

# Behavioral Health is Essential To Health



Prevention Works



Treatment is Effective



People Recover



# Division of Grants Management

**Drug Free Communities (DFC) Support  
and Mentoring Programs**

**Year 1 DFC and Mentoring Grantees**

**SAMHSA's Center for Substance Abuse Prevention**

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# Presentation Topics

## Year 1 DFC New Grantees

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- ✓ *Roles and Responsibilities*
- ✓ *Direct Costs and Indirect Costs*
- ✓ *Match (Cash, In-Kind, etc.)*
- ✓ *Notice of Award (NoA)*
- ✓ *DFC Mentoring*
- ✓ *Post Award Actions/Prior Approval Requests*
- ✓ *Continuation Applications*
- ✓ *Federal Financial Reports*
- ✓ *Closeout*

# Roles and Responsibilities

- Division of Grants Management
  - Serves as the official receipt point for all reports and correspondence dealing with financial management issues;
  - Ensures compliance with all grant requirements as required by statute, regulations, and policies;
  - Recommends and initiates enforcement actions to ensure compliance with the terms and conditions of award;
  - Provides technical advice on all financial aspects of grant implementation;
  - Performs budget analysis of new and continuation applications to determine allowability, allocability, and reasonableness of the proposed cost and to ensure the recipient is meeting the goals and objectives of the grant award;
  - Reviews recipient requests for post-award changes and issues revised NoAs based on the GMS and GPO recommendations;
  - Monitors receipt and reviews financial data reported on the Federal Financial Report (SF-425);
  - Maintains the Official Grant File;
  - Issues NoAs for new and continuation awards; and
  - Works with GPO and program staff as a team in providing guidance and support to grantees.

# Roles and Responsibilities

- **Government Project Officer**

- Working with other program staff to develop the Funding Opportunity Announcement (FOA);
- Working with other staff , including the Participant Protection Officer (PPO) and FOA Coordinator on the development of the funding plan;
- Acting as a primary programmatic point of contact for the grantee;
- In consultation with the GMS, assisting grantees with technical issues;
- Explaining program requirements, regulations, and guidelines to grantees and other SAMHSA staff;
- Conducting/facilitating post award monitoring. (For further information, please see SAMHSA's Site Visits Policy and Procedures (P&P));
- Reviewing progress reports and providing feedback to the grantee, as needed;
- Monitoring grantee performance;
- Assessing compliance with laws, regulations, and grant terms and conditions;
- Reviewing and recommending approval or disapproval of continuation applications;

# Rules that Govern Grants

- 45 CFR Part 75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards  
<http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&ty=HTML&h=L&r=PART&n=pt45.1.75>
- HHS Grants Policy Statement (GPS)
  - Grants policy for recipients
  - Incorporated as a term in NoA
  - Dos and Don'ts<http://dhhs.gov/asfr/ogapa/grantinformation/hhsgps107.pdf>

# BUDGET

- A Budget is direct or indirect cost of an estimated and itemized calculation of expected expenses and/or income for a given budget period.
- One **Budget Period** for a DFC grant is 12 months. A first cycle **Project Period** is for five years.
  - **The first year Budget Period for FY15 new DFC Grantees is 9/30/15 - 9/29/16**
  - **The five year project period for FY15 new DFC Grantees is 9/30/15 – 9/29/20 (Cycle One – Years 1 - 5)**
- There are **Two possible Cycles** to a DFC Grant if a grantee applies and is awarded for a competitive the 2<sup>nd</sup> cycle after their five year project period. If awarded for cycle two, the grantee will begin their 6<sup>th</sup> year.
  - **The first cycle is years 1 – 5 of the Grant project period (9/30/15 – 9/29/20)**
  - **The second cycle is years 6 – 10 of Grant project period.**
- *DFC Mentoring Grantees also have a (12mos) budget period. However, the project period is only for two years beginning:*
  - **9/30/15 – 9/29/17**
- **All DFC grantee budgets must meet the following four tests:**  
**Reasonable, Allowable, Allocable, Consistency**



# DFC Mentoring

- The primary goal of the Mentoring grant is to assist newly forming coalitions in becoming eligible to apply for DFC funding on their own.
- It is the intent of the DFC Mentoring Program that, at the end of the Mentoring grant, each Mentee coalition meet all of the Statutory eligibility requirements of the DFC Program and be fully prepared to compete for the DFC grant on their own.
- Funding through this grant is intended to provide the Mentee coalition with the training and technical assistance necessary to ensure formation of a strong community coalition.

# DFC Mentoring (cont.)

- It is important that all DFC Mentoring applications only from current DFC grantees that are in good standing (i.e., not on high risk status) with the program under the Terms and Conditions of their regular DFC grant.
- Applicants received up to \$75,000 per year for up to two years.
- The DFC Mentoring program has its own statutory eligibility requirements and all must be met to be considered eligible for funding.

# Direct Costs

- Direct costs include, but are not limited to, salaries, travel, equipment, and supplies directly benefiting the grant-supported project or program.
- Direct costs are costs that can be identified specifically with a particular award, project or program, service, or other organizational activity or that can be directly assigned to such an activity with a high degree of accuracy.

# Indirect Costs

Indirect costs (also known as “facilities and administrative costs”) are:

- Costs that are incurred for common or joint objectives and cannot be readily identified with a particular final cost objective for the project, program, or organizational activity.
- **Research rates are unacceptable**
- **Organizations without a Federally approved rate may elect to charge a 10% de minimus rate, based upon modified total direct costs (MTDC)**

Reference the Grants Policy Statement Section I-23 for detailed Information on the budget and Allocation of Costs via:  
<https://rates.psc.gov/fms/dca/map1.html>

# Indirect Costs (cont.)

## Indirect Costs

- An organization may not charge specific costs both directly and indirectly
- Does the organization have a current Federally negotiated indirect cost rate agreement?
- Is the rate applied to the correct distribution base?

# Match/Cost Sharing

## *Understanding Matching*

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*Matching* and *cost sharing* are often used interchangeably

- *Matching* usually refers to a statutorily specified percentage
  - Specified as a fixed or minimum percentage of non-Federal participation in allowable program or project costs that must be contributed by a recipient in order to be eligible for Federal funding or a not-to-exceed percentage of Federal participation
- *Cost Sharing* refers to any situation in which the recipient shares in the costs of a project other than as statutorily required matching
- Matching/Cost sharing requirements identified in FOA
- Approved/accepted matching or cost sharing is shown in the NoA

# Match/Cost Sharing (cont.)

## *Understanding Matching*

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- Cash Match
  - Cash spent for project related costs
  - Matching costs must adhere to Federal rules
  - If not allowed with Federal dollars, not allowable with matching dollars
- In-kind Match
  - Are the value of goods and/or services third parties donate for program or project purposes without charge to a recipient
- Third party in-kind contributions
  - May satisfy a matching or cost-sharing requirement only when payment for them would be an allowable cost if the party receiving the contributions (recipient, subrecipient, or cost-type contractor) were to pay for them

# Match/Cost Sharing (cont.)

## *Understanding Matching*

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### Valuation of in-kind contributions:

- Rates for volunteers must be consistent with established rates paid for similar work by the recipient or subrecipient
- If a third party donates the use of equipment or space in a building but retains title, the contribution shall be valued at the fair rental rate of the equipment or space
- If a third party donates supplies, the contribution shall be valued at the market value of the supplies at the time of donation



# Match/Cost Sharing (cont.)

## *Understanding Matching*

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- All costs and contributions used to satisfy a matching or cost-sharing requirement must be documented by the recipient at the same level of detail as Federal funds
- Matching contributions are subject to audit
- If a recipient fails to provide required cost sharing, the GMO generally will make a downward adjustment in the Federal award amount
- Must be necessary & reasonable for the accomplishment of the grant project objectives
- Allowable costs & included in approved budget
- Expenditures from other federal awards cannot be counted
- Cannot be counted as non-federal matching under another federal grant project

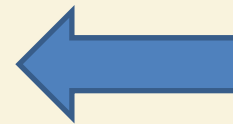
# Match/Cost Sharing (cont.)

## *Understanding Matching*

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Grantees must specify the following matching percentages :

- Year 1-6 **100%** of total Federal award
- Year 7-8 **125%** of total Federal award
- Year 9-10 **150%** of total Federal award



# Notice of Award (NoA)

**The NoA is the official, legally binding document, signed by a Grants Management Officer or a Senior Grants Management Specialist that:**

- Officially notifies an applicant (recipient) that they have been awarded a Federal grant.

**These are the legally binding requirements for all grant grantees. By drawing funds from the Payment Management system, the grantee agrees to the Terms and conditions of the award.**

# Terms and Conditions

**The NoA is the official, legally binding document, signed by a Grants Management Officer or a Senior Grants Management Specialist that:**

- Officially notifies an applicant (grantee) that they have been awarded a Federal grant.
- Contains or references all the terms and conditions of the grant and Federal funding limits and obligations; and,
- Provides the documentary basis for recording the financial and programmatic obligations, and close-out directives.

**These are the legally binding requirements for all grant grantees. By drawing funds from the Payment Management system, the grantee agrees to the Terms and conditions of the award.**

# Post Award Actions



The Grants Management Specialist and Project Officer work together to monitor the grantee's progress to assure the program is successful and that it accomplishes the mission.

# Making Post Award Changes To Your Grant

- Post award changes to your grant award or other aspects of your approved application during the year to accomplish certain programmatic objectives. This is defined as a post award change. See the 2015 DFC Grantee Handbook.
- Prior approval is required for a number of circumstances that are outlined in Section II-49 of the HHS Grants Policy Statement available at: <http://www.samhsa.gov/grants/grants-management/policies-regulations/hhs-grants-policy-statement>
- Failure to obtain prior approval, when required, may result in the disallowance of costs, termination of an award, or other enforcement action.

# Post Award Requests

Prior approval means written approval by the authorized official evidencing consent prior to a budgetary or programmatic change in the award. **All prior approval requests should be made at least 30 days before action is to occur.** Both the GMS & PO must approve all Post Award Requests.

## ■ Standard Post Award Administrative Changes

- ✓ Change in Program Director or Project Coordinator
- ✓ Change in Percent of Effort or Level of Work (by Key Personnel)
- ✓ Significant Change in Budget (over 25%)
- ✓ Change in Scope of Work
- ✓ Carryover of unspent funds **over 10%** require a prior approval request
- ✓ No-Cost Extensions

**Requests are not considered approved until a revised Notice of Award is issued.**

# Post Award Requests (cont.)

- **Change in Key Personnel or level of Effort-**

Recipients are required to notify their Grants Management Specialist (GMS), in writing, if key personnel specifically named in the NoA will withdraw from the project entirely, be absent from the project during any continuous period of 3 months or more, or reduces time devoted to the project by 25 percent or more from the level that was approved at the time of award.

- **Change of Scope-**

When grantee proposes to change the objectives, aims, or purposes identified in the approved application. Grantees are required to obtain prior approval.



# Post Award Requests (cont.)

- **Significant Re-budgeting-**

A "significant funds reallocation" is cost modifications that exceed 25% of the approved budget. (which includes direct & indirect costs when chargeable to Federal funds for that budget period).

- **Carry-Over Requests -**

SAMHSA Grantees have two carryover options: formal carryover request (due January 28<sup>th</sup>) and 10% carryover authority (due December 31<sup>st</sup>). Grantee must submit prior approval requests to their GMS, when submitting a formal carryover request. All requests must include a plan that describes the activity/initiative that will be performed by the grantee, a scope of work that implements the activity/initiative, justification for how the balance occurred, a detailed budget, and budget justification.

# Post Award Requests (cont.)

- **10% Carryover Authority** This request consists of carrying over up to 10% of the total amount awarded. Grantee must specify their intent to utilize the 10% Carryover Authority in the remarks section of their annual Federal Financial Report (FFR).
- **No –Cost Extensions-**  
*(Only applies to grantees in year 10 of funding)*
  - No Cost Extensions provide a one time extension of the end date for a final project period of a previously approved grant without additional funding for up to 12 months.
  - A No cost extension must be requested within the final budget period at least 60 days before the end of the project period. *All previous terms and conditions of the award apply during the extended period.*

# Post Award Requests (cont.)

- Unobligated funds at the expiration of the grant is not in itself sufficient justification for an extension.

- **Reasons for a No Cost Extension Request:**

- The extension is necessary to permit an orderly phase out of a project that will not receive continued support.
- Additional time beyond the approved project end date is needed to ensure adequate completion of the originally approved project.

**Request from recipient, with written justification, should be submitted 60 days prior to the project period end date**

# How to Request Post Award Actions

- **Requests must include the following:**
  - ✓ Grant number
  - ✓ Grantee name and address
  - ✓ Signature of authorized official of the grantee organization;
  - ✓ Co-signature of Business Official and Authorized Representative
  - ✓ Supporting documents
- **Request Letter-**

Indicate in the letter the bona-fide need of the revision; provide a detailed description of the changes within the budget and what budget categories will be affected and why.

# How to Request Post Award Actions

- **SF 424A: Budget Information Form:**  
Detail budget modification by category.
- **Budget Narrative Justification:**  
Provide a breakdown of all costs. Please note that the budget must not exceed the original authorized amount. All budgets should be in dollar amounts only. Do not include cents.
- If requesting a change in indirect cost, provide Current Indirect Cost Rate Agreement documentation.

**Notify SAMHSA as soon as such information is known.**

# How to Request Post Award Actions (cont.)

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- When prior approval is required, it must be requested no later than 30 days before the proposed change as specified in the Terms and Conditions of your NoA.
- Incomplete requests WILL delay the processing of your request.
- Post award requests must be submitted electronically to your designated Grants Management Specialist and a copy sent to the Project Officer. Requests are typically processed within 30 business days after receipt of a complete request.

# Continuation Applications

- An electronic letter will be sent to the Business Official in regard to their continuation application.
- Grantees must submit continuation applications via Grants.gov **by January 25<sup>th</sup>**.
- Detailed Budget and Narrative Justification **or \*New\*** Attestation Letter – **Grantees must submit either:**
  - **(1)** A new detailed budget and narrative justification for the new annual budget period; **or**
  - **(2)** A signed and dated attestation from the authorized representative on the organization's letterhead stating that the budget amounts for the new annual budget period will not change more than **25 percent** from the current budget period.

# Continuation Applications (cont.)

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- \*Grantees classified as high risk must submit new detailed budgets and narrative justifications with their continuation applications. Do not submit an attestation letter.\*
- Project Officers and Grants Management Specialists review applications.
- Project Officers and Grants Management Specialists consult with grantees if necessary.
- Notice of Awards are sent to Business Official via email prior to start date.



# Federal Financial Reports

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- The Federal Financial Report (FFR)(SF-425) is due **90** days after the budget period ends.
- Refer to your terms and conditions for specific due dates.
- Send your cumulative FFR to the Resource Box at [DFCFFR@samhsa.hhs.gov](mailto:DFCFFR@samhsa.hhs.gov)
- Please use the following link for the SF-425 (FFR) form and instructions at [http://www.whitehouse.gov/omb/grants\\_forms](http://www.whitehouse.gov/omb/grants_forms)

**\*Failure to submit the annual FFR may result in the restriction of your DPM account\***

# Closeout

## **Closeout is the final phase of the grant /project period end date.**

- The Office of Financial Advisory Service (OFAS) will send a closeout letter to DFC grantees 30 days prior to end of budget period
- The closeout letter provides detailed information on submission requirements.

## **Grantees are required to submit the following:**

- Final reports- program and financial
- Reimbursements of any unexpended funds
- Accounting of property and equipment

# Useful Websites

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- **CADCA Coalition Institute:**  
<http://www.cadca.org>
- **Federal Cash Transactions Report (formerly PSC 272):**  
<http://www.dpm.psc.gov>
- **Federal Financial Report (SF 425):**  
[http://www.whitehouse.gov/sites/default/files/omb/assets/grants\\_for\\_ms/SF-425.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/grants_for_ms/SF-425.pdf)
- **45 CFR Part 75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards**  
<http://www.ecfr.gov/cgibin/retrieveECFR?gp=1&ty=HTML&h=L&r=P&ART&n=pt45.1.75>
- **Grants Policy Statement:**  
<Http://www.hhs.gov/asfr/ogapa/aboutog/hhsgps107.pdf>

# Useful Websites (cont.)

- Office of National Drug Control Policy (ONDCP):  
<http://www.whitehouse.gov/ondcp>
- SAMHSA's National Clearinghouse on Alcohol and Drug Information (NCADI) : <http://ncadi.samhsa.gov/>
- SAMHSA Grants Management:  
<http://www.samhsa.gov/grants>
- System for Award Management (SAM)  
<https://www.sam.gov>
- U.S. General Services Administration (GSA):  
[www.gsa.gov](http://www.gsa.gov)

# Questions and Answers

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- General Questions Will Be Accepted At This Time
- Questions Specific To Your Grant Please See Your Assigned Grants Management Specialist
  - Key Staff changes
  - Budget changes