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# Grant Pre-Award Phase: Roles and Responsibilities

April 26, 2016

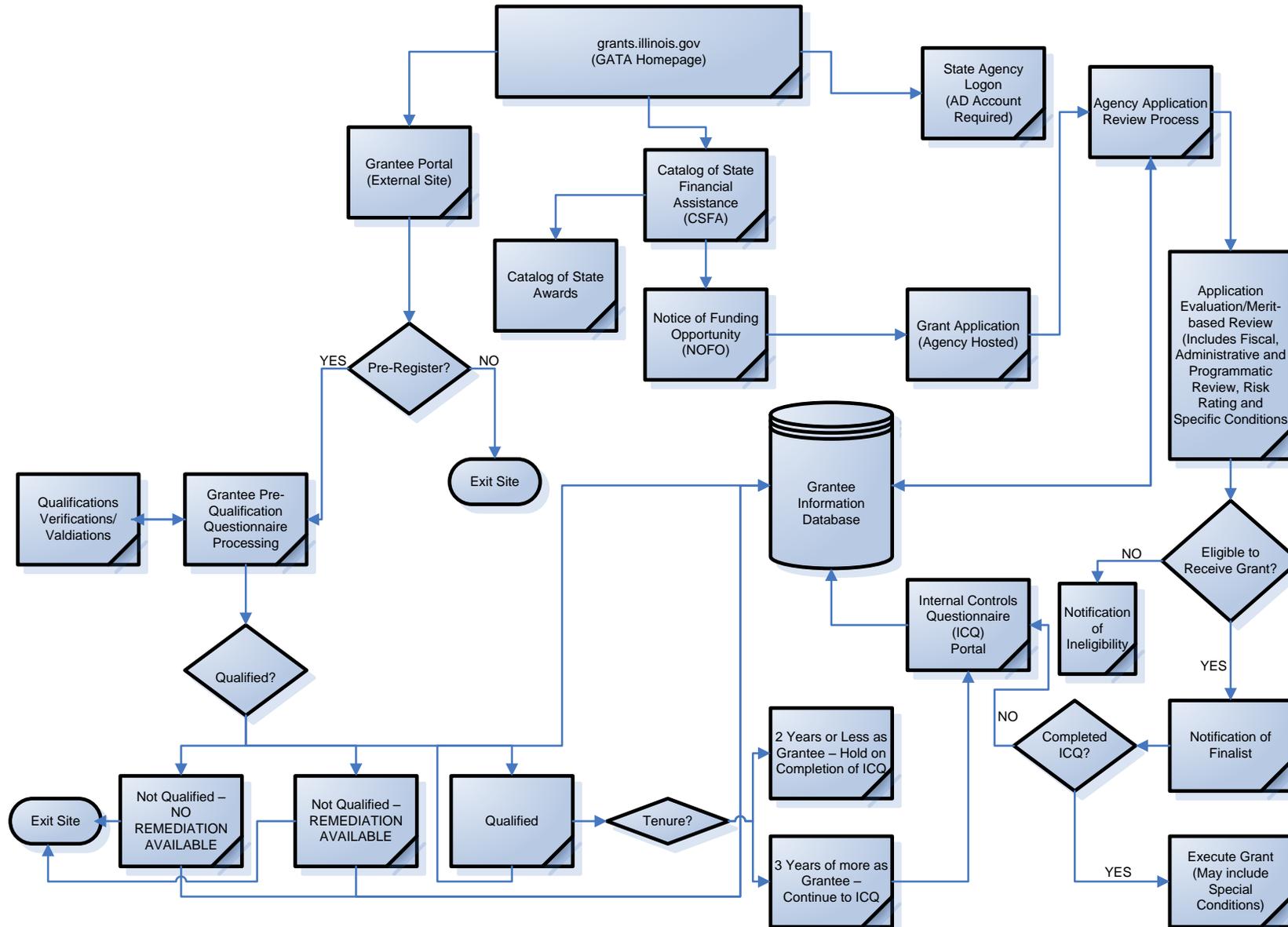
# GATA is Receiving National Recognition

- ▶ Illinois is nationally recognized as a best practice in implementing Uniform Guidance (2 CFR 200)
- ▶ Federal Office of Management Budget is showcasing Illinois' approach to grants management in a national webinar in May 2016
- ▶ National Council of Nonprofits believes GATA should be a model for the United States
- ▶ Illinois' partnership between state agencies and grantees made the difference

# Agenda - Grant Pre-award Phase: Roles and Responsibilities

- ▶ Overview of the Grant Pre-award Phase
- ▶ Interrelated roles and responsibilities for GATU, State Agencies and Grantees
  - ▶ Registration through application
  - ▶ Risk assessments
  - ▶ Notice of State Award Finalist, Notice of State Award, Grant Agreement
  - ▶ Indirect cost rates

# Overview of the Grant Pre-award Phase



# Grant Pre-award Phase Includes

- ▶ Registration and pre-qualification
- ▶ Fiscal and administrative risk assessment
- ▶ Notice of Funding Opportunity (NOFO)
- ▶ Grant application
- ▶ Merit based review
- ▶ Programmatic risk assessment

## Grant Pre-award Phase Includes (Continued)

- ▶ Notice of State Award Finalist
- ▶ Notice of State Award
- ▶ Grant agreement
- ▶ Negotiating indirect cost rate
- ▶ Establishing agency exceptions for GATA /  
Uniform Guidance Requirements

# Interrelated Roles and Responsibilities of GATU, State Agencies and Grantees

- ▶ Refer to the Responsibilities Grid - Grant Pre-award Phase handout
- ▶ Separate columns highlight roles and responsibilities for GATU, State Agencies and Grantees
- ▶ Presentation emphasizes interrelated roles and responsibilities

# Registration through Application

- ▶ Includes:
  - ▶ Pre-qualification
  - ▶ Notice of Funding Opportunity (NOFO)
  - ▶ Application and grant budget template
  - ▶ Merit Based Review

# Pre-qualification, page 1

- ▶ **GATU**
  - ▶ Establish the centralized portal - [grants.illinois.gov](https://grants.illinois.gov)
  - ▶ Automate the grantee notification
- ▶ **State Agency**
  - ▶ Inform applicant if pre-qualification is outstanding
  - ▶ Utilize [grants.illinois.gov](https://grants.illinois.gov) to verify pre-qualification completion before awarding a grant
  - ▶ Work with GATU to ensure coordination for FY17 awards
- ▶ **Grantee**
  - ▶ Complete the pre-qualification from [grants.illinois.gov](https://grants.illinois.gov)
  - ▶ Remedy issues, if applicable

# Notice of Funding Opportunity (NOFO), page 2 (Required for all competitive grants)

## ▶ GATU

- ▶ Develop uniform template with a customized section for agency and grant requirements
- ▶ House all NOFOs on [grants.illinois.gov](http://grants.illinois.gov)

## ▶ State Agency

- ▶ Prepare a NOFO for all competitive awards
  - ▶ NOFO completion is automated from CSFA information
- ▶ Post at least 45-days (unless otherwise coordinated)

## ▶ Grantee

- ▶ Refer to NOFOs for grant funding opportunities
- ▶ Link to the grant application from the NOFO

# Application and grant budget, page 2-4

## ▶ GATU

- ▶ Develop uniform application (based on SF424) and uniform budget template (based on SF524)
- ▶ Maintain application links from centralized NOFO site
- ▶ Provide budget training - tomorrow, 4/27!

## ▶ State Agency

- ▶ Prepare the application including agency and grant-specific requirements
- ▶ Customize budget template for required line items
- ▶ Assist grantee in determining indirect costs for budget purposes
- ▶ Assist the grantee in developing grant budget

# Application and grant budget, page 2-4

- ▶ State Agency (continued)
  - ▶ Provide support during application process
  - ▶ Receive applications; time and date stamp
  - ▶ Review and approve applicant's budget from a programmatic and fiscal / administrative perspective
- ▶ Grantee
  - ▶ Complete and submit application and budget
  - ▶ Consider allowability parameters
  - ▶ Apply the correct indirect cost rate for the budget
  - ▶ Certify the budget requested

# Merit Based Review, page 4

## ▶ GATU

- ▶ Develop Merit Based Review Policy, appeal procedures, Confidentiality and Conflict of Interest Disclosure forms

## ▶ State Agency

- ▶ Apply the Merit Based Review Policy to all competitive grants
- ▶ Address real or apparent conflicts of interest
- ▶ Assign specific conditions based on the Merit Based Review, if applicable
- ▶ Maintain a file for award determinations

## ▶ Grantee

- ▶ Comply with specific conditions from the Merit Based Review, if applicable

# Risk Assessments (Required for all Grants)

## ▶ Includes:

- ▶ Fiscal and administrative risk assessment - annual assessment to evaluate the fiscal and administrative risk profile of the entity
- ▶ Programmatic risk assessment - risk assessment to evaluate the entity's ability to execute the grant they're applying for
  - ▶ Always conducted after application review

# Fiscal and Administrative Risk Assessment

- ▶ Conducted after pre-qualification unless:
  - ▶ Entity has less than 3 years of grant experience, or
  - ▶ Entity received less than \$20,000 in cumulative awards in prior fiscal year
- ▶ Must be conducted prior to grant award

# Fiscal and Administrative (F & A) Risk Assessment, page 1-2

## ▶ GATU

- ▶ Develop F & A risk assessment questionnaire, termed the ICQ
- ▶ Provide an automated framework for grantees to complete the ICQ (Excel for FY17, TeamMate for FY18)
- ▶ Standardize specific conditions based on the F & A risk profile
- ▶ Develop policy for removing specific conditions based on corrective action

## ▶ State Agency

- ▶ Utilize [grants.illinois.gov](https://grants.illinois.gov) to verify that applicant completed ICQ prior to grant award
- ▶ Provide data on prior performance for risk analysis

# Fiscal and Administrative (F & A) Risk Assessment, page 1-2

## ▶ State Agency (continued)

- ▶ Include specific conditions based on the ICQ risk profile in the Notice of State Award
- ▶ Monitor and enforce compliance with specific conditions
- ▶ State Cognizant Agency assesses corrective actions and removes conditions, if applicable

## ▶ Grantee

- ▶ Complete the centralized ICQ
- ▶ Accept and comply with ICQ specific conditions, if applicable
- ▶ Submit and implement a corrective action plan to remove conditions, if applicable

# Programmatic Risk Assessment, page 4-5

## ▶ GATU

- ▶ Develop framework for programmatic risk assessment that includes agency / grant specific questions (automated through TeamMate in FY18)
- ▶ Standardize specific conditions based on the programmatic risk profile
- ▶ Develop policy for removing specific conditions based on corrective action

## ▶ State Agency

- ▶ Write agency / grant specific questions to assess programmatic risk
- ▶ Evaluate programmatic risk based on responses provided

# Programmatic Risk Assessment, page 4-5

## ▶ State Agency (continued)

- ▶ Include specific conditions from the programmatic risk profile in the Notice of State Award
- ▶ Monitor and enforce compliance with specific conditions
- ▶ Assess compliance with requirements / corrective action and remove conditions, if applicable

## ▶ Grantee

- ▶ Complete the programmatic risk assessment
- ▶ Accept and comply with specific conditions, if applicable
- ▶ Submit and implement requirements / corrective actions to remove conditions, if applicable

# Notice of State Award Finalist, page 5 (Communicates outstanding grant requirements)

## ▶ GATU

- ▶ Develop uniform template and standard Conflict of Interest and Mandatory Disclosure form
- ▶ Develop [grants.illinois.gov](http://grants.illinois.gov) inquiry function for agencies to determine entity's outstanding requirements

## ▶ State Agency

- ▶ Complete and distribute the Notice indicating the outstanding grant requirements
- ▶ Perform necessary follow-up with grantee and GATU

## ▶ Grantee

- ▶ Complete outstanding grant requirements, or
- ▶ Inform agency of decision to withdraw application

# Notice of State Award (NOSA), page 6 (Communicates terms and conditions of grant)

## ▶ GATU

- ▶ Develop uniform template for the NOSA

## ▶ State Agency

- ▶ Complete and distribute NOSA with all statutory references, specific conditions, and funding sources
- ▶ Include a copy of the signed NOSA in the executed grant agreement

## ▶ Grantee

- ▶ Review NOSA to be informed of all grant terms and conditions
- ▶ Sign and return NOSA to awarding agency or inform agency that award will not be accepted

# Grant Agreement, page 6 (Required for all FY17 grants)

- ▶ GATU
  - ▶ Develop uniform grant agreement template
- ▶ State Agency
  - ▶ Complete and distribute with all cross references, Exhibits and specific conditions
  - ▶ Attached the final, approved budget and NOSA
  - ▶ Execute grantee-signed agreement
- ▶ Grantee
  - ▶ Sign and submit to awarding agency
  - ▶ Comply with terms and conditions of executed agreement

# Negotiation of Indirect Cost Rates

(Detailed training will be provided by vendor)

## ▶ GATU

- ▶ Centralize grantee indirect cost rate review and negotiation through procured vendor
- ▶ Assist State Cognizant Agency with monitoring and appeals, exceptions and restrictions
- ▶ Support vendor training for state agencies and grantees
- ▶ Maintain state-wide list of negotiated indirect cost rates

## ▶ State Agency

- ▶ Know statutory-based, program-specific indirect cost rate limitations and salary cap restrictions (NOFO, NOSA, agreement)
- ▶ Must have a statutory requirement or written authorization from federal funding agency to disallow, limit or restrict indirect costs
- ▶ Notify grantees of negotiated indirect cost rate requirements

# Negotiation of Indirect Cost Rates

- ▶ State Agency (continued)
  - ▶ State Cognizant Agency will assist in final approval and appeals
  - ▶ Apply and monitor negotiated rate; indirect costs cannot be charged without an indirect rate
- ▶ Grantee
  - ▶ Determine type of indirect cost rate to be applied:
    - ▶ Established federally negotiated rate (immediate),
    - ▶ Indirect cost rate proposal through the vendor,
    - ▶ 10% diminis rate (immediate, must be eligible), or
    - ▶ “Special rate” designated by federal statute
  - ▶ Or elect not to receive indirect cost reimbursement
    - ▶ Indirect costs cannot be reclassified and expensed

# Requests for Exceptions to Uniform Guidance, page 8

## ▶ GATU

- ▶ Encourage agencies to review statutory requirements for Uniform Guidance exceptions
- ▶ Provide technical assistance to agencies
- ▶ Submit completed exception request to Governor's Compliance Office
- ▶ Notify agencies in writing of Compliance Office response

## ▶ State Agency

- ▶ Research applicable statutes and regulations
- ▶ Submit written exception request to GATU; include statutory citation or authorization by federal funding agency
- ▶ Obtain Compliance Office response
- ▶ Apply exception to CSFA, NOFO, grant agreement

# Roles and Responsibilities will Evolve

- ▶ More than 200 volunteers collaborated to improve Illinois' grants management
- ▶ GATA Implementation Phase provides the framework and tools to implement what the GATA workgroups designed
- ▶ GATA Monitoring Phase allows us to adapt based on experience

# Illinois' Grants Management is based on Interrelated Roles and Responsibilities

Let us know how we can help you.

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