



**Texas Veterans Commission
Fund for Veterans' Assistance
Request for Applications
Series XIII-A
January 25, 2013**

**Application Deadline: February 28, 2013 4:00 PM CST
Austin, Texas**

Fund for Veterans' Assistance website:
www.tvc.texas.gov/FVAGrantApply.aspx

The Texas Veterans Commission (TVC) is firmly committed to the principal of fair and equal employment opportunities and the provision of services without regard to race, color, sex, religion, national origin, age, physical disability, or genetic information.

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APPENDIX I - The Application

Request for Applications
Texas Veterans Commission Fund for Veterans' Assistance

The Fund for Veterans' Assistance (FVA or "Fund") was created in the 79th Legislature, and codified in Chapter 434.017, Veterans' Assistance Agencies, of the Texas Government Code. The Fund, prior to the passage of Senate Bill 1655 in the 81st Legislature, was composed of money transferred to the Fund at the direction of the Legislature, gifts and grants contributed to the Fund, and the earnings of the Fund.

During the 81st Legislature, Senate Bill 1655 established the Veterans' Assistance Game. This allowed for money to be transferred to the Fund from proceeds of a game operated by the Texas Lottery Commission, operated under Section 466.027 and Section 466.408 of the Texas Government Code. The Fund is also composed of money deposited to the Fund under Section 502.1746 of the Texas Transportation Code. The Texas Veterans Commission oversees all rules governing the awarding of grants from the FVA.

The Texas Veterans Commission (TVC) established the following priorities to provide guidance to the FVA Advisory Committee in developing funding recommendations to present to the Commission. These priorities are:

A. Outstanding Grant Applications

Priority will be given to outstanding grant applications.

B. Service Categories

Priority will be given to the following three service categories:

- Financial Assistance
- Counseling
- Homeless/Housing

C. Geographic Distribution

The FVA Advisory Committee will develop recommendations that will ensure widespread distribution of grants across the state.

D. Duplication of Service in Geographic Areas

The FVA Advisory Commission will develop recommendations that will ensure that services are varied in geographic areas in order to guarantee no over-saturation or duplication of services in areas of the state.

The above priorities will be used in the funding recommendations made for this grant.

I. Purpose and Overview

The Texas Veterans Commission is authorized to use funds appropriated to the FVA to administer the Fund and make reimbursement grants to address the needs of Veterans and their families. Such needs include, but are not limited to, the following:

- Limited emergency assistance for Veterans and their families
- Transportation services
- Family and/or individual counseling for Post-Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI)
- Employment, training, education, and job placement assistance
- Housing assistance for homeless Veterans
- Family and child services
- Legal services, excluding criminal defense

- Development of professional services networks

II. Purpose of this Request for Applications

The purpose of this Request for Applications (RFA) is to seek Grant Applications from Eligible Applicants for reimbursement grants using FVA funds. All grant awards will be made through a competitive grant selection process.

The application period for this grant opens January 25, 2013 and closes February 28, 2013. Applications must be received by **February 28, 2013 by 4 p.m. CST** to be considered for funding.

Upon Commission approval of the grant award, the parties will be bound by the following: 1) the terms within this RFA document, 2) the Application and all items submitted by the grant applicant to the Commission in response to this application, and 3) the Grant Agreement. In the event of conflicts or inconsistencies between any of these documents, the provisions set forth in the Grant Agreement will prevail.

A Grant Application received by the Agency shall meet the following requirements to be considered for funding:

- Completed according to grant application instructions listed in Section V. Grant Application; and
- Received by the Agency by the deadline established in the grant application instructions as listed in Section IX. Grant Application Submission.

A. Term of this Grant

Grants awarded under this RFA will begin on **July 1, 2013** and end on **June 30, 2014**.

Reimbursement will only be made for those allowable expenses that occur within the term of this grant. No pre-award spending will be allowed.

B. Supplanting of Funds

A grant made to an organization or unit of local government (see Eligible Applicants in Section III) is intended to provide services and/or assist Veterans and their families through the existing structure of the organization. It is not the intent of this grant to supplant existing funds, but to supplement existing funding.

C. Matching Funds

While there is no mandated matching requirement, the FVA does expect Grantees to share in the operational cost of funded projects to ensure that the activities are sustained beyond the Grant Period. Applicants are required to identify the anticipated funds they will use on the proposed project.

D. Duplication of Services

Grant funds are not to be used to conduct activities or to provide services that are the same as those currently provided by the Texas Veterans Commission. Services provided by the Texas Veterans Commission include Claims Representation and Counseling, Education, and Employment. More information about the programs can be found on the website, <http://www.tvc.texas.gov/Home.aspx>.

III. Definitions of Key Terms

The capitalized terms used in this RFA are defined as follows:

Advisory Committee. The committee formed under Section 452.2(c) of the Texas Administrative Code, Title 40, Part 15 relating to Fund for Veterans' Assistance Advisory Committee.

Agency. The Texas Veterans Commission.

Applicant. Shall have the same meaning as Eligible Applicant as defined in the Texas Administrative Code, Title 40, Part 15, Section 460.3 (a). The following are eligible to apply for grant funds: 1) Units of local government; 2) IRS Code 501(c)(19) Posts or organizations of past or present members of the Armed Forces; 3) IRS Code 501(c)(3) private nonprofit organizations authorized to do business in Texas; 4) Texas chapters of IRS Code 501(c)(4) Veterans service organizations; or 5) Non-profit organizations authorized to do business in Texas with experience providing services to Veterans.

Audit. A consulting service provided by a third-party Certified Public Accountant (CPA) that inspects the accounting procedures and records of an organization and provides a written statement of reliability (see also Management Letter).

Approved Budget. The budget included in a grant application that has been recommended by the FVA Advisory Committee for funding.

Awarded Applicant. Shall have the same meaning as Grantee. An organization that receives a grant from the Fund for Veterans' Assistance.

Beneficiary. A member of the target population served by the Grantee's organization. For purposes of this grant, the Beneficiary, is a Texas Veteran, Texas surviving spouse, or a Texas Veteran's family.

Cancellation. Cessation of payment of grant funds and withdrawal of the Grantee's right to receive additional grant funds.

Capital Expenditure. Tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the organization for financial statement purposes, or \$5,000.

Commission. The members of the Texas Veterans Commission.

Compilation of Financial Statements. Refers to the process whereby an accountant presents, in the form of financial statements, information that is the representation of management (owners), without undertaking to express any assurance on the statements. This may or may not be done by a third-party CPA.

Disabled Veteran. As defined in Title 5 United States Code, Section 2108, an individual who has served on active duty in the armed forces, (except as provided under section 2108.a) has been separated there from under honorable conditions, and has established the present existence of a service-connected disability or is receiving compensation, disability retirement benefits, or pension because of a public statute administered by the Department of Veterans Affairs or a military department.

Disallowed Cost. A questioned cost that the Agency has determined, violates the conditions of the Grant Agreement, or other law, regulation, or other document governing the expenditures of funds.

Eligible Applicants. As defined in the Texas Administrative Code, Title 40, Part 15, Section 460.3 (a). The following are eligible to apply for grant funds: 1) Units of local government; 2) IRS Code 501(c)(19) Posts or organizations of past or present members of the Armed Forces; 3) IRS Code 501(c)(3) private nonprofit organizations authorized to do business in Texas; 4) Texas chapters of IRS Code 501(c)(4)

Veterans service organizations; or 5) Non-profit organizations authorized to do business in Texas with experience providing services to Veterans.

Expenditure Benchmark. The percent of the total grant award that must be expended and reported by designated timeframes with the Grant Period.

FVA. Fund for Veterans' Assistance.

Grant Agreement. The Grant Agreement consists of the executed contract with any provisions and assurances attached. Upon Commission approval of the grant award, the parties will be bound by the following: 1) the terms within this RFA document; 2) the Application and all items submitted by the grant applicant to the Commission in response to this application; and 3) the Grant Agreement. In the event of conflicts or inconsistencies between any of these documents, the provisions set forth in the Grant Agreement will prevail.

Grant Application. Documents submitted by an organization or unit of local government in response to the Request for Applications (RFA).

Grantee. An organization that receives a grant from the Fund for Veterans' Assistance.

Grant Period. The time period specified in the Grant Agreement during which all work and expenses must be performed.

Independently Reviewed Financial Statements. A consulting service provided by a third-party Certified Public Accountant (CPA) that reviews the accounting processes and procedures. The CPA will review the financial statements using standards promulgated by the American Institute of Certified Public Accountants.

Ineligible. Any organization that submits an application that does not meet the requirements of the grant guidelines will be disqualified from further review and deemed Ineligible.

Management Letter. A written statement of reliability produced by a third-party Certified Public Accountant (CPA) after inspection of the accounting procedures and records of an organization.

Performance Benchmark. The percent of each minimum required performance measure that must be met and reported by designated timeframes within the grant period.

Questioned Cost. A cost that has been identified to be an alleged violation of a provision of the Grant Agreement, law, regulation, or other agreement or document governing the expenditure of funds or a cost that is not supported by adequate documentation.

Reimbursement Grant. The Grantee is required to finance its operations with its own working capital. Grant payments will be made to reimburse the Grantee for actual expenditures made supported by adequate documentation.

TVC. Texas Veterans Commission.

Unallowable Cost. A cost that is 1) not necessary and reasonable for proper and efficient performance and administration of the project, 2) not allocable to the project, 3) not authorized nor prohibited under State or local laws or regulations, and 4) does not conform to limitations or exclusions set forth in 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments, or 2 CFR Part 230, Cost Principles for

Non-Profit Organizations, Federal laws, terms and conditions of the award, or other governing regulations as to types or amounts of cost items.

Units of Local Government. A county, municipality, special district, school district, junior college district, a local workforce development board created under Section 2308.253 of the Texas Government Code, or other legally constituted political subdivision of the state.

IV. Program Guidelines

The FVA grant is a competitive reimbursement grant available to Eligible Applicants. The funding is used to assist organizations with addressing the needs of Veterans and their families. Grant funding should not be used with the anticipation of additional FVA funding as no expectation of continued funding exists.

All funding awarded under this grant must be expended within the Grant Period of July 1, 2013 to June 30, 2014. No pre-award spending will be allowed. If awarded funds, the Agency will disburse 10% of the awarded Grant Amount upon execution of the Grant Agreement.

Any additional funding or future funding will require submission of a Grant Application during a subsequent Request for Application. There should be no expectation of additional grant funding on the part of the Grantee. All additional funding will be through a competitive RFA process. An amendment extending the Grant Period may be considered by the FVA.

A. Eligible Applicants

1. Units of local government;
2. IRS Code 501(c)(19) Posts or organizations of past or present members of the Armed Forces;
3. IRS Code 501(c)(3) private nonprofit organizations authorized to do business in Texas;
4. Texas chapters of IRS Code 501(c)(4) Veterans service organizations; or
5. Non-profit organizations authorized to do business in Texas with experience providing services to Veterans.

B. Not Eligible to Apply

1. Individuals;
2. For-profit entities;
3. Units of federal or state government, including state agencies, colleges, and universities;
4. Organizations that have not fulfilled all legal requirements to operate in the state of Texas; and
5. Organizations that do not have current operations in Texas or a Texas-based chapter.

C. Funding Amounts and Financial Documentation

The amount of funding requested by an Eligible Applicant will determine the financial documents the Eligible Applicant must provide. An Eligible Applicant **must provide the minimum** required financial documentation listed below for the range in which their requested grant amount falls. An Eligible Applicant may supply financial documentation that is greater than what is required for an FVA Grant Amount, but may not supply less than the Minimum Required Financial Documentation.

FVA Grant Amount	Minimum Required Financial Documentation
\$250,000 to \$500,000	Most recent Audit report and Management Letter
\$100,000 to \$249,999	Independently Reviewed Financial Statements
\$5,000 to \$99,999	Compilation of Financial Statements

D. Award Amount Available and Number of Awards

The current amount available for awarding with Series XIII-A is \$3,000,000. The number of awards will be dependent upon the FVA grant amounts awarded to Eligible Applicants. Requested grant amounts may be for an amount from \$5,000 to \$500,000.

V. **Grant Application**

Grant Applicants are required to complete Appendix I - The Application. Each section description provides an explanation of the information required to complete Appendix I - The Application. Appendix I - The Application should be completed using Microsoft Word. The font should be 11 pt. using 8 ½” x 11” paper. All pages are to be numbered and submitted in the same order as in Appendix I - The Application. The organization must complete all requested information. If there is a line that does not apply, write “NA” on that line. **Do not leave blank lines.**

The following sections follow those in Appendix I - The Application:

Applicant Information

Legal Name of Organization. The organization’s legal name and/or assumed name must be used.

Employer Identification Number (EIN). This number is issued by the IRS. Additional information on the EIN and how-to obtain one can be found at: <http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/How-to-Apply-for-an-EIN>.

DUNS number. Enter your organization’s Dun and Bradstreet, Data Universal Numbering System (DUNS) number. Additional information on obtaining a DUNS number can be found at: <https://iupdate.dnb.com/iUpdate/viewiUpdateHome.htm>.

Applicant Contact & Title. Provide the name, title, phone, fax, and email for those organization employees who will be overseeing the grant project and overseeing the grant expenditures and finances.

The Authorized Signature block should be signed by the person who has the authority to enter into legal agreements for the organization.

Part 1: Organization Information

The information supplied by the Applicant in Appendix I - The Application will be used to evaluate and score all applications. Provide sufficient detail to evaluate the proposed project. Exceeding the word maximums may negatively impact an application, as will not providing the requested information.

A. Organization Overview

Provide a brief overview of the organization which will include the purpose of your organization. Briefly describe the Beneficiaries of the service(s) and program(s) that the organization currently offers.

List the organization's mission statement.

List the core program(s) or service(s) that the organization currently provides. If the Grant Application is for a service or program that is not currently offered, do not list that service or program in this section.

If the organization currently serves Texas Veterans, indicate using the “Yes” box. If the funding being requested is to start a program or service for Texas Veterans, but the organization does not currently serve Texas Veterans, mark the “No” box.

B. Organizational Structure

Describe the organization's governing body, management roles, and what role the governing body plays in day-to-day operations. As part of the Application Package, **submit résumés of the principal participants**. Indicate which principals are Veterans.

C. Partnerships

Partnership agencies or organizations may be used by the organization to deliver the services of the proposed project. List those agencies that will work with the Eligible Applicant to provide the services and/or program that will be funded by this grant. Do not list partner agencies that are not affiliated with the proposed project.

D. Previous FVA Grant Awards

List all FVA grants that have been awarded to the Applicant organization. If an amendment was received and the end date of the grant was extended by the amendment, use the extended date as the End Date in this section.

E. Other Grants

List all grants received by the organization for the past 2 years. Do not include FVA grants in this section; use Section D for FVA grants. Do not list in-kind donations. If an audit was performed by a third-party CPA firm that included the grant listed, indicate "Yes" under Audit Performed. If more room is needed to list all grants, add lines.

Part 2: Grant Project Information

A. Grant Project Service Category

Check the one box that best indicates what primary service category the Beneficiaries of the proposed project are to receive.

Financial Assistance: Emergency financial assistance that is short-term and temporary in nature, such as, a one-time utility payment, one-time rental payment, transportation assistance, or child care. Financial assistance payments should only be made if the organization verifies that the Beneficiary is the named person on the utility, rent agreement, mortgage, or other bill presented. Financial assistance payments are not to be made to the Beneficiary, but to the vendor. Medical expenses and child support payments are NOT considered for financial assistance. Gift cards, pre-paid gas cards, other pre-paid service cards, or cash equivalents are NOT allowable.

Homeless/Housing: This category includes homeless support programs, shelter, transitional living/temporary housing, at-risk homeless prevention and rapid re-housing programs. It does NOT include construction of housing.

Counseling: May include peer sessions, group sessions, Veteran family member counseling, Post Traumatic Stress Disorder (PTSD), Traumatic Brain Injury (TBI), equine, co-occurring and other types of counseling.

Transportation: May include transportation assistance and transportation programs. Pre-paid gas or pre-paid service cards are NOT allowable.

Employment: This includes job skills and training programs, job search services and other employment-related services. Applicants are to review current programs offered by TVC to ensure proposed projects do not duplicate services currently provided by TVC.

Family Services: Services may include youth programs, family programs, reintegration and deployment readiness programs.

Legal: This includes legal aid, legal clinics and other legal services other than Veterans Courts. This service category does NOT include criminal defense or Veterans Courts as defined in the Texas Health and Safety Code, Chapter 617.

Referral: This category includes those programs that provide information and referral programs.

Supportive Services: This category is for support services such as elder care, food delivery programs, financial counseling, case management and medical assistance programs. Pre-paid service cards, such as gas, groceries, and department store-related cards are NOT allowable.

Veterans Court: Services related to this "specialty court" which is charged with handling offenses involving Veterans as defined in Chapter 617 of the Texas Health and Safety Code. It is NOT for criminal defense.

B. Geographic Service Area(s)

Each organization presenting a project to be funded must serve Beneficiaries. Those Beneficiaries may be located in the same county as the organization, but often times the Beneficiaries are located in several counties or may be statewide. Check EACH county in which Beneficiaries will be served by this project, regardless of the Region the county is located in. If the project will serve Beneficiaries across the state of Texas, select the statewide box.

C. Project Summary

Provide a name for the proposed project and a brief description of the project. This summary must include the method of delivery in providing the proposed services to the Beneficiaries. Limit this to 300 words or less.

D. Project Eligibility

The FVA grant is for the express purpose of addressing the needs of Texas Veterans, their families, and surviving spouses. Provide a description of the Beneficiaries eligible to participate in the program described in the Project Summary. Mention any other restrictions on eligibility, if applicable. The specific government documents to be used for verifying Beneficiary eligibility must be listed. Describe how these government documents will be retained by the organization. Limit this to 100 words or less.

Part 3: Reporting and Management

In order to assist the organization in reaching its goals, this grant has established quarterly benchmarks regarding the percentage of the total amount of the grant to be expended and performance targets to be met by October 1, January 1, and April 1, with the ultimate goal being 100% of the funding spent by the end of the grant period on June 30, 2014. The dates correspond to 3-month time intervals.

Date	Grant Period Elapsed	Amount Expended	Performance Met
October 1	25%	15%	15%
January 1	50%	40%	40%
April 1	75%	70%	70%

By October 1, after 25% of the grant period has elapsed, the amount expended must be 15% of the grant funds and 15% of the performance targets must be met. By January 1, with 50% of the grant period elapsed,

40% of both funding and performance targets must be met. With 75% of the grant period elapsed on April 1, 70% of both funding and performance targets must be met.

If these targets are not met, a Corrective Action Plan may be put in place by the FVA. The issuance of a Corrective Action Plan may adversely affect the organization’s ability to receive additional FVA grants.

A. Performance Measures

List how the organization will track the projected number of Beneficiaries. For each Performance Measure listed (number of Veterans, dependents, or surviving spouses to be served), indicate which “tool” will be used to record the Performance Measure. The project must have a tool that counts the first-time contacts, or “unduplicated” number. For example, listed under “Tool Used to Measure Performance” should be the name of the software used to track the measure, a client sign-in sheet, or a log. For Projected Performance, indicate the number of unduplicated Veterans, dependents, or surviving spouses who will be served by this project.

B. Performance Reporting

Describe the tool to be used for the data collection and how the data will be consolidated to provide cumulative amounts. Case files, sign-in sheets and phone records only address the collection of data and not the consolidation of data; both areas must be addressed. Explain the ability to breakout all performance measures individually, cumulatively, and monthly. Use 100 words or less.

C. Fiscal Reporting

Answer all the questions in this section regarding the organization’s current accounting system and internal controls. Do not leave any item unmarked.

D. Sustainability after the Grant

The FVA grant is a competitive grant. It is not the intent of the FVA grant program to fund the same organization and program every grant period. In this section, describe what other funding will be available to continue this project after the end of the FVA grant period. Use 100 words or less.

Part 4: Budget

All grants made by the Texas Veterans Commission must follow the applicable Uniform Grant Management Standards (UGMS) which can be found at governor.state.tx.us/files/state-grants/UGMS062004.doc. The state standards follow the applicable federal grant guidelines published by the Office of Management and Budget (OMB). The OMB federal guidelines are found at: http://www.whitehouse.gov/omb/circulars_default. In the event of a conflict between UGMS and applicable federal law, the provisions of federal law apply.

The type of organization will dictate which guidelines MUST be complied with. The regulations for non-profits and state and local governments are listed below:

Non-Profit	Administrative Requirements: 2 CFR 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations
	Costs: 2 CFR 230 (OMB Circular A-122), Cost Principles for Nonprofit Organizations
	Audit: OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations
State, Local	Administrative Requirements: OMB Circular A-102, Uniform

or Indian Tribal Government	Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
	Costs: 2 CFR 225 (OMB Circular A-87), Cost Principles for State, Local and Indian Tribal Governments
	Audits: OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations

In addition to the above OMB Cost circulars, this grant has restrictions regarding how grant dollars may be spent. See the *Cost Guidelines* posted on the FVA website for additional cost guidance on allowable and unallowable expenditures.

The above listed OMB circulars MUST be used as guidance for all budgets and budget narratives along with the *Cost Guidelines*. Failure to follow these guidelines in developing budgets and project costs can result in unallowable costs.

The budget section is comprised of nine tables. Each table, if applicable to the proposed project, must be completed. Microsoft Excel tables have been inserted into the application document. Use the tables to the extent they work for the proposed project. To activate the Excel table, double-click on the table. This will open an active Excel window to be filled in. Once all information is entered into an Excel budget table, all totals will calculate automatically. The formulas and headings should not be changed. If additional lines are needed, they may be inserted into this Excel table using the Insert function. Do not use decimals, round to the nearest dollar.

A. Salaries and Wages

For each employee directly associated with the proposed project, enter the position or title, employee's name, the percent of time allocated to this project, and their annual salary. Do not include employees that are general administration such as accounting, personnel/human resources if they are already included in indirect charges. For additional clarification on direct costs, review 2 CFR 230, Appendix A, B (Direct Costs for Nonprofit Organizations) and 2 CFR 225, Appendix A, B (Direct Costs for State, Local, and Indian Tribal Governments).

B. Fringe Benefits

For each position listed in Table A , , enter the annual fringe benefits associated with that position. Below Table 2, list the costs covered in this category, including health insurance, leave time, social security, and any other applicable fringe benefits.

C. Travel

Only employee travel associated with this project should be entered in this table. Travel does not include international travel. Travel will follow all policies and procedures for travel established by the organization. All travel costs must be in compliance with 2 CFR 230, Appendix B, 51(a-e) for nonprofit organizations and 2 CFR 225, Appendix B, 43 (a-e) for local governments.

D. Equipment

Equipment is an article of tangible personal property that has a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the organization's level of capitalization or \$5,000. List any equipment that will be purchased with this grant. Refer to the applicable OMB cost guidance. If a nonprofit, use 2 CFR 230, Appendix B, 15 and if a local government, use 2 CFR 225, Appendix B, 15.

E. Supplies

Enter the cost for all tangible items that will be used in this project. This would include paper, and other consumable items.

F. Client Services

Client services include any service being offered to the Beneficiaries of this project. This may include counseling services, support such as bill payment, and transportation services. If there are contract personnel that will be providing services to the Beneficiaries, the cost is to be included in this table. An itemized break-out of client services is required, extra lines may be inserted into this table. Sub-contracting is not allowed.

G. Construction

This line is not applicable to this FVA grant application and should be left blank, construction of buildings is not allowed with this grant. Any remodeling or adaptive assistance for Beneficiaries should be listed under Client Services.

H. Other Direct Costs

Any costs associated with this project that have not been listed in a previous Budget Category table should be listed here. The budget narrative must address the items listed in Other. Any item listed in Other may not be included in Indirect Charges. For example, if rent is listed in the Other table, do not include rent as an Indirect Charge.

I. Total Direct Charges

This line is a summation of all prior tables, A - H. These are direct charges, meaning that any costs in lines A – H are directly attributable to this project.

J. Indirect Charges

The maximum amount of the indirect charge allowed with this grant is 7% of the total amount of the grant being requested. If the organization has previously filed an indirect negotiated cost agreement with the Federal government, this rate **MUST** be used, but cannot exceed 7% for this grant. A copy of the federal indirect negotiated cost agreement must be submitted as part of the Application Package if the organization has one.

Indirect charges are those items that are often considered “overhead,” and can be classified as those costs associated with accounting, human resources, and other administrative and facility-related costs. For nonprofit organizations, see 2 CFR 230, Appendix I, Section C, for additional information, and for local governments, see 2 CFR 230, Appendix E.. **Any item listed as an Indirect Charge cannot be included as a Direct Charge.**

K. Budget Table

Enter all the total lines from tables A – H and J into the Budget Table (Line I will calculate automatically). Each line in the budget table corresponds to a section of the budget. This is the total budget for the proposed project. The amount of the grant being requested must equal the total budget number in this table.

Part 5: Budget Narrative

The budget narrative should provide a complete description of the project. The budget narrative must support and discuss each line item in the budget in detail. For example, if there is travel in the budget, the narrative must discuss travel and the appropriateness of the travel to the project. Limit the budget narrative to no more than 500 words.

Additionally, discuss the following if applicable:

- If the project includes other funding sources/matching funds, as it helps to provide a complete picture of how the project will be accomplished.
- How the needs of the Beneficiaries will be determined and how those needs will be met.
- Any planned marketing/outreach efforts.

VI. Application Review and Award Process

Applications received will be deemed **Ineligible** if one or more of the following applies:

- Appendix I - The Application is not complete.
- Minimum Financial Documentation is not provided.
- The application package is missing required attachments or signatures.
- If an A-133 Audit completed in the past 2 years has material findings.
- If the organization has an exclusion record listed on the General Services Administration (GSA) System for Award Management (SAM).

Each eligible application will be scored. The highest score attainable is 100 points. The points available per section are:

Appendix I-The Application	Highest Number of Points
Applicant Information	5
Part 1: Organization Information	10
Prior FVA and other grant performance	5
Part 2: Grant Project Information	20
Part 3: Reporting and Management	20
Part 4: Budget	20
Part 5: Budget Narrative	20

All eligible applications will be given to the FVA Advisory Committee for their awarding recommendations. The FVA Advisory Committee will meet in Austin, Texas on or about May 1, 2013 in an open meeting to make the award recommendations. Additional information on this meeting will be available and shared at a later date.

The funding recommendations made by the FVA Advisory Committee will be presented to the Commission on or about May 20, 2013 for awarding approval of the FVA grants. Additional information on this meeting will be made available at a later date.

After an application is submitted to the FVA and prior to the TVC Commission making the grant awards, the TVC and FVA staff will not be able to discuss application status with any organization.

VII. Application Seminar/Webinar and Questions

Potential applicants will have the opportunity to participate in an informational meeting to be held in Austin, Texas. This meeting is scheduled for February 11, 2013 and is subject to change. It is anticipated that the meeting will have a webinar component to accommodate those organizations that are unable to travel to Austin. Information regarding the meeting will be available on the FVA website and shared at a later date.

The informational meeting will address any questions regarding the application or application process, but will not address a specific project or an organization's application.

All questions pertaining to this RFA should be submitted to grants@tvc.texas.gov with the subject of the email, FVA Series XIII Question. All questions and answers will be posted to the FVA website and will not be answered individually.

VIII. Application Package

A complete application package includes submission of original signature pages AND submission of the items below. Failure to complete all required forms OR to provide an authorized signature will result in non-acceptance of the application.

The application package will include the following items:

- The Application Checklist
- Financial Documentation (per Section IV. C.)
- Appendix I - The Application
- Page 1 of Appendix I - The Application (signatures **MUST** be original)
- Résumés of the principal participants in the organization
- IRS Tax determination letter regarding non-profit status, if not a unit of local government
- Current federal indirect negotiated cost plan, if applicable
- A copy of current professional liability insurance and/or malpractice insurance policy, if applicable

IX. Application Submission

A. Application Deadline

The application period opens January 25, 2013 and will close February 28, 2013. Applications must be received by **4:00 p.m. (CST) on February 28, 2013** to be considered for funding.

B. Application Format and Delivery Method

Two copies of each application must be submitted: one paper submission and one electronic submission.

For the paper submission, use letter-size, 8 1/2" x 11" paper, font size 11 points. All pages should be single-sided, numbered and submitted in the order listed above. Do not use staples, rubber bands, folders, or any other binding. Use one binder clip for the entire application package. Faxed Applications will not be accepted.

Applications may be sent via U.S. Mail to:

Texas Veterans Commission
Director, Fund for Veterans' Assistance, Series XIII-A
P.O. Box 12277
Austin, Texas 78711-2277

Applications may be delivered via overnight, hand delivery or courier service to:

Texas Veterans Commission
Director, Fund for Veterans' Assistance, Series XIII-A
Stephen F. Austin Building
1700 N. Congress Avenue, Suite 800
Austin, Texas 78701

For the electronic submission, the application package is to be submitted in a PDF file no larger than 20 MB. The electronic submission must have the words "Series XIII-A Grant" in the subject line and sent to grants@tvc.texas.gov .

X. Timeline for FVA Series XIII-A Grant Applications

January 25, 2013	Series XIII-A RFA to be posted www.tvc.texas.gov/FVAGrantApply.aspx
February 11, 2013	Informational application meeting/webinar. Palmer Events Center, Austin, Texas. Additional information will be posted on website.
February 28, 2013	All applications must be submitted by 4:00 p.m., Austin, Texas.
May 2013	FVA Advisory Committee meets in Austin, Texas. Additional information will be available at a later date.
May 2013	TVC Commission meeting. San Antonio, Texas, Crown Plaza Hotel. Additional information will be available at a later date.
June 2013	Grant Agreements to be sent to funded organizations.
July 1, 2013	Grant period begins.
June 30, 2014	Grant period ends.

XI. Reporting Requirements and Applicable Regulations and Statutes

Reporting Requirements

Applicants with funded projects are required to submit expenditures monthly and quarterly performance reports. Report deadlines will be available at the FVA website.

Failure to meet reporting requirements and deadlines may affect eligibility for future funding.

XII. Provisions and Assurances

A. Cost of Application Preparation

All costs associated with the preparation and submission of a Grant Application for this RFA are the responsibility of Applicant. These costs shall not be chargeable to TVC by any successful or unsuccessful Applicant.

B. Application Delivery and Late Applications

Applications must be submitted by an authorized agent of the Applicant institution/organization. Applications shall be considered to be "on time" if they are received on or before the established deadline date and time. Applicant shall be solely responsible for ensuring that Application is received by TVC prior to the deadline outlined in this RFA. TVC shall not be responsible for failure of electrical or mechanical equipment, operator error, or inability of an electronic delivery agent to deliver an Application prior to the deadline. Failure to respond in a timely manner to this request shall result in Applicant losing the opportunity to receive a grant under this program. A late Application, regardless of circumstances, shall not be evaluated or considered for award.

C. Release of Information by Awarded Applicant

Awarded Applicant agrees to notify TVC Point of Contact prior to releasing any information to the news media regarding the activities being conducted under the Agreements resulting from this RFA.

D. Grant Memorialized in Agreement

Grant Awards will be memorialized through a Grant Agreement negotiated with those Grantees that are selected through the evaluation process. Submission of an Application confers no rights of Applicant to an award or to a subsequent Agreement, if there is one. The issuance of this RFA does not guarantee that an Agreement will ever be awarded. TVC reserves the right to amend the terms and provisions of the RFA, negotiate with Applicant, add, delete, or modify the Agreement and/or the terms of Application submitted, extend the deadline for submission of Application, or withdraw the RFA entirely for any reason solely at TVC's discretion, as consistent with the applicable OMB circulars.

E. Sample Grant Agreement

A sample Grant Agreement is provided within this RFA for the convenience of the applicants. This Agreement is to be used only as a sample, and the Commission is not bound to the terms or content within this sample and reserves the right to alter any portion prior to the date the final grant agreement is executed. Changes beyond execution of the final Grant Agreement will be made in accordance with the Commission grant amendment procedures.



GRANT AGREEMENT

Texas Veterans Commission

**Fund for Veterans' Assistance
and
Grantee Name**

Grant No. FVA_1X_00XX

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SAMPLE

GRANT PROVISIONS

I. GRANT PERIOD

This agreement becomes effective upon the signatures of all parties. The grant period for this agreement begins on xxxx and expires on xxxx. Only expenditures that are incurred within the grant period may be applied to the grant.

II. GRANT AWARD AND PAYMENTS

The total grant awarded to Grantee is \$xxxx.

Upon a Grantee's satisfaction of each of the conditions contained in Article 2.03 hereof, the Agency shall release an initial payment of \$xxx to the Grantee. Following receipt and approval of the monthly reports submitted pursuant to Article 5.01 and subject to Article 2.02, the remainder of the grant will be released following approval of monthly expenditure reports. Notwithstanding the foregoing, the Agency reserves the right in its sole discretion to alter the disbursement schedule. In the event of a default, the Agency may impose reasonable conditions which must be satisfied before all or any portion of the grant is released.

III. REPORTING DATES

Date	Grant Period Elapsed	Amount Expended	Performance Met
October 1	25%	15%	15%
January 1	50%	40%	40%
April 1	75%	70%	70%

IV. NOTICE

Any notice required or permitted to be given under this agreement by one party to the other party shall be in writing and shall be given and deemed to have been given immediately if delivered in person to the recipient's address set forth in Section V, or on the date of certified receipt if placed in the United States mail, postage pre-paid by registered or certified mail with return receipt requested, addressed to the receiving party at the address hereinafter specified.

V. GRANTEE AND AGENCY ADDRESSES

Mailing Address. The address of the parties for all purposes under this agreement and for documents delivered by U.S. Mail, shall be delivered to:

GRANTEE	AGENCY
Grantee Name Mailing Address	Texas Veterans Commission Fund for Veterans' Assistance P.O. Box 12277

Point of Contact:	Austin, Texas 78711-2277
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Physical Address. The physical address of the parties for all purposes under this agreement and for documents delivered by overnight delivery, hand delivery, or courier service, shall be delivered to:

GRANTEE	AGENCY
Grantee Name	Texas Veterans Commission
Physical Address	Fund for Veterans' Assistance
Phone Number	William B. Travis Building
	1701 N. Congress Avenue, Suite 9-100
	Austin, Texas 78701
Point of Contact:	(512) 463-1157

SAMPLE

VI. SIGNATORIES

Having agreed to the terms herein, the undersigned signatories hereby represent and warrant that they have authority to enter into this agreement.

TEXAS VETERANS COMMISSION

GRANTEE

BY: _____
THOMAS P. PALLADINO
Executive Director

BY: _____
AUTHORIZED REP
Title

Date: _____

Date: _____

SAMPLE

ARTICLE 1 - GENERAL

1.01 INTRODUCTION

The Texas Veterans Commission (TVC) Fund for Veterans' Assistance (FVA) awards reimbursement grants to address a broad range of needs for both Veterans and their families. Eligible charitable organizations, veterans service organizations and local government agencies may receive grants to provide direct assistance to Texas Veterans and their families in local communities.

The Fund for Veterans' Assistance is supported by the people of Texas who purchase the Veterans Cash lottery scratch-off tickets, donate when they register a vehicle, contribute through the State Employee Charitable Campaign (SECC), and give on-line or directly to TVC.

1.02 DEFINITIONS

The capitalized terms used in these General Grant Provisions are defined as follows:

"Agency" – means the Texas Veterans Commission.

"Annual Financial Statements" or "Financial Statements" - means Grantee's audited annual financial statements prepared in conformity with U.S. generally accepted accounting principles.

"Approved Budget" - means the budget submitted by a Grantee for the expenditure of the grant after it has been approved by the Commission.

"Cancellation" - means cessation of payment of grant funds and withdrawal of the Grantee's right to receive and authority to obligate previously awarded grant funds before that right and authority would otherwise expire. It also means the voluntary relinquishment of that right and authority by the Grantee. "Cancellation" does not include the refusal of the Agency to consent to a carryover or the determination by the Agency that a Grantee is not eligible to receive funds for a subsequent grant period.

"Capital Expenditure" – means expenditures that encompass articles of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more.

"Commission" – means the Commissioners of the Texas Veterans Commission, as appointed by the Governor.

"Default" - see Article 8.

"Executive Director" - means the Executive Director of the Texas Veterans Commission.

"Expiration" – means the natural end of a grant period as noted in Grant Provisions, Section I - Grant Period.

"FVA" - means the Texas Veterans Commission, Fund for Veterans' Assistance.

"General Grant Provisions" or "Provisions" - means these general grant provisions as amended by the FVA from time to time.

"Grant" - means the amount of funds awarded to a Grantee for a grant period pursuant to the Grant Agreement.

"Grantee" - means an organization that receives a grant award under Texas Administrative Code, Title 40, Part 15, Chapter 460, concerning Fund for Veterans' Assistance Program.

"Grant Agreement" - means the contract between a particular Grantee and the Agency pursuant to which a grant award is made and to which these provisions are attached.

"Grant Closeout" - means the process by which the FVA determines that all applicable administrative actions and all required work of the grant have been completed by the Grantee and the FVA.

"Grant Period" - means the period of time specified in the Grant Agreement during which expenses for items set forth in the approved budget may be applied against the grant.

"OMB A-87" – means the set of federal cost principles that establishes standards for determining costs of grants, contracts and other agreements with units of state and local government. The URL for OMB A-87 is http://www.whitehouse.gov/omb/circulars_a087_2004/.

"OMB A-122" – means the set of federal cost principles that establishes standards for determining costs of grants, contracts and other agreements with non-profit organizations. The URL for OMB A-122 is http://www.whitehouse.gov/omb/circulars_a122_2004/.

"Project" - means identified activity or program approved by the Agency.

"Reimbursement Grant" - means a Grantee is required to finance its operations with its own working capital with grant payments made to reimburse the Grantee for actual expenditures supported by adequate documentation. If applicable, required matching costs must also be incurred before reimbursement takes place.

"Rules" - means the rules governing the operation of the FVA as approved, adopted and promulgated by the Commission in Texas Administrative Code, Title 40, Part 15, Chapter 460, concerning Fund for Veterans' Assistance Program.

“Subgrant” - means a grant of funds from a Grantee to a separate nonprofit organization to accomplish the purposes of the original grant.

“Uniform Grant Management Standards (UGMS)” - codifies the Uniform Grant and Contract Management Standards Act of 1981. That Act directs the Governor’s Office to establish uniform grant and contract administration procedures “to promote the efficient use of public funds in local government and in programs requiring cooperation among local, state and federal agencies.”

1.03 INCORPORATION BY REFERENCE

The following documents are attached or incorporated by reference:

- A. Exhibit A: Statement of Work and Performance Measures;
- B. Exhibit B: Approved Budget; and
- C. Exhibit C: Grant Application submitted by Grantee (incorporated by reference)

1.04 ORDER OF PRECEDENCE

In the event of conflicts or inconsistencies between this contract and its exhibits or attachments, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- A. Grant Agreement;
- B. Exhibits A and B; and
- C. Exhibit C

1.05 OPTION TO AMEND GRANT AGREEMENT

Any changes, additions or deletions to this Grant Agreement or its exhibits must be executed through a grant amendment. A Grantee may request an amendment to the current Grant Agreement by following the amendment procedures contained in the FVA Procedure Guide. Amendments may change the approved budget, grant period, or statement of work of this Grant Agreement. Each amendment request will be considered on a case-by-case basis. A Grantee may submit no more than three (3) amendment requests during a grant period. Amendment requests seeking to change the award amount must be brought before the Commission for approval prior to the end of the grant period. All other amendment requests must be submitted no later than thirty (30) days prior to the end of the grant period. All decisions on amendments are final and non-appealable.

1.06 TEXAS VETERANS COMMISSION RECOGNITION

Grantee shall include, where possible, the following information on the Grantee website and on all grant program-related materials, brochures, flyers, and forms:

- Texas Veterans Commission website URL;
- Fund for Veterans' Assistance logo;
- The following statement:
 “This program is made possible by a grant from the Texas Veterans Commission *Fund for Veterans’ Assistance*. The *Fund for Veterans’ Assistance* provides grants to organizations serving veterans and their families.”

If requested by the Agency, the Grantee will provide information regarding grant performance, success stories, and other information that can be used by the Agency to publicize the grant program and the Fund for Veterans’ Assistance.

ARTICLE 2 - GRANT PAYMENT PROVISIONS

2.01 REIMBURSEMENT GRANT

Fund for Veterans' Assistance grants are awarded on a cost reimbursement basis. Under the cost reimbursement method of funding, a Grantee is required to finance its operations with its own working capital with grant payments made to reimburse the Grantee for actual cash disbursements supported by adequate documentation. An initial payment of up to 10% of the total amount of the grant can be made for start up costs. The subsequent expenses will be charged against the initial payment until a zero balance is reached to be followed by expenses that will be reimbursed up to the total amount of the grant.

2.02 FUNDING ADJUSTMENTS

The Agency reserves the right to make adjustments in the amounts, permitted uses or other conditions of the grant as it may deem appropriate. Adjustments may be made by the Agency to the grant in total or to any one or more installments. The Agency will condition disbursement of any funds which it may award in addition to the grant on its review and approval of a supplement to the approved budget in such form as the Agency may direct, specifying the use of such additional funds by the Grantee. Grantee will expend such additional funds only in accordance with the approved supplement to the approved budget.

2.03 CONDITIONS PRECEDENT TO RELEASE OF FUNDS

Prior to the release of any grant funds, the Grantee must satisfy each of the following conditions:

- A. The Grantee must have completed a grant application that was approved by the Commission for funding.
- B. The Grantee must have executed the Grant Agreement.

- C. The Grantee shall have made the assurances set forth in Article 10, Assurances for Grantee, and the factual statements made therein shall remain unchanged.
- D. All of the statements and representations contained in the application for funding shall be accurate and remain unchanged materially. No further grant funds shall be released to the Grantee if the Grantee has not continued to satisfy the conditions set forth in paragraphs (A), (B) and (C) above.

ARTICLE 3 - APPROVED BUDGET AND USE OF FUNDS

3.01 APPROVED BUDGET

Upon receipt of notification of a grant approval, a Grantee shall have an approved budget. If the budget submitted with the application needs to be revised (for example, if the Grantee receives an amount other than that requested), the Grantee must submit a revised budget. The Agency will provide instructions and guidelines for the submission of the revised budget. The budget will be reviewed by the Agency for compliance with the UGMS. Upon approval of the revised budget by the Agency, said budget shall be deemed an "approved budget," and the grant will be disbursed to the Grantee in accordance with Section II and Article 2 of these provisions, subject to the rules, these general grant provisions and the approved budget.

3.02 USE OF FUNDS

The grant shall be expended by the Grantee to provide assistance to the veterans of Texas and for the specified purposes in the grant application, and in the amounts as set forth in the approved budget as amended from time to time in accordance with the procedure provided herein. Indirect costs may not exceed the amount of indirect costs as specified in the approved budget.

3.03 AVAILABILITY OF STATE FUNDS

This agreement is subject to the availability of state funds. If such funds become unavailable during the term of agreement and the Agency is unable to obtain sufficient funds, this agreement shall be reduced or canceled.

3.04 COMPLIANCE WITH LAWS

Grantee must at all times comply with the assurances contained in Article 10, Assurances for Grantee. In addition, Grantee will comply with all relevant statutes, rules, regulations or decisions of the State of Texas or any applicable subdivision thereof.

ARTICLE 4 - STANDARDS FOR GRANTEE FINANCIAL MANAGEMENT SYSTEMS AND AUDITS

4.01 FINANCIAL MANAGEMENT STANDARDS

The Grantee shall comply with financial management standards and requirements (the Fund for Veterans' Assistance Fiscal Guidelines, the State of Texas Uniform Grant Management Standards (UGMS), OMB A-87 for state or local governments, OMB A-122 for nonprofit organizations, and Generally Accepted Accounting Principles) which shall be imposed by the Agency to reasonably enable the Agency to monitor and evaluate the Grantee's project and use of the grant funds. To assist in such evaluation, the approved budget and financial reports will allocate project expenses paid with grant funds between program costs and indirect costs.

4.02 ALLOCATION

The approved budget will allocate expenses of the grant between program and indirect costs. Such allocations will be governed by either OMB A-87 for state and local government or OMB A-122 for nonprofit organizations. Each item of cost must be treated consistently in like circumstances as either a program cost or an indirect cost. All such allocations will be based on the reasonable and documented estimate of the Grantee.

4.03 SOURCE DOCUMENTATION

Accounting records, including expenditure reports, shall be supported by source documentation such as canceled checks, paid bills, timecards, payrolls, etc. The Agency may disallow unsupported expenses and may require that funds expended for unsupported expenses be returned.

4.04 DOUBLE CHARGING PROHIBITED

By submitting the monthly expenditure report, Grantee is making assurances to the Agency that no other entity has been billed or charged for the expenses reported. Funds provided under this agreement cannot be used to pay expenses that have been reimbursed, charged or otherwise donated to the Grantee by another entity.

4.05 AUDIT RESOLUTION

The Agency may require Grantee to follow a systematic method to assure timely and appropriate resolution of annual audit findings and recommendations and to report progress in such manner and at such times as the Agency shall deem appropriate.

ARTICLE 5 - REPORTING AND MONITORING OF PROGRAM PERFORMANCE

5.01 REPORTING BY GRANTEE

Grantee shall submit expenditure and performance reports to the Agency periodically during the grant period at such times as shall be directed by the Agency. These reports will be in the form and contain the information specified by the Agency.

5.02 SIGNIFICANT DEVELOPMENTS BETWEEN SCHEDULED REPORTING DATES

Between the scheduled reporting dates, events may occur which have significant impact upon the grant. The Grantee shall inform the Agency as soon as the following types of conditions become known:

- A. Problems, delays or adverse conditions which will materially impair the Grantee's ability to comply with the approved budget. A statement of action taken or contemplated shall accompany this disclosure, and any assistance needed to resolve the situation.
- B. Any facts or events which would make the Grantee ineligible for funding if it were making application for funding at that time.

5.03 MONTHLY REPORT

Grantee shall provide to FVA a monthly performance and expenditure report in a format prescribed by the FVA and must contain an authorized signature. The due date for the report is the 15th of the month following the end of the reporting month.

5.04 QUARTERLY REPORT

Grantee shall provide to FVA a quarterly project narrative report in a format prescribed by the FVA. The due date for the report is the 15th of the month following the end of the reporting quarter.

5.05 FINAL PERFORMANCE AND EXPENDITURE REPORT

The final report shall be submitted to FVA in the format designated by FVA, and is due no later than sixty (60) days after the expiration or cancellation of this agreement, whichever occurs first.

5.06 FAILURE TO COMPLY WITH REPORTING REQUIREMENTS

Failure of Grantee to comply with any of the reporting requirements in this agreement may result in the withholding or revocation of the grant, the refund to the FVA of grant funds disbursed, and/or Grantee's ineligibility for future grant funds.

5.07 MONITORING

Visits to one or more of a Grantee's places of business may be made as determined by Agency representatives to inspect and review a project's physical facilities, financial records, personnel records, operational policies and procedures, including but not limited to observation of Grantee's delivery of services, and such other aspects of a Grantee's project as reasonably necessary to ensure compliance with the Grant Agreement and these provisions.

Monitoring activities are intended to ensure: (1) that Grantees meet the expenditure and performance requirements of the Grant Agreement; (2) Fund for Veterans' Assistance resources are used efficiently and effectively; (3) Fund for Veterans' Assistance resources are protected from waste, fraud, and abuse; and (4) reliable and timely information is captured and reported.

Grantees shall cooperate with the Agency's program and fiscal monitoring activities, site visits, reviews of documentation and requests for information. Program and fiscal monitoring activities include site visits, desk reviews, and analyses of both financial management and grant administration to help identify potential weaknesses before such weaknesses result in substandard performance or questioned costs. Monitoring activities shall assess a Grantee's compliance with the Grant Agreement, the Fund for Veterans' Assistance Fiscal Guidelines, the State of Texas Uniform Grant Management Standards (UGMS), and [OMB Circular A-87 \(Cost Principles for State and Local, and Indian Tribal Governments\)](#) or [OMB Circular A-122 \(Cost Principles for Nonprofit Organizations\)](#).

The Agency may review all relevant records or a sample of records to monitor a Grantee. Failure to comply with monitoring activities may result in corrective action.

5.08 ELIGIBILITY DETERMINATION

The Grantee must ensure that clients served using FVA grant funds are eligible to receive services prior to requesting reimbursement for services provided to these clients. Eligibility documentation must be maintained in the clients' records. In specific extenuating circumstances it may be unreasonable to obtain eligibility documentation for rendering services. These situations will be approved during the application process and noted in Exhibit A (Statement of Work). The Grantee must still document due diligence to determine veteran, dependent, or spousal status.

ARTICLE 6 - RETENTION AND ACCESS REQUIREMENTS FOR RECORDS

6.01 LENGTH OF RETENTION PERIOD

- A. Except as provided in paragraphs (B) and (C) of this section, records shall be retained for three (3) years from the ending date of grant period.

- B. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the three (3) year period, the records shall be retained for two (2) years after completion of the action and resolution of all issues which arise from it, or until the end of the regular three (3) year period, whichever is later.
- C. In order to avoid duplicate record keeping, the Agency may make special arrangements with Grantee to retain any records which are continuously needed for joint use. The Agency will request transfer of records to its custody when it determines that the records possess long-term value. When the records are transferred to or maintained by the Agency, the three (3) year retention requirement is not applicable to the Grantee.

6.02 SUBSTITUTION OF MICROFILM

Copies made by microfilming, photocopying or similar methods may be substituted for the original records.

6.03 ACCESS TO RECORDS

- A. Grantee Records. The Agency, or any of its authorized representatives, shall have the right of access to any books, documents, papers or other of the Grantee's records which are pertinent to the grant, in order to make audits, examinations, excerpts and transcripts.
- B. Expiration of Right of Access. The rights of access in this section shall not be limited to the required retention period but shall last as long as the records are retained.

ARTICLE 7 - PROHIBITED PRACTICES

7.01 CAPITAL EXPENDITURES

- A. Capital expenditures are prohibited except where they are specifically authorized for grant funds awarded under the Housing4TexasHeroes program.
- B. Capital leases are prohibited. "Use" leases or "operational" leases are allowable only when specifically authorized in the grant award.

7.02 SUBGRANTS

A Grantee may not issue subgrants.

ARTICLE 8 - DEFAULT AND REMEDIES

8.01 DEFAULT DEFINED

For purposes of these general grant provisions, a Grantee may be deemed in default upon the occurrence of any of the following:

- A. Any material violation by the Grantee of the rules, the Grant Agreement, these general grant provisions, any other applicable statute, ordinance or law or any other rules, regulations or provisions applicable to the Agency which may hereafter be adopted;
- B. Any use of grant funds not in substantial accordance with the approved budget and budget narrative including approved revisions for that grant period;
- C. The occurrence of any event which would make the Grantee ineligible to receive a grant if applying for one at that time;
- D. The submission of any materially false or intentionally misleading information to the Agency as a part of the grant application, approved budget, budget narrative, reports, financial statements or otherwise; or
- E. Any failure to return unused grant funds at the end of a grant.

8.02 REMEDIES UPON DEFAULT

In the event of a default by a Grantee, the Agency may assess corrective action on a Grantee based on the following criteria as determined appropriate by the Agency given the circumstances surrounding the occurrence of the acts necessitating corrective action:

- A. Severity, nature, duration, and extent;
- B. Previous occurrences of acts necessitating corrective action; and
- C. Efforts by the Grantee to prevent the occurrence of acts necessitating corrective action, including efforts to:
 - 1. obtain technical assistance, training, or other assistance from the Agency or another entity;
 - 2. resolve monitoring findings; and
 - 3. prevent potential acts necessitating corrective action.

The Agency may assess one or more of the following corrective actions:

- A. Delay, suspension, or denial of contract payments;
- B. Partial or full deobligation of funds;
- C. Ineligibility for future grant awards;
- D. Contract cancellation;
- E. Participation in technical assistance and quality assurance activities;
- F. Submission of additional or more detailed financial or performance reports;
- G. Mandatory participation in training;
- H. On-site monitoring visits;
- I. An Agency-developed and Grantee-implemented Corrective Action Plan to address the weaknesses identified; and
- J. Other actions deemed appropriate by the Agency to assist the Grantee in correcting deficiencies.

The Agency will issue a corrective action letter to the Grantee when the Grantee is in default as defined in Article 8.01. The corrective action letter will be sent by certified mail. In the corrective action letter, the Agency will:

- A. provide notification of noncompliance;
- B. specify the corrective action as defined in 40 Texas Administrative Code §460.32(b), relating to Corrective Action, required to be taken by the Grantee;
- C. set a timeline for the Grantee to implement the Agency-required corrective action; and
- D. describe any technical assistance available to the Grantee.

8.03 APPEALS

A Grantee may appeal the Agency decision to impose corrective action, and/or deobligation of grant funds. No other appeals may be made by a Grantee.

A. Upon receipt of a notice of corrective action imposed on a Grantee, the Grantee may appeal the corrective action decision to the Agency Executive Director. A letter of appeal submitted by a Grantee must be received by the Agency no later than fourteen (14) days after the mailing date of the corrective action letter. A letter of appeal received after the deadline shall not be considered.

1. The letter of appeal shall include:

- (a) justification of why the corrective action should not be imposed;
- (b) an explanation of how the Grantee will correct the noncompliance identified in the corrective action letter;
- (c) an explanation of how the Grantee will ensure that any noncompliance identified in the corrective action letter will be avoided in the future; and
- (d) any documents supporting the appeal.

2. The Agency Executive Director, or his designee(s), makes the final decision to approve or deny the appeal. The decision of the Executive Director is final.

B. Upon receipt of a notice of deobligation of grant funds, the Grantee may appeal the deobligation of grant funds decision to the Commission. A letter of appeal submitted by a Grantee must be received by the Agency no later than fourteen (14) days after the mailing date of the notice of deobligation letter. A letter of appeal received after the deadline shall not be considered.

1. The letter of appeal shall include:

- (a) justification of why the deobligation of grant funds should not be imposed;
- (b) an explanation of how the Grantee will correct the determinations identified in the notification of deobligation letter;
- (c) an explanation of how the Grantee will ensure that the determinations in the notice of deobligation letter will be avoided in the future; and
- (d) any other documents supporting the appeal.

2. The Commission makes the decision to approve or deny the appeal. The decision of the Commission is final.

ARTICLE 9 - GRANT CLOSEOUT

9.01 CLOSEOUT

- A. Except as otherwise provided herein, each grant shall be closed out as promptly as is feasible after expiration or cancellation.
- B. Within sixty (60) days of any expiration or cancellation, the Grantee shall submit a final expenditure report that accounts for all grant funds as outlined in Article 5.05.

9.02 RIGHTS NOT AFFECTED

- A. The closeout of a grant does not affect the retention period for, or Agency rights of access to, records as provided herein.
- B. Until the grant is closed out, the Agency retains the right to disallow and recover an appropriate amount after fully considering any recommended disallowances resulting from an audit or review which may be conducted between the end of the grant period and the closeout.
- C. The closeout of a grant does not affect the Grantee's responsibilities with respect to property under Article 7 hereof, or unexpended grant funds as provided herein.

9.03 AMOUNTS PAYABLE TO AGENCY

For each grant, the following sums shall constitute a debt or debts owed by the Grantee to the Agency, and shall, if not paid upon demand, be recovered from the Grantee or its successor or assignees by setoff or other action as provided by law:

- A. Any grant funds paid to the Grantee by the Agency in excess of the amount to which the Grantee is finally determined to be awarded;
- B. Any amounts due the Agency under these provisions; and
- C. Any other amounts finally determined to be due the Agency.

9.04 CANCELLATION BY CONSENT

In addition to cancellation upon a default, grants may be cancelled in whole or in part as follows:

- A. By the Agency with the consent of the Grantee, in which case the two parties shall agree upon the cancellation conditions, including the effective date and in the case of partial cancellation, the portion of the grant to be cancelled; or
- B. By the Grantee, upon written notification to the Agency, setting forth the reasons for such cancellation, the effective date, and in the case of partial cancellation, the portion to be cancelled. However, if, in the case of a partial cancellation, the Agency determines that the remaining portion of the grant will not accomplish the purposes for which the grant was made, the Agency may elect to cancel the grant in its entirety.

ARTICLE 10 - ASSURANCES FOR GRANTEE

Grantee assures that:

- A. It will restrict the use of TVC grant funds to activities and/or purposes that are authorized under the Grant Agreement.
- B. It will comply with applicable laws including those pertaining to anti-discrimination measures for employment and services.
- C. It will, upon request, cooperate with all data collection and evaluation activities undertaken by the Texas Veterans Commission and give any authorized representative of the State of Texas (i.e., State Auditor's Office) access to any copies of all financial records, books, papers, or documents at no cost to the Agency.
- D. It understands and agrees that the Commission may, in its sole discretion, grant funds in greater or lesser amounts and/or for greater or lesser periods of time than requested in its application.
- E. It understands and agrees that the application, once received by the Commission, becomes the property of the Commission, and any or all ideas contained therein may be used by the Commission.
- F. It will provide written reports detailing the use of Agency grant funds consistent with the proposed use described in the Grant Agreement.
- G. It will promptly notify the Agency if any organizational or project changes occur such that information contained in its Grant Agreement is no longer correct, or that would render the organization ineligible for an FVA grant award.

- H. It will not use any FVA grant funds for the purpose of lobbying as defined in Chapter 305 of the Texas Government Code.
- I. It will comply with state and federal laws, regulation, rules, and agency policies, and OMB Circular A-87 (Cost Principles for State and Local, and Indian Tribal Governments) or OMB Circular A-122 (Cost Principles for Nonprofit Organizations).
- J. It will maintain its tax exempt status under Section 501(a) of the Internal Revenue Code of 1954, for the life of the grant, and will notify TVC immediately if such status changes.
- K. For housing construction or modification grants, it will, for any grant-funded project, abide by the Texas Minimum Construction Standards, as well as any local, state or federal rules, statutes, or codes adopted by the local government to regulate construction in that area. It will also make available all required building or construction permits along with any blue prints that are created for the project.
- L. For housing construction or modification grants, it will provide the Agency with the physical address of any construction or housing modification project that is funded under the grant once construction begins.
- M. For housing construction or modification grants which are funded by the Housing Trust Fund, it will maintain compliance with Texas Government Code §2306.202, which provides that assistance will be provided only to those persons who meet the income requirements set forth in that statute.

ARTICLE 11 - CHANGES

Any changes, including any increase or decrease in the amount of the award, shall be incorporated in written amendments to this contract. No oral agreements are valid.

ARTICLE 12 - PERSONNEL

Grantee certifies that it and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Grantee is in compliance with the State of Texas statutes and rules and that Grantee is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <http://www.epls.gov>.

ARTICLE 13 - CIVIL RIGHTS

Grantee shall comply with applicable requirements of federal and state laws prohibiting discrimination on the grounds of race, religion, color, sex or national origin, while administering this grant.

ARTICLE 14 - INCORPORATION OF PROVISIONS REQUIRED BY LAW

Each provision and clause required by law to be inserted into this agreement shall be deemed to be enacted herein and the agreement shall be read and enforced as though each were included herein. If through mistake or otherwise any such provision is not inserted or is not correctly inserted, this agreement shall be amended to make such insertion upon application by either party.

SAMPLE