

INQUIRIES REGARDING THE CERF SFP

LA County CERF Questions

In the RFP, there are a number of specifications relating to compliance and budget that require more clarification. We have attached the language and listed our questions below in bullet points:

The SFP provides for a cap on administrative costs of 10%.

- Please clarify whether this refers to administrative costs incurred by each participant in a regional HRTC including the fiscal agent, regional convener, any sub conveners and stakeholder partners compensated for their work under CERF, and any providers of research and data involved with performing the required research; or whether this administrative cost limitation refers solely to the fiscal agent and regional convener who will be expected to administer the entire program for the region for no more total compensation than 10% of the available \$5 million.
- If the latter is the case, it may be very difficult to engage fiscal agents and regional conveners who can commit the required resources to successfully facilitate the work of a large HRTC over two years

If the funds must be deposited into a single, interest-bearing account.

- Is the entire \$5 million allocation disbursed to the fiscal agent at the start of the program?
- Should the funds be received in advance?
- Because these are governmental funds, are the funds required to be in bank collateralized accounts?

The SFP states that the applicants must comply with OMB UAR, Cost Principles. However, given that the allocated funds are now from the State General Funds and no longer from ARPA funding,

- Will the compliance with this clause still be applicable, explicitly the cost principles requirements?
- Are there any requirements that remain for federal compliance and audits under CERF now that the federal source of funds has been replaced by state general funds?

Given the requirement exists to maintain public records,

- As a nongovernmental and non-quasi-governmental agency, what are the exact requirements of public records for this particular funding?
- Does it only apply to the funds and not the organization?

- Does it extend because the agency is the fiscal agent or all participants receiving these funds?

Given that the fiscal agent is responsible for subaward administration,

- Are the transactions with partner agencies considered subawards or vendor contracts?

Given that the direct costs incurred during the grant term and specified in the Grant Agreement will be eligible for reimbursement,

- Does the creation of an interest-bearing account referenced on page 13 implies that funds will be distributed in advance of the cost incurred? The \$5M be disbursed to the Fiscal agent; however, are all subawards on a reimbursement basis?

If the requests are subject to the Public Records Act,

- What is the extent of the public records act?
- Does it extend to the fiscal agent or convener or sub-awardee?

If participant compensation is an exchange of payment for services rendered in the development of community work products and appropriately documented with deliverables such as sign-in sheets or written surveys,

- Are there any caps or guidelines for gift card amounts?

If procurement processes must adhere to local requirements,

- Are the local requirements that of the local jurisdiction or those of the fiscal agent?
- Are all subawardees then required to follow the "local requirements" or required to follow the most restrictive?

If the maximum dollar amount of allocable indirect costs for which a recipient may be reimbursed shall be 10%.

- Is the 10% the max regardless of the approved indirect cost rate?

If grantees may apply to receive up to 25 percent of their total grant award through an advance payment option,

- Does this apply to the fiscal agent or the subawardees?
- Who makes the determination of eligibility?
- Is the application given to the fiscal agent or directly to LWDA?

If all unused funds are reverted to the state if they are not liquidated within the timeline specified in the grant agreement or in the case of non-compliance/misuse of funds.

- As it is written, this only applies to unused funds. Who should be responsible for the collection of questioned costs?
- Does it revert back to the fiscal agent for reallocation if the period of availability of the grant is not over?
- Can the funds be diverted to another subawardee?

Communicate any changes to the spending plan require prior approval and must be submitted to EDD. Submit expenditure justifications as outlined in the agreement.

- Is this just a report of changes in spending plan or is there a requirement for approval?
- Is there a threshold that triggers this provision?
- If the amount is being moved within a budget category (i.e., from program manager salary to program assistant salary), is this still required?
- Does this apply to all subawardees?

If grantees must acknowledge that they will not receive any additional funds/reimbursements until the advance amount has been fully expended,

- Can the grantee/subawardee ask for another advance if all funds must be expended before additional funds are received?
Typically, if an agency is asking for an advance to participate, it is because they are unable to cover the cost of salary prior to reimbursement. If all funds are expended, they are then back to the barrier that prohibits them from participating.
- Federal funds usually allow for a request of payroll and payroll-related cost up to 30 days in advance.
- Will the state allow for this provision to allow smaller nonprofits to participate?

Given that submitted budget tables must be easy to read and provide a clear understanding of how HRTCs plan to allocate funding resources,

- Are we required to submit budget detail in natural categories, such as salary, benefits, supplies, and contract services?

If the funds must be dated within the grant competition period (between Month XX, 20XX and Month XX, 20XX),

- Who determines the reporting period?
- Is it monthly, quarterly, or another interval?
- What's the difference between monthly and quarterly reporting as indicated in the guidelines?

If the proposed budget must have adequate details and demonstrates financial feasibility, feasible timelines, tasks, and deliverables.

- Should budgets be deliverable-based or expense-based budgets?
- Will funds be withheld if a subawardee is incurring costs but not meeting expected deliverables?

If the proposed budget must allocate resources across entities within the Collaborative to lead or support specific activities that reflect their strengths and experience,

- Does the proposed budget need to include budget detail from the partners? Or just the expected allocation to the partner?
If the program is not fully developed, this may prove difficult for the subawardee to develop the level of detail by the date of submission?

If fiscal agents must prepare and disseminate financial reports on a quarterly basis pursuant to state reporting requirements,

- Is this reporting only to the state or can the fiscal agent request reports in smaller intervals such as monthly?

If grantees and subrecipients will be monitored and/or audited by the state,

- Typically, there are state thresholds for those receiving public funds to be audited. Depending on the amount given to a small nonprofit for their work, this would require them to get an audit and may preclude them because of the cost of participating. Audit costs under this grant are considered indirect costs, not direct costs.

Is the use of funds intended to be neighborhood / community focused or sector focused? Is it more of a vertical approach or community approach, or is it matrixed?"

Please clarify how the State will structure the decision-making criteria on investments?

How many/types of contracts/sub-agreements are expected and in what timing?

What are the specified administrative fees for fiscal sponsor and convener (bundled or separately)?

Additionally, we seek more clarification on language regarding Phase I and Phase II of the CERF Process:

On page 10 of the SFP, there is language that some in our HRTC have found potentially mutually contradictory.

- For instance, it specifically requires balanced representation from each of the identified stakeholder groups and clarifies that no one member of the group may have more decision-making power than others.
- But it goes on to also say that disinvested communities and impacted workers should have decision making power shifted to them. This has created some confusion amongst partners in our region who are earnestly trying to center community voice and need while ensuring authentically shared decision-making power between the stakeholder groups that will be necessary for success in both planning and execution of CERF strategies for our region.
- Please clarify how we can establish a collaborative governance structure that still centers and honors the voice of disinvested communities and impacted workers, while allowing decision making power, especially in the planning process, to be shared by all the stakeholders necessary to engage and keep at the table for success

Plans developed during the Planning Phase will inform projects eligible for funding during the Implementation Phase of the program. Plans will be based on actionable research in partnership and shared decision-making with communities and in consultation with expert institutions...

- What would be considered actionable research?
- As the plans to be developed during the Planning Phase will impact projects funding eligibility, it would be useful to get more guidance on what constitutes actionable research

In Phase II, EDD will fund implementation projects on a rolling basis identified in the planning phase.

- How quickly are applicants allowed to submit the funding request for Phase II after Phase I has been awarded?

Regarding the Interagency Team

- Will applicant be allocated a point person from each of the 3 agencies of the interagency team?

The Fiscal Agent and/or Regional Convener must identify other ongoing planning processes or projects across the CERF Region to ensure the alignment between these processes and CERF and to ensure a coordinated response to reaching the state's goals.

- Could the applicants provide hyperlinks to the regional ongoing planning processes in the application document?
- In large regions, listing out all the processes could take up valuable space on the limited 20-page application document

The Collective Partnership Agreement Letter requires, " At a minimum, each proposed HRTC member must include the following:

- Description of the type of entity and its role in the community or region.
 - Description of the entity's knowledge, experience, and reason to be in the planning table.
 - A contact person, their role, and email address or phone number.
 - A signature from an authorized signatory representative of the entity.
 - Date.
- Will this section count towards the 20-page limit?
 - Can the description of each HRTC members' knowledge, experience and reason to be in the planning table be attached as an addendum?

Please identify if the fiscal agent or the regional convener needs to submit the 'notice of intent to apply'?