

2017 VITA Grant Orientation Webcast

Questions and Answers

General

1. If the forms to accept the grant were emailed to the grant officer, do you need to send them again to the new e-mail box?

No. You do not need to send them again.

2. Is slide five with gpo.accept.vita.grant@irs.gov correct?

No. The correct email address is accept.vita.grant@irs.gov.

3. Will the grant officer confirm receipt of the grant paperwork?

You may receive confirmation from the Grant Program Office mailbox or your grant officer. You will not receive confirmation immediately. You can also use your internal email options to confirm the email delivery.

4. For the grant acceptance documents, is it 20 business days or calendar days?

We expect the acceptance documents within 20 calendar days from the date of the email notification. The acceptance documents include, Forms 13981, 14335, and 13533.

5. Are we able to find out who in our county received the grant?

All grant recipients, both VITA and TCE, will be available on USASpending.gov. This website provides information for all grants for all years. Information on the current grant year will not be available until late October or early November. Instructions to navigate USASpending.gov are available on the website. You may also contact your grant officer or relationship manager for instructions if you are unable to locate the information.

6. Can I earn any CPE credits for this orientation class?

No. You cannot earn CPE credits for attending this webcast.

7. Did you say you could not have another company do scheduling of appointments for clients for you?

No. A recipient can use a company to schedule appointments.

8. Please clarify the comment regarding the Form 14335 in regards to those who previously received a grant. Are we required to submit it?

The Form 14335, Grant Program Office Contact Sheet, is required for each grant year. All grant recipients must complete the form, including returning recipients, even if there are no personnel changes.

9. Is Form 13533, Sponsor Agreement, required for all collaborative members, paid collaborative members or the lead agency?

The Grant Program Office only requires the Form 13533, Sponsor Agreement, from the grant recipient. An agreement for all coalition members may be required by the local territory office.

10. Will there be an update to Form 13533 for 2016?

The Form 13533 will not have an update this year. Please complete the document that is currently available on the irs.gov with the October 2015 date.

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11. Can we expect to have all reviews and visits in one tax season and are there any scheduled?

We try not to burden you with more than one review at a time. At this time, we do not have a list of selected grantees for any of the reviews. However, each group makes the selection independently.

Presentation Materials

1. Will the presentation slides be available if you cannot download them?

We are recording the webcast. When it is available on the IRS portal, we will notify you. You can also send an email to grant.program.office@irs.gov to request the materials.

2. Can we get all publications from irs.gov?

Yes. Go to irs.gov and use the search box to enter "VITA Grant". The first selection should take you to our webpage then select "I am a Grant Recipient" and scroll down to "Publications."

Documentation

1. Does a grantee have to provide documents that prove the existence of internal controls, as listed in the slides to the GPO?

You should provide information when your grant officer makes a request. If you have a financial review, you will have to provide the financial reviewer proof of internal controls, financial records, and other documentation as requested.

2. If I am a new staff member assigned to our VITA grant without access to prior grant documents or grant staff, whom would I contact for the previous year's grant materials (reports, narratives, performance measures, etc.)?

Grant recipients are required to keep information for three years after submission of their final report. You should check your own records for this information. Someone in your organization should have the grant files. The authorized representative listed in Grants.gov should also have the previous year's grant information.

3. How do you show separation of duties on the time sheet for site coordinators who also perform quality review duties?

You may need a second time code to account for program duties or show actual duties on the timesheet. Some site coordinator or partner timesheets identify the duties of the site coordinator as well as other positions in the site. For example, a timesheet might show Jane Doe is working eight hours but three hours is activity as a site coordinator and five hours activity as a quality reviewer. Federal funds are allowable when performing site coordinator duties. The site coordinator timesheet must show the separation of duties when performing quality reviews, return preparation, or screening.

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Payment Management System (PMS)

1. Do grant recipients that already have a Payment Management System account set up from the 2016 VITA grant need to provide the SF 1199A and PMS Access form?

New PMS information is not required for returning VITA grant recipients if there are no changes to banking or user access information. Returning grantees will only update PMS information when (1) the banking information changes or (2) your users change.

2. Have the training session dates been determined yet?

The Division of Payment Management (DPM) website shows the next PMS training sessions is November 16 from 1:00 to 3:00. "Recipient Training" information is on the DPM website.

3. What is the website address to contact DPM?

The website address is <https://pms.psc.gov/>. The inside cover of Publication 4671 also has contact information for the Payment Management System (PMS) and their help line.

4. Can new grant recipients e-mail the PMS/FFR User Form and SF 1199A or do they need to mail them?

Yes. You can email the SF 1199A and the PMS/FFR User Form to the PMS. You can expect to receive information and guidance from Kathleen Vardon, the PMS account representative.

5. What if we have a PMS account set up for a non-VITA grant award? Do we have to do anything?

A new PMS account is required for the VITA grant. We cannot deposit funds into a PMS account that was set up for another grant such as a HHS grant or a USDA grant. You must submit the SF 1199A and the PMS/FFR User Form to PMS for the VITA grant. The grant office will register new recipients into the PMS system. Once new recipients are registered, you will receive an e-mail from Kathleen Vardon, the PMS account representative.

6. Can individuals have different levels of access to the DPM system, like maybe view only?

Yes, you can request read only access. The PMS/FFR User Form allows you to select the type of access. You will need someone to prepare reports and someone to certify reports.

7. As a past recipient, we filed zero dollar reports in the PMS on October 30, 2016. Do we do this again this year?

If you are a returning grant recipient and you want to ensure your grant account on the Payment Management System remains unlocked, you should file a zero dollar Federal Cash Transaction Report (FCTR) for the October reporting period.

8. To withdraw funds from the PMS account do we need to present reimbursement documentation for the expense? Do we need to present documentation for the corresponding match?

No. You do not need to provide the documentation to us at that time; however, you are responsible for maintaining this documentation for three years following the submission of your final report. You do not need to provide the matching funds documentation when you withdraw

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funds from the PMS account. However, as with expenses of the grant you must also maintain documentation of the matching funds.

9. What is the DPM email address to send the forms?

Send all forms and/or request PMS assistance to Kathleen.Vardon@psc.hhs.gov.

Budget

1. Do we need to submit a revised budget within 60 days of the award if there are no changes to the budget submitted with application and no requests for edits in the commentary?

A revised budget is not required if there are no changes and the budget agrees with the award amount. Email your grant officer that there are no changes to the original budget.

2. If we submit our budget now and during tax season realize that we need to make some additional adjustments to the budget, can we submit the changes for approval?

You can change the budget without approval if the change is 25% or less of the total award. The grant officer must approve changes that are more than 25% of the total award.

3. When revising the budget, do you enter the changes in the revised section?

Yes. Make changes to the budget in the revised column in the "Budget" tab of the workbook. Also, make sure that you adjust any computations to match the amount shown in the revised columns.

4. Is the award amount on the grant agreement for two years or just the first-year allocation? Will the year-two award be the same?

The grant agreement has the first year allocation. We will communicate the year-two award during the summer of 2017. The award amount for the second year is dependent on the funds appropriated for the VITA grant.

5. Should the revised budget reflect only the items that changed or the whole budget?

The revised budget should reflect the full year-one budget.

9. If your expenses go up in year-two, can you receive an increase in the grant amount?

The amount of funds awarded in year 2 is dependent on the overall monies appropriated for the grant. At this time, it is unknown. If the budget submitted with the application shows an increase between year-one and year-two, we will consider it when we determine the year-two award amount.

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Matching Funds

1. My evaluation feedback report shows I have confirmed match greater than my award. Do I still need to submit my match documents, or does that mean that the documents I submitted with my original application were sufficient?

You do not need to submit additional information. The confirmed matching funds shown on the Grant Office Program Evaluation is acceptable.

2. If the GPO evaluation feedback indicates that our matching funds needs additional information, does the October 5 deadline to accept the grant still apply?

Yes. The October 5 deadline still applies for submission of the Forms 13981, 14335, and 13533; however, the deadline for matching funds documentation is January 31. For those who previously submitted matching funds documentation and it was not accepted you should review Publication 4671 for guidance on how to properly or clearly state your organization's intention and matching support contribution.

3. Can we count the volunteer training hours as matching funds?

No. You cannot use volunteer training hours as matching funds.

4. Does the final actual matching funds contributed need to match the total award or can it be more?

Yes. Your final match should equal or exceed the amount of the award.

Unused Funds

1. This is a two-year grant. If we have unused funds in the first year, can they be rolled over to the second year of the grant?

Yes, they can; however, we would like to know the amount of funding you plan to carryover. We are not looking for you to hold it over for the second year of spending. We want it spent in the first year, but it will still be available in the second year.

2. Are the unused funds reports for June 30, 2017 or 2018?

We will send an inquiry in both years.

Minimum Returns Expected (MRE)

1. What types of questions are in the minimum return expected questionnaire?

The Minimum Return Expected Questionnaire is to determine if we are tracking all of your sites and the number of returns prepared, which includes MyFreeTaxes returns allocated to your organization. This information should closely match your records. Questions include; Are the sites we are tracking accurate? Does our information include all of your sites? We will also ask about the return production. Differences will sometime occur based on the date of the reports. You can also provide information on returns that we do not capture. The questionnaire gives you an opportunity to inform us of any challenges that prevented you from meeting the goal.

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2. Is the number of returns on the grant agreement for the entire calendar year or just for tax season?
We have sites open year round.

The minimum returns expected are for the first year of the two-year grant. The first year is August 1, 2016 through July 31, 2017.

3. How will we know if a paper return is prepared but not filed?

If you are interested in getting credit for these returns, you should keep track of your paper returns because you have no way of confirming that your customers mailed in their paper return. For the purposes of the VITA grant, you do earn credit for that paper return because you followed all the requirements to complete the return. We cannot track a return that the client does not mail.

5. How will we use TaxSlayer to track amended returns and paper returns?

Keep track of the returns you prepare manually or through use of special coding in TaxSlayer. You may also discuss this with your relationship manager for more information.

5. We are currently completing prior year returns. Can we count these numbers towards our goal or only those starting in January 2017?

The returns completed during the grant period beginning August 1, 2016 through the end of the filing season will count toward your goal for the 2017 VITA grant.

6. Will the number of returns prepared affect the amount awarded in year 2?

This is a transition year for the grant and the VITA program. We do not anticipate it being a concern at this time; however, if the preparation is substantially less than expected, we will discuss and consider the reasons for the decline in making a final decision as to the second year award amount.

Simplified Method

1. What is the simplified method and how do I know if it's been selected?

The simplified method is a process that uses the number of returns you prepared times the hourly rate that you pay someone in your organization. If you have no paid tax preparers in your organization, it would be the amount charged in your area for tax preparation. You had the opportunity to select the simplified method in Financial Narrative section of the application. You can also select before the filing season by notifying your grant officer via email.

2. If using the Simplified Method, are we able to use the number of returns prepared through FSA or MyFreeTaxes or only those done at physical sites?

The simplified method limits returns to those filed electronically and accepted at the sites using the EFIN, SIDN, and paper returns processed by the IRS and captured in IRS internal reporting – the ELF 1541 report and the SIDN workbook.

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Inventory

1. If we do not need to inventory each computer or printer at each site because they are considered a supply and not equipment per 2 CFR Part 200, what information do we need to maintain?

The requirement to track the computers used is established by the Publication 4299, *Privacy, Confidentiality and Civil Rights - A Public Trust* and by 2 CFR Part 200. Publication 4299 establishes minimum requirements for tracking equipment. You need to know where the computer or printer is located along with the serial number, make, and model. If loaned by IRS, you'll also need the IRS barcode.

Tracking the equipment provides basic protection for the data that may reside on the equipment and demonstrates effective control of your resources purchased or used as match under the grant.

If the computer or printer meets the definition of equipment as explained in 2 CFR Part 200, additional information is required concerning the purchase price, funds used, etc. A list of these items is found on slide 24 and the information is also available in the Publication 4883, *Grant Programs Resource Guide*.

2. Do we need to record make, model, and serial number of computers even if we only use online version of software, never desktop versions?

Recording this information is necessary for on-line or desktop versions for IRS loaned equipment and partner owned equipment. If the equipment is lost or stolen, partners will need this information for reporting purposes and law enforcement.

3. What do you do with computer equipment purchased with federal funds and it's no longer operable?

Document your records that it is no longer useable for the program and follow your organization's disposal process. It is also acceptable to sell operational equipment and invest the proceeds in your program.

Final Report

1. Does the final report due in October 2018 cover grants for year-one and year-two?

The final report due October 2018 will cover the entire grant period; years one and two.

2. For the final report, after the end of the grant, if the match amounts are changing from the original budget, do we have to submit revised documentation?

No. As long as the grant documentation accounts for the total amount awarded. However, if you indicated match and you did not receive it, but you have other matching funds documentation, send the other documentation to the grant officer to have your records account for the match

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that goes with the grant period. Your recordkeeping should reflect the actual receipt of the match to demonstrate the actual amount and source of the match received.

Program Operations

1. What is screening?

Screening is the review of your customer/client information prior to sitting down with the tax preparer. This is to assure that the customer does not have any missing information at the time of their visit. It also gives the partner or organization an opportunity to reschedule the appointment at another date and time with the customer to have their tax return prepared if information is missing.

2. We have signs and posters year round in our building on our financial education classes and certain promotions going on. Do we need to remove them during VITA?

No, the VITA grant does not require removal of the signs. However, we suggest you discuss this with your SPEC relationship manager.

3. Our relationship manager said that they are not requiring retention of the Form 13615, but instead rely on this information using Form 13206. Are we required to continue to retain the Form 13615 if we are a VITA grant recipient?

Follow the information from your SPEC relationship manager. In this instance, you would need to retain the Forms 13206.

4. How do you count time spent at a FSA site? Is it preparation time or coordination time?

Report your time at the FSA site as coordination.

5. Can the storage of tax returns for the three-year period be electronically via laser fiche or does the actual paper copies need to be stored?

The grant office is referring to storage of grant documentation. The grant documentation can be stored electronically. Please discuss the storage of tax returns with your SPEC relationship manager.

MyFreeTaxes

1. Can we count tax returns done through MyFreeTaxes?

Yes. Since there is no longer a specific SIDN used to track returns prepared through your promotion of the software, the territory office determines how to allocate MyFreeTaxes returns among partners. Communicate the counties and locations that you will be covering through your tax season to your relationship manager. If you plan to provide a computer in your site for self-preparation, provide them your plans for tracking the returns, such as sign-in sheets, so that they consider it during their decision-making.

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2. Can the IRS track the MyFreeTaxes returns?

MyFreeTaxes provides us a county-level data report. The county-level data is broken up among the programs within that county based on the territories allocation plan. Your territory office can provide the allocation of production for MyFreeTaxes at the county level.

Food Allocation

1. We thought for 2017 season it would be easier to give coordinators a prepaid debit card with their entire site's food budget preloaded onto the card to purchase snacks for their site volunteers during the previous season. Is this acceptable for expense documentation or are separate food receipts necessary?

You will need the separate food receipts. A pre-paid debit card does not demonstrate the use of funds.

2. Is the \$500 food limit for each sub-award recipient, or is the \$500 for the lead agency and the sub-recipients together?

The \$500 limitation is the total food allocation for the entire grant year. We are not concerned with how the grant recipient disburses that out to their sub-recipients. You can only spend \$500 total in federal funds for the grant each year.

Reviews

Sub-Award and Sub-recipients

1. On Page 12 of Publication 4883, you mentioned submitting a sub-award instrument and plan proposed use of sub-recipients if applicable. Would sub-award instrument be the contractor MOU?

A sub-award agreement has different names. Common names are contract, MOU, agreement, or a sub-award. If you did not provide sub-recipient MOUs or contracts in the grant application, make sure you provide a copy to your grant officer for review to ensure it contains all the necessary components required by 2 CFR Part 200. Publication 4883 provides a sample of the components that the agreement should contain.

2. What is a Sub-award? Please provide an example.

A sub-award is a pass-through entity (grant recipient) providing grant funds to another organization to assist in the delivery of the program. For the VITA grant, that would be the return preparation. Example: The grant recipient proposes five sites. The grant recipient will operate one site and provide funds (sub-award) to another organization/coalition member to operate the other four sites.

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TaxWise

1. If the grant recipient remains with TaxWise, can they use grant funds to pay for the purchase of TaxWise?

No. Grant funds cannot be used to purchase tax preparation software because the IRS provides free software.

2. Our organization is staying with TaxWise. Will there be reporting problems when using the EFIN?

There are no reporting issues using the EFIN and the SIDN with TaxWise. IRS will still be able to track returns filed using an accurate EFIN and SIDN.

Related Party Transaction

1. Is it a related party transaction if an organization receiving a sub-award shares one or more board members with the lead organization? What actions are required?

It depends. The classification as a related party transaction must consider whether the shared board members are able to control or substantially influence the actions of the one organization to award the second organization.

For example, if the board members in question select the organizations that will receive a sub-award, a related party transaction exists. However, if the board members are only informed of the decision (made by unrelated individuals), a related party transaction is not involved unless other influence is exhibited.

Another example is if the sub-award is solely based on the recommendation of the shared board members to award and there are no other qualifying factors to determine whether an organization will receive a sub-award. A related party transaction would exist.

Report the related party transaction to your grant officer using the template found in the VITA grant workbook used during application submission. If in doubt as to whether to report a transaction, contact your grant officer for assistance.