



## **Cohort for May 2016 Application Deadline**

Session 3 – Finishing Touches

**April 21, 2016**

Emily: Hi. This Emily Appel-Newby from the Assets for Independence Resource Center. Who is on the call?

Rosemary: This is Rosemary from Foothills United Way.

Emily: Hi, Rosemary, glad you could join.

Rosemary: Thank you.

Emily: All right. Let's go ahead and get started and if the other people are able to join us that is great. Hi, who just joined the call?

Molly: Hi, this is Molly and Colette from Catholic Charities in Oregon.

Emily: Great. Thanks so much for joining. We have a smaller group today. We have Rosemary from Foothills United Way. We have John from Mississippi State University and Molly and Colette from Catholic Charities Oregon. We are going to go ahead and get started and hopefully more people can join us. The topics for today's conversation is Finishing Touches because the idea is that as we're coming so close to the May 13 application deadline that hopefully you're putting the finishing touches on your application. But of course any questions that you have are on our topics of discussion are welcomed today. Again, we don't have a webinar so I encourage you to ask questions and I can speak to you what's in the funding opportunity announcement and what OCS policy is and hopefully, other people on the call can speak from their experiences or what they are putting together and planning for our May application. As a reminder, this call is being recorded and a transcript will appear on the AFI resource center website. I want to hear from each of you about do you feel good that you're on track to submit before the May 13th deadline?

John: This is John at Mississippi State University and I am not exactly where I would like to be at this time but I will be able to meet the deadline.

Emily: How are you feeling not where you wanted to be?

John: I suppose in the writing process; I'd hoped to be a bit further along at this point.

Emily: I understand. It's a lot of concepts to put down on paper and capture for sure. Rosemary how about you?

Rosemary: I feel the same way. I've had some other opportunities come up at the same time so I am trying to juggle a couple of different proposals at the same time, which has been a little challenging but I feel also if they came up then it's great to take advantage of those when they are available.

Emily: That makes sense. What about Molly?

Molly: Hi, this is Molly. I have in the room with me Colette and Kelly. Kelly is our grant writer so I am going to punt to her. [laughter]

Kelly: We're working hard, but it's all in the process of collaboration but we have met our initial deadline for our timeline so we're on schedule.

Emily: That's great. In terms of timeline, I do want to encourage each of you to submit the application well before the May 13th application deadline. At the AFI resource center, we get a lot of panicked calls on the actual application deadline date from people who, Grants.Gov is moving slowly and they don't know whether it got another application was received and accepted. Definitely, if you can submit it a few days ahead of time it will give us an opportunity to help you work through any kinks that you might run into. I am really happy to open the floor to any questions that folks have as they are putting these finishing touches on the application. Are there any issues that you're still wrestling with, maybe how to talk about something in your application narrative?

Rosemary: This is Rosemary. I have a question, we're working with a partner to pilot a new partnership and it hasn't gone exactly as smoothly as I would have liked. Is this something that would be beneficial, you think, to highlight in the application as a new opportunity for us or because we don't have the data that it will go as we had hoped, perhaps I shouldn't mention it?

Emily: A partner who you've used with the project previously or...?

Rosemary: Well, because of their timeline, we haven't seen that partnership develop where they are just in the process of having some participants supplied to the program, so it's hard to forecast how the partnership is actually going to be developing.

Emily: So they're kind of a referral partner?

Rosemary: Right, but additionally a funding partner as well. It's a new population group that you can say we would be reaching out to.

Emily: Well, I guess probably if it does not feel like a sure thing, maybe you can talk about it as a potential partner for the project. You think that would work?

Rosemary: Definitely, I can. I just didn't know how that would be viewed.

Emily: I think that the reviewers probably understand that the partnership development takes time and so I think you can talk about it as a potential partner that you're in the process of developing but it's not in place yet, yeah.

Rosemary: Right. Okay.

Emily: As a funder though are you expecting them to contribute some of the nonfederal cash contribution that are passed contribution or other operational funding?

Rosemary: I was not planning on including them in the actual commitment because I am not sure how this is going to move forward but...

Emily: That's safest done, if they are not ready to sign the formal letter of commitments then it's probably best not to count on them for any cash commitment.

Rosemary: Yeah.

Emily: What issues are other folks running into with running their applications?

John: I have a couple questions. This is John. In discussions and meetings with the banking partner, I did see it in the AFI resource center that the matching funds must be deposited into the IDAs at least quarterly. Did I understand that correctly?

Emily: Yeah. That's pretty much what it is. The matching funds have to be distributed to, allocated to savers or something on a quarterly basis. You as the grantee can choose whether that means that you're going to put the matching funds into their IDA account or if you are going to continue holding them in the reserve fund but earmark them for that particular saver as they have earned it by making their savings deposits and completing other program requirements. What we see across the country with most grantees is that they choose continue segregating those matching funds into the reserve fund so that it is there and reserved for the participant's use when they are ready to make an asset purchase but not held in their IDA just to make sure if something that would happen and the individual had to pull out before they can make a qualified asset purchase that they would not accidentally take out some of the matching funds as well.

John: That was my concern for sure of the bank. I was trying to communicate how it would work for them to be able to take an emergency form by the project director and only be able to

get out what they deposited and not the matching funds and that was quite an interesting issue. If we can't leave it as a segregated or reserved portion of but not actually in their IDA that would totally solve that issue.

Emily: Right. And the other way to address that would be to have the emergency withdrawal form, approval form has a space for the dollar amount that they are allowed to take out so that you can check what their deposit total was as of that point and put that limit on the amount they can take out. But, yes, if you just have the money in a completely separate account then that prevents any issue of there being an over-withdrawal.

John: And I would need to enumerate that in the grant application. The process for reserving--

Emily: Yes. You should definitely talk about in your work plan and timelines somewhere, reference that requirement to allocate the matching funds quarterly and then explain that you're going to explain how you're going to--you will mark them as having being earned by the saver even if they are not being actually moved to the IDA.

John: Okay. And you would suggest possibly saying, that if we have a total of X amount that has been reserved in all of our accounts together just saying set aside that matching, not IDA-specific. As a whole for the current IDA participants, or would it need to be detailed as to the individual?

Emily: It will need to be detailed as to the individual, I think. But not detailed with the financial institution, just in your record keeping system, does that makes sense?

John: Sure. So is it something that we can do internally with the records or part of that reserve fund need to be - does it need to be segmented to hold currently reserved funds for the current participants?

Emily: Right. It does not need to be segmented in that way, it just needs to be in your accounting record.

John: Okay. Great.

Emily: I am trying to think where you would have seen that. Did you ever look at the actual AFI legislation?

John: In the AFI resource center I read everything that was in the category of setting up the accounts and working with the banking partner and agreement and I have read all of that. And somewhere in that, I had seen that clause.

Emily: That's definitely correct.

John: I have more questions but I don't want to monopolize.

Emily: No. I think if you have the questions then other people will probably do as well. So please go ahead.

John: One is, as I am looking at the budgetary portion of the application, of course, it's looking at the 2% at a minimum for your collection of data and other information then up to 5.5% for non-administrative and then up to 7.5% for administrative. For example, when you're looking at overhead issues, fringe for employees, for example, I am wondering exactly that would be which section that would be considered non-administrative or...?

Emily: I guess the way that I see it is, no, it would not be. Fringe is related to the salary benefits of the personnel. I think you can see it as falling into any of those categories for which you are assigning personnel cost. I would not say fringe by definition is one of those but what I would say, for example, an administrative cost includes the reporting. If you say my effective directors are going to spend 20 hours per year on reporting and that's going whatever percentage of my budget, then you can allocate a proportion of the amount of their fringe benefits to compensate for the time for reporting.

John: Is it allowed to do things like, like heating and air, electrical, various utilities for the facility in which we operate, for a certain percentage to go on a non-administrative or is that not allowable?

Emily: If you look at the definition in the FOA non-administrative, it explains that non-administrative, means assisting participants with case management, budgeting, economic literacy, and credit counseling. Those are program costs that are not administrative by nature. The kinds of the things that you're referring to are more like indirect cost. There is no line item for an indirect cost, but OCS has determined that you may include the indirect cost in that 15% only if you have an existing indirect cost agreement with the Department of Health and Human Services which, as a university, I guess you may have that.

John: I will check.

Emily: But you will have to submit a copy of that.

John: And it's an agreement you said?

Emily: An agreement between the University and the Department of Health and Human Services. But the indirect cost rate that they are able to charge on federal projects.

John: Okay. I will definitely take that and make sure... But it will all be still limited to that 15% and that indirect cost would be under the non-administrative.

Emily: No. They would not be under the non-administrative, no. Because like I said, the non-administrative is all the program cost. So basically those are three areas where you're supposed to be able to cover with your 15% but OCS also chooses to recognize those HHS indirect agreements so you don't have to fit it into one of those three buckets, you can take it from wherever you choose.

John: Okay. Well, it sounds like if I can get away with not putting indirect cost it I look better on the application?

Emily: Yeah. Usually that's - 15% is already not very much to help to operate this kind of program considering what a hands-on model it can be and so anytime you eliminate any of that 5.5% or 7.5% or 2% and you give it over to indirect there would definitely be even more questions about how you will be able to successfully operate the project. And that's really where the budget narrative comes in, is where you can talk about how you're choosing to use that 15% to support the project but you can also talk about other funding sources that you're leveraging to support the actual costs of program delivery.

John: People providing a facility, that kind of thing?

Emily: Exactly yeah that kind of in-kind. Another thing that I wanted to mention about a budget is to make sure after you've finished the narrative and filling out the budget forms is to go back and crosswalk your technical narrative against the budget in terms of - to make sure that the numbers align. For example, if you said you would serve 10 people and they would receive \$2000 of federal and \$2000 of nonfederal each make sure in your narrative, make sure in your budget that you're asking for = your 85% is \$20,000 of federal and \$20,000 of non-federal. Lots of times where see situations where people started writing the budget the budget or the narrative assuming they can serve X number of people and then they would voice their protection to serve Y number of people but they didn't go back and change the numbers and make them consistent throughout and that often can cause questions for reviewers. John, did you have any more questions?

John: I have some related questions if it's okay to continue to ask. When you were talking about program cost this would be, for example, obtaining skills and information necessary. This would be like printed materials to which they take home for educational materials or would it include if you brought someone in an instructor for financial literacy type things, all of that I suppose or...?

Emily: Yeah. Definitely. Any classes around financial literacy would definitely be considered those non-administrative costs.

John: Okay. That's all that I have right here in the section.

Emily: Did other folks on the line have questions about how to put together the budget?

Rosemary: I have a question. Last time for the proposal we included the in-kind just to show the value of the resources that were being added from the program here to make the project work and it was requested after approval of the grant that that be removed and modified - so it's my understanding that it's not best to include that in the actual budget?

Emily: Like in the 424A?

Rosemary: In our narrative we inserted a table of the budget.

Emily: Okay. I think that's true. Any time you're showing budget, numbers, and figures. Let me revise what I said before. In terms of the budget and budget narrative, maybe that's not the best place to talk about in-kind and leverage resources but rather in the section where you're talking about project feasibility and organizational capacity that is actually probably a better section to talk about how we're already doing home ownership education classes and they are funded by Freddy Mac and Fanny Mae so we're not going to use any of the 15% to support our home ownership classes - something like that. Rosemary, does that sound like it aligns with the advice you got last time?

Rosemary: Yeah, I believe so.

Emily: Thank you so much for bringing that up because you're right, I was not thinking about all the different places in the application where you could make reference on the outside leverage resources.

Rosemary: Okay. Thank you for that tip. I also have a question about the work plan, if I could?

Emily: Sure.

Rosemary: And this is referring to questions that I have received from other funders - so in putting the work plan together I have used the different worksheets that are available in the toolkit and the formulas that AFI suggest that you use in figuring out how many people you should reach out to how many [inaudible] for example, orientations in order to make sure that you have people that are actually going to apply and then being ready to attend financial education and each one of those seem to diminish in terms of the numbers that will stay in the program. Now, we don't necessarily enroll that many people because we tend to have people staying in the program more or maybe we just don't have as much turnover. Is it best to go by those standard formulas or to look more closely at what is actually happening in the programs here? What happened with this other funder is that I put high numbers in in terms of enrollment and then we didn't actually meet those goals because we didn't really need to and that confused the funder I believe.

Emily: No, that's a great question. I think you should definitely rely on your experience having operated a program a couple of different grant cycles because the worksheet, those numbers are based on national averages from projects of different sizes and different community contacts. If you know how many people you need to do outreach to in order to fill your spots, then that's the best predictor for sure.

Rosemary: Thank you.

Emily: Did someone joined the call just a few moments ago?

Amy: This is Amy at the Woodford Salvation Army. Sorry I am late.

Emily: No worries. Thanks for joining us. We are going through lots of fun stuff about budgets and projections and partnerships and how to input those, actually, writing the application narratives, and other finishing touches.

Amy: Okay. Great.

Emily: Thanks Rosemary for your questions. Are there other folks with other questions? John, if you definitely have more questions feel free to go ahead.

John: Last time we talked about the national average for full-time equivalent was 1.5 that was also brought out that some suggested 50 savers per FTE and I am assuming that was referenced to 50 savers annually. If we are expecting 130 or so then - I know the range goes up to 1.5, we just don't want to get up above that. Would you suggest we make stay under that 1.5, most likely?

Emily: No, even the 1.5 is an average. There were people who are above it and below it.

John: I took that as a range of the 0.5 and the 1.5 but -

Emily: I think the 1.5 came from the programs with a large number of savers like 150 but that 1.5 was an average among those respondents.

John: The larger groups, right?

Emily: Yeah.

John: And ours would be probably close to 132 a year?

Emily: Yeah. So that definitely is on the larger side of AFI projects. Especially while you're ramping up a new project it takes an additional staff capacity to kind of think through everything and gets that partnership off to a firm start. I would understand more staffing you might be expected to be needed than in future years. Again, that's something you would want to talk about in your organizational capacity section is - why are different people are needed? Honestly, I don't think the reviewers would have a problem with you having too many people on the product as much as they would worry if you're understaffing that product.

John: Great.

Emily: Amy, did you have any question in your application?

Amy: Yeah. And I apologize if you're repeating yourself - I was just curious with the evaluation criteria. What specifically should we be putting in there?

Emily: Do you mean with what you're going to do around an evaluation?

Amy: Yeah.

Emily: I think that the expectation there is just that you will commit to participating in the federal evaluation which means that you'll submit data for the federal evaluation. They are not expecting you to do your own independent evaluation of your project.

Amy: Okay. And then we had this once before - is it still quarterly or once a year?

Emily: The data report, information about how many people have enrolled, how many people have taken financial education classes, how much have they saved, how much have they sent allowable purchases? That is once a year. And you also have to do your federal financial report once a year. And then there are quarterly updated that just go to your program specialist at the Office of Community Services that are kind of more check-ins about the health of your project.

Amy: Okay. thank you.

John: I have a question about reporting when you have worked with the Office of Family Assistance and from the demographic questions they would ask, should I expect that they would look at the same type demographic information as needed before?

Emily: They are actually going to change the way that the annual data report looks so I am not totally confident in what it's going to look going forward actually, sorry to say. But I would expect most of the standard demographic questions that are asked by different federal agencies are certainly true in terms of gender, race, and ethnicity. I am not sure how income will be asked and it's obviously it's an income restricted program. The assumption is already it's going to be people with restricted income, maybe around children in the household. Are those

the kinds of fields you're thinking of?

John: Yeah. Exactly.

Emily: Did you have other questions?

John: Not about reporting, no.

Emily: What other questions you have in other areas?

John: Just a point of clarification that I had mentioned on a previous call and I wanted to make sure that I understood correctly, the exact underfunding restrictions, the quote is that both obligations and expenditures of federal and nonfederal funds for participant match must be made in a parallel manner. And so they are talking about - you mention that it doesn't mean if we're spending 7% of federal dollars on administrative cost it doesn't mean we have to spend 7.5% of that same amount from nonfederal cash commitment. I was trying to figure out what exactly they mean by parallel just so that I am not building my budget with putting the weight of administrative, non-administrative on the government side and that looking somehow bad for my application.

Emily: Sure. I think what that might actually refer to - one is when you are making an actual payout for an approved purchase for an individual saver. The idea that we try to communicate is that if you are paying out a \$1000 on their behalf it's not like you spend the money that they are receiving from federal funds person, then you start paying the non-federal funds that they are receiving rather, than the \$1000 payout is 500 of their federal and 500 of their non-federal. As the individual receives matched payouts they are spending down the federal funds and the non-federal funds that are allocated to them at the same rate which, to be honest, the saver wouldn't even necessarily need to be communicated to the saver, that just needs to be in your record keeping behind the scenes. In terms of spending on the parallel on the side of the 15% I would say that it's probably a reference to an older interpretation of - I guess the idea is, if you're spending - the same idea applies to the 15%, so if you're spending \$2000 purchasing a data tracking system and that is your 2% of your budget then you should consider it to be \$1000 of your federal funds and \$1000 of your non-federal funds, if you have included 2% of evaluation for both of those because the most recent analysis interpretation of AFI program policy is that while that breakdown of 2%, 7.5% and 5.5% that applies to the federal portion of your project's budget that particular breakdown does not apply to the non-federal portion of your budget. For the non-federal portion, you do have to spend 85% on matching participant's savings but the 15% can be spent on any of those three purposes or it can be used as an additional match for participant's savings, okay?

John: Yeah. Absolutely.

Emily: Are there any questions from folks on the phone? Molly, Colette, or Kelly, I don't think we've heard from you do you have any questions or are there issues that you're working through or are you feeling good about where your application is?

Kelly: This is Kelly. I am just working really hard trying to be in the middle of it. I feel like the overall issue is we have experience doing IVAs for three years and we have a lot of details and I guess I would like to understand how the details, just as an overall feel. I am airing on the side of more details rather than less detail. This is a just general question.

Emily: Yeah. I would say err on the side of more details rather than few details because projects' visibility and organizational capacity is always a question. The more that you can show that you've thought through your project design and how it really meets the needs of your target population, I think that reviewers want to see that kind of information. And then if I am not mistaken this is the first time you're applying for AFI funding, is that correct?

Kelly: Yes.

Emily: I would, especially since it's your first-time applicant they want to make sure the more that you can show that you understand the intricacies of project design then I think that's only a good thing.

Kelly: Beautiful. Thank you so much. We're just working on the details and thank you so much for letting us question.

Emily: Not a problem.

Rosemary: This is Rosemary. I have a question about the teams that review the application. I don't know if you're able to share this or not. But can you say what kind of a background or how familiar they are with the AFI program?

Emily: Sure. They take - the review panel is from non-government staff, non-AFI program staff but they are briefed on the application, or briefed on the AFI program and on the evaluation criteria, and the execution laid out in the funding opportunity announcement. I would say that just by either by the recruitment or by virtue of who OCS targets for asking who to target to on that review panel, it is people who are probably more experience with human services program delivery.

Rosemary: Okay. Thank you.

John: I was thinking about the same question as well. And since we don't know if we should just use common language every day as opposed to staying away from grant-specific terminology if they are a non-federal reviewer?

Emily: If you're going to use an acronym you will probably want to spell it out the first time but I would probably save it - the reviewers are probably comfortable with the social services and the human services world. They would probably, for example, understand what it means if we say that somebody is a TANF participant, Temporary Assistance for Needy Families participants. And we would understand that's the federal welfare program.

Rosemary: And to follow up on that question is there any anticipation as to when we would expect to hear back after the main deadline?

Emily: Yeah, given that this is the second funding cycle for the federal fiscal year, these announcements for the second cycle are usually not made until the very end of the federal fiscal year, so September 30th.

Rosemary: Okay. Thank you.

Emily: Are there other questions?

John: You had mentioned on the last call that the staffing that you see common is, of course, the grant manager, then someone in the financial I suppose area, bookkeeper or what, then data management or entry - does that sound right as far as your typical staffing?

Emily: I didn't mean to put any weight on this one is the most common and this one is the least common. I was just brainstorming just as they came out. I would say that definitely the most common is the program manager - someone who can oversee the delivery of the program in general so that they can oversee the participant servicing components, the case management side of things, they can manage the outside partnership with the financial institution, the funders and other kinds of partners and they can manage the grant aspects, making sure that the reporting goes in on time. But however you want to choose to distribute those responsibilities for management amongst several staff is definitely allowable. Does that answer your question or...?

John: I was just making sure I didn't leave an important component off of - as far as staffing goes.

Emily: Yeah. I think those are the general areas that I would - if you look at the funding opportunities they have this section about - if you look at the program requirements section of the funding opportunity announcements at page three, as long as you want to look at those requirements and say, "Okay, who is going to be responsible for making sure each of this requirements are adhered to within my projects?" Reserve funds, who is managing, who is keeping an eye on the reserve funds, the financial aspects, skills information for economic self-sufficiency, who is in charge of making sure that we have those kinds of training available to our

participants, eligibility, who is in charge of reviewing applications and selecting who can be entered into the program. The idea is one of you has those required areas addressed in terms of staffing.

John: Okay.

Emily: All right. Are there any other questions? Then we will go ahead and wrap up today's call. Thank you, everyone, for participating and for asking all your questions. I am sure your peers appreciated getting some explanations as well. Definitely, if you have any questions before May 13th or whenever you submit your application don't hesitate to contact the AFI resource center either by email at [info@afiresource.org](mailto:info@afiresource.org) or telephone 866-778-6037. Thanks so much everyone and have a great afternoon.