevention groups since we live in the areas we are working to protect and the fire prevention and forest management community can be small.

### **Protests**

Protests be able to point to your own procurement policies and procedures to justify your selection. After that, refer to the grant administrative requirements to show the standards followed in making your selection.

For those who follow A-102, written policies are required.

Make sure you are communicating clearly, in writing, and have included the necessary elements in your contracts and agreements.

## (Section 23 continued) Procurement Procedures Inclusion of Woman/Minority-Owned and Small Businesses

- Use these types of businesses...
  - 2 CFR 215: “to the fullest extent practicable”
  - A-102: “when possible”
- Seek them out for bid invitations
- Consider splitting large contracts
- Require the same of sub contractors


(Section 23) Both sets of administrative requirements call for using women, minority-owned and small businesses.

When it isn't prohibitively expensive or difficult to do so, awarding a contract or making a purchase through one of these businesses is supported by the admin. requirements.

(Section 23 continued) Procurement Procedures  
Contracts

- Written procedures required for contract administration
  - Should ensure contractor monitoring and performance
- Required Clauses based on
  - award amount,
  - award type (construction, research, service)
  - type of organization

*(Required contract clauses for governments and nonprofits are included behind tab 8)*



Both sets of administrative requirements call for written procedures for contract administration.

Procedures should include methods for monitoring contractor performance and should describe the contract clauses that are required for contracts funded by federal grants.

**Contracts should address items such as:**

environmental mitigation requirements

time of day constraints

contact information and documentation requirements

Changes, termination, performance and workers compensation requirements and any other requirements needed

**All contracts should specify that:**

Payment is contingent upon the receipt of funding by CFSC from the federal agency sponsoring the grant.

There are specific contract clauses that need to be included as well. These vary based on the cost, type of activity, and the type of organization that you are (nonprofit or government). Include a statement in the contract that the requirements of the statute must be met. The required clauses are listed in the tabs so you can identify which of those will apply to your project and include them.

## (Sections 24-29) National Policy Requirements

- Many of the national policy requirements that apply to federal grants incorporated into the administrative requirements

24. General Provisions that apply
  - [http://www.whitehouse.gov/omb/grants\\_docs](http://www.whitehouse.gov/omb/grants_docs)  
*(The requirement for DUNS and CCR registration is a part of these. See tab 11 for more information)*
25. Members of Congress
26. Administrative Requirements
27. Cost Principles
28. Debarment and Suspension
29. Lobbying Restrictions



(Section 24) Again a general statement that national policies, management standards, and program requirements apply. If you go to:

**[http://www.whitehouse.gov/omb/grants\\_docs](http://www.whitehouse.gov/omb/grants_docs)**

At the above site you will find a list of policies relevant to your grant. The requirements created by these policies have been incorporated into the clearinghouse grant reporting process.

One example of these that we covered on their own were the national policy requirements for environmental review of projects.

The national policy issues that typically affect grants are either incorporated into the administrative requirements, or they are mentioned directly in the sub award agreement like where it specifically lists not lobbying (in the endorsements section), following the civil rights act, wearing your seatbelt and having a drug-free statement and policy. The other federal laws that apply to grants are focused on prohibiting things that are obviously crimes (like human trafficking, for example).

Many of the requirements relating to contracting, fairness, and safety have worked their way into the grant rules too. We see those either directly in the CFR procurement sections or in the appendix where the contract clauses are listed.

(Section 25) This specifically identifies the requirement that members of congress are not involved in the sub-award since that would represent a conflict of interest.

(Section 26) Identifies the specific Administrative requirements that the subrecipient should follow. (Remember this contains standards for tracking match, financial management, procurement, reporting, etc.)

(Section 27) Cost Principles contain the items that are allowed and not allowed for purchase with grant funds. Probably the most useful guidance they contain (but it's all important) relates to reporting of employee time for salaries/wages and volunteer matching contributions and the charging of usage fees for equipment.

(Section 28) This is a more detailed set of guidelines given to the federal agencies which describes the process for identifying, notifying, and interacting with individuals who are restricted from doing business with the government.

(Section 29) You cannot use grant funds for expenses related to lobbying for proposed contracts, or grant awards.

## (Sections 30-34) National Policy Requirements

30. Title VI of The Civil Rights Act
  - Information is required to be posted if you maintain an office
  - Title VI Posters are available from CFSC
  - Brochures should be available for guests
31. (Audits discussed in section 4)
32. Opposition to Legislation
  - Don't use grant funds to influence the legislative process
33. Endorsements
  - Include the disclaimer from the subaward in publications relating to the grant funded project.

(Section 30) If your organization has an office you must post information on Title VI compliance from the Forest Service. Posters and brochures are available from CFSC.

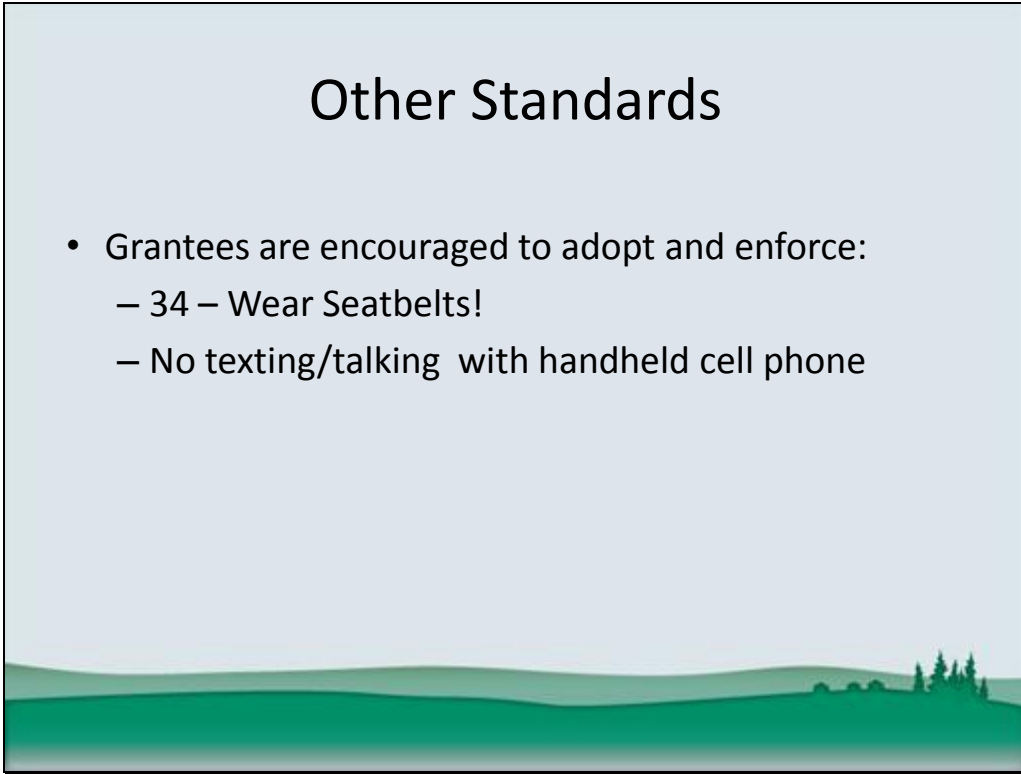
(Section 31) We discussed these items relating to Audits along with section 4.

(Section 32) Disallows the use of funds to lobby for or against pending legislation.

(Section 33) There are examples of the endorsement statement and the equal opportunity statement included in the success story example in tab 9 and the language for the statement is in the sub award agreement.

## Other Standards

- Grantees are encouraged to adopt and enforce:
  - 34 – Wear Seatbelts!
  - No texting/talking with handheld cell phone



(Section 34) Wear Seatbelts...so we don't have to dedicate a memorial fuel break to anyone!

## Things to Keep in Mind...

- Be familiar with your grant application; know what you're supposed to be doing with your grant and stay focused
- Keep on top of your match- don't wait till the end of the project to keep track of matching funds
- Make sure you submit your reports on time
- Keep your local partners and grant manager in the loop
- Share your expertise with others
- Create success stories (*Success story example behind tab 9*)
  - A fuel reduction project that stopped a fire
  - Building cooperation, community, capacity, jobs, etc.



Here are some things to keep in mind as you go.

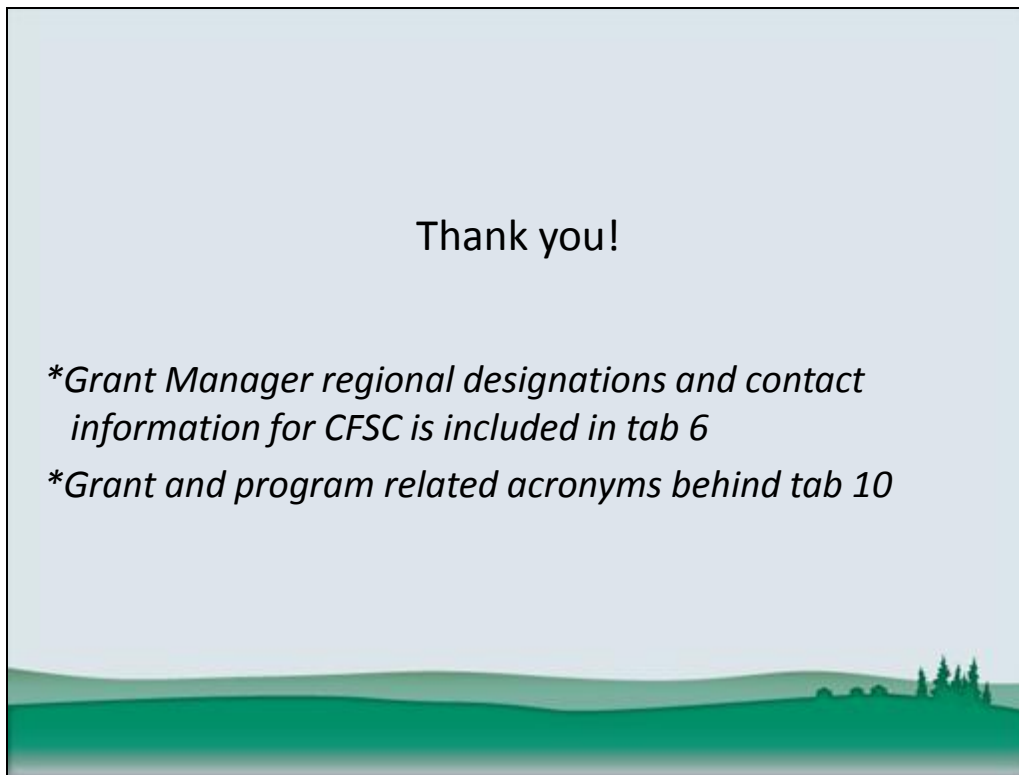
Remember the original intent of your project.

Don't miss opportunities to record match.

Get the progress report dates on your calendar

Keep everyone informed because you never know what resources people may have or need.

Share your success to inspire and teach others.



We are here to help make your project a success, so please ask if you have any questions about the grant process.