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FOOD AND NUTRITION SERVICE
NATIONAL SCHOOL LUNCH PROGRAM
FISCAL YEAR 2013
REQUEST FOR APPLICATIONS
ADMINISTRATIVE REVIEWS AND TRAINING GRANTS
METHOD II - TRAINING AND OVERSIGHT GRANTS

*States are required to use this solicitation to apply for the
Administrative Reviews and Training Grants Method II:
Training and Oversight Grants*

APPLICATION DUE DATE: MAY 15, 2013

Catalog of Federal Domestic Assistance Number (CFDA number 10.579)

**National School Lunch Program
Fiscal Year 2013
Request for Applications for Administrative Reviews and Training Grants
Method II - Training and Oversight Grants**

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National School Lunch Program
Fiscal Year 2013
Request for Applications for Administrative Reviews and Training Grants
Method II - Training and Oversight Grants

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Provided as separate documents:

APPENDIX D: ART Method II Planning Grant Template and Instructions

APPENDIX E: ART Method II Implementation Grant Template and Instructions

National School Lunch Program
Fiscal Year 2013
Request for Applications for Administrative Reviews and Training Grants
Method II - Training and Oversight Grants

I. INTRODUCTION

The Child Nutrition and WIC Reauthorization Act of 2004 (P.L. 108-265) amended Section 22 of the Richard B. Russell National School Lunch Act (NSLA) to establish a requirement that State agencies conduct additional administrative reviews of selected local educational agencies (LEAs). It also amended Section 7 of the Child Nutrition Act to provide funding for States to be used for administrative reviews and training of LEAs. Both of these requirements are focused on LEAs which have demonstrated a high level of, or a high risk for, administrative error.

To assist State agencies in achieving these requirements, the USDA Food and Nutrition Service (FNS) has up to \$4.5 million available in fiscal year (FY) 2013 to fund Method II Administrative Reviews and Training (ART) Grants for training and oversight. The grant funds will be available only to the 57 State agencies that administer the Child Nutrition Programs, and are for the purpose of identifying, reviewing, monitoring and training LEAs that have demonstrated a high level of, or a high risk for, administrative error. FNS will make the funds available on a competitive basis. States may apply for a Planning grant or an Implementation grant, as described in **Section IV, ART Method II Grant Types**, in this Request for Applications (RFA).

The purpose of this RFA is to:

- Describe the types of grants available
- Describe which entities are eligible to apply for grant funds;
- Solicit applications from eligible entities;
- Describe the requirements for submitting a successful application;
- Describe how applications will be reviewed and selected; and
- Describe the terms and conditions that grantees must adhere to.

FNS intends to work collaboratively with grant applicants and grantees throughout the application process and the life of grants awarded through this RFA. Accordingly, within approximately three weeks of this RFA's publication, FNS will conduct a webinar with all State agencies and FNS regional offices to review the RFA and address questions regarding the application process. Notification of the webinar date, time and call-in information will be communicated to State agencies via the FNS Regional offices and the FNS Child Nutrition Division's PartnerWeb at <https://www.partnerweb.usda.gov>

FNS reserves the option to award these funds using either a grant agreement or cooperative agreement. FNS specifically anticipates awarding the funds associated with the implementation projects as cooperative agreements to allow FNS more active participation with the cooperator during both project development and project execution. Examples of FNS participation include activities such as the following:

- Ongoing evaluation of quarterly progress and financial reports to monitor the grantee's project activities to ensure that the objectives, terms and conditions of the agreement are met;
- Periodic on-site and off-site technical assistance to provide evaluation and guidance on project activities and outputs as they relate to child nutrition program objectives, including: providing program guidance on curriculum development; evaluation of training materials and websites; evaluation of technology improvements; review of project plans and milestones; review of procurement documents for sub grantee involvement (i.e., requests for proposals, contracts, statements of work, and project plans) and other technical assistance related to project objectives; and
- Periodic collaborative meetings for multiple grantees for the purposes of technical assistance, training, problem solving and sharing successful or promising practices. Meetings may be conducted as webinars, teleconferences or training workshops in the Washington, D.C. area or at a program related conference.

NOTE: Applicants for Implementation grants should include in their budget estimates the following FNS sponsored collaborative activities for each year of the requested grant period: 1) estimated cost of travel and time for two State project staff to participate in an annual FNS technical assistance meeting lasting two full days in Washington, D.C. (costs should be itemized); 2) personnel costs to participate in quarterly technical assistance calls or webinars (generally one hour each); and 3) personnel and contractor costs for preparation and participation in annual technical assistance and evaluation State site visits (one day each) and conference calls (approximately two per year at one hour each) with FNS contractors and staff.

II. PURPOSE OF GRANT FUNDING

The purpose of this grant funding is to decrease administrative errors in those LEAs and schools identified by State agencies as having problems or where problems are likely to arise. For FY 2013, State agencies should focus on one or more of the following areas in developing their ART Method II Grant applications:

- Training of LEA administrative personnel in application, certification, verification, meal counting and meal claiming procedures. Training may include web-based training sessions.
- Oversight and training activities focused on the nutritional quality of school meals.
- Modifications that may be necessary to update processes and systems to comply with revisions to the administrative review process; and
- Technology improvements which demonstrate an ability to address administrative errors through the use of targeted monitoring and increased training in error-prone LEAs. States choosing this option must clearly demonstrate how the proposed technology can be used to implement State-level activities, specifically review and training activities associated with error prone LEAs. For example, proposals may include the following:

- Development of data analysis tools to monitor application, certification (including direct certification), verification (including direct verification), meal counting and meal claiming procedures for error-prone school districts;
- Training methods utilizing web-based technology; or
- Other innovative State-level automated solutions to identify and reduce administrative errors in error-prone school districts.

Proposals for technology improvements addressing other aspects of State-level program management or local-level functions will not be considered.

See *Appendix B: Summaries of Active ART Method II Grant Projects* for web links to access brief descriptions of currently approved ART Method II Implementation Grant projects. This information may be helpful to State agencies in exploring possibilities for viable use of funding.

Funds authorized under the ART Method II Grants cannot be used to replace or augment funding allocated for existing review requirements. In addition, pursuant to Section 7(g) of the Child Nutrition Act of 1966, funds authorized cannot be used to replace funding allocated for training in administrative practices (including training in application, certification, verification, meal counting and meal claiming procedures) which is required to occur at a minimum of once a year.

III. AUTHORITY

The Child Nutrition and WIC Reauthorization Act of 2004 (P.L. 108-265) authorizes funding for ART Grants. To be eligible, State agencies must propose projects that identify and target LEAs that are experiencing or are likely to experience administrative errors.

IV. ART METHOD II GRANT TYPES

The FY 2013 ART Method II Grant award process involves two types of awards:

- ART Method II Planning grants for awards up to **\$75,000**, with grant periods of up to **one year**; and
- ART Method II Implementation grants for awards up to **\$1,500,000**, with grant periods of **one to three** years.

State agencies may apply for either type of grant, but not for both. **Only one grant application will be accepted from a State agency in response to this solicitation.**

A. Planning Grants

Planning grants are intended for National School Lunch Program (NSLP) agencies that know they need to improve and address their State's administrative errors, but may need to conduct additional *research* to identify the most effective way of doing so to ensure that a chosen approach is actually the most effective approach. Therefore, potential uses of Planning grant funds include, *but are not limited to*: feasibility studies and cost/benefit analyses to plan for automation projects; conducting an internal review of the State's administrative processes; hiring a contractor or university to conduct a study of the processes and recommend

solutions; consulting with stakeholders; and assessing current training and oversight capabilities and needs.

NSLP Agencies that are awarded Planning grants from this solicitation may apply for funding for an Implementation grant at the next annual opportunity (FY 2014) in order to carry out an implementation project in follow-up to their Planning grant activities and outcomes. Planning grant funds may be used to complete the planning for the implementation project and to develop an ART Method II Implementation grant application based on the Planning grant project outcomes. However, State agencies awarded Planning grants in FY 2013 who then apply for an Implementation grant in FY 2014 are not guaranteed to receive a FY 2014 Implementation grant award. Due to funding limitations each year, all ART Method II Grant awards, both Planning and Implementation, are competitive awards and will be based on the evaluation criteria stated in each fiscal year's grant announcement. Consequently, FNS encourages State agencies to apply for Planning grants to conduct activities that would be beneficial in helping them reduce administrative errors, even if they do not receive an ART Method II Implementation Grant award and have to rely on other resources to implement solutions identified as a result of the Planning grant activities.

State agencies must address the questions in the ***Appendix D: ART Method II Planning Grant Proposal Template and Instructions*** to develop a Planning grant application. The instructions are designed to assist State agencies in developing fully responsive Planning grant applications for viable planning activities and to bring consistency to the proposal process for evaluation purposes.

The maximum amount of any *single* Planning grant is **\$75,000**. However, FNS retains authority to award less than the amount requested in the application.

B. Implementation Grants

Implementation grants are intended for NSLP Agencies that know *what* they need to do to improve their State's administrative training and oversight processes, but lack the resources to implement those changes. Potential uses of Implementation grant funds include, *but are not limited to*, developing and delivering training to LEA administrative personnel, improving State-level technologies to enhance State-level monitoring capability to identify and address errors in error-prone school districts, upgrading software, purchasing hardware and implementing accordingly.

State agencies must address the questions in the ***Appendix E: ART Method II Implementation Grant Proposal Template and Instructions*** to develop an Implementation grant application. Appendix E instructions and tips are designed to 1) guide applicants in thinking through all aspects of implementing proposed solutions, with particular emphasis on reducing risks associated with technology related aspects of their proposals, and 2) assist applicants in considering and capturing budget items such as, but not limited to, costs for: personnel, hiring contractors, purchasing equipment, developing training, supplies and travel (including travel for State agency staff to attend at least one two-day annual USDA meeting for grantee States). Following the guidance will assist applicants in developing fully

responsive Implementation grant applications, and help to bring consistency to the proposal process for evaluation purposes.

The maximum amount of any *single* Implementation grant is **\$1,500,000**. However, FNS retains authority to award less than the amount requested by an applicant. The size of Implementation grants will likely vary significantly, based on differences in project scope, the responsiveness of application packages, and clarity of demonstrated need. (See **Section VIII, What to Include in the Application Package**).

V. WHO MAY APPLY

Eligible applicants include all State agencies that administer the NSLP. In this instance, the term State agency means 1) the State educational agency; and 2) any other agency of the State which has been designated by the Governor or other appropriate executive or legislative authority of the State and approved by the Department of Agriculture to administer the Program in schools. In instances where there are two agencies within a State, such as in the case where the public and private agencies are different, separate applications are acceptable.

VI. CRITICAL DATES AND AWARD PERIODS

A. Critical Dates

Applications must be received via **www.grants.gov on or before 11:59 p.m., Eastern Time, May 15, 2013. Applications received after this date and time will not be considered.** State agencies have the option of applying for either a Planning grant or an Implementation grant, but not both. **Only one grant application will be accepted from a State agency in response to this solicitation.** FNS will evaluate the applications in accordance with the criteria outlined in **Section X, Application Review and Grant Award Process**, to select applications for awards. The actual number of awards will depend on the quality of the applications and the availability of funds. Applications selected for award will be announced within approximately 90 days following the grant application deadline, and funds will be made available via a Grant or Cooperative Agreement award document following the award announcements.

B. Award Periods

The award period for the FY 2013 ART Method II Grants will be as follows, beginning from the date of the award:

- Planning grants will be awarded for up to one year; and
- Implementation grants will be awarded for one to three years.

All grant funds must be obligated and all program activities under the grant (other than activities relating to the close out of the grant) must be completed by the end of the award period. The close out of the grant must occur no later than 90 days following the end of the award period, and all obligations incurred under the grant must be liquidated by this date. Any funds that are not liquidated within 90 days following the end of the award period must be returned to FNS. In addition, the final progress reports are due to FNS no later than 90

days following the end of the award period. Please see **Section XI, Administrative Requirements and Terms and Conditions**, for additional reporting requirements.

VII. HOW TO SUBMIT AN APPLICATION FOR FUNDING

Applicants may obtain the RFA package by downloading the application from the FNS website www.fns.usda.gov/cnd/grants.htm or by downloading the application from the Grants.gov site at www.grants.gov website.

Applications must be submitted to **Grants.gov on or before 11:59 pm Eastern Time, May 15, 2013**. Applications submitted after this date and time or submitted via mail service, facsimile or e-mail will not be considered for funding.

Electronic Submission

Applicants must submit applications electronically through www.grants.gov. To submit the application electronically via the www.grants.gov website, there are a number of steps in the registration process that will be required before the application may be submitted. It is very important that users of the Grants.gov system familiarize themselves with the requirements for system use. Please be aware that in order to use the Grants.gov system, users will need to register online at Grants.gov and in the System for Award Management and obtain a Data Universal Number (DUNS).

When applicants apply through www.grants.gov they will receive a confirmation notice that the application has been accepted by the system. Applicants must then send an email to notify the FNS Grant Officer Kimberly Shields by email (Kimberly.Shields@fns.usda.gov) that the proposal has been submitted through the www.grants.gov portal and that they have received a confirmation notice from Grants.gov that the application has been accepted by the system.

When using the Grants.gov portal to apply, we strongly recommend that you submit the online application at least two weeks before the application deadline in case there are problems with the website.

In order to submit your application via www.grants.gov, you must have obtained a Data Universal Numbering System (DUNS) number and have registered in both the new Systems for Award Management (SAM) and on Grants.gov. The applicant is strongly advised to allow ample time to initiate its Grants.gov application submission. All applicants must have current CCR status at the time of application submission and throughout the duration of a Federal Award in accordance with 2 CFR Part 25. Please visit the following websites to obtain additional information on how to obtain a DUNS number (www.dnb.com) and register in SAM (<https://www.sam.gov/portal/public/SAM/>).

What is SAM?

The System for Award Management (SAM) is combining federal procurement systems and the Catalog of Federal Domestic Assistance into one new system. This consolidation is being done in phases. The first phase of SAM incorporated the functionality from several systems, including the Central Contractor Registry (CCR).

For additional information regarding SAM see the following link:

https://www.acquisition.gov/SAM_Guides/Quick%20Guide%20for%20Grants%20Registrations%20v1.pdf

Below is some additional information that should assist the applicant through this process:

DUNS Number: In order to obtain a DUNS number, if your organization does not have one, or if you are unsure of your organization's number you can contact Dun and Bradstreet via the internet at <http://fedgov.dnb.com/webform> or by calling 1-888-814-1435, Monday thru Friday, 8am-9pm EST. There is no fee associated with obtaining a DUNS number. Obtaining a DUNS number may take several days.

SAM Registration: If you were registered in the CCR, your organization's information is already in SAM and you will just need to set up a SAM account to update any information. To register in SAM you will need both your organization's DUNS and your entity's Tax ID Number (TIN) and taxpayer name (as it appears on your last tax return). Registration should take 3-5 days. **If you do not receive confirmation that your SAM registration is complete, please contact SAM at <https://www.fsd.gov/app/answers/list>.**

Grants.gov Registration: In order to apply for a grant, your organization must have completed the above registrations as well as register on Grants.gov. The Grants.gov registration process can be accessed at www.grants.gov/applicants/get_registered.jsp. Generally, the registration process takes between 3-5 business days.

If you are a new Grants.gov user, please ensure that your organization's Point of Contact (POC) has designated you as an Authorized Organization Representative (AOR). **If you are not designated as an AOR, you will be unable to submit your application into Grants.gov.** Allow your entity ample time to complete the necessary steps, for the submission of your grant application package, on Grants.gov.

All questions regarding the application and electronic submission notification should be referred to the FNS Grant Officer, Kimberly Shields (Kimberly.Shields@fns.usda.gov). **Please be aware that the Grants.gov system provides several confirmation notices; you need to be sure that you have confirmation that the application was accepted.** If the applicant has not received confirmation of a successful submission or needs technical assistance; please contact the Grants.gov helpline at 1-800-518-4726 or email the help desk at support@grants.gov.

VIII. WHAT TO INCLUDE IN THE APPLICATION PACKAGE

To be considered complete, the ART Method II Grant application must include all the required documents and information listed in the following sections for the specific type of grant -- Planning or Implementation.

A. Planning Grant Applications

To be considered complete, application packages for ART Method II **Planning** grants must include all information listed in the following table. Failure to provide any item on the list could result in your application being removed from competition.

Table 1 – Checklist for Planning Grant Application Package

Required Documents and Information	Explanation
1. Cover Page	Include <ul style="list-style-type: none"> - Agency Name and Address - Contact Information: Name, address, phone number, email address, and fax number for the NSLP agency staff person(s) responsible for the application; - Brief abstract to summarize proposed Planning grant project (maximum 250 words)
2. Project Proposal Narrative - Appendix D 10-page limit for responses to Questions 1-7 Make sure pages are numbered	For a Planning grant project proposal narrative to be considered complete, applicants must structure and develop their proposal narrative by answering all questions listed in the <i>Appendix D: ART Method II Planning Grant Proposal Template and Instructions</i> . Applicants should address all questions in the order they are listed. The instructions are intended to simplify both the narrative development for applicants and the evaluation process for reviewers. See Appendix A for link to OMB Cost Principles at 2 CFR 225.
3. Form SF-424 Application for Federal Assistance	Link to form at http://www.fns.usda.gov/cnd/grants.htm
4. Form SF-424A, Budget Information – Non-Construction Programs	Link to form at http://www.fns.usda.gov/cnd/grants.htm
5. Form SF-424B, Assurances – Non-Construction Programs	Link to form at http://www.fns.usda.gov/cnd/grants.htm
6. Form SF-LLL, Disclosure of Lobbying Activities	Link to form at http://www.fns.usda.gov/cnd/grants.htm
7. Indirect Cost Rate Agreement	If Indirect Costs are included in the budget, applicants must provide a copy of their agency’s signed and approved Indirect Cost Rate Agreement with a Federal agency.
8. Justification for Sole Source Contracts	If contractual costs are included in the budget estimate and the contractor is (or will be) acquired without competition, the applicant must provide a justification for a sole source contract with copies/references to State statutes, regulations and policies that support the sole source decision.

B. Implementation Grant Applications

To be considered complete, application packages for ART Method II **Implementation** grants must include all information listed in the following table. Failure to provide any item on the list could result in your application being removed from competition.

Table 2 – Checklist for Implementation Grant Application Package	
Required Documents and Information	Explanation
1. Cover Page	<p>Include</p> <ul style="list-style-type: none"> - Agency Name and Address - Contact Information: Name, address, phone number, email address, and fax number for the NSLP agency administrator and staff person(s) responsible for the application; - Brief abstract to summarize proposed grant project goals, objectives and proposed solution (maximum 250 words)
<p>2. Project Proposal Narrative - Appendix E (or similar format)</p> <p>35-page limit for responses to Questions 1-22</p> <p>Make sure pages are numbered</p>	<p>For an Implementation project proposal narrative to be considered complete, applicants must structure and develop their project proposal by answering all questions in the <i>Appendix E: ART Method II Implementation Grant Proposal Template and Instructions</i>.</p> <p>The template is designed to guide applicants in thinking through all aspects of proposed solutions, with particular emphasis on reducing risks associated with technology related aspects of their proposals prior to the grant award. If using a different format, applicants should address all questions in the order they are listed.</p> <p>See Appendix A for link to OMB Cost Principles at 2 CFR 225.</p>
3. Form SF-424 Application for Federal Assistance	Link to form at http://www.fns.usda.gov/cnd/grants.htm
4. Form SF-424A, Budget Information – Non-Construction Programs	Link to form at http://www.fns.usda.gov/cnd/grants.htm
5. Form SF-424B, Assurances – Non-Construction Programs	Link to form at http://www.fns.usda.gov/cnd/grants.htm
6. Form SF-LLL, Disclosure of Lobbying Activities	Link to form at http://www.fns.usda.gov/cnd/grants.htm
7. Indirect Cost Rate Agreement	If Indirect Costs are included in the budget, applicants must provide a copy of their agency’s signed and approved Indirect Cost Rate Agreement with a Federal agency.

Table 2 – Checklist for Implementation Grant Application Package	
Required Documents and Information	Explanation
8. Justification for Sole Source Contracts	If contractual costs are included in the budget estimate and the contractor is (or will be) acquired without competition, the applicant must provide a justification for a sole source contract with copies/references to State statutes, regulations and policies that support the sole source decision.

IX. APPLICATION FORMAT

Applications should meet the following formatting guidelines:

- **10-page** maximum length for **Planning** grant narrative response to **Appendix D**;
- **35-page** maximum length for **Implementation** grant narrative response to **Appendix E**;
- Page restrictions apply only to content of the narrative proposals and do not apply to other required forms and supporting documents, such as the SF-424, SF-424A, SF-424B, cover page, indirect cost rate agreement, resumes, letters of support, and assurance forms;
- 8 ½” by 11” page size;
- 12 point Times New Roman or Arial font size (smaller font may be used in tables, charts and graphs as long as they are clearly readable);
- Numbered pages.

X. APPLICATION REVIEW AND GRANT AWARD PROCESS

A. Initial Screening

FNS will screen all applications to ensure they are eligible and fully responsive. Eligible and responsive applications are those that meet the following requirements:

1. Submitted by eligible applicants (see **Section V, Who May Apply**);
2. Submitted on or before the required deadline (see **Section VI, Critical Dates and Award Periods**);
3. Are complete (see **Section VIII, What to Include in the Application Package**); and
4. Are in the required format (see **Section IX, Application Format**).

Ineligible or nonresponsive applications **will be removed from further consideration** for grant funds. Thereafter, FNS will review and consider eligible applications in accordance with the evaluation process described in the following paragraphs.

B. Panel Review

After initial screening, FNS will convene an evaluation panel of FNS staff to consider the merit of each grant application. Each application that passes initial screening will be given to the panel to be evaluated and scored according to how well it addresses each application

component. The panel will assign each application a score using the evaluation criteria and weights specified below for each evaluation component.

1. Scoring for Planning Grant Applications:

- **Project Purpose and Impact on Program Integrity** **30 points**
 - The significance of the problem(s) to be addressed is clearly demonstrated and proposed planning activities are appropriate to address the problem(s) identified.
 - The project goals and objectives are in line with the ART Method II Grant focus areas and purpose of the funding described in **Section II, Purpose of Grant Funding**.
 - The planning activities to be completed during the grant period clearly support:
 - Identification of ways to reduce administrative errors in error-prone school districts;
 - Planning for implementation of solutions to improve program integrity, including the areas of application, certification, verification, meal counting and meal claiming.
- **Project Design and Management** **40 points**
 - The project organization, management approach (including staffing, procurement of contractors, communications planning, quality assurance planning, risk management planning, partnering with appropriate stakeholders, tracking timelines, monitoring progress, etc.) indicate that the applicant has the capacity to manage and execute the planning project successfully to meet the goals of the project.
 - The scope and timeline proposed for the project are reasonable and attainable during the Planning grant time frame.
- **Budget Plan** **20 points**
 - The total funding amount requested is appropriate for the scope of the project.
 - Proposed costs are reasonable, necessary and allocable to carry out the project's goals and objectives.
 - The budget includes a line item description for every allowable cost and shows how it supports the project goals.
 - Budget calculations and documentation show clearly how the budget components were developed and costs estimated.
 - If indirect costs are included, the applicant agency's Indirect Cost Rate Agreement with a Federal agency is provided and the indirect cost rate is applied correctly to allowable direct costs.
- **Sustainability and Transferability** **10 points**

- The proposed planning project is likely to produce outcomes and information that not only will aid the applicant State agency in implementing program improvements, but also will produce knowledge that is transferable to other State agencies for similar improvement projects.
- The applicant demonstrates that the State agency has the capacity to implement program improvements in follow-up to the Planning grant activities, when ART Method II Planning Grant funding ends.

2. Scoring for Implementation Grant Applications:

- **Project Purpose, Goals and Impact on Program Integrity** **30 points**

- The significance of the problem(s) to be addressed is clearly demonstrated and proposed implementation activities are appropriate to address the problem(s) identified.
- The project goals and objectives are in line with the ART Method II Grant focus areas and purpose of the funding described in **Section II, Purpose of Grant Funding**.
- The implementation activities to be completed during the grant period clearly support:
 - Reduction of administrative errors in error-prone school districts;
 - Implementation of viable solutions to improve program integrity, including the areas of application, certification, verification, meal counting and meal claiming.
- The performance measures used to assess success are realistic, measureable and clearly defined.

- **Project Planning, Design and Management** **40 points**

- The project organization, project management approach (including staffing, procurement of contractors, communications planning, quality assurance planning, risk management planning, system development lifecycle process planning where applicable, partnering with appropriate stakeholders, tracking timelines, measuring performance, monitoring progress, etc.) indicate that the applicant has the capacity to manage and execute the implementation project successfully to meet the goals of the project.
- The scope and timeline proposed for the project are reasonable and attainable during the Implementation grant time frame.

- **Budget Plan** **20 points**

- The total funding amount requested is appropriate for the scope of the project;
- Proposed costs are reasonable, necessary and allocable to carry out the project's goals and objectives;
- The budget includes a line item description for every estimated cost and shows how it supports the project goals.

- Budget calculations and documentation show clearly how the budget components were developed and costs estimated.
 - If indirect costs are included, the applicant agency's Indirect Cost Rate Agreement with a Federal agency is provided and the indirect cost rate is applied correctly to allowable direct costs.
- **Sustainability and Transferability** **10 points**
 - The proposed implementation project is likely to produce outcomes and information that not only will aid the applicant State agency in accomplishing program improvements, but also will produce knowledge that is transferable to other State agencies for similar improvement projects.
 - The applicant demonstrates that the State agency has the capacity to implement and sustain the program improvements resulting from the Implementation grant activities after the ART Method II Implementation Grant funding ends.

C. Selection

After evaluation and scoring, grant applications will be arrayed by type (planning or implementation) and by score within the type, starting with the highest score. Applications with the highest scores for each type will be recommended to receive funding. FNS intends to award up to a total of \$300,000 in Planning grants. The remaining available funds will be awarded as Implementation grants to the highest scoring Implementation grant applications.

Grantees will be selected on a competitive basis, based on an objective review of their proposals according to the technical evaluation criteria outlined in this request for applications (RFA). A list of all applications deemed eligible for award will be submitted to the Selection Official for a final decision regarding funding. The Selection Official has ultimate authority to decide which applications are approved and funded, and *generally* will adhere to the recommendations made by the reviewers, provided that funding is available. However, the Selection Official reserves the right to deviate from those recommendations. The Selection Official may take other factors into account when granting awards and/or not awarding a particular award.

Other USDA or FNS priorities the Selection Official may consider include, *but are not limited to*: the innovation demonstrated in an application; agency priorities; and the scores assigned by the technical review panels. The selection official may also determine that, based on their scores, few of the applications are of technical merit. In such a case, FNS may make fewer awards or smaller awards than expected or make no awards. In addition, FNS reserves the option to select one or more lower rated applications in order to achieve a diversity of projects and regional representation.

D. Determination of Award Amounts

As part of the technical review process, FNS will review applicants' budgets to ensure that all costs are reasonable, allowable and applicable. Applications selected and approved for funding with budgets that are realistic, well justified, and supported will likely be funded at the requested amounts. However, FNS reserves the right to fund applications out of rank order to achieve priorities identified earlier; or at lesser amounts if FNS determines that the project can be implemented with less funding; or at lesser amounts if Federal funding is not sufficient to fully

fund all applications that merit awards. This is subject to availability of funds. Also, **FNS reserves the right to use this solicitation and competition to award additional grants in future fiscal years should additional funds be made available through future appropriations.**

FNS will review and consider the merit of each grant application and reserves the right to fund only those applications that are able to demonstrate their capability to improve their State's administrative processes and error rates. Additionally, FNS may adjust the amounts requested in the application to ensure that funds are made available at appropriate levels. FNS also reserves the right to suspend or terminate an award for materially failing to perform in accordance with a State application.

XI. ADMINISTRATIVE REQUIREMENTS AND TERMS AND CONDITIONS

A. Administrative Requirements

The grant program will be awarded and administered in accordance with the following Federal and program regulations and the corresponding OMB Circulars.

Reporting Sub-award and Executive Compensation Information 2 CFR Part 170:

The Federal Funding Accountability and Transparency Act (FFATA) of 2006 (Public Law 109– 282), as amended by Section 6202 of Public Law 110–252 requires primary grantees of Federal grants and cooperative agreements to report information on sub-grantee obligations and executive compensation. FFATA promotes open government by enhancing the Federal Government's accountability for its stewardship of public resources. This is accomplished by making Government information, particularly information on Federal spending, accessible to the general public. Primary grantees, including State agencies, are required to report actions taken on or after October 1, 2010, that obligates \$25,000 or more in Federal grant funds to first- tier sub-grantees. This information must be reported in the Government-wide FFATA Sub-Award Reporting System (FSRS). In order to access FSRS a current CCR registration is required. A primary grantee and first-tier sub-grantees must also report total compensation for each of its five most highly compensated executives. Every primary and first-tier grantee must obtain a DUNS number prior to being eligible to receive a grant or sub-grant award. Additional information will be provided to grant recipients upon award.

Duncan Hunter National Defense Authorization Act of Fiscal Year 2009, Public Law 110-417 Section 872 of this Act requires the development and maintenance of a Federal Government information system that contains specific information on the integrity and performance of covered Federal agency contractors and grantees. The Federal Awardee Performance and Integrity Information System (FAPIIS) was developed to address these requirements. FAPIIS contains integrity and performance information from the Contractor Performance Assessment Reporting System, information from the CCR database, and suspension and debarment information from the EPLS. FNS will review and consider any information about the applicant reflected in FAPIIS when making a judgment about whether an applicant is qualified to receive an award.

Government-wide Regulations

- CFR Part 215: (formerly OMB Circular A-21) Cost Principles for Educational Institutions;
- 2 CFR Part 225: (formerly OMB Circular A-87) Cost Principles for State and Local Governments;
- 2 CFR Part 230:(formerly OMB Circular A-122) Cost Principles for Nonprofit Organizations;
- 2 CFR Part 175: Award Terms for Trafficking in Person;
- 2 CFR Part 25: Universal Identifier and Central Contractor Registration;
- 2 CFR Part 170: Reporting Subaward and Executive Compensation;
- Title 17 Government wide Requirement for Drug-free workplace, US Code Title 41, Chapter 10, Sect 702. Drug-Free Workplace Requirements;
- 2 CFR Part 175: “Trafficking in Persons: Grants and Cooperative Agreements”;
- 2 CFR Part 180: “Government-wide Debarment and Suspension (Non-Procurement)”;
- 2 CFR Part 417: “USDA Non-procurement Debarment and Suspension.”
- All other applicable regulations.

USDA Regulations

- 7 CFR Part 3015: Uniform Federal Assistance Requirements implementing OMB directives (2 CFR 225, OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, see Appendix A for link);
- 7 CFR Part 3016: Uniform Federal Assistance Requirements for Grants and Cooperative Agreements to State and Local Governments;
- 7 CFR Part 3018: Restrictions on Lobbying;
- 7 CFR Part 3021: Government-wide Requirements for Drug-Free Workplace (Financial Assistance);
- 7 CFR Part 3052: (OMB Circular A-133) Audits of States, Local Governments, and Non-Profit Organizations; and
- 7 CFR Part 15: Discrimination; Civil Rights
- All other applicable regulations.

B. Confidentiality of an Application

When an application results in an award, it becomes a part of the record of FNS transactions, available to the public upon specific request. Information that the Secretary determines to be of a confidential, privileged, or proprietary nature will be held in confidence to the extent permitted by law. Therefore, any information that the applicant wishes to have considered as confidential, privileged, or proprietary should be clearly marked within the application. The

original copy of an application that does not result in an award will not be released to the public.

C. Funding

In addition to the administrative requirements mentioned above, the provisions below will also be a part of the agreement between FNS and the State agency.

- Funds authorized cannot be used to replace existing funding (e.g. State Administrative Expense (SAE) funds) earmarked by the State agency for administrative review, oversight and training.
- Funds cannot be used for local-level expenses.
- Funds cannot be used to shift existing staff from their normal duties paid with SAE funds to support the grant activities unless the staff that are reassigned are replaced with additional staff in the positions that are vacant.
- Funds must be expended in accordance with activities outlined in the applicant's approved proposal.
- Funding for approved proposals will be provided through the Letter of Credit process in the same manner as other funds. However, State agencies will be required to separately track and report these funds via SF-425 Financial Status Report.

D. Assurances and Disclosures

Applicants must provide assurance that they are neither suspended nor debarred prior to FNS making an award.

Applicants chosen for award will also be required to ensure that all sub-contractors and sub-grantees are neither excluded nor disqualified under the suspension and debarment rules found at 7 CFR Sec. 3017.300 by doing any **one** of the following:

- Checking the Excluded Parties List System (EPLS) found at www.epls.gov
- Collecting a certification that the entity is neither excluded nor disqualified.
- Since a Federal certification form is no longer available, the grantee or sub-grantee electing this method must devise its own; and include a clause to this effect in the sub-grant agreement and in any procurement contract expected to equal or exceed \$25,000 awarded by the grantee or a sub-grantee under its grant or sub-grant.

***Note:** Sub-grantees and contractors must obtain a DUNS Number. See **Section VI** for additional information on DUNS.

If selected for award, the applicant must also agree to make a good faith effort, on a continuing basis, to 1) maintain a drug-free workplace (including taking specific actions described at 7 CFR Sec. 3021.200 through 3021.230); and 2) identify all workplace locations where work under Federal award will be performed (7 CFR Sec. 3021.200). Since Federal entities will no longer collect a paper certification, this may include the following:

- Notifying all sub-grantees and contractors of the Drug Free Workplace rules,
- Making conforming changes to your internal procedures, directives, training materials, etc., and
- Incorporating the new rules into your sub-grantee monitoring practices.

E. Reporting

All State agencies receiving FY 2013 Administrative Review and Training Method II Grants are required to submit the following reports in accordance with the deadlines noted:

- **Quarterly Financial Reports.** Grantees will be required to submit quarterly (based on federal fiscal year) SF-425 financial reports and a final SF-425 financial report electronically via the FNS “Food Programs Reporting System” (FPRS). In order to access FPRS, States are required to have USDA e-authentication to access FPRS. Further instructions regarding data entry into FPRS, reporting format and dates will be provided to those receiving awards.
- **Quarterly Progress Reports.** The Quarterly Progress Reports must include (**in narrative form**): 1) a brief description of the planned activities for the report period; 2) accomplishments for each activity and completion dates; 3) a description of any deviations from the approved plan—this summary should discuss difficulties encountered and solutions developed; and 4) any other unique aspects that would be useful to share including the number and names of local educational agencies that were reviewed using the grant funds. More detailed instructions and completion dates will be provided to those receiving awards.

XII. CHECKLIST FOR THE APPLICATION PACKAGE

The application package must be submitted through www.grants.gov and include the following required forms:

1. Responses to questions in the Application Template (Appendix D for Planning grants, Appendix E for Implementation grants);
2. Standard Form 424, Application for Federal Assistance;
3. Standard Form 424A, Budget Information
4. Standard Form 424B, Assurances – Non Construction Programs;
5. Form SF-LLL, Disclosure of Lobbying Activities
6. The Indirect Cost Rate Agreement (if applicable)
7. Justification for sole source contracts (if applicable)

Application Review Checklist:

All proposals submitted under this RFA must contain the applicable elements as described in this announcement. The application must be submitted electronically through www.grants.gov, by 11:59 pm Eastern Time on **May 15, 2013**. The following checklist has been prepared to assist in ensuring that the proposal is complete and in the proper order prior to submission.

- ✓ Read the RFA carefully, usually more than once.
- ✓ Have you obtained a Dun and Bradstreet Data Universal Numbering System (DUNS) number and registered the number in the System for Award Management (SAM)?
- ✓ Have you prepared and submitted the appropriate forms as shown under the Required Grant Applicant Forms section of this RFA.
- ✓ Did you enter the correct RFA CFDA # **10.579**?
- ✓ Have you included your contact information: telephone number, fax number, and e-mail address?
- ✓ Have you addressed, met, and considered any program specific requirements or restrictions?
- ✓ Is the project's proposal clearly stated?
 - Does it comply with any format requirements,
 - Does it comply with the page limitation, and
 - Most important does it directly relate to the RFA's objectives and priorities?
 - Don't assume that reviewers know anything about your organization and its work.
- ✓ Have any individuals, other than the writers, read your proposal? Was it clear to them?
- ✓ Does the proposed project proposal and budget meet the bona fide needs of the RFA?
- ✓ Is the budget summary included?
 - Does it agree with the calculations shown on the budget form SF-424A?
 - Is the budget in line with the project description?
- ✓ Be sure to submit a timely application into www.grants.gov in order to meet the RFA application deadline.
- ✓ FNS reserves the right to request additional information not clearly addressed.

APPENDIX A: OMB COST PRINCIPLES 2 CFR 225

Link to 2 CFR 225, OMB Cost Principles for State, Local and Tribal Governments:
http://www.whitehouse.gov/sites/default/files/omb/fedreg/2005/083105_a87.pdf

APPENDIX B: SUMMARIES OF ACTIVE ART METHOD II GRANT PROJECTS

Summaries for all awarded ART Method II grant projects are located at the following links on the FNS Child Nutrition Division grant website. FNS has not received applications for Planning grants under this funding source, so only Implementation grant summaries are published.

2012 ART Method II Grant Summaries

<http://www.fns.usda.gov/cnd/Grants/2012ARTmethod2summaries.htm>

2011 ART Method II Grant Summaries:

<http://www.fns.usda.gov/cnd/Grants/2011ARTmethod2summaries.htm>

2009 ART Method II Grant Summaries:

http://www.fns.usda.gov/cnd/Grants/2009ART_grantsummaries.htm

APPENDIX C: PLANNING OR IMPLEMENTATION GRANT BUDGET CHECKLIST

BUDGET CHECKLIST	YES	NO
This budget checklist should be used in the development of a grant. NOTE: The proposed project budget must align with the activities outlined in the proposal. FNS reserve the right to request information not clearly addressed in the proposal and or budget.		
PERSONNEL		
Did you include all key employees paid for by this grant under this heading?		
Are employees of the applicant's organization identified by name and position title?		
Did you reflect the current yearly salary as a percentage of time to be devoted to the project?		
For Implementation grants, <u>for each year of the requested grant period</u> , did you include in your budget estimates the following FNS sponsored collaborative activities: 1) the cost of labor for two State project staff to participate in one annual FNS technical assistance meeting lasting two days in Washington, D.C. (costs should be itemized); 2) personnel costs to participate in quarterly technical assistance webinars (generally one hour each); and 3) personnel costs for preparation and participation in annual technical assistance and evaluation State site visits (one day each) and conference calls (approximately 3 per year at one hour each) with FNS contractors and staff.		
FRINGE BENEFITS		
Did you include your organization's fringe benefit amount along with the basis for the computation?		
Did you list the type of fringe benefits to be covered with Federal funds?		
TRAVEL		
Are travel expenses itemized? For example origination/destination points, number and purpose of trips, number of staff traveling, mode of transportation and cost of each trip.		
Are the Attendee Objectives and travel justifications included in the narrative?		
Is the basis for the lodging estimates identified in the budget? For example include excerpt from travel regulations.		
Did you include the cost of travel for 2 State project staff to attend an annual 2-day meeting with FNS in Washington D.C.?		
EQUIPMENT		
Is the need for the equipment justified in the narrative?		
Are the types of equipment, unit costs, and the number of items to be purchased listed in the budget?		
Is the basis for the cost per item or other basis of computation stated in the budget?		
SUPPLIES		
Are the types of supplies, unit costs, and the number of items to be purchased reflected in the budget?		
Is the basis for the costs per item or other basis of computation stated?		

BUDGET CHECKLIST	YES	NO
CONTRACTUAL: (FNS reserves the right to request information on all contractual and sub-grant awards associated costs after a contract or sub-grant is awarded.)		
Are the products to be acquired or the professional services to be funded described in the budget?		
Has the justification for the need to contract or subgrant been included in the budget?		
For professional services, are the hours to be devoted to the project and the amounts to be charged to the project clearly stated?		
Is the methodology on how the applicant determined the contractual costs included in the budget?		
Are there sole-source contracts listed under this heading? If so, has sufficient justification been provided in order to approve the use of a single source without competition?		
Do your estimates for contractual costs include your contractor's preparation and participation in FNS onsite State visits for evaluation and technical assistance purposes?		
Consultant Services: All associated costs must be clearly related to the consulting services and the proposal. Details to justify the costs should include: a description of services being considered; an itemized list of all potential direct cost and fees, including labor estimates; number of personnel including related position titles; and specialized qualifications as appropriate.		
OTHER		
For all other line items listed under the "Other" heading, list all items to be covered under this heading along with the methodology on how the applicant derived the costs to be charged to the program.		
INDIRECT COSTS		
Are indirect costs included in the estimated budget? If so, is the amount requested based upon a rate approved by a Federal Agency? If yes, a signed copy of the negotiated rate agreement must be provided along with the application.		