



May 8, 2012

Wage and Investment

VITA Grant and TCE Grant

Application Process Overview

- Grant Objectives
- Differences Between Grants
- Grant cycle time line
- Eligibility Requirements
- Highlights of Application Processes
- Other Application Considerations

- Enable VITA program to extend services to underserved populations in hardest to reach areas, both urban and non-urban;
- Increase the capacity to file returns electronically;
- Heighten quality control;
- Enhance training of volunteers; and
- Improve the accuracy rate of returns prepared at VITA sites.

- Provide tax counseling and return preparation to persons 60 years of age or older; and
- Provide training and technical assistance to volunteers who provide free Federal income tax assistance within elderly communities across the nation.

VITA

- **Dollar-for-dollar matching required** - cash, third party in-kind contributions, such as equipment, supplies, volunteer time, space, etc.
- **Direct and indirect costs allowed**
- **Salaries allowed for clerical, program or site coordinators, technical support and/or tax law instructor**
- **No limit on administrative costs**
- **Budget includes SF 424A and budget detail explanation**

TCE

- Limited to Non-Profits only (no government entities)
- 65% of all e-filed returns completed for taxpayers age 60 or over
- Only direct costs allowed
- Salaries limited to administrative and technical personnel only
- Administrative costs limited to 30%
- No matching requirement
- Budget is shown on Form 8653

VITA and TCE:

- Application period – May 1 – May 31
- Review and ranking – June 1 – September 30
- Notification of selection – October 1

VITA

- Program period – July 1 – June 30

TCE

- Program period - October 1 – September 30

- Application Instructions Available Electronically Only
 - VITA - Publication 4671
 - TCE – Publication 1101
- Plan to Limit Future Changes to Critical Areas and New Mandates
- Moving Information Specific to Grant Recipients to Publication 4883, *Grant Programs Resource Guide*

VITA and TCE:

- Qualify as a non-profit organization
- Demonstrate tax compliance with federal tax obligations
- Not be debarred or suspended
- Have an A-133 unqualified opinion or qualified opinion without significant deficiency when required by OMB Circular A-133
- File all required reports timely if a previous VITA grant or TCE recipient

VITA:

- Government entities eligible
- Provide matching funds

VITA and TCE

- A private or public non-profit organization that qualifies for tax exemption under **section 501** of the Internal Revenue Code of 1986 **including** but not limited to educational institutions or faith based and community organizations,
- All must already have IRS determination letter confirming non-profit eligibility
- If applying as a church, must have the determination letter
 - If applying under a group ruling, must include the **current official subordinate listing approved by the central organization**

VITA

- A state or local government agency **including** federally recognized Native American Tribal governments

Submit documentation on the “attachments” file on Grants.gov

- **Secure a Dun and Bradstreet Number (DUNS)**
 - DUNS number required for applicant and all sub-recipient entities
 - Entity is defined as a state, local or tribal government; nonprofit organization including educational institutions; or for-profit organization
- **Complete Central Contractor Registration at www.ccr.gov**
 - Maintain active registration throughout application and grant period
 - Required for Grants.gov use
- **Check both systems to ensure accounts are active and accurate**
- **Register with Grants.gov in order to receive updates and submit application electronically**

- Determine if application is subject to review by State under Executive Order 12372
- Determine tax compliance status
 - Phone numbers provided on inside front cover of application instructions to verify status prior to applying
 - IRS can only discuss with individual authorized to discuss tax matters in organization
 - Applicants did not always know they had not filed a return and/or had a balance due
 - IRS Compliance check near time of award

- Accept Application Submitted through Grants.gov ONLY
- Review Grants.gov Requirements for Submission
- Register early on Grants.gov
- Submit Application Before Due Date

- Locate “Apply for Grants” on Grants.gov
- Follow the instructions to download the application
- Use the CFDA Number for easy searching
 - 21.009 for VITA Grant
 - 21.006 for TCE Grant

Expanded publications to include instructions for:

- Current grant recipients interested in a multi-year award
 - No significant concerns were raised in prior year
 - Successfully met program plan and minimum returns expected as agreed upon in the most recent program period
 - Demonstrated ability to grow and sustain program
- Current grant recipients awarded a multi-year award during the preceding year

- Review Publication 4671 or 1101
- Comment on all items requested - *Did not always address each category of the program plan*
- Be as specific as possible - *Did not provide a thorough response*
- Number and account for each page before submission - *Some pages were left out of the application*

VITA and TCE

- Standard Form 424
- Standard Form LLL
- Attachments

VITA

- Standard Form 424A

- Application for Federal Financial Assistance
- Some fields are automatically filled from Grants.gov
 - Announcement
 - Applicant registration
- Required fields are shaded “yellow”
- For fields that require additional space, form allows attachments

- By checking “I Agree” in Block 21 on the SF 424, the Applicant certifies to the assurance and certifications shown in:
 - Publication 4671: Appendix A, VITA Grant Application Components, Exhibit 3, List of Assurances and Certifications
 - Publication 1101: Appendix A, Federal Grant Certifications, Exhibit 2, List of Assurances and Certifications
- Certification Regarding Corporate Felony Convictions Added

- Disclosure of Lobbying Activities
- Complete if applicable to your organization
- If required to complete, fields shaded “yellow” must be filled in
- See “Assurances and Certifications” section in either Publication 4671 or 1101 for additional information

- Check the Publication 4671 or 1101 for additional attachments to submit with the application
 - Publication 4671 – See Submitting Your Application
 - Publication 1101 – See Completion and Submission of Your TCE Grant Application
- Label as directed

VITA Only

- Budget Information – Non-Construction Programs
- Follow the instructions in the “Completing the Standard Form 424A, Budget Information – Non-Construction Programs” section of Publication 4671
- Required fields are shaded “yellow”

- Keep the reader in mind
- Follow the instructions and application guidance carefully
- Label all sections and number all attachments
- Utilize program coordinator for thorough understanding of processes
- Use templates when provided
- Be brief, concise, and clear
- Be organized and logical
- Combine data
- Carefully proofread the application
- Adhere to limits and formats requested

- Use the requested formats or forms
 - Budget Detail in VITA Grant Workbook
 - Form 8653 for TCE
- Review proposed expenditures for whether they are allowable

VITA only

- Ensure matching funds proposed equal or exceed funds requested

- Log onto Grants.gov
- Follow the instructions for submitting an application
- Ensure attachments are included
- Ensure approvers are available to approve and submit final application before due date

- Initial contacts limited to contact person and authorized representative shown on SF 424
- Confirmation email from Grants.gov sent acknowledging receipt does not indicate completeness or eligibility
- Requests for additional information sent with response date; don't ignore, respond
- Applicants notified that application is incomplete

- **Technical Evaluation**
 - Points awarded for program plan categories
 - Minimum score of 70% to be considered
- **Grant Program Office Evaluation**
 - Geographic need for target audience evaluation
 - Financial plan review
 - Prior year reporting and performance, if applicable
- **Executive approval of recommendations for selection**

- Return Growth Expected
- Service Delivery
 - Traditional
 - Virtual
 - Facilitated Self-Assistance
- Concurrent Application Processing

- Successful applicants demonstrate incremental increases in the number of federal tax returns each year
- All grant agreements now include the minimum expected returns
- Plan for growth – minimal 3% growth expected over prior year production

- Consider how tax return preparation is delivered
 - Traditional – service is provided one-on-one to those that visit the site
 - Virtual – service is similar to traditional but uses technology to connect the volunteer and taxpayer
 - Facilitated Self Assistance – taxpayer prepares their own returns with assistance from trained volunteer as needed
- Consider who you want to reach with the different service delivery methods
- Consider who will support different delivery methods

Site Benefits

- Prepare and e-file more tax returns
- Allows sites to more fully leverage its volunteers
- Target taxpayers who need one-on-one help
- Reduce lines at peak times
- Increase options for taxpayers
- Receive credit for returns filed

Taxpayer Benefits

- Access to online tax software
- Assistance from volunteers as needed
- Increased knowledge of how tax laws impact individual returns
- Reduced wait time for tax preparation
- Expanded free tax help options
- Builds confidence to file without assistance

- Technical and Grant Program Office evaluations performed concurrently
- Missing information necessary for technical evaluation may not be identified prior to technical review
- Items determined to be missing and subsequently provided will not be considered during technical evaluation and could result in lower technical scores

- Direct questions about the VITA and TCE Grant programs to one of our email addresses
 - VITA E-mail is: Grant.Program.Office@irs.gov
 - TCE E-mail is: TCE.Grant.Office@irs.gov
- Research IRS.gov 24/7 for answers – key word search: Community Network

Talk Points for 2013 VITA Grant and TCE Grant Application Process Overview – May 2012

Slide 1 - Introduction

This call is in “listen only mode” to help keep background noises and interruptions to a minimum. Slide numbers will be announced to allow you to follow along with the presentation material.

We will open the call up for questions, however, we are limited to two hours on this call and we need to ensure we get through the entire presentation. Therefore, some questions may not get answered. If we do not get to your question, please email your question to us at the email addresses provided on slide 34.

The discussion today will cover the slide presentation available on IRS.gov. The presentation is on the VITA Grant and Tax Counseling for the Elderly web page on IRS.gov. Key word search “**VITA Grant**” or “**Tax Counseling for the Elderly.**” The presentation is posted in the What’s Happening section (mid page) and is titled, “**VITA Grant and TCE Grant Application Process Overview.**”

Be sure to check back in ten days for a copy of the talk points covering our discussion on May 8 and 9 and the questions/answers that are covered during the Q&A session. Note that only questions with recurring themes will be captured.

Stakeholder Partnerships, Education and Communication Executive

Welcome to our VITA and TCE Grant Application Overview call!

I’m glad we have the opportunity to offer VITA and TCE grants once again and I want to encourage you to consider applying. I also want to say thank you! We had an outstanding year in the VITA and TCE programs.

- Overall quality of returns prepared is up from 87% to 92%. That’s a huge 5 percentage point increase.
- Volunteer prepared returns increased by 3% over last year – over 3.2 million returns prepared (as of 4/30);
- Our e-file rate is now at 97.4%, the highest ever at the end of filing season (as of 4/22) of the returns prepared were e-filed; and
- Direct Deposit is still the safest way to receive tax refunds and this year 67% of refund returns filed at Volunteer sites selected a direct deposit option to receive the funds.

This means that more people than ever before have access to free, accurate return preparation services through our VITA and TCE program and are receiving their refunds through safer means other than paper checks.

This year was not without its challenges.

- TaxWise On-line users faced problems with accessing on-line preparation over a two week period,
- System changes resulted in internal reporting problems impeding our ability to provide accurate and timely information on return filing progress toward goals; and
- Identity theft increased rejects and forced taxpayers that would have filed electronically to file paper returns.

A contingency plan is under development for TWO next year and we're already working to resolve the reporting problems we encountered this year. The contingency plan for TWO is to allow users to continue to work in an off-line status.

Still, there is good news. The Treasury Inspector General for Tax Administration (TIGTA) recently released its audit report on the VITA Grant Program. The report mentions that the Grant Program has become a significant component of the IRS's Volunteer Program. It also highlights that one-third of the tax returns prepared by the Volunteer Program are prepared by VITA Grant Program grantees. However, TIGTA determined that additional steps are needed to ensure the VITA grant program reaches more underserved taxpayers.

This year was the first time we established minimum return goals at the grantee level to ensure growth and many grantees succeeded. To address TIGTA's findings we will continue to establish minimum return goals at the grantee level. The Grant Program Office will use information from this year's grantees to refine minimum return projections for future grantees. *You will hear more about this from the GPO ...*

Last but not least is grant funding. For the 2013 VITA Grant, \$12 million in funding was approved in this year's budget. Because TCE is funded by Congress on an annual basis, the dollar amount of grant funding is unknown at this time. However, we will monitor the situation and keep you apprised of any changes in both grant programs.

Once again, thank you for joining us on this call, and I look forward to receiving your applications for grants for the upcoming filing season. We appreciate all the work you do to serve millions of low to moderate income taxpayers.

Now at this time, I will turn it over to Robin Taylor, Chief of the Grant Program Office and his staff to provide more information concerning the grants and the application process.

Slide 2 – What we are going to cover

The grant programs had a great year and we continue to identify improvement opportunities. Feedback is gathered formally and informally throughout the year and we make every effort to give the suggestions due consideration. Unfortunately, we are not able to adopt all recommendations.

We've modified our application overview to focus on the application process. We're going to:

1. Focus on the grant objectives,
2. Briefly discuss the differences between the two grants offered by SPEC,
3. Look at eligibility requirements,
4. Highlight key parts of the application process, and
5. Cover other application considerations.

Slide 3 – VITA Grant Objectives

Although the VITA program began with the Tax Reform Act of 1969, the VITA Grant program did not become a reality until December 2007 when Congress directed IRS to establish and administer a matching grant program for community volunteer income tax assistance. The grant supports the original VITA program that offers **free federal tax return preparation** for low-to-moderate income individuals, persons with a disability, individuals who are limited English proficient, Native American and the elderly.

The objectives are:

- Enable VITA program to extend services to underserved populations in hardest to reach areas, both urban and non-urban
- Increase the capacity to file returns electronically;
- Heighten quality control;
- Enhance training of volunteers; and
- Improve the accuracy rate of returns prepared at VITA sites.

The VITA Grant is still relatively new with this being only the fifth year we've offered the opportunity to apply for the grant.

Slide 4 – TCE Grant Objectives

Unlike the VITA Grant program, the Tax Counseling for the Elderly grant program has been around since it was established in 1978. It has operated through the years as a cooperative agreement and does not require the applicant to provide matching funds.

The objectives are:

- Provide tax counseling and return preparation to persons 60 years of age or older; and
- Provide training and technical assistance to volunteers who provide free Federal income tax assistance within elderly communities across the nation.

Slides 5 and 6 – Differences between VITA and TCE

These next two slides highlight the differences between the VITA Grant and TCE programs.

As you can see, the VITA Grant requires a dollar-for-dollar match. TCE does not. This means that for every federal dollar requested, the applicant is committing to provide the same amount or more in funding the program. So if you request a \$50,000 grant, you must be prepared to provide \$50,000 in matching funds. Of course, matching funds are not limited to cash. They also include in-kind services, which includes the volunteer return preparers, quality reviewers and screeners. It may also include such things as the space the site operates in and supplies that are donated, such as paper, pens, or pencils.

Let's pause here to talk a little more about matching funds. I provided a few examples of matching funds. Now I want to provide additional characteristics of those funds.

- Generally the matching funds used for the VITA Grant cannot be used as match or support for other federal grants. The AmeriCorps and VISTA programs operated by the Corporation for National and Community Services or CNS is an example of this. The individual's time and any monies your organization provides for cost sharing for CNS cannot be used as match for the VITA grant. We realize there are some exceptions. We've identified a couple of these and they are covered in the Publication 4671 in the "Federal Funds as Match" section.
- Federal funds retain identity as federal funds even if you are a subsequent tier recipient. The most common example of this is funding you receive from the state or local government. Be sure the source of their funds is not federal.
- In-kind contributions used as match must be necessary for the VITA Program. They must be documented in your books and records. This includes the contribution value. For instance, if you are using volunteer time as match it should be recorded in your general ledger once received and documentation maintained to support the match.

The VITA Grant allows applicants to use both indirect and direct costs; TCE allows for direct costs only. Indirect costs are generally costs shared by all programs operated by the applicant. They include such items as depreciation or use allowances on buildings and equipment; costs of operating and maintaining facilities; general and administrative expenses; and personnel and accounting administration. Indirect costs are considered within the award amount and are not in addition to the award amount. For organizations without an approved indirect cost agreement, indirect costs can be shown as long as information on how the figure is determined is included in the calculation. If awarded a grant, the organization must have an approved indirect cost rate agreement.

Both grants allow funds to be used for salaries. The difference is in the positions that can be funded with the grant. VITA allows payment to clerical, tax law instructors, program or site coordinators, interpreters, and technical support personnel. TCE limits the use of their funds to administrative and technical personnel. Examples of administrative personnel would include individuals performing clerical activities, such as scheduling and maintaining appointment information, ordering supplies, or maintaining information on equipment, volunteers, and operations. Technical personnel would

include those individuals that maintain equipment used in the program, such as installation of software, set up of equipment, system updates, and data backup.

Neither program allows the use of federal funds for screeners, tax return preparers and quality reviewers. Individuals that perform multiple activities that include any of the three roles must document their time by role to prevent being paid for these three activities with federal funds.

VITA does not have a limit on administrative costs. So, yes, the entire grant could be used for this purpose. TCE imposes a 30% limit to administrative costs to total program cost. If applying for a TCE grant, the Form 8653, TCE Program Application Plan, designates by line item the costs that are considered part of the administrative costs.

The documents used for the budget differs between programs. Both publications provide detailed information on the documents required for budget submission.

And last but not least, the TCE grant requires that at least 65% of all e-filed returns completed must be for taxpayers aged 60 or over. This considers both the primary or secondary taxpayer when filing a joint return.

Slide 7 – Grant Time Line

As with last year, we've aligned the open period for the VITA and TCE grants the same. The application period opens May 1, which is earlier for both VITA and TCE.

With the earlier open date comes an earlier close date – May 31. Applications must be submitted through Grants.gov by May 31.

These earlier dates will allow the Grant Program Office to finalize selections and provide notification on October 1. We understand your need for earlier notification of the grant decision and are committed to announcing the decisions on this date. To speed up the process, notifications will be provided by email.

Slide 8 – Application Instructions

As you know, application instructions are available on IRS.gov. Although we previously provided these application instruction booklets in hard copy, we've reduced our costs by eliminating printing and mailing of the publications. Plan to save a copy to your computer and use the bookmarks and hyperlinks to locate the information you need!

Now that the VITA Grant is in its fifth year, we're working toward consistency in the application instructions from year-to-year. Changes will be limited to critical areas and to new mandates.

We've also modified the application instructions to remove information specific to grant recipients and are in the process of updating the Publication 4883, Grant Programs Resource Guide, to include it there. This publication, although not required to apply for a grant, is a great resource for applicants. It provides the expectations and responsibilities

that come with receiving a grant. It is available on IRS.gov from the VITA and TCE web pages.

Slides 9 and 10 – Eligibility and Non-Profit Requirements

For individuals on the call unfamiliar with the VITA and TCE grant, the eligibility requirements are the first items to consider before applying for the grant.

TCE and VITA eligibility requirements differ only slightly. The TCE Grant is limited to non-profit organizations and does not include government entities. The VITA Grant extends to non-profit organizations and governments entities, such as cities, states, local governments, and Indian Tribal governments.

To be considered eligible from a non-profit standpoint, organizations must be recognized as a non-profit under section 501 of the Internal Revenue Code of 1986. IRS provides determination letters to non-profit organizations when requested; however, just requesting a determination letter is not sufficient. Organizations interested in applying must already have their determination letter confirming non-profit eligibility. Determination letters are also required of churches.

Organizations are expected to include documentation of their non-profit eligibility as an “attachment” to their application on Grants.gov.

Organizations must demonstrate tax compliance with federal tax obligations. This means that you must have filed all returns due and paid all taxes, penalties and interest due the IRS. Do not assume that you are tax compliant. Also, do not assume that issues from prior years would have been brought to your attention during an earlier application review. We changed the timing of the compliance check, which eliminated our need to verify all applicants' compliance. We now only verify compliance on organizations that we anticipate offering a grant. If you don't handle the tax responsibilities of your organization, it is well worth the time to check with your financial department to ensure your application will not be rejected due to a tax compliance issue.

Both the VITA and TCE application instructions include phone numbers for verifying federal tax compliance. Remember the Internal Revenue Service will not talk to just anyone at your organization about tax compliance issues. It must be the person designated to handle such issues with the IRS. Also, if your organization contracts out certain portions of your tax responsibilities, for example, payroll taxes, you should make sure they are timely filing returns and making the necessary deposits.

All interested applicant organizations and key individuals with the organization or listed in the plan are researched against the Excluded Parties List System. This is a list of organizations and individuals that are no longer eligible to receive or are currently suspended from receiving federal financial assistance.

Organizations that expend \$500,000 or more in federal funds in a year must have an audit that meets the requirements of Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. The Grant Program Office reviews these audits for opinions that demonstrate an organization is managed well financially. Generally this is an unqualified or

qualified opinion without significant deficiency. An opinion other than these will not eliminate your organization from consideration; however, we will request additional information concerning the deficiencies and their resolution.

Applicants that were prior VITA or TCE grant recipients must have also filed all required reports timely.

And as mentioned earlier, VITA Grant applicants must be prepared to provide matching funds.

Slides 11 and 12 – Before Completing Your Application

DUNS – A DUNS number is required when applying for federal grants. It provides a means to identify entities receiving awards and their business relationships. It is used for tracking and to validate address and point of contact information. Information on how to request the DUNS number is included in the publications. If you are planning to sub-award any funds, all entities that you provide sub-awards to must also have a DUNS number.

CCR – CCR or Central Contractor Registration is the primary registrant database of contracts and assistance awards for the federal government. Information on how to register is included in the publications. You must ensure your CCR registration is current in order to use Grants.gov for application submission. **Be sure to check.** Problems identified in late May could make it impossible to submit an application.

Grants.gov – Applications can only be submitted through Grants.gov. Register early and take advantage of the user guides available to become familiar with the system. If you're already registered, sign in to make sure passwords are still active. Obtain new passwords and check for the roles individuals hold. Depending on your role, you may be able to create an application but may not be able to approve the submission of it. Check!

State Review - Applicants should contact the State Single Point of Contact (SPOC) under Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process. Visit the web site to determine if your state is participating. To date, we've not identified any state that requires your application undergo a state review but we do not monitor this throughout the year.

We've already mentioned tax compliance on slide 9 and we've repeated it here. Please understand that this is important to your eligibility for a grant.

Slide 13 – Use of Grants.gov Required

This is the first year we have mandated the use of Grants.gov for application submission. Grants.gov has improved in recent years and we are confident it provides sufficient resources to assist you in submitting an application.

It also supports our move to managing applications electronically. For the first time ever, applications will be technically ranked remotely. This assists us in delivering the programs with declining IRS resources.

Don't wait until May 31st to start your registration process on Grants.gov. It is very doubtful that you'll succeed in completing registration and submitting the application by the due date.

Slide 14 – Download Application from Grants.gov

After accessing Grants.gov, you'll note a section on the left that shows "For Applicants." You'll see an option to "Apply for Grants" as well. Once you select this option, the website will assist you, step-by-step, in downloading the application.

The easiest method for searching for the grants is to use the CFDA Number. This is the Catalog of Federal Domestic Assistance number. Use CFDA numbers 21.009 for VITA and 21.006 for TCE.

You can search for and download an application without being registered, but why wait. It would be a shame to complete the application and then not be able to submit.

This may seem like a broken record, but organizations planning to submit an application in the past using Grants.gov had to scramble to submit it via courier at the last minute in previous years. This is not an option this year. The Grant Program Office will not accept applications submitted through any method other than Grants.gov.

Slide 15 – Multi-Year Award Instructions

We are continuing to offer multi-year award opportunities and have expanded the publications to provide instructions for current grant recipients that are interested in a multi-year award and for current grant recipients awarded a multi-year award in the previous year.

Multi-year award status benefits the grant recipient in years 2 and 3 by eliminating the need to compete for an award and by eliminating the need to submit the full application.

In general, an organization that has been a VITA Grant or TCE recipient in the past and had no significant concerns, met their program plan, and demonstrated the ability to grow can elect to apply for a multi-year award. In the initial year the applicant files a complete application and adds information to their application to show plans over a three year period for certain criteria.

For example, the additional information requested for TCE can be found in the Proposed Program/Budget Plan section. For VITA, additional information is requested when completing the Standard Form 424A and in the narrative. For the narrative, you'll address certain criteria in the program plan and financial operations sections. We're not looking for detailed information but general information on how you see the program changing over the three year period if awarded a multi-year grant. You don't need to address every aspect of your application but you should address those where you see the most benefit of continued funding.

If an applicant receives a technical ranking score of 90 percent, that is 180 for VITA and 90 for TCE, and they are recommended for award, they will most likely be offered a multi-year award. In the past, all organizations that met these conditions were offered multi-year

awards. However, we recognize adjustments may be necessary as more eligible applicants indicate interest and meet the requirements.

For applicants that received multi-year award status in the preceding year, an abbreviated application is required as long as the applicant remains in good standing and meets their performance goals. The Grant Program Office communicated with these organizations in late April to let them know where they stand so that they would know whether the abbreviated application process could be followed or whether they would need to submit the full application. Funds awarded in a subsequent year may or may not be the same as awarded in the prior year.

Other things to note:

- If you apply for a multi-year grant and are not selected for multi-year, you are automatically considered for a one year grant.
- Designation as a multi-year award recipient is shown on the grant agreement.
- In order to continue as a multi-year award recipient and avoid competition in the subsequent year, your organization must meet the criteria for continued consideration.

Slide 16 – Completing Your Application

Please take time to review the Publication 4671 or 1101 thoroughly if you elect to apply for the grant. Both publications have been updated to provide interested applicants with information that will make the process easier.

The following may assist you in submitting a quality application:

Be sure to comment on all requested information. Failure to provide the requested information can prevent an organization from being considered for the grant. It could also lower your chances of receiving a grant because the plans do not clearly demonstrate a thorough understanding of what is required.

You may want to consider copying certain portions of the instructions, especially narrative portions, to a work document. You can use different color fonts to identify your response to the information requested. By having these instructions in the work document, it provides subsequent reviewers the opportunity to ensure all requested information is provided and that it is clear and concise. Before finalizing, you can delete the instructions that you copied into the document.

You also want to be specific in your responses. For instance, if you're writing to your quality review process for ensuring returns are accurate you'll need to say more than "We have a quality review process." You want to speak to the different aspects of the process and the outcomes associated with your actions. An example might include: "We have a designated quality reviewer at all sites. They review all returns, provide one-on-one feedback, share trends with all volunteers, and conduct mini-training sessions when needed."

With electronic submission, submitting an application with missing pages should be greatly reduced; however, you do need to ensure that when you reference an attachment in your application that you've included it with your submission and that it is properly labeled to assist the reviewer in finding the information you're pointing out.

Slide 17 – Components Available on Grants.gov

Copies of the Standard Form 424, Application for Federal Assistance and Standard Form LLL, Disclosure of Lobbying Activities for both programs and Standard Form 424B, Budget Information – Non-Construction Programs for VITA are available in the application instructions for your reference. These forms are also part of the application package on Grants.gov. It is the forms within the Grants.gov electronic application that must be completed in order to be able to successfully submit the application on Grants.gov.

We're not going to cover the instructions for Grants.gov use during this call but we do strongly encourage you to take time to visit Grants.gov before the due date and review the user guides available to help with your final submission. You should also ensure you have the required version of Adobe Acrobat. The application package is in Adobe Acrobat.

There is also an "attachments" document that must be included with the submission and the other components of the application should be added to this document, such as the non-profit eligibility confirmation, narratives, and budget information. See the instruction book for a full list of required components and how they should be labeled.

Slide 18 – Standard Form 424

This is the Application for Federal Assistance. You'll note that when you download the application package from Grants.gov, and look at the SF 424 some fields have been highlighted in "yellow." Fields that are "yellow" must be completed or the Grants.gov system will reject.

You'll also note that some fields are already completed. These fields pulled from the application announcement on Grants.gov and from your organization's registration on Grants.gov. All organizations submitting an application in Grants.gov must be registered.

You may provide additional attachments for fields that may have insufficient space for the information you wish to provide. Item 14, Areas Affected by Project, and Item 16, Congressional Districts, are two such areas.

It is important to note that forms that require signatures, like below block 21, on the SF 424, are completed when the application is submitted. Signatures are added based on the information contained in the Grants.gov system for the user signed into Grants.gov and submitting the application. Be sure you're approved to submit applications on behalf of your organization.

Slide 19 – Assurances and Certifications

Each of the publications contain a List of Assurances and Certifications to which applicants must certify compliance. A separate document is not required for this certification. It is done by checking the “I Agree” block in Item 21 of the SF 424.

Be sure to check out the appendix for this list. Also, new this year is the requirement to certify regarding corporate felony convictions.

As an applicant, the law isn't concerned whether any of your officers or agents or volunteers had any felony convictions of any kind. It's focused on your organization's felony convictions and convictions of others arising from their actions on **behalf** of your organization. You should disclose if anyone was convicted based on actions on your organization's behalf regardless of whether your organization paid the person or not. So, interpret "agent" broadly to include unpaid volunteers but limit the focus to include only the organization and persons who were convicted based on actions on the organization's behalf.

More information about this new requirement can be found in each of the publications in their Assurances and Certification sections. This is not the List of Assurances and Certifications found in the appendix. If an applicant determines they must disclose a conviction, information is also included on how this should be done.

Slide 20 – Standard Form LLL

This is the Disclosure of Lobbying Activities. You'll note that when you pull the application from Grants.gov that the SF LLL is in the optional section. This means that you are only required to submit the form if it applies to your organization. Be sure to review the information provided in the Assurances and Certification section of the publication to help in determining whether your organization is required to complete and submit the SF LLL.

Slide 21 – Attachments

You'll note an attachment document in the mandatory section of the Grants.gov application. This is the document you'll use to attach other application components that are spelled out in Publications 4671 (VITA Grant) and 1101 (TCE).

Full instructions are available in the publications on the additional information that must be submitted with your application. Examples include the:

- Determination letter from IRS to confirm your non-profit eligibility
- Narrative documents – For TCE, this is your background narrative, proposed program and budget plan, and civil rights narrative. For VITA, this is the narrative, which includes sections on your organization's program, financial operations, and civil rights.
- Budget document – for TCE, this would be the Form 8653, Tax Counseling for the Elderly Application Plan
- VITA Grant Workbook or similar document, which includes site and budget information.

These examples are not all inclusive. Please check out the sections shown on the slide for the required documents and how they should be labeled.

Slide 22 – Standard Form 424A

This is the Budget Information – Non-Construction Programs. This document is required for the VITA Grant application only. Again all required fields are shaded “yellow.” Detailed information is available in the Publication 4671 on how to complete the form.

Slide 23 – Program Plan and Other Narratives

We offered some tips back on slide 16 with completing your application that apply to completing the program plan and other narratives required by the program. These narratives allow evaluators the opportunity to know what you’re planning to do with the grant funds.

Keep the reader in mind – Don’t assume that the reader knows anything about you or your program. Most likely they do not. In order to ensure a fair and objective review, technical reviewers assigned your application are not from the same SPEC area as you.

Follow the instructions and application guidance carefully – We’ve worked hard to give you complete instructions on proper application completion. They matter. Take time to review and follow.

Label all section and number all attachments. Use the labeling including in the publications. If readers have difficulty finding information, they may not find what you’re trying to point out.

Utilize a program coordinator for thorough understanding of processes. Use someone that is familiar with the VITA and TCE programs to review your application. This way, they can point out any items not addressed or addressed inaccurately. In the past, an applicant submitted an elaborate training plan but failed to address the actual preparation of returns. Applicant organizations are expected to deliver a full program. It’s okay to have different members of a coalition focus on different aspects but the program must deliver returns.

Use templates when provided. Although the templates provided for certain portions of the application are not required applicants should give strong consideration to using. These templates ensure requested information submitted using their format is complete. For instance, the VITA Grant Workbook provides a template for sharing site information. Providing complete site information results in points being awarded during technical evaluation. If the template is not used, applicants may not include the EFIN or SIDN fields so the points awarded during technical evaluation may be lower.

Be brief, concise and clear.
Be organized and logical.

Combine data. We’re looking for combined data from the applicant that is submitting an application on behalf of a coalition. We’re not looking for separate plans, budgets or sites. Use the templates provided and combine coalition information.

Carefully proofread the application. Review your submission. Excessive errors distract the reader and may result in lower technical scores.

Adhere to limits and formats requested. Be sure to remain within the page limits and to use the spacing and font size indicated. Although attachments do not count toward these limits, they shouldn't be used to circumvent the page limit.

Slide 24 – Budget Formulation

The formats for the VITA and TCE grant programs differ. For TCE, applicants use Form 8653. It's improved this year with automatic calculations. For VITA, applicants submit summary budget information on the SF 424A and detailed budget information using the template provided in the VITA Grant Workbook. It too includes calculations. The budget detail section provides a breakdown by category of the expenses and matching sources that make up your program. Again, you are not required to utilize our VITA Grant Workbook; however, the information submitted must include all the requested information as outlined in the instructions and in the budget detail template.

First, let me point out that federal funds can not be used to pay screeners, tax return preparers and quality reviewers.

Most organizations base their budgets on prior year records. We recognize these are just projections and if awarded, you'll be able to make adjustments between categories. We're looking at the type of expenses and/or match you propose to ensure they are allowable. Both publications provide examples of the most common allowable and unallowable expenses. Be sure to check this before beginning the budget process. Just keep in mind that expenses must support the delivery of the program for which you are applying.

The most common areas we question include:

- Calculations that do not match the explanation provided. Be sure to double check calculations and/or explanations to make sure it clearly depicts how you arrived at the amount.
- For VITA, the budget detail and SF 424A do not agree. They should.
- Volunteer services is recorded as "federal funding" instead of match. Remember federal funds cannot be used to pay screeners, tax return preparers and quality reviewers.
- Federal funds proposed for volunteer recognition exceed established limits. Volunteer recognition using federal funds is limited to \$10 per volunteer.
- Federal funds proposed to use for food for volunteers exceed established limits or are proposed for taxpayers. Total federal funds used on food for volunteers may not exceed \$500 per grant application. These funds may not be used for activities considered entertainment or social activity. No funds may be used to purchase food for taxpayers.

Slide 25 – Submitting Your Application

If you've completed the application using the downloaded copy of the forms provided by Grants.gov and included the attachment in the package, you should be ready to submit the application.

Log onto Grants.gov and follow the instructions for submitting an application. If this is your first year for submitting an application using Grants.gov, a user guide is available to help you through the process.

This is a web application and time to complete the submission may be impacted by the speed of your web connection and by the number of other users accessing the system. Sometimes this causes delays in completing the submission so be sure to allow sufficient time for completing the process. You don't want to wait until the last day.

After you've submitted your application if you determine you've left something out or need to correct an entry, you'll need to submit another full application with the corrected/additional information. Please take time to notify the Grant Program Office that you submitted another application and advise us of the tracking number of the correct application. Email addresses for providing this notice are included on slide 34 of this presentation or on the inside covers of both publications.

Slide 26 – Receipt and Completeness of Application

Double check your email address and phone numbers. Both are used by IRS for corresponding with you about the application submission.

We only contact applicants that made a good faith effort to furnish the entire application. If an application is woefully incomplete, it is not processed nor the applicant contacted for additional information.

If we find that you made a good faith effort to submit the application, we will contact you for a missing item.

If you're going to be away for an extended time after submission, be sure to have someone else check your phone messages and/or emails or leave another person's contact information for assistance.

If you can't get the information by the requested date, contact the requester to see if time can be extended.

We will call you when we know an email is not successfully sent; however, some servers do not return rejected messages quickly.

Slide 27 – Evaluation and Selection Process

Technical evaluation is completed by IRS employees involved in coordinating the delivery of the VITA or TCE programs.

Applications must score a minimum of 70% on the technical evaluation to be considered for an award. This is 140 points for VITA and 70 points for TCE.

The GPO evaluates applications for proposed geographic coverage and target audience.

The GPO reviews budget information for proposed expenses and matching funds.

For those applicants that received a previous VITA or TCE grant, information from the prior year grant file will be reviewed to determine if reporting requirements were met.

Slide 28 – Other Considerations

As you complete your application you should keep these areas in mind.

- Return growth is expected
- Service delivery methods chosen
- Concurrent application processing

Slide 29 – Return Growth Expected

As you project the number of returns for your plan, consider how much growth you are projecting. Ask yourself if it is reasonable? Does it show growth? IRS is looking for a minimum growth of 3% over the prior year production. However, just adding three percent to the prior year production may not be reasonable. You should consider your performance year-to-year and the size of your program along with any changes anticipated.

For instance, a small program that produced 200 returns this year and 100 returns the previous year should not propose to produce 206 returns (that's 3 percent) in this year's plan. It isn't reasonable based on the prior year growth of 100%. However, it may or may not be possible to achieve the same 100% growth again either. Applicants should also consider changes in delivery and/or resources.

You may also think you'll just let the Grant Program Office make the determination. Don't. The Grant Program Office reviews the information in the application and compares it to our monitoring systems in order to determine a fair yet growth minded projection. Be sure to document known changes when discussing your expected returns. Examples might include:

- Changes in coalition participation – Maybe you have the same number of sites but they are operated by different partners than in the prior year.
- Changes in delivery methods – Maybe you're adding a virtual site. Starting the site may not produce the same results as starting another traditional site.
- Impact of known software changes – Elimination of the need to file a federal return in order to file state returns.

Slides 30, 31 and 32 Service Delivery and Facilitated Self Assisted Return Preparation

If you've always delivered service one-on-one consider different approaches to reach your audience, such as, facilitated self assistance or virtual VITA/TCE.

For instance, sites near a college that attract students may be a good choice for a facilitated self assistance site – students are more familiar with technology and are use to conducting

activities over the internet. Just be sure to consider all facets of providing service in your decision – the volunteer, the customer, and the message.

Be sure to talk with your local relationship manager or tax consultant to get more information about the methods you're considering. They have information to consider in adopting new service delivery methods.

Slide 33 – Concurrent Application Processing

In previous years, the Grant Program Office reviewed the applications prior to the technical evaluation to ensure all requested information was provided. This year we are not doing this. Reviews are conducted on the electronic files received from Grants.gov. Two electronic copies of the application are made when downloaded. One will be available for the technical evaluation and one for the Grant Program Office evaluation. Both evaluations will occur concurrently.

If information is missing from the application when submitted it may not be identified by the Grant Program Office prior to the technical evaluation. We have more technical reviewers for a shorter period of time so their review is completed in a concentrated timeframe. Technical reviews are scheduled to be completed in June. The Grant Program Office most likely will not get to all applications at the same time. **In order to be fair to all applicants, missing information identified subsequent to application submission will not be considered during technical evaluation.** This could impact your technical evaluation scoring.

Be sure all requested information is provided at submission.

Slide 34 – Contact Information

Our contact information is provided on the slide and is also included in the front of the publications.

We will now open the call for questions. Please limit your questions to the 2013 application opportunities. Thank you.

2013 VITA/TCE Application Overview Question and Answer Session

Assurances and Certifications

1. The requirement for the corporate felony conviction, does that also apply to the sub-grantees as well?

We recently asked our general council that question. They have recommended that the assurances document that you find in the back of the Publication 4671 be included with any sub-awards.

Budget Formulation

2. Could you clarify the information about the \$10 a volunteer recognition limit and the \$500 limit of food for volunteers?

The allowance for volunteer recognition is limited to \$10 per volunteer. The total allowance for food that can only be used during tax preparation activities is limited to \$500. That \$500 is per Grant recipient, not per partner or sub-award. So if you sub-award to all of your partners, in total you cannot spend more than \$500 per award.

3. Is there a chart that gives you an example of the allowable match funds?

Yes. Some examples of allowable matching funds are located in the back of the Publication 4671 in the appendix.

4. Could you clarify the dollar to dollar for every dollar request in matching funds?

The matching funds requirement says that if you request \$10,000, then you must have \$10,000 of either funds or in-kind contributions available to support the program. It has to be spent on the VITA program, not anything else. Those in-kind funds could be someone providing you space, the value of time the volunteers spend in the program, donations of paper, or maybe donations of computer equipment. All of those count as match. But when it's all said and done, if you've got \$10,000 in federal funds, you've got to have documentation showing that you, through your own activities at the organization and through any in-kind donations, also contributed \$10,000 to the program.

Eligibility

5. My question is regarding a church. Can I submit the application for the VITA Grant and for the TCE Grant without the actual letter of determination?

No, you must have the IRS determination letter at the time of the application.

Growth

6. When you look at growth from previous years, are you looking at the number of returns done by the partners who will be in the grant for 2013 or are you looking at the partners that were part of the coalition in 2012?

Your information should mirror those partners that are going to be in the grant for 2013.

7. We received the multi-year award and exceeded the minimum returns expected by over 10% this year. Would we also be held to increasing the number of returns again by at least the minimum 3%?

Yes, you would. We have an expectation that all programs grow from year to year.

Narratives

8. We were encouraged to keep the reader in mind, and I heard that you are planning to have representatives from different SPEC territories review the applications. So can you confirm who the actual readers will be so that we can understand who we are writing to?

The individuals that are performing the evaluations are tax consultants or relationship managers. They are the relationship managers in local territory offices. They are familiar with the VITA Program or the TCE Program but they are not necessarily familiar with you, as a partner; because we limit their reviews by geographic location. So someone in California that's applying is not going to have someone in California or Oregon review that application; maybe someone in the New York state will review the application.

9. We did some site visits and used the IRS evaluation forms. Do we have to include those as an attachment or can we just note that we did the reviews?

I would just summarize it and be sure to include the results of those reviews.

10. If you are not currently one of the previous VITA programs, and you just kind of had a bunch of volunteers that came and helped out using agency resources, do you want that information? How do you do that narrative piece if you haven't done a program like this before?

There are two sections in the "Experience with Low Income and/or Return Preparation." One part looks at your experience dealing with low income population. So you can write to the sections that pertain to you.

11. In the quality control process explanation, it talks about including the results of documented reviews by your program participants, not the IRS. Could you explain who you mean by program participants?

Those would be reviews you conducted on behalf of your organization. So it's what you have done to monitor the activities of your VITA sites to ensure they are following the quality requirements. So as a grantee, you are responsible for the sites that are under you and any sub-awardees. So tell us what you did to ensure their quality or adherence to the requirements.

Multi-Year Awards

12. We received our first single year IRS Grant this past tax season. How will we know we're eligible for applying this year for a multi-year award, and how many previous years experience do you take into consideration when looking at past performance?

You have only had to be a Grant recipient once in the prior year. You must have met 100% of your minimum returns expected goal in your Grant Agreement. If any of your sites had any visits from our local territory offices or the Grant Program Office, problems identified should be minimal or non-existent. If you had any serious problems with either of these reviews, you would have been told and that will prevent you from being eligible for a multi-year award.

You would be eligible to apply. But you still would have to score 90% on your technical evaluation in order to be offered a multi-year award. This information is on page 16 in the Publication 4671.

13. What additional information should we be providing in the narrative, if we are asking for a multi-year award? Is that based on how we plan to use the money or are there specific pieces of information that every multi-year should provide?

There are specific pieces. For the VITA Grant, in the narrative section on the bottom of page 21, it explains that if you are applying for a multi-year award to be sure to address any significant changes in your proposal for years two and three. So at a minimum, you must provide year two and three data under the VITA target audience section. In the other sections of the narrative, you're going to address any other significant differences between years one, two, and three.

14. How do we go about adding additional sites or sub-awardees to a multiyear? Is it possible to get an increase in the amount of money allocated to us to cover that expansion in growth?

If there is a change to your plan, you could submit a brief summary. But when you are changing sites, adding additional partners, and increasing your budget, it will show up also in your VITA Grant Workbook. For instance, when you submit your workbook and your target audience information, we can see that you are expanding your target audience based on your sites. As far as the request for the amount of funds, you are free to adjust the funding as needed.

Process

15. When awarding, do the awards go out to the previous awardees with the multiyear first, and then whatever is leftover are for the new applicants?

We do award to multi-year continuation grantees first, and those notices should go out around September 1. Then we award to the competitive applicants. Our plan to announce competitive awards is on October 1 this year, and for new applicants that is a whole month earlier than we have in the past.

16. How does the amount of funding for the Grant Program this year compare to the amount from previous years?

It is level; we had just under \$12 million last year and we have \$12 million this year.

17. I am applying on behalf of a coalition for the first time, and I feel that the narrative questions seem to be focusing on applicant organization with few references to the coalition partners. Do I want to primarily address our organization, or weave in information about our partners and their experience throughout the narrative?

You are going to applying on behalf of a coalition, so you are going to address all in your submission. You are not going to do a separate document for you and a separate one for each partner; you are going to look at your overall strengths and weaknesses as a combined organization when you complete your application.

18. Last year, we were awarded 157 on the technical evaluation. It looks like we passed the technical portion (received 70%) but did not pass the second part of the evaluation. Could you talk about who reviews the Grant and what you are looking for as far as technical versus the Grant Program Office review?

It may not have been actually that you didn't pass the GPO evaluation. It may be that we just didn't get down to your rating score before all the funds were exhausted.

19. How do we improve for the next year?

It's your strengths and weaknesses from technical evaluations that get you in line for award. So if you scored 157 and someone who scored 165 gets all the remaining funds there are none left for your application. So you're looking to score higher. The competition is generally with applicants providing services in your state.

20. We are applying for the Grant award again this year, so what you are saying is that even though the Grant application could have been awarded a grant because everything was there, there weren't enough funds?

Correct. Not everyone who scored 140 points last year was awarded.

21. If I decrease my expected returns and funding, will I still be considered for a grant when compared with prior years?

Yes. We will consider what is presented in your application. If you are a returning grantee and your projections have been reduced, you need to provide us with information that supports your reason for your reducing the numbers in your application.

22. If my organization changes the individual that has been responsible for the program in the past, can a different person pick up the responsibilities and apply for that Grant?

We are not concerned with the individuals within an organization that apply for the Grant. The organization is the applicant. So if organization A and person B submitted it last year, and this year organization A and person C is going to submit it this year, it doesn't matter to us.

23. I work at a nonprofit agency and we currently have a fund for free software to file income taxes. Is this something that we can run in conjunction with the VITA Grant as well, or are we only limited to one online service at a time?

There's no reason why you cannot have multiple grants (non IRS) funding the program. You would just need to keep the records separate for each.

Sub-Awards to Other Organizations

24. Can you clarify what a sub-award is and what the monetary limits are?

A sub-award is when the Grant recipient awards another partner or another organization funds from their award. So they are awarding a portion of their funds to another organization. And there are no limits to that dollar amount.

However, if you sub-award \$1,000 or more cash to an organization, then the Grant Program Office requires you to report additional information to us. If you sub-award \$25,000 or more to a single organization, you are also required to report that on FSRS.gov.

25. Do the sub-awardees also have to be non-profit organizations or government organizations, or only the applicant organization?

Only the applicant organization has to meet our eligibility.

26. This will be our first year applying for VITA Grant funding. We operate with other VITA partners in the area that we currently fund. If we are awarded a VITA or TCE grant, are we able to sub-grant that money out to our existing partners?

Yes, they would need to be included in your plan when you submit your application.

27. My question is regarding the sub-award. Would they have to have a DUNS number also?

Yes, they do.

Tax Counseling for the Elderly

28. For staffs that are going to be charged with TCE Grants, will we have to show that 100% of their time per week or per pay period is devoted to that activity or could we choose to say they work half of their time on the Grant and half of the time answering the front desk phone?

For purposes of submitting your application, you can propose a percentage. If you receive a Grant, though, you will need to track the actual time spent on TCE activities.

29. I'm a multi-year grantee and if I wanted to make a change to the amount of mileage reimbursement for the volunteers, would I just include that on the Form 8653 and then revise the program plan with the cooperative agreement?

I would suggest that if you anticipate doing that, then you would attach a narrative document letting us know the changes you intend on making. With the Form 8653, it would need to be in your proposed program plan so that we can see exactly what you are talking about. For now, if you do not make any changes as a continuing multi-year award grantee, you would only submit the Form 8653 and the Standard Form 424.

Technical Evaluation

30. What were the technical requirements to be minimally eligible for the Grant?

For technical evaluation you had to score at least 70%. So in the VITA area, that is 140 points because VITA is on a 200 point scale; that is 70 points for TCE, which is on a 100 point scale.