



EMPLOYMENT AND TRAINING ADMINISTRATION
UNITED STATES DEPARTMENT OF LABOR



Grant Modifications

Grants Management Part 2



Today's Presenters



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National Office*



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Today's Agenda

ETA Grant Modification Process



Compiling Modification Requests



Common Errors



Poll Time!

How many of you have requested a grant modification in the past (or currently have a modification pending)?

- A.** We have requested a grant modification in the past.
- B.** We currently have a grant modification pending.
- C.** We haven't yet requested a grant modification.

ETA Grant Modification Process

Organizational Roles and Responsibilities



Grant Modifications

- ▶ A grant modification is a formal change to the award package that comprises your grant.
 - ▶ Grantees may submit modification requests for consideration
 - ▶ ETA may initiate modifications
- ▶ Must be completed in accordance with the rules and regulations outlined in:
 - ▶ Uniform Guidance 2 CFR 200.308
 - ▶ Funding Opportunity Announcement
 - ▶ Terms and Conditions of the Grant Agreement
- ▶ Require Grant Officer's approval



Grantee

Point of Contact (POC)

- ▶ Main point of contact for ETA's FPO and Program Office
- ▶ Identified on SF-424 Application for Federal Assistance
 - ▶ Change in POC requires a modification
- ▶ Responsible for sharing information with grant program team
- ▶ Works with FPO to submit modification requests

Authorized Representative (A/R)

- ▶ Signatory official
- ▶ Signs SF-424 Application for Federal Assistance
 - ▶ Change in Authorize Representative requires a modification
- ▶ Signs all modification requests
- ▶ Receives official correspondence from ETA



Federal Project Officer / Regional Office

- ▶ Grantee's primary contact for questions, technical assistance, clarification and resolution of grant issues
- ▶ Reviews grantees' program and financial quarterly reports and evaluates progress towards grant goals
- ▶ Conducts site visits and performs monitoring reviews
- ▶ Works with grantees to submit modifications
 - Not authorized to approve changes to the grant
 - Required to provide recommendations to the Grant Officer

National Office aka “The Program Office”

- ▶ Develops and implements performance reporting requirements
- ▶ Collects performance data; reviews and evaluates nationwide program trends
- ▶ Facilitates peer learning opportunities
- ▶ Periodically requests additional information about the grant
- ▶ Determines suitability of changes to the grant
 - ▶ Statement of Work, addressing conditions of award
- ▶ Supports FPOs with research and technical assistance

ONE WORKFORCE
PROGRAM OFFICE MAILBOX
OneWorkforce@dol.gov

RURAL HEALTHCARE
PROGRAM OFFICE MAILBOX
RuralHealthcare@dol.gov

Grant Officers

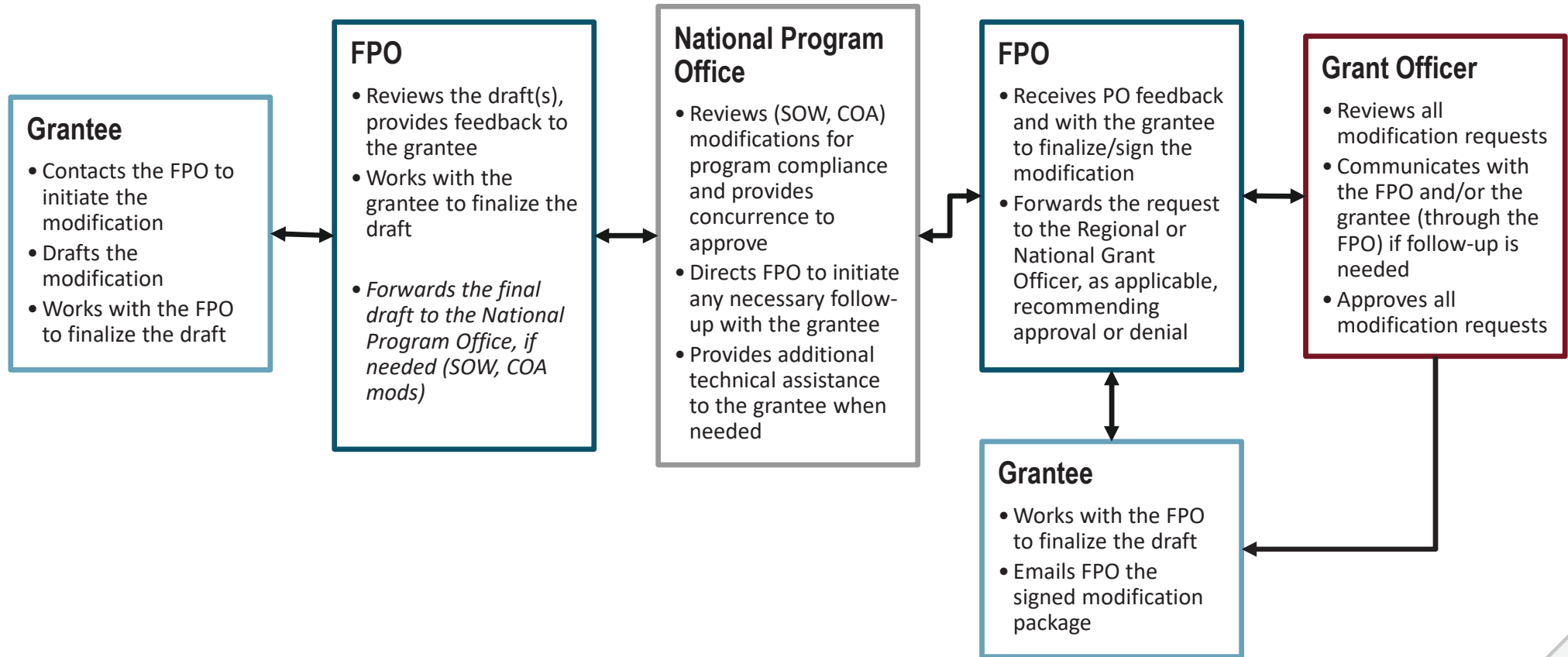
National Grant Officer

- ▶ Office of Grants Management
- ▶ Has overall responsibility for execution and administration of grants:
 - ▶ Manages and oversees the competitive award process
 - ▶ Signatory of grant awards
 - ▶ Maintains official grant file
 - ▶ Approves certain types of modifications (SOW, COA, Administrative)
 - ▶ Issues initial and final determinations related to financial, programmatic, and administrative concerns
 - ▶ Imposes additional awards conditions, as needed

Regional Grant Officer

- ▶ Regional Office
- ▶ Approves certain types of modifications (Budget Realignment, Equipment Purchase POP Extension)

Modification Workflow





Any questions?



Please enter your questions into the chat

Compiling Modification Requests

Primary Modification Types

- Budget Realignment
- Statement of Work Change
- Equipment Purchase Approval
- Indirect Cost Rate
- Administrative. Change of:
 - Authorized Representative
 - Point of Contact
 - Address
 - Organization Name
- Period of Performance Extension



Compiling Modification Requests

► Cover Letter

- ▶ Required for all modification requests
- ▶ Submitted on official organizational letterhead
- ▶ Signed by the grant's Authorized Representative
- ▶ Provides the purpose of the request
- ▶ Explains why it is necessary
- ▶ Describes how the change(s) will benefit the grant program
- ▶ May include additional requirements, based on the change requested

► Additional documentation, as appropriate

- If unsure whether a modification is required, consult with your FPO
- Submit initial request in draft

Budget Realignment

- ▶ Reallocating grant funds between the categories of the Budget Information Form (SF-424A)
- ▶ Required when the amount of transfer exceeds 10% of the total budget (2 CFR 200.308(e))
- ▶ Changes within a cost category do not require approval, but the FPO must be notified

Required Documents

- A cover letter requesting and justifying the revisions
- A revised Budget Information Form SF-424A and an updated Budget Narrative
- Any additional information requested by the FPO

Statement of Work (SOW) Change

- ▶ Changes in partners, key grant personnel, service area, target populations, target industry, etc.
 - *Note: changes (decreases) to outcome measures are never approved by DOL*
- ▶ Consult your FPO when unsure about the proposed change(s).

Required Documents

- A cover letter requesting, explaining, and justifying the change(s).
- Addition of new partners must be accompanied by a letter of commitment, an MOU or a contractual agreement from the new partner.
- Additional information and documents, as requested by the ETA and your FPO

Equipment Purchase Request

- ▶ Equipment is a tangible property (or an IT system) with a useful life of more than one year and an acquisition cost of \$5,000+ per unit
 - *Acquisition cost – net invoice price, plus the cost of any modifications, attachments, accessories, needed to make the property usable. Other charges – taxes, installation, transportation, etc. – are included or excluded from acquisition cost depending on recipient's regular accounting principles.*
- ▶ Equipment purchases require prior Grant Officer's approval, even if this equipment is included in the approved SOW and/or budget
- ▶ Grantees cannot purchase equipment in the last funded programmatic year of the grant

Required Documents

- A cover letter with the following info for each piece of equipment itemized in the request:
 - Item Name
 - Item description and basic specifications;
 - Estimated useful life of the equipment
 - Cost per item, including costs of installing and making it usable
 - Purpose of acquisition: how it will be used to support the grant (reference pages of the SOW)
 - Contact name/phone for additional information
- ▶ **NOTE:**
 - *Your FPO may have a template/specific format for submitting the required information*
 - *Do not include quotes, procurement bids, etc. with the request. These documents should be maintained as part of your procurement files.*

Indirect Cost Rate

There are several types of modifications related to the indirect cost rate. A modification is required to:

- Incorporate a Negotiated Indirect Cost Rate Agreement (NICRA) or Cost Allocation Plan (CAP) for the first time
- Replace an expired NICRA or CAP
- Change the amount of indirect charges on Budget Information Form SF-424A to charge the 10% de minimis rate

Required Documents

► Modification to incorporate NICRA/CAP:

1. Without changes to the budget:
 - A cover letter requesting the change and noting no changes to the budget
 - Copy of NICRA or CAP, as applicable
2. With changes to the budget:
 - A cover letter requesting the change and describing the changes to the budget
 - A revised SF-424A and a Budget Narrative with calculations for the new amount of indirect costs to be charged to the grant.

► Modification to charge the 10% de minimis:

- A cover letter requesting the change and demonstrating grantee's eligibility for charging the de minimis rate.
- A revised SF-424A and a Budget Narrative with calculations of the 10% de minimis.

Administrative Changes

- ▶ Administrative Changes are changes to the information on the Application for Federal Assistance SF-424.
- ▶ A modification is required to change:
 - ▶ Authorized Representative (Signatory Official)
 - ▶ Point of Contact
 - ▶ Address
 - ▶ Grantee's Organization Name
 - ▶ Other (consult with your FPO if unsure)

Required Documents

- Cover letter requesting and describing the change
 - Changes to the Authorized Representative (A/R) must be signed either by the outgoing A/R or someone in a position of seniority to the new A/R
 - Can't be signed by the new A/R
 - A modification is required for an interim A/R

Period of Performance Extension

- ▶ One-time extension of the period of performance by up to 12 months (2 CFR 200.308) submitted no earlier than last third of performance period.
- ▶ The extension cannot be exercised merely for the purpose of using unobligated balances. Must provide sufficient justification in the cover letter, including:
 1. Circumstances, challenges, or problems that created the need to extend the period of performance and listing the remaining funds to be expended;
 2. Efforts to address the challenges and the corrective actions or changes that have or are being made to assure grant success;
 3. Activities that can be accomplished by the original grant period of performance; and
 4. The specific activities that will be accomplished in the extended period of performance.
- ▶ Key grant outcomes planned to be achieved with the extension cannot be lower than the outcomes in the approved SOW.

Required Documents

- A cover letter justifying the request
- An updated Key Grant Outcomes table, showing original goals, outcomes expected if the grant ends as scheduled, outcomes achieved during the extension period, and total outcomes with the extension (can't be lower than the original)
- Work Plan with the updated timeline of grant activities, outcomes, and deliverables
- If needed, a revised Budget Information Form SF-424A and an updated Budget Narrative
- Other documents requested by the FPO



Pop Quiz!

You would like to add a new industry /occupation to your grant. Which answer provides the best response that describes the process for submitting the grant modification?

- A.** Launch the program in the new industry and begin enrolling participants.
- B.** Write a formal letter of request to the Grant Officer which provides a justification. Have the Authorized Representative sign and submit the request.
- C.** Reach out to your FPO to discuss the need for your request.
- D.** Reach out to your partner organizations to determine if the new industry or occupation is in-demand.



Any questions?



Please enter your questions into the chat

Common Errors



Modification Errors

- ▶ Grant modification is a multi-step process at the grantee and ETA level
- ▶ Navigating all the rules, procedures, and requirements is not easy
- ▶ Errors impact everyone, resulting in:
 - ▶ Extra time spent by the grantee and ETA staff
 - ▶ Longer wait for decisions
 - ▶ Negative impact on project services and participants
 - ▶ Disallowed costs
 - ▶ Grant's overall success

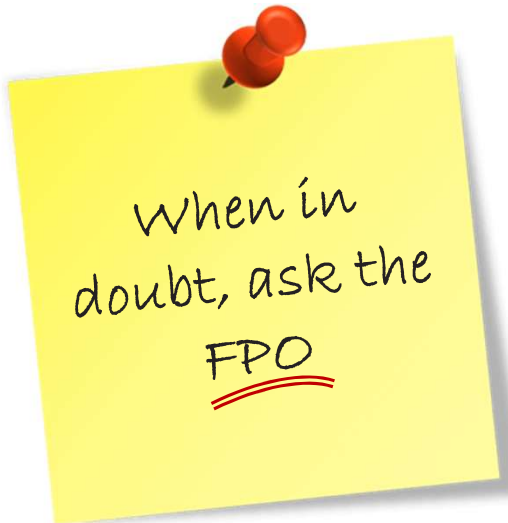


Common Modification Errors

- ▶ Not discussing the modification request with the FPO in advance
- ▶ Submitting modification requests too late in the period of performance
- ▶ Submitting modification requests after the change has been implemented
 - ▶ *Submit the final modification request at least 30 days prior to the effective date of the requested action (2 CFR 2900.10)*
- ▶ Submitting a pdf of the “final,” signed modification package instead of an initial draft
- ▶ Not submitting all the required supporting documentation
- ▶ Not informing the FPO of changes to the grant Point of Contact or Authorized Representative

Common Modification Errors

- ▶ The cover letter is not signed by the Authorized Representative
- ▶ The new budget (SF-424A) does not add up to the total grant award amount
- ▶ The Budget Narrative does not align with the revised SF-424A
- ▶ Budget object class categories are not broken out in the Budget Narrative
- ▶ Requesting to add Indirect Charges without a current, approved Negotiated Indirect Cost Rate Agreement (NICRA) or a Cost Allocation Plan (CAP)
- ▶ Incorrect calculation of the de minimis rate
- ▶ Submitting quotes with the equipment purchase requests



When in
doubt, ask the
FPO



Any questions?



Please enter your questions into the chat

Thank You!

Evaluation Link in the chat

Next session starts at 1:15 pm