



**Helping You Help Others**

# **VITA** **Grant Program**

**Volunteer Income Tax Assistance**



## **2012 Program Overview and Application Package**

## **Important Contact, E-mail, and Website Information**

### **Grant Program Office**

401 W. Peachtree Street, NW

Stop 420-D

Atlanta, GA 30308

404.338.7894

E-mail address: [Grant.Program.Office@irs.gov](mailto:Grant.Program.Office@irs.gov)

Hours of Operation: 8:00 a.m. – 4:30 p.m. EST

### **VITA Grant Program on [irs.gov](http://www.irs.gov)**

[www.irs.gov/individuals/article/0,,id=184243,00.html](http://www.irs.gov/individuals/article/0,,id=184243,00.html)

### **Frequently Asked Questions (FAQ'S) – VITA Grant Program**

<http://www.irs.gov/individuals/article/0,,id=185333,00.html>

### **Dun and Bradstreet Data Universal Numbering System (DUNS) Number**

866.705.5711

<http://fedgov.dnb.com/webform>

### **Central Contractor Registration (CCR)**

[www.ccr.gov](http://www.ccr.gov)

### **On-line Grant Announcement and Application Submission**

[www.grants.gov](http://www.grants.gov)

Helpdesk: 800.518.4726

Email: [Support@grants.gov](mailto:Support@grants.gov)

### **Federal Tax Compliance Verification (Internal Revenue Service)**

877.829.5500 (tax exempt and government entity returns)

800.829.4933 (business and specialty tax returns)

866.699.4096 (excise tax and Form 2290 returns)

### **Determination Letter From IRS (Tax Exempt and Government Entities Customer Service Line)**

877.829.5500

### **Department of Health and Human Services (HHS) Payment Management System (PMS)**

[www.dpm.psc.gov](http://www.dpm.psc.gov)

Helpdesk: 877.614.5533

E-mail: [PMSSupport@psc.gov](mailto:PMSSupport@psc.gov)

### **General IRS Information**

800.829.1040

[www.irs.gov](http://www.irs.gov)

### **Becoming an IRS Partner to Help in Your Community**

<http://www.irs.gov/individuals/article/0,,id=119374,00.html>

### **Sub-award and Executive Compensation Reporting**

[www.USASpending.gov](http://www.USASpending.gov)

[www.fsrs.gov](http://www.fsrs.gov)



VAGE AND INVESTMENT DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
ATLANTA, GA 30308

May 23, 2011

Dear Prospective VITA Grant Applicant:

I am pleased to inform you that the Volunteer Income Tax Assistance (VITA) Grant Program is continuing. This grant is an Internal Revenue Service (IRS) initiative designed to promote and support free tax preparation service for the underserved low income populations in both urban and non-urban locations. These populations include the elderly, persons with disabilities, limited English proficient, and Native American taxpayers.

In 2010, 374 organizations applied for VITA Grant funding requesting more than \$33 million. IRS awarded \$12 million to 179 organizations that planned services in all 50 states. Existing and prospective partners who are eligible will once again have the opportunity to apply for program funding.

New this year in the VITA program is a computer kiosk model where applicants can propose to assist taxpayers to prepare their own return. Check out this new program to see if it complements your current tax preparation services portfolio.

The Grant Program Office is now accepting applications for the 2012 VITA Grant. It is important that you read and review the instructions contained in this publication to assist in preparing a thorough application package. In order to be considered, applications must be received no later than June 30, 2011. Applicants are encouraged to submit an application electronically through [www.grants.gov](http://www.grants.gov). The IRS also accepts hardcopy submissions at Grant Program Office, 401 West Peachtree Street, NW, Stop 420-D, Atlanta, GA 30308. Please note that any cost associated with the preparation and submission of an application is the responsibility of the applicant.

Thank you for your interest in the VITA Grant Program. If you have any questions, please feel free to contact the Grant Program Office via e-mail at [Grant.Program.Office@irs.gov](mailto:Grant.Program.Office@irs.gov) or by telephone at (404) 338-7894.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Beebe".

Michael Beebe  
Acting Director, Stakeholder Partnerships,  
Education and Communication



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## Introduction

In December 2007, Congress appropriated funds to the Internal Revenue Service (IRS) to establish and administer a **matching grant program** for community volunteer income tax assistance. This funding allowed the **Stakeholder Partnerships, Education and Communication (SPEC)** organization of IRS to provide grants to partner organizations to achieve the following program objectives:

- Enable the **Volunteer Income Tax Assistance (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 significantly the accuracy rate of returns prepared at VITA **sites**.

The VITA Program uses trained volunteers to prepare basic tax returns for **low income** taxpayers in both urban and non-urban locations including persons with disabilities, non-English speaking persons, **elderly** taxpayers, and Native Americans. Because the VITA grant is in support of the VITA Program, grant recipients are required to follow existing guidance governing VITA site operations and to file all eligible returns electronically. IRS provides the software for filing electronically. The Publication 1084, *IRS Volunteer Site Coordinator's Handbook*, which is available on irs.gov, is a guide that is useful for existing and potential VITA Program sponsors.

The SPEC business model involves a three-pronged approach to deliver its mission:

- Tax education,
- Free Federal tax return preparation, and
- Financial education and asset building.

However, VITA Grant funds can only be used for free Federal tax return preparation as indicated in the Congressional appropriation.

Below are the most common errors encountered in previous years grant submissions.

- Incomplete applications – Applications did not contain all required information.
- Applicants did not meet eligibility criteria for tax compliance – The applicant organization had not filed all required federal tax returns or paid all federal taxes due at the time of the application.
- All evaluative criteria were not addressed – Applicants did not provide all the information requested thus reducing the amount of points available for award during the technical evaluation. Pages were missing from the narrative.

Numerous opportunities exist for reducing organization costs in providing free tax return preparation through the extensive use of volunteers, in-kind donations, and IRS provided resources. Two such resources are tax preparation software and training.

### **New to the VITA Program!**

Traditionally VITA provides return preparation services one-on-one to those that visit the site. However, during the 2011 filing season SPEC piloted an additional model where sites offered expanded services using computer kiosks. Research shows that access to computers and fast internet connections are barriers to taxpayers filing their own returns and indicate that an estimated 16 million additional taxpayers would use free help if it were readily available.

VITA sites offer a tremendous opportunity to fill the gap. Sites can assist more taxpayers by helping them prepare and file their own returns. Sites provide computers and internet along with a certified volunteer to answer questions as taxpayers prepare their own returns. Software is available through the Free File Alliance and other software providers for federal and state return preparation. Incorporation of the model into existing services benefits both the sites and the taxpayers.

## Introduction (continued)

### VITA 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

Funds from the VITA Grant can be used to support this new model as long as these conditions are met.

- Taxpayer prepares and electronically files their own return;
- Certified volunteer is present to assist if questions arise;
- Software used is available free of charge for use in preparing federal and state returns;
- Computers and internet connection provided at the site;
- Software allows capture of Site Identification Number; and
- Site operations do not commingle returns prepared using the traditional VITA model with the computer kiosk VITA model.

Consider adding this to your portfolio of services for filing season 2012 and receive credit toward the goals you provide in your program plan.

### Tax Preparation Software

IRS provides tax preparation software for its tax preparation sites free of charge. Monies from the grant cannot be used to purchase tax preparation software. Two products are available – desktop and online. The current software is TaxWise. Current users of desktop and new sites are strongly encouraged to consider the benefits of TaxWise Online and use it when practical. Advantages of this product include:

- No installation on individual computers – Program maintained on CCH Small Firm Services (SFS) server. Desktop users must install TaxWise on their own computers.
- No updates required – Program is updated by CCH SFS. Desktop users must download and update all computers. Failure to timely install updates result in the rejection of returns.
- No need to backup and restore returns to a central computer for transmission – Data is already at CCH SFS. Desktop users must download and restore returns to their central computer designated for transmission since only one computer per site may transmit returns.
- Remote access to troubleshoot problems – CCH SFS is able to access users' computers remotely to assist in resolving problems. This remote access allows them to see what the user sees. This connectivity is not available in the desktop version.
- Improved security
  - No data stored on individual computers. Data is securely stored at the CCH SFS secured facility. Desktop users store data on individual computers.
  - CCH SFS uses software to reduce threat of hackers and detect intrusion attempts. Desktop users don't always have this additional layer of protection.
- Access from any computer with proper identification and broadband internet – Product is immediately available for use. Desktop product must be shipped and installed.
- Improved design – Easier access overall to tools used for return completion. Accessing some tools in desktop require more steps.

## Introduction (continued)

### On-Line Training

Link & Learn Taxes, linking volunteers to quality e-learning solutions, is the web-based program providing seven courses: Basic, Intermediate, Advanced, Military, International, Puerto Rico and Foreign Student, along with a refresher course for returning volunteers. This training prepares SPEC partners and volunteers to provide quality tax return preparation services in their local communities. This fun, interactive course teaches the basics to accurately prepare income tax returns for individuals AND users can obtain volunteer certification along the way at their own pace! Students will make their way through lessons that include tax topics, case studies, and interview simulations. Link & Learn Taxes uses pop-up windows to connect to forms, publications and other resource materials. More knowledgeable students can use the course as a refresher. Link & Learn Taxes presents tax law through a variety of adult learning strategies including graphics, real world scenarios, and interview practice. Users can review the tax law material, listen to mock interviews, and complete sample tax return preparation scenarios.

There are seven modules to the current application:

- Basic course will certify the completion of wage-earner returns such as Forms 1040-EZ, 1040-A and simple Forms 1040.
- Intermediate course will certify completion of wage and pension-earner returns and more complex Forms 1040.
- Advanced course will certify the completion of the full scope of returns prepared by the volunteer tax return preparation programs.
- Military course will certify the completion of the full scope of returns presented by members of the Armed Forces, Reserve and National Guard.
- International course will certify the completion of returns for customers (non-military) living outside the United States and served by volunteers at US Embassies and Consulates or other areas under the volunteer return preparation programs.
- Puerto Rico course will certify the completion of returns for U.S. citizens who are bona fide residents of Puerto Rico.
- Foreign Student course will certify the completion of returns for international students and scholars.

Optional specialty courses for individuals with Advanced, Military or International certification.

- **Cancellation of Debt (COD):** This course includes two topics; certain mortgage forgiveness debt on a principal residence and credit card debt. The cancellation of debt for credit cards is in scope and is limited to nonbusiness credit card debt involving solvent taxpayers.
- **Health Savings Account (HSA):** An HSA is an account with favorable tax treatment that allows taxpayers to save for future medical expenses. This course covers who is eligible for an HSA and the tax treatment of HSA contributions and distributions.

Returning students may complete a “What’s New This Year” lesson and then certify at the level appropriate to their training and experience.

*Link & Learn Taxes* is available 24/7 for training and certification beginning in early November. A CD-ROM version is available if internet access is a concern. IRS also provides paper-based training when e-learning is not a viable option for your organization.

### Computers for Volunteers

Although IRS provides a small quantity of laptops and printers for use at existing sites, new and current program sponsors are encouraged to include funding for computers and printers as a budgeted item in the grant proposal when community resources are not available.

## Introduction (continued)

### **Publication Overview**

This publication provides the general requirements for the VITA Program along with criteria and guidelines to help determine whether you are eligible to become a VITA **grant recipient**. Detailed instructions are included to assist in preparing your application. Carefully review the information contained in this publication before completing your application. Incomplete, inaccurate, and late applications will not be considered for a grant. *Note:* A glossary is included to assist in understanding some of the terms used in this publication. The words or phrases that have been defined are identified in **bold italic** throughout this publication.

The project period is a full year – July 1, 2011, through June 30, 2012. Expenses incurred after the start of the grant period but before the award of the funds can be included; however, if a grant is not awarded, monies spent during this time are not reimbursable by IRS. Expenses incurred in excess of the funds awarded are not reimbursable by IRS. We anticipate that the demand for monies will exceed available funding and that some applicants will receive less money than requested or no award. It is also important to note that at the time this publication went to print, IRS was operating under continuing resolution and no congressional appropriation had been made for the VITA Grant Program.

If you decide to submit a grant application, please retain this publication. If you are awarded a grant, this publication is useful in understanding program expectations and in meeting reporting requirements. You may also find our Publication 4883, Grant Programs Resource Guide, useful. Publication 4883 is located on [irs.gov](http://irs.gov).

Questions regarding this program may be submitted to the Grant Program Office via:

- E-mail to [Grant.Program.Office@irs.gov](mailto:Grant.Program.Office@irs.gov);
- Mail to Grant Program Office, 401 West Peachtree Street, NW, Stop 420-D, Atlanta, Georgia 30308; or
- Telephone at 404.338.7894.

Your assistance is requested in compiling all your questions about the grant into one contact to eliminate the need for multiple contacts.

<b>VITA GRANT PROGRAM TIMELINE</b>	
Application period	May 23 – June 30, 2011
Review and evaluation	June 30 – October 30, 2011
Notification of selection/non-selection	November 1, 2011
Funds available for use	December 15, 2011
Program Period	July 1, 2011 – June 30, 2012

The Grant Program Office will host a conference call to highlight key requirements of the grant programs and to answer questions. The calls are planned for June 2 and June 3 at 1:00 p.m. to 3:00 p.m. Eastern.

Dial In Number: 888-285-4585

Participant Code: 908269

If interested, plan to attend only one session as they will cover the same material. Conference lines are limited. If more than one individual from your organization plans to attend, please share a line. Registration is not required. Access is limited to first-come. Access is available five minutes before the scheduled hour. A presentation will be available on [irs.gov](http://irs.gov) on the VITA Grant web page (address on inside cover) in the “What’s Happening” section. Please download a copy before the call. Within ten days of these calls we will post an updated presentation with talking points to this same section.

# VITA Program Overview and Requirements

## Program Overview

The existing VITA Program administered by the IRS originated with the Tax Reform Act of 1969 as part of the increased emphasis on taxpayer education programs. The VITA Program offers free tax help for low to moderate income individuals who cannot afford professional assistance. Trained VITA volunteers prepare basic tax returns.

The growth and success of the VITA Program is attributed to a business model that leverages the resources of partners who are established in the community. The leveraging of partner resources began in 2000 with the reorganization of IRS and the creation of the SPEC organization. In 2010, IRS expanded services using computer kiosks. This offers an alternative for sites dealing with capacity issues by assisting taxpayers to prepare their own simple returns. Through this approach, resources at the sites can facilitate return preparation of multiple taxpayers at once. Sites offering computer kiosks provide a “safety net” for taxpayers interested in completing their own return. Trained volunteers can assist taxpayers with questions as they complete their own returns.

In order to ensure consistent treatment of taxpayers and accurate return preparation, IRS established certain requirements for participation. Following is a general description of these requirements. Additional information, along with any forms mentioned, can be found in Publication 1084, *IRS Volunteer Site Coordinator's Handbook*. This publication along with any forms covered in the publication can be found at [irs.gov](http://irs.gov).

In order to be a VITA Grant recipient, you must operate within the established guidelines and requirements of the VITA Program.

## Administrative Requirements

Administrative requirements include but are not limited to the following:

- Work closely with your local SPEC Territory to establish a VITA Program in your community. Planning generally begins in early June.
- Provide volunteer tax preparation services **free of charge**.
- File all eligible returns electronically. IRS provides the tax preparation software to use.
- Submit all required forms timely to the local SPEC territory, such as:
  - Form 13715, *SPEC Volunteer Site Information Sheet*. This information is transferred to an IRS data base and is subsequently used to inform the public of the site location, hours of operation, and other pertinent information. It is used to track program performance.
  - Form 13206, *Volunteer Assistance Summary Report*. Listing of all volunteers working at VITA sites and includes the dates the volunteers received certification and their level of training.
- Abide by the **Quality Site Requirements**. An explanation of these requirements is outlined later in this publication.
- Ensure volunteers are properly trained to the level of returns they prepare. IRS provides electronic and printed training materials. Information on training availability can be found in Publication 1084 or at [irs.gov](http://irs.gov), keyword search **Link and Learn Taxes**.
- Monitor the quality and technical proficiency of your volunteers on an on-going basis.
- Conduct meetings, issue newsletters, and establish other means of communications to share tax law and other administrative information with your volunteers.
- Conduct quality site and return reviews to ensure sites are operating in accordance with the IRS and your established procedures. Maintain all review information for the VITA grant year-end report. Share them with the territory.
- Ensure appropriate record keeping is in place for completing all grant reporting and for use in completing the year-end program narrative.
- Ensure ethical operation and implementation of the VITA Program so as to not jeopardize taxpayer confidence in the program.

*Note: All forms referenced in this section as well as additional information pertaining to the VITA Program administrative requirements can be found in Publication 1084, IRS Volunteer Site Coordinator's Handbook. This publication along with all the above mentioned forms can be found at [irs.gov](http://irs.gov).*

## VITA Program Overview and Requirements (continued)

### Quality Site Requirements

The IRS identified ten quality site requirements to ensure taxpayers visiting volunteer sites receive quality service and accurate return preparation. The ten requirements are listed below. More extensive explanation of the quality site requirements can be found in Publication 1084, *IRS Volunteer Site Coordinator's Handbook*.

1. **Certification and Volunteer Agreement** - All volunteers must agree to the Volunteer Standards of Conduct by signing Form 13615, *Volunteer Agreement, Standards of Conduct - VITA/TCE Programs*. Certification is required for all volunteers who answer tax law questions, instruct tax law, prepare or correct tax returns and/or conduct quality reviews of completed tax returns.
2. **Intake and Interview Process** - All sites must use an intake and interview process. This process must include correct use of an approved intake and interview sheet for every return prepared. The approved form for all VITA Grant recipients is Form 13614-C, *Intake/Interview and Quality Review Sheet*.
3. **Availability of Reference Materials** - All sites must have reference materials available for use by every volunteer return preparer and **quality reviewer**, preferably at each workstation. This includes sharing and discussing Volunteer Quality Alerts and Quality Site Requirement Alerts when received.
4. **Quality Review** - All sites must use a quality review process, which includes 100 percent review of all returns. This process must include correctly using an approved quality review check sheet for every return.
5. **Finished Return** - All sites must have processes in place to ensure every return is timely filed or delivered to the taxpayer.
6. **Privacy and Confidentiality Guidelines** - All sites must follow privacy and confidentiality guidelines to ensure taxpayer information is provided reasonable protection and to reduce the threat of identity theft.
7. **Civil Rights** - All sites must display or provide Title VI of the Civil Rights Act of 1964 information to the taxpayer.
8. **Site Identification** - All returns prepared must contain the correct and unique Site Identification Number (SIDN).
9. **Electronic Filing Controls** - All returns prepared electronically must contain the correct Electronic Filing Identification Number.
10. **Security** - All sites must follow security guidelines as outlined in Publication 4299, *Privacy and Confidentiality - A Public Trust*. This includes safeguarding equipment used to support the program.

IRS provides all approved forms for your program's use. Form 13614-C, *Intake/Interview and Quality Review Sheet*, is required to be **completed in its entirety** for each return prepared. For returns prepared as part of the computer kiosk service delivery model, an intake and interview process and quality review is not required. The other eight items apply.

### Customer Service Requirements

To establish the greatest degree of public trust all volunteers have a responsibility to provide quality customer service and uphold the highest ethical standards. All volunteers must adhere to the following standards of conduct:

- Treat all taxpayers professionally, with courtesy and respect;
- Safeguard the confidentiality of taxpayer information;
- Apply the tax laws equitably and accurately;
- Prepare only those returns for which they are certified;
- Exercise reasonable care in the use and protection of equipment and supplies;
- Ensure the returns they prepare follow the intake/interview and quality review processes;
- Abstain from soliciting business from taxpayers assisted or using knowledge gained about them for any direct or indirect personal benefit; and
- Refuse any payment from taxpayers for services provided. Compensation may be received as an employee of a grant recipient.

Because the VITA grant is in support of the VITA Program, grant recipients are required to follow all existing guidance governing VITA site operations and shall endeavor to avoid any actions creating the appearance of violating federal laws governing voluntary tax compliance. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined by the perspective of a reasonable person with knowledge of the relevant facts.

## Eligibility Requirements

### How Do I Determine If I Am Eligible?

To be eligible for funding under the VITA Grant Program, applicants must meet the following requirements:

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

### Non-profit Organization or Government Entity Status

The applicant must already be classified as **one** of the following. Organizations that have applied for recognition as a non-profit but not received their IRS determination letter confirming the organization as exempt are not eligible to apply for this grant.

- 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, or
- A state or local government agency **including** federally recognized Native American Tribal governments, or
- A regional, statewide, or local **coalition** with one lead organization that meets one of the eligibility requirements noted above. The lead organization filing the application must have a substantive role in the coalition.

**Section 501(c)(4) organizations may apply. However, if awarded a grant, federal law will prohibit your organization from lobbying.**

Acceptable documentation includes **one** of the following based on the type of entity:

- Copy of IRS determination letter recognizing organization as exempt under IRC Section 501(c);
- Copy of letter of academic accreditation for college, university or other institution of higher learning; or
- Letter submitted by agency or government head on its official stationery indicating it is a government entity.

**Note: If your organization is included as a subordinate in a group exemption ruling, include the current official subordinate listing approved by the central organization.**

Be sure to complete block 9, *Application for Federal Assistance*, Standard Form 424 (SF 424), with the appropriate designation.

**Note: Eligible entities may only submit one application for consideration per grant period.**

Applicants that apply on behalf of a group of organizations are responsible for ensuring all participants within their coalition adhere to VITA Grant Program requirements. The applicant is the only organization that is given access to the funds if awarded. After the award is made, an agreement (letter of intent or memorandum of understanding) is required between the VITA Grant recipient and its coalition members (sub-recipients) to ensure adherence to program guidelines.

### Tax Compliance

The organization submitting an application must be in compliance prior to award, and must remain in compliance throughout the grant period. This includes **filing** all required tax returns and **payment** of all federal tax, penalties, and interest. The Grant Program Office will check the last five years of IRS tax records to confirm compliance. The name shown in the application must agree with IRS records.

## Eligibility Requirements (continued)

Examples of non-compliance include:

- A balance due on the account
- An account with required tax returns not filed
- An Employer Identification Number (EIN) that belongs to a different entity than shown on the application

Do not assume that you are tax compliant. Have the person in your organization responsible for filing tax returns (including employment tax returns) contact the IRS to check for any monies owed or returns not filed prior to submitting your application. Contact phone numbers for tax compliance verification are included on the inside front cover of this publication.

If you identify any issues with tax compliance, be sure to indicate this on the SF 424, block 20, and attach a statement explaining the issue. The SF 424 provides additional space for explaining any Federal debt at the end of the form. For example, if a return was not filed because it was not required, include a statement containing the reason, the type of tax return (i.e., Form 990, 940, 941, etc.), and the tax period. If you are working with someone at IRS to resolve an outstanding issue, please provide their name, office in which they work, and their phone number. Similar statements should be submitted for monies owed or incorrect entity information. Sample justification statements are listed below.

- We were not required to file a 2008 Form 990 because our gross receipts did not exceed \$25,000 at the end of the tax year.
- We were not required to file the 2008 first quarter Form 941 because we did not have any employees.
- We filed a Form 8868, Application for Extension of Time to File an Exempt Organization Return, on May 1, 2011, for an automatic three month extension to August 15, 2011, for our 2010 Form 990.
- We are working with Ms. Green, IRS Office, at xxx.xxx.xxxx to resolve a problem on the 2007 first quarter Form 941. It was incorrectly posted under an erroneous EIN.
- There is a penalty owed on our Form 940 for 2006; however, a determination was made that it was erroneous and it is being reversed. We are working with Mr. Smith, IRS Office, at xxx.xxx.xxxx.

**Disclosures of situations where returns are not filed and/or monies are owed do not automatically qualify you as eligible for this grant.** Information submitted about tax compliance issues you identified are considered on the specific merits of the situation.

### **Matching Funds**

All applicants must provide documentation explaining matching funds on a dollar-for-dollar basis. For example, if you request \$50,000 in grant funds, you must provide matching funds for at least \$50,000. Only funds in support of the VITA Program qualify as matching funds.

*The Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organization, 2 CFR 215, states that all contributions, including cash and third party in-kind, shall be accepted as part of the grantee's cost sharing or matching when such contributions:*

1. Are verifiable from the [grantee's] records.
2. Are not included as contributions for any other federally-assisted project or program.
3. Are necessary and reasonable for proper and efficient accomplishment of project or program objectives.
4. Are allowable under the applicable cost principles.
5. Are not paid by the Federal Government under another award, except where authorized by Federal statute to be used for cost sharing or matching.
6. Are provided for in the approved budget when required by the Federal awarding agency.
7. Conform to other provisions of this part, when applicable.

Third party in-kind contributions, defined in 2 CFR Section 215.23(a), means the value of non-cash contributions provided by non-Federal third parties. Third party in-kind contributions may be in the form of the value of goods and services directly benefiting and specifically identifiable to the project or program. For the VITA Grant program, examples of third party in-kind contributions are computers, printers, space, volunteer time, interpreter services, supplies, or advertising.

There is no prohibition on counting student services for which academic credit is given, nor other services for which service providers receive some benefit from a third party, as a proper basis of meeting the matching fund requirements as a third party in-kind contribution that otherwise complies with 2 CFR Section 215.23(a).

The amount of matching funds offered by the applicant (including from other sources) should be recorded in block 18b. Applicant, of the SF424. It must equal or exceed the amount in block 18a. Federal.

Additional information on matching funds can be found in the Financial Plan Information section of this publication.

## Eligibility Requirements (continued)

### **Debarment or Suspension**

As part of the application, you are required to agree to certain assurances and certifications. One of these certifications is the *Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions*. This is discussed more in depth in the Assurances and Certifications section of this publication. As part of eligibility, the Grant Program Office will check the individuals listed on the *Application for Federal Assistance*, Standard Form 424, and key individuals in the Program and Financial Plan narratives to ensure they are not debarred, suspended, or otherwise excluded from or ineligible for a federal award. You may check this yourself before applying by visiting the Excluded Parties List System maintained by the General Services Administration (GSA) at [www.epls.gov](http://www.epls.gov). If you identify incorrect information about your organization or individuals within your organization, you should contact the agency that submitted the posting.

### **OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations**

If your organization expends \$500,000 or more in a year in federal funds, your organization must have a single or program-specific audit for that year. More detail can be found later in this publication in the Financial and Management Reporting Requirements section.

The Federal Audit Clearinghouse operates on behalf of the Office of Management and Budget (OMB) and its primary purpose is to disseminate audit information to Federal agencies and the public. If the most recent audit showed an unfavorable finding, it will not automatically disqualify you from consideration; however, more information may be requested to ensure any deficiencies noted in the audit have been corrected. Detailed information can be obtained from OMB Circular A-133, which can be found at [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars). The Grant Program Office will review the audit reports located at <http://harvester.census.gov/sac/>.

### **Submission of Reports**

If your organization received a VITA Grant or a Tax Counseling for the Elderly (TCE) grant in prior years, we will determine if all required reporting was completed and submitted timely. If it is not and a request to delay reporting was not approved, the applicant is ineligible for a grant during this announcement period. Submitting required reports is a pre-requisite for consideration of future grant opportunities.

## Before Completing Your Application

Before submitting a grant application, all organizations should take the following actions:

- Secure a Dun & Bradstreet Universal Number (DUNS),
- Register with the Central Contractor Registration (CCR), and/or
- Check both to ensure applicant information is correct and accounts are still active.
- Determine if application is subject to review by the State under Executive Order 12372.
- Register with Grants.gov in order to submit application electronically.

### **Dun & Bradstreet Universal Number (DUNS)**

OMB issued a policy directive in the Federal Register (68 FR 38402) implementing the requirement for grant applicants to provide a DUNS number when applying for federal grants or cooperative agreements on or after October 1, 2003. Use of the DUNS number government wide provides a means to identify entities receiving those awards and their business relationships. The identifier is used for tracking and to validate address and point of contact information. It is recorded in block 8c. of the SF 424.

The process to request a DUNS number takes about 10 minutes and is **FREE** of charge.

- Just call D&B at 866.705.5711 or individuals hard of hearing can contact 866.814.7818.
- The number is staffed from 7 a.m. to 6 p.m. C.S.T.

For more information on the DUNS number or for the policy relating to this requirement, visit <http://fedgov.dnb.com/webform>.

## Before Completing Your Application (continued)

### **Central Contractor Registration (CCR)**

The Central Contractor Registration (CCR) is the primary registrant database of contracts and assistance awards for the federal government. The purpose of the CCR is to facilitate paperless payment through electronic funds transfer. The registration process also provides basic information relevant to procurement and financial transactions.

All applicants must register with CCR and maintain an active registration throughout the period of the grant and final reporting. This process can take three to five business days, so register early. In order to complete the CCR process, a DUNS number is required. If already registered in CCR, renewal of the registration is required at least once annually. Check when your registration will expire and update. You may update as often as you want but at least once per year. This will ensure your account remains active throughout the grant selection process. The complete resource for CCR registration is located at [www.ccr.gov](http://www.ccr.gov).

### **Grants.gov Registration**

Now that you have your DUNS number and CCR registration, you're ready to register on Grants.gov. [Grants.gov](http://www.grants.gov) offers numerous applicant resources to assist in registering and using their system. Check out applicant resources for user guides, checklists, animated tutorials, web casts, and frequently asked questions. For registration assistance, review the Organization Registration Checklist ([http://www.grants.gov/assets/Organization\\_Steps\\_Complete\\_Registration.pdf](http://www.grants.gov/assets/Organization_Steps_Complete_Registration.pdf)) for the actions required to complete this step.

Please register early and take advantage of the many aids at Grants.gov to become familiar with the submission process to alleviate any last minute frustrations with submission. Please do not wait until the last day to submit your applications on Grants.gov. The application must pass validation by the application due date in order to be considered timely. Some problems encountered require that you update CCR and changes are not completed in real-time. It is frustrating to complete all the components of the application and then find that your CCR registration is expired and will take three to five days to reactivate.

We've also added additional instructions to this publication to assist in labeling the files submitted as part of your [Grants.gov](http://www.grants.gov) application.

### **State Review Required Under Executive Order 12372**

Executive Order 12372, Intergovernmental Review of Federal Programs, was issued with the desire to foster the intergovernmental partnership and strengthen federalism by relying on State and local processes for the coordination and review of proposed Federal financial assistance and direct Federal development. The Order allows each State to designate an entity to perform this function. Visit [http://www.whitehouse.gov/omb/grants\\_spoc](http://www.whitehouse.gov/omb/grants_spoc) to determine if your state is participating. Follow state instructions, if applicable. Please check the appropriate item in block 19 of SF 424.

## Multi-Year Grant

Applicants have the opportunity to apply for the VITA Grant for up to three years. In addition to meeting all other VITA Grant eligibility requirements, applicants that believe they meet the following eligibility criteria may indicate on their program plan and Standard Form 424A, Budget Information – Non-Construction Programs, their intent to request the grant for a two or three year period. Although the benefit of the multi-year opportunity will not be realized until years two and three, it is an opportunity certain grant applicants should consider.

**Note: Funding in years two and three is subject to the availability of appropriated funds.**

### **Eligibility Criteria for Multi-Year Grant**

In order to request a multi-year grant, the applicant must be a prior year VITA or TCE grant recipient in good standing. The Grant Program Office will determine whether the applicant is in good standing based on records it maintains. In general, a prior year grant recipient is considered to be in good standing if:

## Multi-Year Grant (continued)

1. No significant concerns were raised in prior years during territory office assistance visits, financial reviews, TIGTA reviews or Grant Program Office administrative reviews in the following areas:
  - a. Accounting and recordkeeping practices
  - b. Accuracy and quality of returns
  - c. Volunteer training
2. Applicant successfully met its program plan and was within 10% of its return production goals.

The applicant's history must also document its ability to grow and sustain its program in the areas of returns prepared, e-file percentage, and volunteer resources.

### **Determination of Multi-Year Grant Recipients**

Grant applicants that request a multi-year grant, are a prior year recipient in good standing, and score 90% (180) or better during the technical evaluation are considered for this award opportunity. Multi-year grant recipients are selected at the discretion of the IRS and IRS reserves the right to impose a limit on available funds to multi-year recipients.

### **Impact on Multi-Year Grant for Recipients for Subsequent Years**

For the 2013 grant opportunity, multi-year grant recipients that remain in good standing and deliver 90% of their return production goal will not be required to submit a full application, will not be subject to technical evaluation, and will receive their funds earlier than applicants awarded under the competitive process.

## What to Include in the Application

### **List of Required Components**

A complete application must include the following:

1. *Application for Federal Assistance*, Standard Form 424 (Revision 10/2005 or later)
  - a. Attachment with information that would not fit in space allowed on the SF 424, such as congressional district codes.
  - b. Copy of determination letter issued by IRS recognizing the organization as exempt under IRC Section 501(c); copy of letter of academic accreditation for college, university or other institution of higher learning; or letter submitted by agency or government head on its official stationery indicating it is a government entity.
  - c. Block 21 must be checked confirming agreement with the list of certifications shown in Publication 4671.
2. Program Plan Narrative along with site information
3. Financial Plan Information
  - a. Standard Form 424A
  - b. Indirect Cost Rate Agreement, if applicable
  - c. Financial Plan Narrative
  - d. Budget Detail Explanation
  - e. Matching Funds Summary Chart
  - f. Matching Funds Supporting Documentation
4. Civil Rights Narrative
5. *Assurances – Non-Construction Programs*, Standard Form 424B
6. *Disclosure of Lobbying Activities*, Standard Form LLL, **if applicable**. This form is only required if the applicant must disclose lobbying activities pursuant to 31.U.S.C. 1352.
7. A CD containing the entire application (all forms and attachments) if not submitted through Grants.gov.
8. One original and two copies of the entire application if not submitted through Grants.gov.

**TIP: Check out [irs.gov](http://irs.gov), search “VITA Grant” for the most current information about the grant including frequently asked questions, forms, and templates that can be used to complete portions of the VITA grant application.**

## What to Include in the Application (continued)

### **Tips for Completing Your Application**

When completing your application, it is important to adhere to the established requirements and guidelines. Listed below are a few tips that will lead to a strong application package.

- Stay within the guidelines when completing the narratives (number of pages, font, content).
- Use good grammar.
- Include current statistics whenever possible and document the source. If the statistics show a reduction year-to-year, explain.
- Number the pages of your narrative so reviewers can easily identify missing pages.
- Limit attachments to only vital information. Choose judiciously the attachments included. Ask whether they strengthen your package before including in the application.
- Use templates when provided to ensure needed information is not overlooked.
- Be sure to sign the application.
- Ensure information agrees throughout the application. For example, the budget explanation relative to non-federal funds and the matching fund summary chart should agree and the amount of funds requested on the SF 424 and the SF 424A should agree.
- Complete all required forms, certifications, and narratives.
- Double check all calculations.
- Review the application package prior to submission and use more than one reviewer.
- Assemble the application package correctly.
- Prepare your application early. Don't wait until the last day to submit via Grants.gov. Allow 48 hours for validation just in case errors are encountered. Some error corrections may require overnight processing before they are corrected.

## Application for Federal Assistance, Standard Form 424

### Who Must Complete This Form?

All applicants

### Is there anything in this section that will cause my application to be rejected if I miss it?

Failure to provide an *Application for Federal Assistance*, Standard Form 424 (Revised 10/2005 or later) will result in non-consideration of the application. Failure to include the Employer Identification Number (EIN), DUNS number, or signature on the SF 424 will result in non-consideration of the application.

### Things to Note:

- The EIN and DUNS number should be reviewed for accuracy.
- Ensure contact information is accurate. Past submissions included incorrect phone numbers and email addresses leaving U.S. postal address as the only method of contacting. This delayed processing of the application.
- For information that will not fit into the space allowed on the SF 424, a blank sheet may be attached with the additional information. Indicate the block number from the SF 424 to which the information applies. Multiple blocks may be addressed continuously on the page.

This form is required for all grant applications. It may require that you obtain additional information prior to its completion such as whether State review is required or Federal debt exists. You must already have your DUNS and EIN numbers. Although a DUNS number may be obtained fairly quickly, applying for an EIN with the IRS will take longer.

**Please complete the SF-424 as shown in the following instructions. Additional information may be found in the instructions for the SF-424; but where the instructions differ between those in this publication, the instructions in this publication should be used.**

**It is important that you use the correct version of the SF 424 because new fields are present that will make applying easier. The SF 424 (Revised 10/2005 or later) is provided on our website. Use of earlier versions could result in non-consideration if key fields are not present. Items missing from some of the earlier versions include the DUNS number, the certification and assurances section, etc.**

The following instructions are provided to assist in the completion of the SF 424 for the VITA Grant. If applying via Grants.gov, some fields will be pre-populated and differ slightly from the instructions shown below. This is acceptable. You do not need to over-ride any pre-populated fields when submitting your grant application via Grants.gov.

## Application for Federal Assistance, Standard Form 424 (continued)

Block	Title	Comments																								
1.	Type of Submission	Select <b>Application</b>																								
2.	Type of Application	Select <b>New</b>																								
3.	Date Received	Leave blank																								
4.	Applicant Identifier	Leave blank																								
5a.	Federal Entity Identifier	Leave blank																								
5b.	Federal Award Identifier	Leave blank																								
6.	Date Received by State	Leave blank. The State will provide if you are subject to review by State under Executive Order 12372. See Block 19 for more information.																								
7.	State Application Number	Leave blank. The State will provide, if applicable.																								
8a.	Legal Name	Record Legal Name. Do not use an acronym unless this is the legal name. This should be the organization registered with the Central Contractor Registration, D&B and IRS. All must agree.																								
8b.	Employer Identification Number	Record EIN assigned by the IRS. This is the entity checked for tax compliance.																								
8c.	Organizational DUNS	Record DUNS number received from Dun and Bradstreet.																								
8d.	Address	Record Address. This should be the address for your physical location. Be sure to complete the county/parish information. You must include the nine digit zip + four in your address. If you use a post office box for mail delivery, please add this address to the financial plan narrative.																								
8e.	Organizational Unit	Record Department and/or Division of organization in 8a, if applicable. This is the unit or division that will undertake the assistance activity.																								
8f.	Name and Contact Information	Record the name and contact information of the person to call in the event IRS has questions about the application. Be sure this information is accurate.																								
9.	Type of Applicant	<p>Select from list. If applicant meets more than one category, you may select up to three; however, only one selection is required. Refer to the section on eligibility to determine if you are eligible for this grant.</p> <table border="0"> <tr> <td>A. State Government</td> <td>L. Public/Indian Housing Authority</td> </tr> <tr> <td>B. County Government</td> <td>M. Nonprofit</td> </tr> <tr> <td>C. City or Township Government</td> <td>N. Private Institution of Higher Education</td> </tr> <tr> <td>D. Special District Government</td> <td>O. Individual</td> </tr> <tr> <td>E. Regional Organization</td> <td>P. For-Profit Organization (Other than Small Business)</td> </tr> <tr> <td>F. U.S. Territory or Possession</td> <td>Q. Small Business</td> </tr> <tr> <td>G. Independent School District</td> <td>R. Hispanic-serving Institution</td> </tr> <tr> <td>H. Public/State Controlled Institution of Higher Education</td> <td>S. Historically Black Colleges and Universities</td> </tr> <tr> <td>I. Indian/Native American Tribal Government (Federally Recognized)</td> <td>T. Tribally Controlled Colleges and Universities</td> </tr> <tr> <td>J. Indian/Native American Tribal Government (Other than Federally Recognized)</td> <td>U. Alaska Native and Native Hawaiian Serving Institutions</td> </tr> <tr> <td>K. Indian/Native American Tribally Designated Organization</td> <td>V. Non-Entity</td> </tr> <tr> <td></td> <td>W. Other (specify)</td> </tr> </table>	A. State Government	L. Public/Indian Housing Authority	B. County Government	M. Nonprofit	C. City or Township Government	N. Private Institution of Higher Education	D. Special District Government	O. Individual	E. Regional Organization	P. For-Profit Organization (Other than Small Business)	F. U.S. Territory or Possession	Q. Small Business	G. Independent School District	R. Hispanic-serving Institution	H. Public/State Controlled Institution of Higher Education	S. Historically Black Colleges and Universities	I. Indian/Native American Tribal Government (Federally Recognized)	T. Tribally Controlled Colleges and Universities	J. Indian/Native American Tribal Government (Other than Federally Recognized)	U. Alaska Native and Native Hawaiian Serving Institutions	K. Indian/Native American Tribally Designated Organization	V. Non-Entity		W. Other (specify)
A. State Government	L. Public/Indian Housing Authority																									
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	W. Other (specify)																									
10.	Name of Federal Agency	Record <b>Internal Revenue Service</b>																								
11.	Catalog of Federal Domestic Assistance Number	Record <b>21.009</b> in the number box and <b>VITA Matching Grant Program</b> in the CFDA title box.																								

## Application for Federal Assistance, Standard Form 424 (continued)

Block	Title	Comments
12.	Funding Opportunity Number	Record <b>VITA 2012</b>
13.	Competition Identification Number	Leave blank
14.	Areas Affected by Project	Provide the city or county where service will be provided. If multiple cities or counties, record each. If an entire state or multiple states, record each. If more space is required, attach an additional sheet.
15.	Descriptive Title of Applicant's Project	Record the title of the project you have planned. It can be as simple as VITA Tax Assistance or your coalition name. This is only a project title.
16.	Congressional Districts	Record the congressional district of the applicant and of the location where service is provided. 16a. Enter the applicant's Congressional District, and 16b. Enter all District(s) affected by the program or project. Enter in the format: 2 character State abbreviation – 2 character district number, e.g., CA-05 for California's 5th district or NC-10 for North Carolina's 10th district. If all congressional districts in a state are affected, enter "all" for the district number, e.g., MD-all for all congressional districts in Maryland. If more space is needed, continue on a blank sheet and attach.
17.	Proposed Project	Record <b>7/1/2011</b> as the start date and <b>6/30/2012</b> as the end date.
18a.	Federal Funding	Record amount of federal funds requested.
18b.	Applicant Funding	Record the amount of funds available for the match. These are all funds offered as match. A dollar-for-dollar match is required for this grant.
18c, d,e,f.	Other Funding	Complete as applicable, leave blank or record "0.00." No program income is allowed as return preparation and electronic submission must be provided free of charge.
18g.	Total	Add the amounts in 18a and 18b.
19.	Is Application Subject to Review by State Under Executive Order 12372 Process?	If not already done, research the following website to determine if state review is required: <a href="http://www.whitehouse.gov/omb/grants_spoc">http://www.whitehouse.gov/omb/grants_spoc</a> Complete based on the results of your research.
20.	Is the Applicant Delinquent on any Federal Debt?	Answer the question. Provide explanation, if applicable. See eligibility section of this publication and tax compliance for examples of explanations when delinquent.
21.	Certification and Assurance and Authorized Representative	This section covers agreement to the certifications and assurances required as part of the package. Check "I Agree" after reviewing the certification section of the application notice. Complete this section with the name, contact and signature of the individual authorized to submit grants on behalf of the applicant organization.

## Program Plan Narrative

### Who Must Complete This Section?

All Applicants

### Is there anything in this section that will cause my application to be rejected if I miss it?

Failure to provide a program plan narrative will result in non-consideration of the application. Failure to address all components will prevent maximum points from being awarded.

### Things To Note:

- **Keep the reader in mind.** Reviewers of your plan will use only the information contained in the application to assess the program plan. The applicant should ensure responses are complete and clearly written and speak to the information requested.
- **Follow the instructions and application guidance carefully.** The application provides instructions for the proper organization and labeling of materials. Present information in the requested format.
- **Label all sections and number all attachments.** Include page numbers so you can direct the reader back to the section easily.
- **Utilize program coordinator for thorough understanding of processes.** Many of the topics requested in the program plan narrative require close coordination with the program and/or site coordinator that oversees return preparation. Understanding program requirements ensures plans are communicated thoroughly.
- **Use templates when provided.** Use of templates provides reviewers easy access to key information. Reviewers may miss key information when it is buried in a narrative. The 2012 VITA Grant Workbook is provided to capture prior year performance, proposed returns, sites, primary and secondary focus, matching funds information, and budget detail. It is available on the VITA Grant web page.
- **Be brief, concise, and clear.** Make each point understandable. Provide accurate and honest information, including candid accounts of problems and realistic plans to address them. If any requested information is omitted, explain why. If providing information in tables, charts, or attachments, make sure they are labeled and consistent.
- **Be organized and logical.** Many applications fail because the reviewers cannot follow the thought process of the applicant or because parts don't fit together or are contradictory.
- **Combine data.** If submitting on behalf of a coalition, combine the data for the overall plan, such as prior return preparation performance. Combine the results from all participants that will be funded by the program into one table.
- **Carefully proofread the application.** Misspellings and grammatical errors will impede reviewers in understanding the application. Be sure to number all pages including any attachments.
- **Adhere to limits and formats requested.** Keep the program plan to 40 pages, double spaced, Arial font 12. The page limit does not include attachments.

This section is designed to solicit information concerning your qualifications and the plan you propose for use of the VITA Grant. The information provided here is used to evaluate your organization's potential to achieve the objectives of the VITA Grant Program as reflected in the "Introduction" of this publication. Please provide specific responses to the required items listed below and provide enough detail so that your application can be fully considered. Close coordination with program coordinators is necessary to ensure requirements are fully addressed. Keep your comments concise and relevant.

**TIP: If applying as the lead on behalf of other organizations, you do not have to submit separate documents for each sub-recipient. You should summarize the information for the application. For example, if multiple methods of training are utilized and/or quality review is conducted, talk about the range of training or that most sites utilized a dedicated quality reviewer.**

**If you are applying for a multi-year grant, be sure to address any significant changes in your proposal for years two and three. At a minimum, you must provide year two and three data under the VITA Target Audience section.**

### A. Experience with Low Income and/or Return Preparation – 40 points

1. Describe your experience working with underserved low-income populations. Include any efforts your organization has taken to provide financial education and asset building to these same populations.
2. Describe your prior experience coordinating and operating an IRS volunteer return preparation program for low income taxpayers. Tell us the number of years your organization (or sub-recipient organization) has participated in the VITA program.

## Program Plan Narrative (continued)

- Provide an itemized list of the following for the three most recent years that your organization has been involved in the volunteer return preparation program. Include source of your information. Please use the format (available in the VITA Grant 2012 Workbook) shown below. Be sure to only report production for the activities that are covered by the VITA Grant. For example, adjust production for the overall coalition by subtracting the returns and sites operated by AARP Tax-Aide or by organizations that will not be funded by this request. Please explain any reductions in service from year-to-year. If submitting on behalf of a coalition of partners, summarize the information overall and do not provide information for each partner here. You may attach individual performance information by partner if you wish.

Tax Return Year	Total federal returns prepared	% e-filed	# of volunteers

**Note:** This template, as well as others, that will assist you in completing your application can be found on [irs.gov](http://irs.gov), search keyword VITA Grant, in the VITA Grant 2012 Workbook.

### B. Strength of Program - 40 points

- Describe the qualifications of the program coordinator(s) and financial administrator(s), whether funded or unfunded, that will support the VITA program. Cover their:
  - Education, volunteer return preparation program experience, relevant training, and **cultural competency** as it relates to the target population;
  - Roles, responsibilities and anticipated time the individuals will work with the VITA Program.

**Note: Do not include resumes or information on persons serving in minor support roles.**

- Describe your volunteer training plan. Plan should include, but is not limited to:
  - Estimate of the total training hours per volunteer;
  - Qualifications of instructors with regards to tax law and/or e-file processes;
  - Method that you will use to train the volunteers; and
  - Any unique training curriculum you have developed or identified that is not provided by IRS. It could be training based on position held, such as tax return preparers, **site coordinators**, electronic return originators, screeners, quality reviewers, IT support or other related to tax return preparation.

**Note: Do not provide a copy of the IRS training plan.**

- Discuss your publicity plan. Be sure to address:
  - The timeline for marketing your tax preparation program to the underserved community.
  - The messages, methods, materials, and channels (media, posters, web site, etc.) to be used to reach the underserved populations and hard to reach areas you will target.
  - Any services being provided for special populations, e.g. interpreters for individuals hard of hearing.
- Describe your access to **technology**. Be sure to:
  - Document your organization's current access to resources to e-file returns, including the availability of computers, printers, space, supplies, and the internet.
  - Address whether you are dependent on IRS computer resources or whether you have identified resources in the community.
  - Estimate the number of IRS computers and printers you or your coalition members anticipate using.
- Document your strategy for recruiting and retaining volunteers.

### C. VITA Target Audience - 40 points

- Describe your plans to focus on extending services to underserved populations (urban and non-urban) and hard to reach areas. Be sure to:
  - Indicate a primary and secondary focus.** Please provide relevant rationale and demographic data, citing source, for your primary and secondary focus. Classify your primary and secondary focus as either low income, elderly, rural, persons with disabilities, limited English proficient, or Native American. You can describe any other subsets of these populations in your narrative. Indicate the number of individuals you propose to reach with your primary and secondary focus on the VITA Grant 2012 Workbook.
  - Discuss the underserved population, underserved geographic area, and/or hard to reach area your program will target.

## Program Plan Narrative (continued)

**TIP: Choose only one population as your primary focus and one population as your secondary focus. Geographic coverage discussed in this section should agree with block 14 on the SF 424.**

Census data can be very helpful in determining the area of focus needed for your geographic coverage. The following web sites may provide additional information and data.

American Community Survey - Latest data from Census. Basic population data is available for all geographies with a population of 20,000 or more. However, sometimes the specific market segment data is not yet available, such as for limited English proficient (LEP).

[http://factfinder.census.gov/servlet/DatasetMainPageServlet?\\_program=ACS&\\_submenuId=&\\_lang=en&\\_ts=](http://factfinder.census.gov/servlet/DatasetMainPageServlet?_program=ACS&_submenuId=&_lang=en&_ts=)

Census 2000 - Old data, but most complete data set. Covers all geographies.

[http://factfinder.census.gov/servlet/DatasetMainPageServlet?\\_program=DEC&\\_submenuId=factsheet\\_1&\\_lang=en&\\_ts=](http://factfinder.census.gov/servlet/DatasetMainPageServlet?_program=DEC&_submenuId=factsheet_1&_lang=en&_ts=)

Annual Population Estimates - 2009 estimates are currently only available for the state level. 2008 estimates are available by county, but it is a limited data set, including only age, sex, race, and Hispanic origin; and the number of housing units.

[http://factfinder.census.gov/servlet/DatasetMainPageServlet?\\_program=PEP&\\_submenuId=datasets\\_1&\\_lang=en&\\_ts=](http://factfinder.census.gov/servlet/DatasetMainPageServlet?_program=PEP&_submenuId=datasets_1&_lang=en&_ts=)

2. Provide the following information in an Excel attachment.

**TIP: The VITA Grant 2012 Workbook is recommended for your use to ensure all requested information is provided. Please insure that the attachment is saved as an Excel file and that it is included in the application package, is clearly labeled, and referenced in the narrative.**

- New sites proposed for 2012. A general location is all that is required (city, state, county).
- Established sites from 2011
  - Name of site
  - Site address (city, state, county)
  - Hours of operations
  - Electronic filing identification number (*EFIN*)
  - Site identification number (*SIDN*)
  - Computer kiosk services offered
  - Identify the sites that serve rural areas or special needs (LEP, persons with a disability, etc.)

It is not recommended that VITA and TCE sites share the same physical location and volunteers. If, however, you elect to do so, site operations must clearly distinguish activities between the two grants. The funding must be clearly defined and separate. Separate SIDNs and EFINS are required to ensure production from each sponsored grant is clearly distinguished.

3. Provide the number of federal tax returns you propose to prepare and e-file and your strategy for achieving this goal.
4. Provide the total number of volunteers you anticipate serving in the program.
5. Discuss what you will do to handle overflow and how you will ensure the taxpayer receives service when they request.
6. Identify other service delivery methods, such as mobile; ad-hoc; computer kiosk sites; alternative rural strategy sites, and tell us why and to what degree you are planning to use this as a service delivery method.

## Program Plan Narrative (continued)

### D. Ability to Partner or Collaborate with Multiple Organizations - 20 points

1. Describe your organization's mission as it relates to low income individuals and families. In addition, include a full explanation of your agency's affiliation with organizations such as schools, government entities, or other non-profit community based organizations.
2. Describe your role if you are a lead organization filing this application on behalf of a coalition; list all coalition partners' names.
3. Describe the roles and responsibilities of each collaborating organization, to include contributions of each, such as:
  - Space provided for site
  - Equipment
  - Training assistance
  - Funding
  - Advertising
  - Publicity
  - Supplies
  - Internet connectivity

### E. Sustainability and Growth Strategy - 10 points

Document your organization's plans for sustaining and growing your program long term. Describe how you will use the grant funds requested to grow and sustain your VITA Program long term. Include your strategy for:

- Increasing e-file capacity
- Securing additional funding sources
- Targeting of underserved populations
- Recruitment of volunteers
- Retention of volunteers
- Expansion of collaborative efforts among community organizations

### F. Quality Control Process – 40 points

Describe the processes and procedures in place to ensure adherence to the IRS quality site requirements. See Quality Site Requirements, page 5, for the ten requirements. If any are addressed under another section of the plan, please make reference as to where addressed. In addition to addressing your program's adherence with the quality site requirements provide any additional procedures or processes implemented to ensure quality of return preparation that is not required by IRS. Also, include the results of documented reviews by your program participants, not IRS, and the actions taken or planned to overcome any identified deficiencies.

**TIP: Close coordination with the program coordinator is required to ensure all requirements are addressed.**

## Program Plan Narrative (continued)

### G. Program Measures – 10 points

The VITA Grant Program objectives are:

- Extend services;
- Increase E-file;
- Heighten quality control;
- Enhance training of volunteers; and
- Improve accuracy of returns.

Explain the process and procedures in place to measure the overall effectiveness of your VITA program and the results achieved.

- Identify your program goals and objectives for the award year. Your program goals are those that are over and above the VITA Grant objectives, as stated above. Goals should be specific and measurable. Some examples may include goals for an EITC day, a Super Saturday, a customer survey on level of service, or an offering of financial education/asset building programs.
- Explain **how you plan to measure** the success of your program goals and the VITA Grant Program objectives.
- Describe the infrastructure you have in place to capture the data, measure results, and provide reports.

## Financial Plan Information

### Who Must Complete Financial Plan Information?

All applicants

### Is there anything in this section that will cause my application to be rejected if I miss it?

Failure to provide any of the following will result in non-consideration of the application.

- (a) Standard Form 424A,
- (b) Financial Plan Narrative,
- (c) Budget Detail Explanation,
- (d) Matching Funds Summary Chart, and
- (e) Matching Funds Supporting Documentation.

### Things to Note:

- Only expenses directly allocable to this grant are allowed.
- A dollar-for-dollar match is required for this grant.
- **Federal funds** are those funds you are requesting from IRS in support of the VITA Program.
- **Non-federal funds** are funds you have or will have available to spend on the VITA Program. These are considered **matching funds**. Some federal grant programs may allow the use of their funds as matching on other federal grants. You must confirm with the grantor of the funds and with the Grant Program Office before using these as matching funds. See “Federal Funds as Match” for more information.
- Please round figures to dollars only and no cents.
- Appendix B, *Allowable/Unallowable Program Expenses*, has a list of common expenses that are allowable or unallowable.

### **Proposed Expenditures, Matching Funds and Donated Services**

All expenses must be reasonable, necessary, and allocable to this grant. Documentation must be maintained on all expenses, matching funds and donated services. Each line item does not require a dollar-for-dollar match. The total non-federal funds must equal or exceed the total federal funds. Please refer to this section when completing the Standard Form 424A, *Budget Information - Non-Construction Programs*. The SF 424A is covered in detail later in this publication.

In general, expenses are only allowable if they are reasonable or are costs that would not have been incurred but for the VITA Program. Appendix B contains a table of the most common allowable/unallowable program expenses. Please refer to this to determine if a proposed expense is covered. The following information provides general guidance on categories of expenses that are allowed for this grant. It also identifies special limitations that might fit into the category.

- A. Personnel (Salary) – Do not include fringe benefits with this calculation. Documentation would include daily timesheets for the individuals covered. This is required for both employees and volunteers. If all time is not spent on the VITA Program, the timesheets would need to indicate the portion of time attributable to the VITA Program. For paid staff, records of payment are also required.
  - 1. Federal funds may only be used for certain positions directly involved in the VITA Program. They are: ***Program and/or financial coordinator, site coordinator, clerical support, tax law instructor, and information technology support. Other positions may be considered with prior approval. Federal funds may not be paid to individuals for the activities of screening, preparing tax returns, or performing quality review of prepared returns.***

## Financial Plan Information (continued)

2. Non-federal funds paid to an individual directly performing service for the VITA Program may be used for matching. There are limitations on the types of activities where federal funds can be used or where in-kind contribution can be claimed as matching. If an employer other than the grant recipient furnishes the services of an employee to the VITA Program, these services are valued at the employee's regular rate of pay (plus benefits but excluding overhead costs) provided the services are in the same skill for which the employee is normally paid. If they are not in the same skill, they will need to be adjusted to the amount of funds generally paid for the service performed. The value of these services is not reimbursable either as direct or indirect cost. The value is dependent on the service provided and not on the salary or wage an individual is normally paid. For example, if a tax law attorney is volunteering his time for the VITA Program, his value would be determined by using the salary of a tax preparer and not of a tax attorney. The VITA Program does not require that he provide tax attorney service only tax preparation service. The value of in-kind volunteer services may be used as matching. Do not include value of volunteer services while receiving training. Time spent instructing can be counted toward volunteer services as long as the instructor is not paid by the grant recipient.

### Valuing Volunteer and Paid Employee Time

Not sure how to value volunteer activity or employees paid by other than the grant recipient for a different skill than normally paid? **The Occupational Employment Statistics** program produces employment and wage estimates for over 800 occupations. These are estimates of the number of people employed in certain occupations, and estimates of the wages paid to them. Self-employed persons are not included in the estimates. These estimates are available for the nation as a whole, for individual States, and for metropolitan areas; national occupational estimates for specific industries are also available.

One of the positions under the category Business and Financial Operations Occupations is Tax Preparers (Occupation Code 13-2082). Tax preparers are defined as persons who prepare tax returns for individuals but are not required to be or have the responsibilities of an accredited or certified public accountant. For example, the mean hourly wage for the state of Georgia is \$17.08 per the Bureau of Labor Statistics (BLS) May 2008 National Occupational Employment and Wage Estimates for the United States.

Information on other types of positions and for your metropolitan area or state can be found at: <http://www.bls.gov/oes/home.htm>

When reviewing your financial plan information, the Grant Program Office uses this information to determine if proposed salaries and/or in-kind service values are reasonable.

- B. Fringe Benefits – Only include fringe benefits for individuals paid. These should not be included in the salary calculations covered under category A or for contractual services under category F.
  1. Federal funds may only be used to pay fringe benefits for certain positions directly involved in the VITA Program. They are: program or site coordinator, financial or clerical support, tax law instructor, and information technology support. Federal funds may not be paid to individuals involved in the activities of screening, preparing tax returns, or performing quality review of prepared returns.
  2. Non-federal funds used to pay these expenses may be used for matching when incurred by individuals directly involved in the delivery of the program.

## Financial Plan Information (continued)

- C. Travel – Documentation would include requests for payment such as a travel voucher and the payments made. Some expenses require the submission of additional receipts, such as air travel, hotel stays, etc.
1. Federal funds may be used to reimburse volunteers or employees for their travel to the site or training events. A stipend may be paid for travel reimbursement in lieu of actual mileage. The stipend may not be based on the time a volunteer is engaged in volunteer service. Federal funds may also be used for travel required to accomplish successful delivery of the program. Travel to meetings, seminars, etc., not directly related to the delivery of the program is not covered. For mileage reimbursement to volunteers, the amount presently used by your organization to reimburse your own employees should be used. For trips that require overnight travel, reimbursement may include commercial transportation that is economy fare or discounted when available. Meals and lodging are limited to the applicable government per diem rate in effect at the time of travel.
  2. Non-federal funds used to pay these expenses may be used for matching when incurred by individuals directly involved in the delivery of the program.
- D. Equipment (and Technology) – Documentation would include receipts for items purchased and the payment records.
1. Federal funds may be used to purchase, lease or rent equipment and related technology to support the program. Examples of items covered in this category include computers, printers, projection equipment for training (not a television), software, internet connectivity, network cards, copier, etc. Equipment purchased with federal funds should remain in use in the program in future years or may be used to support other Federal programs. Equipment may be used to support non-federal programs when use does not interfere with the purpose for which it was purchased. Grant recipients may keep all equipment purchased beyond the current year if participating in the VITA Program for an additional two years. The purchase of tax preparation software with VITA Grant funds is prohibited. IRS provides tax preparation software annually to participants in the VITA Program that meet minimum production requirements at no cost. This category does not include disposable technology expenses such as printer cartridges or back up media. These items are considered supplies.
  2. Non-federal funds used to pay these expenses may be used for matching when incurred specifically for the delivery of the program. Donated or loaned equipment may be included as matching and is valued at the fair market value of the property at the time of loan or donation. Equipment already on hand may be considered matching as well but the value must reflect normal depreciation.
  3. Special Limitations: The value of the donated equipment is not reimbursable either as a direct or indirect cost. It may only be used as matching.
- E. Supplies - Documentation would include receipts for items purchased and proof of payment .
1. Federal funds may be used to purchase general supplies needed for the program's operation. This would include general office supplies such as pens, paper, staplers, staples, shredders, printer cartridges, copier toner, cable locks, power cords, back up media, etc. It may also include storage cabinets for records and/or equipment. Desks and/or tables for tax preparation activities may also be purchased. Federal funds may be used to purchase volunteer recognition but are limited to **\$10 per volunteer**.
  2. Non-federal funds used to pay these expenses may be used for matching when incurred specifically for the delivery of the program. Donated or loaned supplies may be included as matching and is matched at the fair market value of the property at the time of loan or donation.
  3. Special Limitations: Federal funds used to purchase volunteer recognition are limited to \$10.00 per volunteer. Donated goods, i.e., expendable personal property/supplies may be furnished to a non-profit organization. The value of the goods is not reimbursable either as a direct or indirect cost. It may be used as matching.

## Financial Plan Information (continued)

- F. Contractual – Documentation would be contracts and payments.
  - 1. Federal funds may be used for contractual agreements to provide specialty services such as an interpreter, appointment scheduling, space rental, etc. A contract for space rental may include such additional services as security, maintenance, and cleaning. If the contract covers the use of the service for other than the VITA Program, only the portion directly attributable to the VITA Program may be charged. For example, a facility is used to support four programs and the VITA Program operates during 30% of the time. The cost of rental is \$2000 per month, it would be limited to 30% or \$600 for only those months that the VITA Program is in operation.
  - 2. Non-federal funds used to pay these expenses may be used for matching when incurred specifically for the delivery of the program.
- G. Construction – This category is not applicable to this grant. No expenses are allowed.
- H. Other – Documentation would be receipts and proof of payment.
  - 1. Federal funds may be used for other categories of items as well. Items such as publicity, audit services (when required because of Federal funds received), and installation of phone lines or internet access are common expenses under this category for VITA grant recipients. Organizations may include the cost of food provided for volunteers at VITA sites. It is an allowable expense as long as the purchase meets all OMB established criteria (necessary, reasonable, allocable, and allowable). It must be a direct cost (not indirect) and incurred solely in support of the program. Total expenses for food may not exceed \$500. Purchase of food for customers is not allowed because it is not in support of the program. A reasonable proposal that includes this expense considers the number of volunteers, days and hours the site operates, length of the site session and type of foods provided. The cost of foods purchased in conjunction with an event considered entertainment or social activity is not allowable.
  - 2. Non-federal funds used to pay these expenses may be used for matching when incurred specifically for the delivery of the VITA Program.
  - 3. Special Limitations: Donated use of space may be furnished to a non-profit organization. The value of the space is not reimbursable either as a direct or indirect cost. It may be used as matching.
- I. Indirect Charges – Limited to the grant recipient. Charges for expenses not directly related to the program but required for effective operation of the overall grant recipient. These charges might include such things as the accounting personnel tracking all expenses and/or processing time, maintenance, cleaning, insurance, security, etc. The calculation of how indirect charges are assigned to the grant must be provided in each calculation. The Indirect Cost Rate Agreement should be included with with the application, if applicable.
  - 1. Federal funds may be used to cover indirect charges as allowed in the applicable cost principle for the type of agency applying for a grant.
  - 2. Non-federal funds used to pay these expenses may be used for matching when prorated to only VITA Program activities.

## Financial Plan Information (continued)

### **Federal Funds as Match**

Generally federal funds cannot be used as match for another federal grant; however, there are some exceptions. You must confirm with the grantor of the funds and with the Grant Program Office before using these as matching funds. Examples 1 and 2 show where federal funds could potentially be used as match. Example 3 is where federal funds cannot be used as match.

Example 1: An Indian Tribal Government is awarded funds under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450(h)) administered by the Department of the Interior. Section 450h(c) states that with regard to Indian tribal grant funding, it can be used for matching purposes “for any other federal grant programs which contribute to the purposes for which ... [Indian tribal grants] are made.” The DOI should be contacted to confirm that its use as a matching fund for the VITA grant aligns with the purpose for which the Indian tribal grant is made.

Example 2: A local government is awarded a Community Development Block Grant (CDBG) (42 U.S.C. 5301 -5321) administered by the Department of Housing and Urban Development (HUD). Section 5305(a)(9) states that funds may be used for the payment for the non-federal share required in connection with a federal grant-in-aid program undertaken as part of activities assisted under this chapter. HUD should be contacted to confirm that its use as a matching fund for the VITA grant aligns with the purpose for which the CDBG is made. Contact with HUD confirmed the use of CDBG funds as a match for the VITA Grant with limitation. If CDBG funds are used for the match, at a minimum 51% of the customers benefiting from the service (VITA) must meet the definition used by CDBG for “low-income.” The definition of “low-income” differs between HUD and the VITA Program.

Example 3: Your organization utilizes AmeriCorps and VISTA volunteers, programs offered by the Corporation for National and Community Services (CNS). Neither the volunteer’s time or any monies your organization provides as cost sharing for CNS can be used as match for the VITA Grant.

There are many examples of federal funds that **can not** be used as match. They include monies received from other IRS grant programs (Low Income Taxpayer Clinic and Tax Counseling for the Elderly) as well as monies or services received by other Federal agencies, such as Americorps. Loan of IRS equipment or printers, IRS training or publicity materials, IRS provided tax preparation software or services of IRS employees while performing their job may not be used as match.

### **Completing the Standard Form 424A, Budget Information – Non-Construction Programs**

A Standard Form 424A, *Budget Information – Non-Construction Programs*, is required for this application. The term non-federal fund is interchangeably used with matching funds. Additional documentation is required for matching funds, which is discussed later in this publication.

The following table provides information on how to complete the SF 424A. Applicants should also review the instructions provided with SF 424A. If the instructions in this publication differ from the instructions on SF 424A, follow the instructions in this publication. You will want to refer to the previous section, Proposed Expenditures, Matching Funds and Donated Services, when completing this form.

## Completing the Standard Form 424A, Budget Information – Non-Construction Programs (continued)

Section A – Budget Summary	
SF 424A Title	Explanation
Grant Program Function or Activity (a)	This is the name of the grant. On line 1(a) record: VITA 2012.
Catalog of Federal Domestic Assistance Number (b)	The CFDA for this opportunity is 21.009. On line 1(b) record: 21.009
Estimated Unobligated Funds: Federal (c) and Non-Federal (d)	No entry required or may contain all zeroes
New or Revised Budget: Federal (e)	This section is used to capture the amount of federal funds requested from IRS for performance of this grant. On line 1(e) record the total amount of money requested from IRS.
New or Revised Budget: Non-Federal (f)	This section is used to capture the amount of non-federal funds proposed for matching. This grant requires a dollar for dollar match. Record on line 1(f) the total amount of matching funds. The amount in this column must be equal to or greater than the amount on line 1(e).
New or Revised Budget: Total (g)	This is the sum of columns (e) and (f).
Lines 2-4	No entry required or may contain all zeroes.
Line 5 – Totals	Record the totals for each column (c) – (g).

**Tip: The amounts on line 1(e)-(g) of the SF 424A should agree with amounts in section 18 on the SF 424. The amount on SF 424A, line 1(e) should equal SF 424, block 18a; SF 424A, line 1(f) should equal the sum of blocks SF 424, 18b-e; and SF 424A, line 1(g) should equal SF 424, block 18g.**

Section B – Budget Categories	
SF 424A Title	Explanation
6. Object Class Categories	Record the overall budget by the indicated category in column (1) and total in column (5). The amount recorded here must be reflected in the budget explanation provided with the SF 424A and the application. <b>Use only column (1) and column (5). This represents the combined federal and non-federal funds by object class categories.</b>
a. Personnel	Do not include fringe benefits on this line. This number will reflect both federal and non-federal dollars.
b. Fringe Benefits	This includes the fringe benefits for the personnel listed in the personnel section and includes both federal and non-federal dollars.
c. Travel	This covers all travel for the program. Travel is only applicable if specifically for the VITA Program. Travel for unrelated seminars, meetings, etc. are not allowed.
d. Equipment	This covers all equipment for the program. It also covers other related technology such as network cards.
e. Supplies	This covers all supplies for the program.
f. Contractual	This line may or may not be blank. It would depend on whether plans include contracting for some of the needed personnel, such as interpreters and/or trainers. Ensure that personnel charges are not duplicated.
g. Construction	This line must be blank or all zeroes. Construction costs are not covered by the grant.
h. Other	Record other expenses not fitting above categories. This might include such items as publicity, telephone or internet charges, and audit services.
i. Total Direct Charges	Total direct charges from line 6a through 6h.
j. Indirect Charges	Record indirect charges allocable to the plan or all zeroes.
k. TOTALS (sum of 6i and 6j)	Total both direct and indirect charges.
7. Program Income	Leave this section blank or show all zeroes. Program income is not allowed. Return preparation must be free of charge.

## Completing the Standard Form 424A, Budget Information – Non-Construction Programs (continued)

<b>Section C – Non-Federal Resources</b>	
<b>SF 424A Title</b>	<b>Explanation</b>
(a) Grant Program	This is the name of the grant. On line 8(a) record: VITA 2012.
(b) Applicant	This is for the amount of matching that will come directly from the applicant. Record the amount on line 8(b).
(c) State	Leave blank or record a zero. If you do have State funds, include them in column (d) Other Sources.
(d) Other Sources	This is for the amount of matching that is from other sources. This would include funds from other members of the coalition, volunteer services, etc. Record the amount on line 8(d).
(e) TOTALS	Total the amount on line 8, columns (a) – (d). This amount must match the amount on line 1(f) Non-Federal in Section A.
Lines 9-11	No entries required (or enter all zeroes).
Line 12 TOTAL	Total columns (b) – (e). This must be the same as on line 8.

<b>Section D – Forecasted Cash Needs</b>
Pull the total federal and non-federal amounts from line 1 in Section A then forecast as to which quarter you anticipate use of the funds.

<b>Section E – Budget Estimates of Federal Funds Needed for Balance of The Project</b>	
The section is only required if your organization applies for a multi-year grant.	
<b>SF 424A Title</b>	<b>Explanation</b>
16. (a) Grant Program	Record VITA 2012
16. (b) First Future Funding Period	Estimate the amount of federal funds needed for 2013
16. (c) Second Future Funding Period	Estimate the amount of federal funds needed for 2014
16. (d) Third Future Funding Period	Leave blank
20. (b), (c) and (d) Total Future Funding Periods	Record the amounts listed on line 16 for each of the two future periods.

<b>Section F – Other Budget Information</b>	
<b>SF 424A Title</b>	<b>Explanation</b>
21. Direct Charges:	Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary.
22. Indirect Charges	Enter the type of indirect rate (provisional, predetermined, final or fixed) that is in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense. Attach a copy of your indirect cost rate agreement.
23. Remarks	Provide any other explanations or comments deemed necessary.

## Financial Plan Information (continued)

### **Indirect Cost Rate Agreement**

Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular cost objective. Such costs must be necessary for the general operation of the organization. Examples of indirect costs may include:

- Depreciation or use allowance on buildings and equipment;
- The costs of operating and maintaining facilities; and
- General administration and expenses such as the salaries and expenses of executive officers, personnel administration, and accounting.

An organization can claim an amount that is reasonable, allocable, and necessary. The costs can be calculated using the organization's Indirect Cost Rate. This rate can be determined by submitting an Indirect Cost Rate Proposal to the **cognizant agency**. Additional information concerning indirect costs can be found in the applicable OMB Circulars: *2 CFR 220, Cost Principles for Educational Institutions*; *2 CFR 225, Cost Principles for State, Local, and Indian Tribal Governments*; and *2 CFR 230, Cost Principles for Non-Profit Organizations*.

### **Financial Plan Narrative**

Please address the following.

1. State whether you have received federal funding in the last five years? If no, continue to question 2. If yes, answer a. below.
  - a. In any of the last five years, did your organization expend \$500,000 in federal funds? If yes, continue to b. If no, continue to question 2.
  - b. Did you have an A-133 audit conducted? If yes, continue to c. If no, explain why one was not conducted and continue to question 2.
  - c. What were the results?
  - d. If any unfavorable findings (significant deficiencies), describe the corrective action planned and the status of implementation.
  - e. Is a copy of the audit results available on [harvester.census.gov](http://harvester.census.gov)? Provide a copy with the application if it is not available.
2. Who in your organization is responsible for your organizations tax matters? Please include full contact information including phone and email.
3. State whether your organization has documented policies and procedures for maintaining good internal controls. An operations and procedures manual is a record of the policies and procedures for handling administrative and financial transactions. The manual can be a simple description of how financial functions are handled (e.g. paying bills, depositing cash, and transferring money between funds) and who is responsible for what, ensuring that the project manager and staff have a reasonable plan of action for carrying out each approved activity. A copy of your entire operations and procedures manual is not required to be submitted with your application; however, it may be requested if you are awarded a grant. For the application discuss how your organization:
  - a. Allocates allowable expenses and matching funds between qualifying and non-qualifying activities. Be sure to address separation of funds and activity if your organization receives Tax Counseling for the Elderly and/or Low Income Taxpayer Clinic funds.
  - b. Accounts for in-kind contributions and valuation of contributions; include specific information on accounting for and valuing volunteer services if your organization proposes to use such services as matching funds. Include a sample of the time sheet used for volunteers.
  - c. Funds other supporting organizations, if applicable. Will you have sub-grantees? If you have sub-grantees, provide an example of the instrument used to provide funding to sub-grantees (a contract, memorandum of understanding, or other). If an organization chooses to sub-grant part of the funds they have been granted, they are responsible to ensure compliance of all their sub-grantees. It is essential that sub-grantees are aware of the rules and regulations and that there is monitoring in place to ensure compliance. Please discuss your plan for monitoring sub-grantee adherence to the VITA grant agreement and requirements.

## Financial Plan Information (continued)

4. What is the accounting system used? The accounting system must meet generally accepted accounting principles. Organizations need to ensure that they can track both grant funds and match by budget line item. This might entail amending the chart of accounts to accommodate unique accounts, such as member or volunteer training. The reporting system should fairly and accurately document the spending of grant funds. Confirm that your system meets this expectation.
5. State whether your organization is applying for a multi-year grant. Refer to the Multi-Year Grant section for eligibility requirements. Only applicants meeting all multi-year eligibility requirements are considered for this opportunity.
6. State whether your organization will use a fiscal agent for managing the funds awarded under this grant. Provide the organization name, address, DUNS number, and Employer Identification Number. Include a contact name for the organization for questions. **Their information should not be shown on the SF 424.** If your organization is awarded a grant, additional information will be requested at time of award.
7. If your organization uses a post office box for mail delivery, please provide the address here. Remember the address on the SF 424 should be your physical address and not a post office box.

### Completing the Budget Detail Explanation

We have provided the VITA Grant 2012 Workbook, which can be found on [irs.gov](http://irs.gov) with other application materials, for your use in completing the budget detail explanation. If you elect to use a different format for submission, all required information must be provided. Any category of expense not applicable to your budget may be deleted. Examples of a budget detail explanation follow.

#### A. Personnel (Salary)

Under item, list the person's name for which salary is requested or that is used as matching funds. If the position is not filled, record "To Hire." If more than one position exists, record the number of positions under Item as well. Be sure to show under computation, the annual salary for persons already funded and the percentage of time devoted to the program. Remember, only time spent on the VITA Program is allowable. We have provided some examples of the type of information required in the table below.

Item	Computation	Federal Funds	Matching Funds
Jane Smith, Program Coordinator	20% of annual salary of \$60,000 for time spent administering program	\$6,000	\$6,000
To Hire (4) Site Coordinators	\$18 per hour; average 25 hours per week for 15 weeks x 4 coordinators	\$27,000	
Donated Services (10) Volunteer Return Preparers, <b>Quality Reviewers</b> , and Screeners	\$15 per hour; average 10 hours per week for 15 weeks x 10 preparers = \$22,500		\$22,500
Personnel (Salary) Subtotal		\$33,000	\$28,500
<b>Personnel (Salary) Total - Record on SF 424A, line 6a</b>		<b>\$61,500</b>	

## Financial Plan Information (continued)

### B. Fringe Benefits

Only include fringe benefits for individuals paid. Fringe benefits should not be included in the salary calculations covered under category A. Under item, list the person's name for which fringe benefits are requested or that is used as matching funds. If the position is not filled, record "To Hire." If more than one position exists, record the number of positions under item as well.

Item	Computation	Federal Funds	Matching Funds
Jane Smith, Program Coordinator	20% of \$12,000 salary		\$2,400
To Hire (4) Site Coordinators	10% of \$27,000 salary	\$2,700	
Fringe Benefits Subtotal		\$2,700	\$2,400
<b>Fringe Benefits Total - Record on SF 424A, line 6b</b>		<b>\$5,100</b>	

### C. Travel

Under item, indicate the type of travel requested or that is used as matching funds. Include the number of individuals if known. Show under computation how determined.

Item	Computation	Federal Funds	Matching Funds
Training Travel (25) Program/ Site Coordinators and Volunteers	2000 miles at \$.50 cents mile	\$1,000	
Program Coordinator Travel (2) for entire state coverage	2300 miles @ .50 cents mile; meals and hotel (\$125) for one traveler to attend meeting at SPEC territory office x 2 days	\$1,400	
Volunteer Reimbursement Site Travel	5000 miles at \$.50 cents mile	\$2,500	
Travel Subtotal		\$4,900	
<b>Travel Total - Record on SF 424A, line 6c</b>		<b>\$4,900</b>	

## Financial Plan Information (continued)

### D. Equipment

Under item, indicate the type of equipment to be purchased or that is used as matching funds. Include the quantity or number of items. Show under computation how determined.

Item	Computation	Federal Funds	Matching Funds
Laptops (12)	12 x \$1,000	\$6,000	\$6,000
Donated Equipment in Computer Lab	15 computers at \$10 each per week for 15 weeks		\$2,250
Printers	12 x \$200	\$2,400	
Equipment Subtotal		\$8,400	\$8,250
<b>Equipment Total - Record on SF 424A, line 6d</b>		<b>\$16,650</b>	

### E. Supplies

Under item, indicate the supplies to be purchased or that is used as matching funds. Include the quantity or number of items. Show under computation how determined.

Item	Computation	Federal Funds	Matching Funds
General supplies for each site to include paper, printer cartridges, shredder, pens, pencils, CDs, electrical cords, etc.	4 sites x \$600 each	\$2,400	
Lockable filing cabinets for storing records and/or equipment	2 each site x 2 sites x \$100 each; donated cabinets in 2 sites (2 x 2 x \$50 FMV)	\$400	\$200
Donated paper	10 boxes x \$35 retail price		\$350
Supplies Subtotal		\$2,800	\$550
<b>Supplies Total - Record on SF 424A, line 6e</b>		<b>\$3,350</b>	

## Financial Plan Information (continued)

### F. Contractual

Under item, indicate the contracts planned or that are used as matching funds. Include the quantity or number of items. Show under computation how determined.

Item	Computation	Federal Funds	Matching Funds
Rental of office space for site; 100% used for program	\$500 per month x 5 months	\$2,500	
Interpreter Contract	\$50 per session x 50 sessions	\$1,250	\$1,250
Donated Appointment Scheduling All Sites	6000 calls x \$2 each		\$12,000
Donated office space for three sites at local community center	Usage is \$50 per day x 3 days per week x 15 weeks x 3 sites		\$6,750
Contractual Subtotal		\$3,750	\$20,000
<b>Contractual Total - Record on SF 424A, line 6f</b>		<b>\$23,750</b>	

### H. Other

For this category, under item, indicate the expenses not covered in the categories above or resources that are used as matching funds. Show under computation how determined.

Item	Computation	Federal Funds	Matching Funds
Publicity – radio, TV and cable ads; 6000 flyers for distribution at community outlets	\$100 hour x 25 hours plus material cost of \$5000	\$5,000	\$2,500
Installation and monthly cost of phone lines at 5 sites	\$100 x 5 sites installation plus \$50 per month x 5 months x 5 locations	\$1,750	
Audit Service	10% of \$1,000		\$100
Other Subtotal		\$6,750	\$2,600
<b>Other Total - Record on SF 424A, line 6h</b>		<b>\$9,350</b>	

I. Total Direct Charges	Federal Funds	Matching Funds
Total Direct Charges Subtotal	\$62,300	\$62,300
<b>Direct Charges Total - Record on SF 424A, line 6i</b>	<b>\$124,600</b>	

## Financial Plan Information (continued)

J. Total Indirect Charges	Federal Funds	Matching Funds
Total Indirect Charges Subtotal	0	0
<b>Indirect Charges Total - Record on SF 424A, line 6j</b>	<b>\$0</b>	

For this example, no indirect charges are proposed. If they are proposed, it should be completed.

K. Total Charges	Federal Funds	Matching Funds
Total Charges	\$62,300	\$62,300
<b>Total - Record on SF 424A, line 6k</b>	<b>\$124,600</b>	

### Completing the Matching Funds Summary Chart

Summarize the source of all matching funds including donated services and goods. We have provided the VITA Grant 2012 Workbook, which can be found on [irs.gov](http://irs.gov) with other application materials, for this purpose. If you elect to use a different format for submission, all required information must be provided. We have modified the requirement around matching funds to allow your organization to continue efforts to raise monies beyond the application due date. Matching funds documentation is not required for funds designated in the “to be raised column” at application submission. You are able **to secure funds up until January 31, 2012**. If you are selected as a grant recipient and all matching funds are not yet raised, your Payment Management System (PMS) account is limited to the amount raised. Additional funds are made available once documentation is provided showing the remaining matching funds are available. Examples of a matching funds summary chart follow.

The applicant should record only one matching fund transaction on each row.

- Name of Source: Name or other identifier for each unique match source.
- Type: Describe the type of funds, such as, Cash, Grant, Donation, Loan, etc.
- Amount In-Hand or Committed: Record only those amounts that are in-hand or you have a firm commitment of the funds at time of application. Matching documentation must be provided for all transactions shown as in-hand or committed. If this documentation is not available at time of application submission, record it in the “amount to be raised” column.
- Amount to be Raised: Record the amount of funds to be raised either through donation or expected grant, loan, etc.
- Date: Enter a date to correspond to the status. For example, for monies in-hand, use the date the application is completed. For committed funds, use the date of the commitment letter. For funds to be raised, use the date of when they will be available. For donated services it can be the first day when the item donated is provided.
- Comments: Provide any additional information you feel is pertinent to the transaction.

## Financial Plan Information (continued)

Matching Funds Summary Chart						
#	Source Name	Type	Amount In-Hand or Committed	Amount to be Raised	Date	Comments
1	Applicant Organization	Cash	\$20,000		7/1/2011	Funds set aside
2	ABC Foundation	Grant	\$10,000		6/30/2011	Low-income assistance; 7/1/2011 – 6/30/2012
3	DEF Coalition	Donation		\$9,800	1/15/2012	Use of computers, space, and office supplies
4	Applicant Organization	Donation		\$22,500	1/15/2012	Tax Preparers
Total			\$30,000	\$32,300		

### Supporting Matching Funds Documentation

Documentation is required for each item shown in the Matching Funds Summary Chart, which represents the funds in-hand or committed that are used for the dollar-for-dollar match. If your organization is awarded a grant, the matching funds supporting documentation for items shown in the “amount to be raised” column must be provided on or before January 31, 2012. There is no standard form for documentation. Common features of acceptable documentation include:

- A description of the contribution;
- A dollar value and an explanation as to how the valuation was determined, if applicable;
- A current date;
- A signature of an authorized individual that can make the commitment; and
- An organization name and/or on letterhead with contact information.

Following are some examples of what acceptable documentation should include. The values used in the examples may not represent true value. You must determine the value. The item numbers refer to the matching funds summary chart found in the previous section.

**Note: At time of application, matching funds documentation is only required for items 1 and 2 shown in the Matching Funds Summary Chart.**

Items 1 and 4 (matching funds summary chart): Documentation would be a signed statement on applicant letterhead from the applicant organization that they have set aside \$20,000 cash for a match for the VITA grant to use during the period July 1, 2011 through June 30, 2012. This same letter can also include the volunteers they plan to secure and the calculation used for the estimated amount for volunteer services. It might look something like this: We will provide volunteers to prepare tax return preparation and quality review. We estimate we will have 10 volunteers at \$15 per hour averaging 10 hours per week each for 15 weeks for a total of \$22,500. The \$15 per hour is the average tax return preparation salary for Anywhere, ST, based on Department of Labor information.

Separate statements are not required from each volunteer that is participating. Timesheets showing the hours worked each day are required to support the matching funds for final reporting.

Item 2: Documentation would be a signed notice of grant award or other similar document from ABC Foundation. It needs to include the time covered by the grant and the purpose for which the grant is awarded. This description should not preclude use in the VITA Program or be for activities that would eliminate its use in free tax return preparation.

## Financial Plan Information (continued)

Item 3: Documentation would be a signed statement on DEF Coalition letterhead describing the donation they will provide in support of VITA. For this example, the letter would include three sections describing the donation. DEF Coalition will provide in support of the VITA Program the following items and/or services: (1) Use of Computer Lab and computers for 15 weeks. This covers 15 computers at \$10 each per week for the entire period (15 computers x \$10 x15 weeks) for a total value of \$2,250. The amount per week is the amount normally charged for computer use for all sponsored programs. (2) Use of office space at three of our community centers to expand VITA site operation to new locations for 15 weeks. Usage is estimated at three days each week at \$50 per day for three sites for 15 weeks for a total of \$6,750. The amount per day is the amount normally charged for temporary use of office space at our facilities. The fee covers use of phone, copier, internet and cleaning. (3) Donated supplies include eight used filing cabinets estimated at a fair market value of \$25 each for a total of \$200; 10 boxes paper at \$35 each or \$350 and \$250 in miscellaneous other supplies (pens, pencils, shredders, staples, staplers, etc.).

**TIP: Though not a part of the application process, applicants must have procedures in place to capture and track donated services when they are used for match or cost sharing. For instance, for volunteer services timesheets are required indicating how many hours each volunteer worked on a daily basis. Receipt of in-kind donations must also be recorded in your ledger.**

## Civil Rights Narrative

### Who Must Complete This Section?

All applicants

### Is there anything in this section that will cause my application to be rejected if I miss it?

Failure to provide this information with the application will result in non-consideration.

### Things to Note:

- Be sure to provide the information requested.
- If a particular section is not applicable, be sure to state it is not applicable.
- Certification is noted on the Standard Form 424, block 21. Signing the certification on SF 424 (Revision 10/2005 or later) certifies that the Applicant will comply with the Standard Form 424B, *Assurances – Non-Construction Programs* and other certifications listed in this publication.
- For additional information, please contact the Civil Rights Division at 202.622.5400 or [eeo.external.civil.rights@irs.gov](mailto:eeo.external.civil.rights@irs.gov).

In the civil rights narrative please provide the following information specific to the function operating the VITA Program within your organization. The civil rights narrative should list the item number and the response to each item.

1. A list of active lawsuits or complaints naming the applicant which alleges discrimination on the basis of race, color, national origin, age, sex, or disability with respect to service or benefits being provided. The list should include: the date the lawsuit or complaint was filed; a summary of the allegation; and the status of the lawsuit or complaint, including whether the parties to a lawsuit have entered into a consent decree.
2. A description of all pending applications for financial assistance and all financial assistance currently provided for free tax return preparation program activities by other federal agencies. For all applicants for IRS financial assistance, this information should be relevant to the organizational entity actually submitting the application, not necessarily the larger agency or department of which the entity is a part.

## Civil Rights Narrative (continued)

3. A summary of all civil rights compliance review activities conducted in the last three years by the Internal Revenue Service or other oversight agencies covering free tax return preparation activities. The summary shall include: the purpose or reason for the review; a summary of the findings and recommendations of the review; and a report on the status or disposition of such findings and recommendations. For all applicants for IRS financial assistance, this information should be relevant to the organizational entity actually submitting the application, not necessarily the larger agency or department of which the entity is a part.
4. A signed and dated Statement of Assurance Concerning Civil Rights Compliance agreeing that all of the records and other information required have been or will be compiled, as appropriate, and maintained by the applicant, recipient, or sub-recipient. This certification is provided by checking "I Agree" in block 21, SF 424 (Revision 10/2005 or later).
5. A statement that the applicant agrees to display a poster provided to them by IRS to the public that persons who believe they have been discriminated against on the basis of race, color, national origin, sex, age or disability, in the distribution of services and benefits resulting from this financial assistance or grant program may file a complaint at the following address:

Office of Equity, Diversity and Inclusion  
Civil Rights Division  
1111 Constitution Ave., NW, Room 2413  
Washington, DC 20224

Additional data may be requested only to the extent that it is readily available or can be compiled with reasonable effort, and is found to be necessary to make a civil rights compliance determination.

### **Civil Rights Review**

Each application for financial assistance shall be reviewed for its civil rights reporting requirements by the Civil Rights Division. Upon completion, the reviewer shall forward a letter of compliance to the applicant indicating the civil rights determination. Financial assistance shall not be awarded to the applicant until the civil rights reviewer has issued a finding of compliance or conditional compliance. Department of Justice regulations state that all federal agency staff determinations of Title VI compliance shall be made by, or be subject to review by the agency's civil rights office. Examples of data and information which, to the extent necessary and appropriate for determining compliance with applicable civil rights statutes and implementing regulations may include, but is not limited to:

- The manner in which services are or will be provided by the program in question, and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination;
- The population eligible to be served by race, color, national origin, age, sex, or disability;
- Data regarding covered employment, including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English;
- The location of existing or proposed facilities connected with the program, and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any persons on the basis of prohibited discrimination;
- The present or proposed membership, by race, color, national origin, sex, age, or disability, in any planning or advisory body which is an integral part of the program; and
- Data, such as demographic maps, the racial composition of affected neighborhoods or census data.

## Assurances and Certifications

### Who Must Complete This Section?

All applicants

### Is there anything in this section that will cause my application to be rejected if I miss it?

- Failure to provide a signed Standard Form 424B will prevent consideration of the application.
- Failure to use the appropriate version of the SF 424 (Revision 10/2005 or later) will result in the need to sign separate certification documents or revising the SF 424 to the later version. The Standard Form 424 must include block 21 that provides for agreement to the additional certifications shown in this section.

### **Standard Form 424B: Assurances – Non-Construction Programs**

Review and sign the Standard Form 424B, *Assurances – Non-Construction Programs*. A copy of the form can be found in Appendix A. By signing this form, the applicant is certifying compliance with the law, principles and regulations outlined in the form.

### **List of Certifications**

In addition to the law, principles, and regulations outlined on the SF 424B, the following additional certifications and/or assurances are required:

- Certification Regarding Debarment, Suspension and Other Responsibility Matters – Primary Covered Transactions
- Certification Regarding Drug-Free Workplace Requirements
- Certification Regarding Lobbying

By signing the SF 424, and checking Block 21 “I Agree”, the applicant is certifying (1) to the statements contained in the certifications listed above, and (2) that the statements are true, complete and accurate to the best of your knowledge.

More detailed information on these certification/assurances are below.

### **Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions**

1. The prospective primary participant (the Applicant) certifies to the best of its knowledge and belief, that it and its principals:
  - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - (b) have not within a three-year period preceding this Application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - (d) have not within a three-year period preceding this Application had one or more public transactions (Federal, State or local) terminated for cause or default.
2. Where the Applicant is unable to certify to any of the statements in this certification, such Applicant shall attach an explanation to this proposal.

## Assurances and Certifications (continued)

### Certification Regarding Drug-Free Workplace Requirements

1. The Applicant certifies that it will provide a drug-free workplace by:
  - (a) publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employee for violations of such prohibition;
  - (b) establishing a drug-free awareness program to inform employees about:
    - (i) the dangers of drug abuse in the workplace;
    - (ii) the Applicant's policy of maintaining a drug-free workplace;
    - (iii) any available drug counseling, rehabilitation, and employee assistance program;
    - (iv) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - (c) making it a requirement that each employee engaged in the performance of the award be given a copy of the statement required by subparagraph (a);
  - (d) notifying the employee in the statement required by subparagraph (a) that, as a condition of employment in such grant, the employee will:
    - (i) abide by the terms of the statement; and
    - (ii) notify the employer of any criminal drug use statute conviction for a violation occurring in the workplace no later than five calendar days after such conviction;
  - (e) notifying the granting agency in writing, within ten calendar days after receiving notice of a conviction under subparagraph (d) (ii) from an employee or otherwise receiving actual notice of such conviction;
  - (f) taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
    - (i) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - (ii) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
  - (g) making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (a), (b), (c), (d), (e), and (f).
2. The Applicant may insert in the space provided within the application's proposed program plan the site(s) for the performance of work (activities carried out by the Applicant) to be done in connection with the award (Place of Performance (Street Address, City, County, State and Zip Code)).

## Assurances and Certifications (continued)

### Certification Regarding Lobbying

1. The Applicant certifies, to the best of its knowledge and belief, that:
  - (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
  - (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Application, the undersigned shall complete and submit Standard Form LLL, *Disclosure of Lobbying Activities*, in accordance with its instructions; and
  - (c) The Applicant shall require that the language of this certification be included in the award documents for all subawards of all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.
2. This certification is a material representation of fact upon which reliance is placed when this transaction is made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**Note:** If your organization is required to file a Standard Form LLL, *Disclosure of Lobbying Activities*, it may be found in Appendix A and with other application materials on [irs.gov](http://irs.gov).

## Submitting Your Application

### How Do I Assemble and Label My Application

Applicants are encouraged to submit the application via Grants.gov. Use of Grants.gov provides additional assurance that required entries are not left blank on the standard forms and provides receipt acknowledgement when the application is downloaded by IRS. It also eliminates the need to submit a CD containing the application or any additional copies. IRS will create the CD when the application is downloaded from Grants.gov.

If you elect to submit your application via paper, it is very important that the VITA Grant Program application be assembled correctly. The standard forms are located in Appendix A of this publication. An original and two copies of the application is required along with a CD containing the entire application (all forms and attachments).

The application package must include the following items. If submitting your application via Grants.gov, please label the files that will be attached by the names indicated. If submitting your application via paper, it must be assembled in the order indicated below. The deadline for submission is June 30, 2011.

Component	Gants.gov Labeling Instructions <sup>1</sup>
1. Application for Federal Assistance, Standard Form 424 (Revision 10/2005 or later)	System names file
a. Attachment with information that would not fit in space allowed on the SF 424, such as congressional district codes.	System names files
b. Copy of determination letter issued by IRS recognizing organization as exempt under IRC Section 501(c); copy of letter of academic accreditation for college, university or other institution of higher learning; or letter submitted by agency or government head on its official stationery indicating it is a government entity.	1b-Non profit eligibility
2. Program Plan Narrative	2-Program Plan VITA Grant Workbook <sup>2</sup>
a. List of established and proposed sites including the EFIN and SIDN for each site	
b. Other Attachments	2b1, 2b2, 2b3, etc. followed by a brief description, e.g., 2b1-Coalition Members.
3. Financial Plan Information	Use Other Attachments – 3-Financial Plan
a. Budget Information – Non-construction Programs, SF 424A	System names file
b. Indirect Cost Rate Agreement (if applicable)	3b-ICR Agreement
c. Financial Plan Narrative	3c-Financial Plan
d. Budget Detail Explanation	VITA Grant Workbook
e. Matching Funds Summary Chart	VITA Grant Workbook
f. Matching Funds Supporting Documentation	3f-MFS Documentation <sup>3</sup>
4. Civil Rights Narrative	4-Civil Rights
5. Assurances – Non-Construction Programs, Standard Form 424B	System names file
6. Disclosure of Lobbying Activities, Standard Form LLL, if applicable. This form is only required if the applicant must disclose lobbying activities pursuant to 31.U.S.C. 1352.	System names file
7. A CD containing the entire application (all forms and attachments) if the application is not submitted through Grants.gov. Use the Grants.gov labeling instructions for naming your files on CD. For files that show “system names file” label the file the form number, e.g., SF424, SF424A, SF424B, SFLLL	Not applicable
8. An original and two copies of the entire application (all forms and attachments) if not submitted through Grants.gov.	Not applicable

<sup>1</sup>Files that are not automatically saved and named by the system, should be included on the “Other Attachments” document and labeled as indicated.

<sup>2</sup>The VITA Grant 2012 Workbook, available on irs.gov, includes templates used for reporting prior year and proposed performance, sites, budget and matching information. The workbook can be maintained together when submitting via Grants.gov. You do not need to save each spreadsheet within the workbook as a separate document.

<sup>3</sup>If you have multiple matching funds supporting documents, they can be scanned continuously as one file or attached individually. Be sure to label 3f1, 3f2, 3f3, etc. if submitting separately.

## Submitting Your Application (continued)

Before submitting your application, take the time to review the complete application carefully to ensure all necessary information is provided. Be sure to review the application package against the list in the “What to include in the Application” section to ensure all information is present.

**Alert!** If you submit more than one application using Grants.gov, please send an e-mail to [Grant.Program.Office@irs.gov](mailto:Grant.Program.Office@irs.gov) and let us know which submission is your final application. Include in your e-mail the identification numbers assigned your applications by Grants.gov to ensure we process the correct application. We will process the final application only.

### **How Do I Submit My Application**

Applicants are encouraged to submit the VITA Grant application via Grants.gov. Please do not wait until the last day to submit your applications on Grants.gov. The application must pass validation by midnight on the application due date in order to be submitted timely. Some problems encountered require that you update CCR and changes are not completed in real-time. It is frustrating to complete all the components of the application and then find that your CCR registration is expired and will take three to five days to reactivate. Also, be sure to follow the instructions on labeling the files submitted as part of your Grants.gov application.

If you do not use Grants.gov, the application may be submitted by mail. The address is:

IRS Grant Program Office  
401 West Peachtree Street, Stop 420-D  
Atlanta, Georgia 30308

We recommend using a traceable delivery method if mailing the application. Courier delivery must be made between the hours of 8:00 a.m. and 4:00 p.m., EST, Monday through Friday, except for federal holidays. Courier delivered applications are not accepted at any other time or by any other office. Applications are not accepted by email.

### **When Must I Submit My Application**

All applications submitted by mail must be received in the Grant Program office by 4:00 pm eastern time on **June 30, 2011**. Grant applications submitted using Grants.gov must pass validation in Grants.gov by midnight on June 30, 2011.

## What Happens Once My Application is Submitted

The Grant Program Office (GPO) records receipt of all applications received and acknowledges receipt of the application by email. For applications submitted through Grants.gov, the system automatically notifies you once the application is downloaded from Grants.gov by IRS. Please make sure to include an email address and to check its accuracy to speed up this notification. Remove any SPAM blocks that may prevent messages from being received. Acknowledgement of receipt does not indicate the application is complete and can be processed. It is only acknowledgement that an application was received.

**Note: If your contact (person, address, phone, or email) information changes, please notify the GPO at [Grant.Program.Office@irs.gov](mailto:Grant.Program.Office@irs.gov).**

### **Incomplete Applications**

If items are missing from the application, the Grant Program Office allows **two business days** for providing the information if the applicant appears to have made a good faith effort in submitting the application. Applications that are missing numerous documents are not considered nor the applicant contacted for the additional documents. Applicants may request additional time. Approval is based on individual assessment of need and its impact on overall grant program processing. The process of allowing time for submission of missing information is not intended to extend the time for submitting a complete application but to allow time for organizations that submit an application in good faith to provide a component it may have missed as a result of a processing error. A request for the additional information is only made once.

Only applications with all required information are reviewed for eligibility. If your application is not complete, you are notified that it is incomplete and will not be considered further.

## What Happens Once My Application is Submitted (continued)

### **Confirmation of Eligibility**

Once it is determined that an application is complete, we review it for eligibility. We compare information submitted with the application for tax exemption and compliance and review it against information in IRS systems. A tax compliance check is done prior to awarding a grant. If a balance is found or a return is not filed and a filing requirement exists, we will send an email to the applicant notifying them of a potential tax related issue. The applicant is given five business days to respond. Contact phone numbers for tax compliance information are included on the inside front cover of this publication.

1. If the applicant does not respond, the organization is ineligible for consideration.
2. If the applicant agrees that there is a balance owed, the organization is ineligible for consideration even if the balance is paid after our notification.
3. If the applicant disagrees with the balance and provides evidence showing that it is an error on the part of the Internal Revenue Service and we agree, the organization remains eligible for consideration.
4. If the applicant provides information that they are not liable for filing a return, the organization must submit a statement; and when applicable, contact IRS to have the filing requirement corrected.
5. If the applicant is liable for filing a return, the organization is ineligible for consideration even if the return is filed after our notification.

We will review the information submitted around matching and determine whether it meets the established requirements and supports the amount requested in your application. We will also confirm the organization (and primary program persons) are not debarred, suspended or otherwise excluded from or ineligible for a federal award. We will check for a prior year audit (if your organization spent more than \$500,000 in federal funds in any year) and the results. An unfavorable finding in a prior audit will not automatically disqualify your organization from consideration; however, more information may be requested to ensure any deficiencies noted have been corrected. For those applicants that received a VITA or TCE grant in the past, we will confirm all reporting is complete or is covered by an approved extension.

Applications determined to be ineligible for other than tax compliance are not evaluated. Applications determined to be ineligible due to tax compliance are evaluated prior to the tax compliance check.

### **Evaluation and Selection Process**

All complete applications meeting initial eligibility requirements will **undergo a two-tiered evaluation process:**

1. Technical Evaluation
2. Grant Program Office Evaluation
  - a. Geographic and Target Audience Evaluation
  - b. Financial Plan Information Review
  - c. Prior Year Grant Performance (production and reporting), if applicable
  - d. Multi-year grant requests
  - e. Tax compliance review

### **Technical Evaluation**

During the technical evaluation, each application is awarded points in each of the areas listed below. This criteria list reflects the maximum number of points that may be obtained in each area. Each application may receive a maximum of 200 points.

1. Experience with low income and/or return preparation – 40 points
2. Strength of program – 40 points
3. VITA target audience – 40 points

## What Happens Once My Application is Submitted (continued)

4. Ability to partner or collaborate with multiple organizations – 20 points
5. Sustainability and growth strategy – 10 points
6. Quality control process – 40 points
7. Program measures – 10 points

Applications rated at 70% or better in the technical evaluation are evaluated by the Grant Program Office. Those with the lowest scores (69% or lower) are notified of non-selection based on the technical evaluation of the application.

### **Grant Program Office Evaluation**

The review and evaluation process is followed by a review by the Grant Program Office. This is where a more in depth review of the budget information is done as well as determining where demographic and geographic coverage is needed based on the proposals.

### **VITA Target Audience Evaluation**

The applicant must show in the program plan that the organization can reach their target audience as well as provide service in the specific geographic areas identified. The VITA Grant program goal is to extend services state wide not just in major metropolitan areas. However, growth in major metropolitan areas is also needed. Each application is reviewed for the:

- Geographic areas of applicants and the ability of these applicants to provide **widespread geographic coverage**.
- Specific **under served population** that each applicant is targeting to serve.
- **Number of taxpayers** who will be served by the applicant.
- **Existence of other VITA Programs in the same geographic area** serving the **same target audience**.
- Balance throughout the United States and Puerto Rico.
- Prior year grant performance.

### **Financial Plan Information Review**

After the technical evaluation has been completed, each application undergoes a secondary review by the Grant Program Office. The secondary evaluation includes review of the following areas:

- Standard Form 424A, *Budget Information-Non Construction Programs*
- Financial Plan Narrative
- Budget Detail Explanation
- Matching Funds Summary Chart
- Matching Funds Supporting Documentation
- Appropriateness of funds sought for quantity of returns being prepared
- Reasonableness of administrative costs

Based on prior year submissions and the limited funds available, we anticipate that we will offer grants for less than the amount requested. This is the point at which this decision is made.

### **Prior Year Grant Performance**

As part of this phase of the evaluation, the GPO looks at prior year grant performance if the organization received a VITA or TCE grant. This review considers delivery of program to plan, whether the organization cooperated with requests for information, and whether all required reporting was done by the due date.

### **Multi-Year Grant Requests**

The GPO will confirm applicants requesting consideration for a multi-year grant meet the requirements for a multi-year grant. This review will confirm they are a prior year grant recipient, in good standing, and scored 90% or better during the technical review.

## What Happens Once My Application is Submitted (continued)

### **Approval of Award**

The Grant Program office will make recommendations based on a combination of the technical evaluation, geographic and target audience evaluation, financial plan information review, and when applicable, prior year grant performance. Recommendations for award of funds are made to SPEC executives who approve the recommendations. Once approved, notification packages are prepared.

### **Award Notification**

The Grant Program Office will notify applicants of their **acceptance** or **rejection** of a grant award by letter sent by U.S. Postal Service. The Grant Program Office may, at its discretion, conduct an inspection visit to a prospective program location prior to awarding grant funds.

### **What Happens After I Am Awarded**

IRS will send notification to individual award recipients. Awarded applicants receive a package including the grant agreement and other documents for acceptance of the grant. This package is sent to the address indicated on the SF 424. The applicant must sign and return the agreement and requested documents. If the actual award amount is different from the requested award amount, the award applicant will need to provide revised documents upon notification of being awarded, e.g., SF 424A, budget narrative, and/or program plan. The notification will clearly detail what needs to be revised. Once the documents are signed and returned, you are provided the name, address, telephone number, and email address of the IRS Tax Analyst assigned your file. It may or may not be the individual assigned the application before award.

Your organization is assigned a tax analyst that will work with the awarded organization throughout the grant period. This is your point of contact for any questions or concerns that you may have.

You are asked to provide revised documents, if applicable, and provide additional documents required to establish your account in the Payment Management System.

- Form 13981, *Grant Agreement*, must be signed by an authorized representative with authority to enter into a binding agreement on behalf of the organization.
- Program Plan narrative may need to be revised based on the award amount if the program performance cannot be accomplished as originally submitted because of a reduction in the requested award amount.
- Financial plan information, such as the SF 424A, the matching documentation, the budget explanation when all funds requested are not awarded.
- Contact sheet listing approved individuals we can discuss your application with and your election to share contact information with other grant recipients and non-grant recipients involved in the VITA or TCE programs.
- Form 1199A, *Direct Deposit Form*, and DPM PMS Access Form needs to be completed as outlined in the notification package. It must be completed exactly as required and mailed to the Grant Program Office for review prior to the account being established by the Division of Payment Management. Your grant funds cannot be released until a complete, accurate Form 1199A is submitted and the account is established in PMS.

### **What Happens if I'm Not Awarded**

The IRS will send a letter explaining that your organization was not awarded a grant and provide general information on why it was not selected. Generally more money is requested than is available – over \$33.3 million last year. We anticipate this will occur each year as need exceeds availability.

### **Freedom of Information Act**

As with many IRS programs, the VITA Grant Program is subject to the Freedom of Information Act. Individuals may request copies of your application for their review. The Freedom of Information Act (FOIA) [5 U.S.C. 552](#) provides public access to agency records unless protected from disclosure by certain exemptions or exclusions. Under this provision, all grant proposals are made available to the public upon written request. Requests should be made to the local IRS Disclosure Office.

## Terms, Conditions and Administrative Requirements

All grant recipients must adhere to the administrative requirements and all laws and regulations of the program. These include:

- Operate under the applicable laws and regulations and OMB circulars governing federal grant funds
- Meet terms and conditions of the Form 13981, *Grant Agreement*
- Management of grant funds
  - Maintain the Payment Management System account by making “just in time” withdrawals and providing required reporting
  - Use of FDIC insured bank
  - Record keeping meeting **generally accepted accounting principles** (GAAP)
- Obtain an audit under OMB Circular A-133, if applicable (see the OMB Circular A-133 topic to determine if this is applicable to your organization)
- Allow access to records and cooperate fully with oversight offices within IRS and the Treasury Inspector General for Tax Administration

### **Terms and Conditions**

These special terms and conditions neither restate all the provisions of the applicable statutes and regulations, nor represent an exhaustive listing of all requirements applicable to this award. Rather, they are emphasized by inclusion here because they represent areas where issues were identified or their violation would be a matter of concern.

1. The recipient’s signature on the Form 13981, *Grant Agreement*, signifies the agreement to all terms and conditions.
2. The recipient is obligated to provide management and technical direction for their program and ensure that all sub-recipients adhere to the provisions established by this agreement.
3. The recipient and all sub-recipients must adopt and practice a non-discriminatory policy and practice a policy that meets all federal grant requirements.
4. Revisions to the program plan and budget must be submitted by the date specified in the notification of award to the IRS Grant Program Office, Stop 420-D, 401 West Peachtree Street, NW, Atlanta, GA 30308. Changes to the budget between object class categories may be made without pre-approval when the change is 25% or less of the total award. Approval of changes greater than 25% must be requested in advance in writing and approved before the change may be made. The maximum award amount does not change.
5. The recipient must notify IRS within 10 business days when changes in key personnel involved in the program occur.
6. The recipient must utilize the Payment Management System, Division of Payment Management, Health and Human Services, for withdrawal and reporting of fund expenditures. Advance funds may only be withdrawn for expenditures that are incurred within three (3) business days of the receipt of the funds. Reimbursement funds may be withdrawn at anytime for allowable, allocable, and necessary expenditures already incurred. Notification of changes in contact information for the PMS is the responsibility of the recipient.
7. Quarterly and year end reporting are required as explained in the Grant Reporting Requirements. Submission of accurately completed reports by the due date is required for future consideration of subsequent year grants. Extensions for filing the reports will only be granted in unusual circumstances.
8. Financial systems must identify the source and application of funds used for this program. Recipients must maintain documentation of expenditures, both federal and matching, along with all in-kind contributions from third party or sub-recipient contributors for a minimum period of three years from the end of the program period of this agreement. For recipients that utilize volunteer services as a match, information maintained must include the volunteer’s name and contact information (address, phone and/or email) and daily time sheets to demonstrate work completed. If the volunteer performs activities for other than the VITA program, the time must be allocated to identify the time contributed to the VITA program. Recipient must also allocate and report time for non-volunteers who serve other activities in addition to the VITA program. Time sheets must clearly delineate the amount of time an individual spends on the VITA program and on other activities. For recipients that utilize space as a match, information must be maintained on the actual dates and times the space is used and the calculated value of the space. A complete explanation as to how the valuation was determined is required. The use of per day and/or per hour costs should not exceed the fair market rental value of the space.

## Terms, Conditions and Administrative Requirements (continued)

9. Federal funds may not be used to pay individuals for the preparation of returns, quality review and/or screening taxpayers. Individuals performing these duties in addition to site coordination, clerical support, etc. must document their time accordingly to ensure they are not paid for these activities. Where the preparation of a return, quality review and/or screening is ancillary to their paid activities, documentation is not required. For example, a site coordinator that is generally not responsible for quality review, reviews returns when the quality reviewer is delayed by traffic during one session until the reviewer arrives or a back up is identified. However, it is not ancillary if every Tuesday, the quality reviewer arrives one hour after the site opens and the site coordinator assumes the role of quality reviewer during their absence each week.
10. The recipient and all sub-recipients must utilize Form 13614-C, *Intake/Interview & Quality Review Sheet*, at sites or events where federal returns are prepared.
11. The recipient and all sub-recipients must adhere to all Quality Site Requirements as explained in the Publication 1084, *IRS Volunteer Site Coordinator's Handbook*.
12. The recipient agrees to remain tax compliant (file all required federal returns and information reporting documents and pay all federal taxes, penalties, and interest) during the period of this grant. This does not restrict the recipient's use of established processes for contesting assessments.
13. IRS may terminate this agreement for reasons of default or failure of the recipient to perform its obligations under this agreement, as well as for malfeasance, illegal conduct, and/or management practices by the recipient that jeopardize the ethical operations and implementation of this agreement. In any of the above cases, IRS will notify the recipient in writing of its intent to terminate the agreement and the causes for such a decision. IRS will provide seven business days for the recipient to respond in writing.
14. The recipient must notify the Grant Program Office of any cash sub-awards of \$1,000 or more. Notification must be within 30 days of the sub-award and include the entity name, DUNS number, and amount of award. Recipients are not required to report non-cash sub-awards to the Grant Program Office such as when the grantee purchases supplies for the entity. Sub-awards involving both cash and non-cash only need to be reported if the cash award is \$1,000 or greater.
15. The recipient must notify the Grant Program Office of related party transactions using grant funds within 30 days of the transaction and include the entity name and an explanation of the transaction and relationship. A related party transaction is one in which one party is able to control or substantially influence the actions of the other. Such transactions include, but are not limited to buyer/vendor transactions, lessee/lessor agreements and client/consultant arrangements. They generally occur between entities under common control through officers, directors, or members; and an organization and a director, trustee, officer, or key employee of the organization or his immediate family.
16. The recipient agrees to comply with the requirement included in the addendum to these terms and conditions.

**Note:** At the time this Publication is being issued, Federal law prohibits the IRS and all recipients of VITA funds from providing VITA funds to the Association of Community Organizations for Reform Now (ACORN) or any of its subsidiaries. This prohibition may be lifted by fiscal year 2011 appropriations. Contact the Grant Program Office for up-to-date information about this prohibition.

### **Addendum to Terms and Conditions**

#### **I. Reporting Sub-awards and Executive Compensation**

- a. Reporting of first-tier Sub-awards.
  1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a Sub-award to an entity (see definitions in paragraph e. of this award term).

## Terms, Conditions and Administrative Requirements (continued)

### I. Reporting Sub-awards and Executive Compensation (continued)

2. Where and when to report.
    - i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.
    - ii. For Sub-award information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
  3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.
- b. Reporting Total Compensation of Recipient Executives.
1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if –
    - i. the total Federal funding authorized to date under this award is \$25,000 or more;
    - ii. in the preceding fiscal year, you received –
      - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and Sub-awards); and
      - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and Sub-awards); and
    - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
  2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:
    - i. As part of your registration profile at <http://www.ccr.gov>.
    - ii. By the end of the month following the month in which this award is made, and annually thereafter.
- c. Reporting of Total Compensation of Sub-recipient Executives.
1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first-tier Sub-recipient under this award, you shall report the names and total compensation of each of the Sub-recipient's five most highly compensated executives for the Sub-recipient's preceding completed fiscal year, if –
    - i. in the Sub-recipient's preceding fiscal year, the Sub-recipient received –
      - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and Sub-awards); and
      - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and Sub-awards); and
    - ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

## Terms, Conditions and Administrative Requirements (continued)

### I. Reporting Sub-awards and Executive Compensation (continued)

2. Where and when to report. You must report Sub-recipient executive total compensation described in paragraph c.1. of this award term:
  - i. To the recipient.
  - ii. By the end of the month following the month during which you make the Sub-award. For example, if a Sub-award is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the Sub-recipient by November 30 of that year.
- d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

  - i. Sub-awards, and
  - ii. The total compensation of the five most highly compensated executives of any Sub-recipient.
- e. Reporting of Total Compensation of Sub-recipient Executives.
  1. Entity means all of the following, as defined in 2 CFR part 25:
    - i. A Governmental organization, which is a State, local government, or Indian tribe;
    - ii. A foreign public entity;
    - iii. A domestic or foreign nonprofit organization;
    - iv. A domestic or foreign for-profit organization;
    - v. A Federal agency, but only as a Sub-recipient under an award or Sub-award to a non-Federal entity.
  2. Executive means officers, managing partners, or any other employees in management positions.
  3. Sub-award:
    - i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible Sub-recipient.
    - ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. \_\_ .210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
    - iii. A Sub-award may be provided through any legal agreement, including an agreement that you or a Sub-recipient considers a contract.
  4. Sub-recipient means an entity that:
    - i. Receives a Sub-award from you (the recipient) under this award; and
    - ii. Is accountable to you for the use of the Federal funds provided by the Sub-award.
  5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or Sub-recipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
    - i. Salary and bonus.
    - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
    - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

## Terms, Conditions and Administrative Requirements (continued)

- iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- v. Above-market earnings on deferred compensation which is not tax-qualified.
- vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

### II. Central Contractor Registration and Universal Identifier Requirements

- a. Requirement for Central Contractor Registration (CCR)

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.
- b. Requirement for Data Universal Numbering System (DUNS) Numbers

If you are authorized to make Sub-awards under this award, you:

  - 1. Must notify potential Sub-recipients that no entity (see definition in paragraph c of this award term) may receive a Sub-award from you unless the entity has provided its DUNS number to you.
  - 2. May not make a Sub-award to an entity unless the entity has provided its DUNS number to you.
- c. Definitions

For purposes of this award term:

  - 1. Central Contractor Registration (CCR) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).
  - 2. Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D & B) to uniquely identify business entities. A DUNS number may be obtained from D & B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
  - 3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
    - i. A Governmental organization, which is a State, local government, or Indian tribe;
    - ii. A foreign public entity;
    - iii. A domestic or foreign nonprofit organization;
    - iv. A domestic or foreign for-profit organization;
    - v. A Federal agency, but only as a Sub-recipient under an award or Sub-award to a non-Federal entity.
  - 4. Sub-award:
    - i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible Sub-recipient.
    - ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. \_\_\_\_\_.210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
    - iii. A Sub-award may be provided through any legal agreement, including an agreement that you consider a contract.
  - 5. Sub-recipient means an entity that:
    - i. Receives a Sub-award from you under this award; and
    - ii. Is accountable to you for the use of the Federal funds provided by the Sub-award.

## Terms, Conditions and Administrative Requirements (continued)

### **Applicable Laws and Regulations**

Federally funded programs are governed by a wide variety of federal laws and regulations. These include, but are not limited to:

- Restrictions on political activities at 18 U.S.C. §§ 595, 598, 600-603;
- The preservation requirements in the National Historic Preservation Act (16 U.S.C. § 470 et seq.) and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. § 469a-1 et seq.);
- Environmental requirements of the Clean Air Act (42 U.S.C. § 7401 et seq.);
- The non-pollution requirement of the Federal Water Pollution Control Provisions (33 U.S.C. § 1251 et seq.); and
- Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. § 7104).

### **Office of Management and Budget (OMB) Requirements**

Grant award administrative requirements, cost principles, and audit requirements are set forth in OMB Circulars. The requirements applicable to individual grant agreements are contained in:

- 2 CFR 215 (formerly OMB Circular No. A-110), Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations;
- OMB Circular A-102, Grants and Cooperative Agreements With State and Local Governments;
- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations;
- 2 CFR 220 (formerly OMB Circular A-21), Cost Principles for Educational Institutions;
- 2 CFR 225 (formerly OMB Circular A-87), Cost Principles for State, Local and Indian Tribal Governments; and
- 2 CFR 230 (formerly OMB Circular A-122), Cost Principles for Non-Profit Organizations.

All applicable provisions of these circulars, as revised, and any existing and further supplements and revisions are incorporated into these program requirements and into all grant agreements entered into between the IRS and grant recipients. These circulars were incorporated into Title 2 of the Code of Federal Regulations.

**TIP: The Electronic Code of Federal Regulations (e-CFR) is a currently updated version of the Code of Federal Regulations (CFR). It is not an official legal edition of the CFR. The e-CFR is an editorial compilation of CFR material and Federal Register amendments produced by the National Archives and Records Administration's Office of the Federal Register (OFR) and the Government Printing Office. The OFR updates the material in the e-CFR on a daily basis.**

**You can view the e-CFR at: <http://ecfr.gpoaccess.gov/>**

**Which Circular do I Follow?** Although there are six circulars covering grants, you are only covered by three of them, depending on the type of entity:

Entity	Administrative Requirements		Cost Principles			Audits
	2 CFR 215	A-102	2 CFR 225	2 CFR 220	2 CFR 230	A-133
States, local governments, and Indian Tribes		X	X			X
Education institutions (even if part of a State or local government)	X			X		X
Non-Profit Organizations	X				X	X

# Financial and Management Reporting Requirements

## **Accessing VITA Grant Funds**

Once all appropriate documents have been signed by the IRS and the responsible official for the recipient organization, a request is sent to the Department of Health and Human Services, Division of Payment Management (DPM) to establish electronic access to funds. This process generally takes 3-4 weeks. The DPM website is [www.dpm.psc.gov](http://www.dpm.psc.gov). This electronic access is provided through the Payment Management System (PMS). The PMS is internet based. If you do not have access to the Internet, alternative arrangements can be made with DPM.

The DPM provides a welcome package that explains the system and identifies the PMS contact person once your organization's account is established. The DPM has an on-line tutorial for those who are not familiar with the system. Recipients are encouraged to visit the DPM website ([www.dpm.psc.gov](http://www.dpm.psc.gov)) and utilize the tutorials in order to learn how to navigate the PMS so as to be prepared to comply with quarterly and final submission requirements.

This on-line payment system enables you to transmit a request for federal funds to the PMS within minutes. Once the payment is processed and approved, funds are direct deposited into your bank account and are generally available the next business day. You must only request those funds that are expended within three business days of receipt. If funds are for expenses already paid, you may withdraw funds at any time. Only the applicant organization is given access to the system. As the applicant, it is your responsibility to disburse and record funds provided to other organizations within your program.

## **Maintaining Funds in FDIC Insured Bank**

You must maintain advances of federal grant funds in interest-bearing accounts of a bank with Federal Deposit Insurance Corporation (FDIC) insurance coverage. The balance exceeding the FDIC coverage must be collaterally secured unless:

- You receive less than \$120,000 in federal awards per year.
- The best available interest-bearing account would not be expected to earn interest in excess of \$250 per year on federal cash balances or require an average or minimum balance so high that it would not be feasible.
- The depository would require an average or minimum balance so high that an interest-bearing account would not be feasible given the grant recipient's expected federal and non-federal cash resources.

You must remit to the IRS any interest earned on advances of federal grant funds in excess of \$250 per year. Remittance of the interest in excess of the \$250 must be done annually. However, you may keep interest earned on all advances of federal grant funds of \$250 or less per fiscal year.

Any changes to the above procedures must be approved in writing by the Grant Program Office.

## **Allowable and Unallowable Uses of VITA Grant Funds**

VITA Grant funds can be used to cover expenses of operating a VITA tax preparation program as long as the expenses are ordinary and necessary for the operation of the program. VITA Grant funds are limited to the amount of the total award specified in the award notification. Expenses are only allowable if they are reasonable expenses or costs that would not have been incurred but for the program (**in accordance with the OMB Cost Principles Circulars shown on the previous page**). Additionally, costs associated with refund anticipation loans are not allowable expenses. For a listing of common allowable and unallowable expenses, see Appendix B, Exhibit I. This listing is not all inclusive. Contact the Grant Program Office or check our frequently asked questions on [irs.gov](http://irs.gov) for expenditures not listed in Appendix B to determine if they are allowable.

## Financial and Management Reporting Requirements (continued)

### **OMB Circular A-133 Audit**

Circular A-133 describes the audit requirements applicable to grant recipients. **If you expend less than \$500,000 a year in total federal awards, no audit requirements are applicable.** Total federal awards includes all sources of federal funding, not just the funds received from IRS in support of VITA. If you expend \$500,000 a year in federal awards, you must ensure an audit is performed in compliance with OMB Circular A-133. You must arrange for an audit by an independent auditor in accordance with the Government Auditing Standards developed by the Comptroller General of the United States. The costs of audits performed in compliance with OMB Circular A-133 are allowable expenditures for which grant funds may be used.

An audit under OMB Circular A-133 is organization-wide. The auditor must determine whether:

- Your financial statements are a fair representation of your financial position and the results of your operations are in accordance with generally accepted accounting principles;
- You have an internal control structure to provide reasonable assurance that you are managing federal awards in compliance with applicable laws and regulations, and controls that ensure compliance with the laws and regulations that could have a material impact on the financial statements; and
- You have complied with laws and regulations that may have a direct and material effect on your financial statement amounts and on each major federal program.

Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final report for the grant cycle, subject to certain exceptions set forth in 2 CFR 215.

### **Oversight Responsibilities**

For those organizations that apply on behalf of a coalition, the applicant is ultimately responsible for ensuring all coalition members adhere to all VITA Grant requirements. Effective monitoring and communication processes are required to ensure adherence to both financial management and program requirements. Grant applicants are responsible for ensuring all coalition members understand the role they play in delivering a successful VITA Grant Program and the processes by which funds are requested and distributed. There should be no surprises for coalition members on your expectations as the grant recipient. An agreement (letter of intent or memorandum of understanding) is required between the VITA Grant recipient and its coalition members (sub-recipients) to ensure adherence to program guidelines, that monies are only expended on approved purposes, and that matching funds documentation is maintained. Pay particular attention to the sub-award reporting and executive compensation term and condition when utilizing sub-awards. All organizations that you sub-award VITA Grant funds are required to have a DUNS number regardless of the amount of funds provided.

### **Record Keeping, Reports and Reviews**

VITA Grant Program recipients are subject to financial reviews and have the following requirements:

- Manage and spend funds in a manner that is deemed appropriate and reasonable.
- Submit the year-end reports to the Grant Program Office by **September 30th**.
- Maintain a record keeping system in place to support all expenses and matching funds of the VITA Grant Program.
- Maintain receipts to support reported expenses.
- Refund any unspent funds that the IRS advanced or paid for the program immediately.
- Contact the Grant Program Office as soon as known to arrange for release of the VITA grant funds if all funds will not be used.
- Prepare and submit quarterly *Federal Financial Reports*, Standard Form 425, to the PMS on a timely basis.

Additional information is available in the Publication 4883, *Grant Programs Resource Guide*, which is available on [irs.gov](http://irs.gov).

## Financial and Management Reporting Requirements (continued)

### Grant Reporting Requirements

Each recipient is responsible for ensuring reports are timely and accurately filed throughout the grant period and until close out of the grant. Detailed instructions are available on the VITA Grant web page (<http://www.irs.gov/individuals/article/0,,id=184243,00.html>) on irs.gov under Reporting Requirements in Guidelines for VITA Grant Reports. The following reports and reporting dates apply to the VITA Grant.

Item	Description	Method	Frequency	Due
1.	<i>Federal Financial Report (FFR) Cash Transaction Report</i> – This report is used for reporting quarterly information. The FFR Cash Transaction Report is due within 30 days after the quarter ends.	File electronically in the Payment Management System (PMS)	Quarterly once funds are deposited in PMS account	January 30 April 30 July 30 October 30
2.	Site Establishment Report - List of all sites opened or planned to open under the grant. Note: Complete the VITA Target Audience worksheet in the VITA Grant Workbook available on the VITA Grant web page at irs.gov	Due to IRS	At beginning and end of filing season	January 31 September 30
3.	FFR <i>Financial Status Report</i> – This is a year end report and covers the entire grant period. It is due 90 days after the end of the grant period.	File electronically in the PMS	Annually 90 days after end of performance period	September 30
4.	Standard Form PPR, <i>Performance Progress Report</i> – This is a year end report and covers the entire grant period. It is due 90 days after the end of the grant period. <b><i>It must be accompanied by a final program plan narrative, and final budget detail explanation.</i></b>	Due to IRS Grant Program Office, 401 W. Peachtree St., NW, Stop 420-D Atlanta, GA 30308	Annually 90 days after end of performance period	September 30
5.	Standard Form PPR-A, <i>Performance Measures</i> – Detailed instructions are provided on irs.gov in the Guidelines for VITA Grant Reports document.	Due to IRS Grant Program Office	Annually 90 days after end of performance period	September 30
6.	Standard Form PPR-B, <i>Program Indicators</i> – Detailed instructions are provided on irs.gov in the Guidelines for VITA Grant Reports document.	Due to IRS Grant Program Office	Annually at end of performance period	September 30

Extensions for reports due to IRS Grant Program Office are granted for filing reports only in unusual circumstances. Recipients may request an extension but it must be submitted in writing at least five business days prior to the due date and grantee must receive a written response confirming the extension **before the due date**. The Grant Program Office cannot grant extensions for Payment Management System reports or sub-award reporting.

The narrative mentioned at item 4 under Grant Reporting Requirements should address the list of items that follow and focus on how your organization:

- Enabled the VITA Program to extend services to the underserved population identified in your plan;
- Increased the capacity to file returns electronically;
- Heightened quality control;
- Enhanced training of volunteers; and
- Improved the accuracy rate of returns prepared at VITA sites.

## Financial and Management Reporting Requirements (continued)

1. *Implementation of the VITA Program* — Describe the strategy for monitoring and evaluating the overall effectiveness of the program and results achieved. Include how success is defined and measured. In addition, describe the overall approach taken to implement and operate the VITA Program and the steps taken to ensure compliance with the Quality Site Requirements. If targeting a Limited English Proficient (LEP) population, indicate if Hispanic, Chinese, etc.
2. *VITA Program Publicity* — Specify the messages, methods, materials, and channels (media, posters, web site, etc.) utilized. Include examples of publicity such as flyers, brochures, posters, and newsletters distributed. Identify unique services provided to underserved populations, e.g., interpreters for hearing impaired or LEP taxpayers and special Individual Taxpayer Identification Number (ITIN) event days. Include an assessment as to whether the publicity methods chosen were successful in reaching your goals.
3. *Return Preparation* — Identify tools used to determine production. Explain method used to track targeted populations served. State whether established goals were met and if goals were not met the reasons why.
4. *Site Information* — If you do not already have a master site listing, contact your assigned tax analyst and ask for a list for all established sites. Confirm the information is correct. Add any missing sites to the listing. Please add to each site, the populations served at the location.
5. *Volunteer Training* — Describe how tax law and software training for volunteers was provided and specifically address the following:
  - Training delivery method, e.g., classroom, online, self-study.
  - Total training hours per volunteer.
  - Timeframe for classroom training.
  - Resources used in addition to IRS materials, if any. Provide samples if available or detailed description.
  - Specialized training for screeners, quality reviewers, electronic return originator, site coordinators, return preparers, etc. beyond IRS provided resources.
  - Mentoring program for new volunteers.
  - Method used to obtain student satisfaction feedback and steps taken to enhance training.
6. *Quality Control* — Describe procedures and processes developed to improve the quality of your VITA site operations and the accuracy of returns prepared. Identify specific problem areas, e.g., high reject percentage rates, and corrective measures taken. Address any documented reviews conducted to evaluate return accuracy and provide corrective actions taken to overcome identified trends or issues. For each established site and **ad hoc site**, explain the quality review process used. Describe steps taken to ensure taxpayer privacy and to maintain the confidentiality of prepared tax returns as outlined in Publication 4299, *Privacy and Confidentiality—A Public Trust*.
7. *Sustainability and Growth* — Describe efforts taken and results attained for the following:
  - Customer satisfaction surveys used to solicit feedback on services provided.
  - Partner participation including any newly established partnerships with government (municipal, county, state), non-profit and private organizations. Include resources contributed by each partner.
  - Volunteer recruitment and retention.
  - Matching funds secured over and above the initial matching funds.
8. Increased capacity to e-file. Describe activities used to increase electronic return preparation to underserved targeted populations.

## Financial and Management Reporting Requirements (continued)

### Reviews

Periodically, the VITA Grant Program Office and local territory office may perform assistance visits to selected grant recipients. Assistance visits are a means of providing reliable information to ensure grant funds are being used appropriately and effectively, and that the grant recipient is complying with the terms and conditions of the grant agreement and program guidelines. These visits provide an opportunity to share information about technical issues and identify areas where services can be improved. Assistance visits also provide an opportunity for grant recipients to ask questions and share information about problems they may be encountering and to identify best practices that can be shared with other grant recipients. When the Grant Program Office performs these assistance visits they are called administrative reviews and are primarily focused on administration of the grant. Territory Office visits are called site reviews and are focused on the delivery of program activities and adherence to the quality site requirements.

Reviews may be conducted by Financial Reviewers and the Treasury Inspector General for Tax Administration (TIGTA). All VITA Grant recipients are subject to these reviews. The financial review is conducted to ensure grant recipients are adhering to VITA Grant Program requirements and are following generally accepted accounting principles for proper management of federally appropriated grant funds. TIGTA reviews are generally only conducted when the VITA Grant Program is undergoing an audit by their office. The TIGTA audit of the VITA Grant Program may include a call and/or visit to selected grant recipients. Prior to this review, grant recipients are contacted and more information shared as to the review requirements. If a financial review is conducted and has not been completed before the closeout of the grant, the IRS retains the right to recover any costs that are disallowed when a financial review is performed.

For both visits and reviews, VITA Grant recipients are expected to cooperate and provide the information requested.

### Withdrawing from the VITA Grant Program

If a grant recipient finds it necessary to withdraw from the VITA Grant Program after the award, the grant recipient must immediately return any unexpended monies received from the IRS. ***All withdrawals from the VITA Grant Program must be in writing.***

### Close-Out Procedures

Once all the applicable administrative actions and all the required work of the grant have been completed, you are expected to immediately refund any unspent funds that were advanced or paid to you for the program. Administrative actions include all reports required by the Grant Program Office and the Division of Payment Management. If any reporting discrepancies are identified during the close-out phase, recipients are required to take timely action to resolve the discrepancies.

# Appendix A – VITA Grant Application Forms

## Exhibit 1 – Standard Form 424, Application for Federal Assistance

OMB Number: 4040-0004  
 Expiration Date: 01/31/2009

<b>Application for Federal Assistance SF-424</b>		Version 02
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input style="width: 100%;" type="text"/> * Other (Specify) <input style="width: 100%;" type="text"/>
* 3. Date Received: <input style="width: 100%;" type="text"/>	4. Applicant Identifier: <input style="width: 100%;" type="text"/>	
5a. Federal Entity Identifier: <input style="width: 100%;" type="text"/>		* 5b. Federal Award Identifier: <input style="width: 100%;" type="text"/>
<b>State Use Only:</b>		
6. Date Received by State: <input style="width: 100%;" type="text"/>		7. State Application Identifier: <input style="width: 100%;" type="text"/>
<b>8. APPLICANT INFORMATION:</b>		
* a. Legal Name: <input style="width: 100%;" type="text"/>		
* b. Employer/Taxpayer Identification Number (EIN/TIN): <input style="width: 100%;" type="text"/>		* c. Organizational DUNS: <input style="width: 100%;" type="text"/>
<b>d. Address:</b>		
* Street1:	<input style="width: 100%;" type="text"/>	
Street2:	<input style="width: 100%;" type="text"/>	
* City:	<input style="width: 100%;" type="text"/>	
County:	<input style="width: 100%;" type="text"/>	
* State:	<input style="width: 100%;" type="text"/>	
Province:	<input style="width: 100%;" type="text"/>	
* Country:	<input style="width: 100%; text-align: center; font-size: small;"/> USA: UNITED STATES	
* Zip / Postal Code:	<input style="width: 100%;" type="text"/>	
<b>e. Organizational Unit:</b>		
Department Name: <input style="width: 100%;" type="text"/>	Division Name: <input style="width: 100%;" type="text"/>	
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>		
Prefix: <input style="width: 100%;" type="text"/>	* First Name: <input style="width: 100%;" type="text"/>	
Middle Name: <input style="width: 100%;" type="text"/>		
* Last Name: <input style="width: 100%;" type="text"/>		
Suffix: <input style="width: 100%;" type="text"/>		
Title: <input style="width: 100%;" type="text"/>		
Organizational Affiliation: <input style="width: 100%;" type="text"/>		
* Telephone Number: <input style="width: 100%;" type="text"/>		Fax Number: <input style="width: 100%;" type="text"/>
* Email: <input style="width: 100%;" type="text"/>		

# Appendix A – VITA Grant Application Forms (continued)

## Exhibit 1 – Standard Form 424, Application for Federal Assistance

OMB Number: 4040-0004  
Expiration Date: 01/31/2009

<b>Application for Federal Assistance SF-424</b>	Version 02
<b>9. Type of Applicant 1: Select Applicant Type:</b> <input type="text"/>	
Type of Applicant 2: Select Applicant Type: <input type="text"/>	
Type of Applicant 3: Select Applicant Type: <input type="text"/>	
* Other (specify): <input type="text"/>	
<b>* 10. Name of Federal Agency:</b> <input type="text"/>	
<b>11. Catalog of Federal Domestic Assistance Number:</b> <input type="text"/>	
CFDA Title: <input type="text"/>	
<b>* 12. Funding Opportunity Number:</b> <input type="text"/>	
* Title: <input type="text"/>	
<b>13. Competition Identification Number:</b> <input type="text"/>	
Title: <input type="text"/>	
<b>14. Areas Affected by Project (Cities, Counties, States, etc.):</b> <input type="text"/>	
<b>* 15. Descriptive Title of Applicant's Project:</b> <input type="text"/>	
Attach supporting documents as specified in agency instructions.	

# Appendix A – VITA Grant Application Forms (continued)

## Exhibit 1 – Standard Form 424, Application for Federal Assistance

OMB Number: 4040-0004  
 Expiration Date: 01/31/2009

<b>Application for Federal Assistance SF-424</b>		Version 02
<b>16. Congressional Districts Of:</b>		
* a. Applicant	<input type="text"/>	* b. Program/Project <input type="text"/>
Attach an additional list of Program/Project Congressional Districts if needed. <input type="text"/>		
<b>17. Proposed Project:</b>		
* a. Start Date:	<input type="text"/>	* b. End Date: <input type="text"/>
<b>18. Estimated Funding (\$):</b>		
* a. Federal	<input type="text"/>	
* b. Applicant	<input type="text"/>	
* c. State	<input type="text"/>	
* d. Local	<input type="text"/>	
* e. Other	<input type="text"/>	
* f. Program Income	<input type="text"/>	
* g. TOTAL	<input type="text"/>	
<b>* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?</b>		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/> .		
<input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.		
<input type="checkbox"/> c. Program is not covered by E.O. 12372.		
<b>* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)</b>		
<input type="checkbox"/> Yes <input type="checkbox"/> No		
<p><b>21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)</b></p> <p><input type="checkbox"/> ** I AGREE</p> <p>** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.</p>		
<b>Authorized Representative:</b>		
Prefix:	<input type="text"/>	* First Name: <input type="text"/>
Middle Name:	<input type="text"/>	
* Last Name:	<input type="text"/>	
Suffix:	<input type="text"/>	
* Title:	<input type="text"/>	
* Telephone Number:	<input type="text"/>	Fax Number: <input type="text"/>
* Email:	<input type="text"/>	
* Signature of Authorized Representative:	<input type="text"/>	* Date Signed: <input type="text"/>

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Standard Form 424 (Revised 10/2005)  
 Prescribed by OMB Circular A-102

**Appendix A – VITA Grant Application Forms (continued)**  
**Exhibit 1 – Standard Form 424, Application for Federal Assistance**

OMB Number: 4040-0004  
Expiration Date: 01/31/2009

**Application for Federal Assistance SF-424**

**Version 02**

**\* Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.



# Appendix A – VITA Grant Application Forms (continued)

## Exhibit 1 – Standard Form 424, Application for Federal Assistance

	<p><b>e. Organizational Unit:</b> Enter the name of the primary organizational unit, department or division that will undertake the assistance activity.</p>	21.	<p><b>Authorized Representative:</b> To be signed and dated by the authorized representative of the applicant organization. Enter the first and last name (Required); prefix, middle name, suffix. Enter title, telephone number, email (Required); and fax number. A copy of the governing body's authorization for you to sign this application as the official representative must be on file in the applicant's office. (Certain federal agencies may require that this authorization be submitted as part of the application.)</p>		
	<p><b>f. Name and contact information of person to be contacted on matters involving this application:</b> Enter the first and last name (Required); prefix, middle name, suffix, title. Enter organizational affiliation if affiliated with an organization other than that in 7.a. Telephone number and email (Required); fax number.</p>				
9.	<p>Type of Applicant: (Required) Select up to three applicant type(s) in accordance with agency instructions.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <li>A. State Government</li> <li>B. County Government</li> <li>C. City or Township Government</li> <li>D. Special District Government</li> <li>E. Regional Organization</li> <li>F. U.S. Territory or Possession</li> <li>G. Independent School District</li> <li>H. Public/State Controlled Institution of Higher Education</li> <li>I. Indian/Native American Tribal Government (Federally Recognized)</li> <li>J. Indian/Native American Tribal Government (Other than Federally Recognized)</li> <li>K. Indian/Native American Tribally Designated Organization</li> <li>L. Public/Indian Housing Authority</li> </ul> </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <li>M. Nonprofit</li> <li>N. Private Institution of Higher Education</li> <li>O. Individual</li> <li>P. For-Profit Organization (Other than Small Business)</li> <li>Q. Small Business</li> <li>R. Hispanic-serving Institution</li> <li>S. Historically Black Colleges and Universities (HBCUs)</li> <li>T. Tribally Controlled Colleges and Universities (TCCUs)</li> <li>U. Alaska Native and Native Hawaiian Serving Institutions</li> <li>V. Non-US Entity</li> <li>W. Other (specify)</li> </ul> </td> </tr> </table>	<ul style="list-style-type: none"> <li>A. State Government</li> <li>B. County Government</li> <li>C. City or Township Government</li> <li>D. Special District Government</li> <li>E. Regional Organization</li> <li>F. U.S. Territory or Possession</li> <li>G. Independent School District</li> <li>H. Public/State Controlled Institution of Higher Education</li> <li>I. Indian/Native American Tribal Government (Federally Recognized)</li> <li>J. Indian/Native American Tribal Government (Other than Federally Recognized)</li> <li>K. Indian/Native American Tribally Designated Organization</li> <li>L. Public/Indian Housing Authority</li> </ul>	<ul style="list-style-type: none"> <li>M. Nonprofit</li> <li>N. Private Institution of Higher Education</li> <li>O. Individual</li> <li>P. For-Profit Organization (Other than Small Business)</li> <li>Q. Small Business</li> <li>R. Hispanic-serving Institution</li> <li>S. Historically Black Colleges and Universities (HBCUs)</li> <li>T. Tribally Controlled Colleges and Universities (TCCUs)</li> <li>U. Alaska Native and Native Hawaiian Serving Institutions</li> <li>V. Non-US Entity</li> <li>W. Other (specify)</li> </ul>		
<ul style="list-style-type: none"> <li>A. State Government</li> <li>B. County Government</li> <li>C. City or Township Government</li> <li>D. Special District Government</li> <li>E. Regional Organization</li> <li>F. U.S. Territory or Possession</li> <li>G. Independent School District</li> <li>H. Public/State Controlled Institution of Higher Education</li> <li>I. Indian/Native American Tribal Government (Federally Recognized)</li> <li>J. Indian/Native American Tribal Government (Other than Federally Recognized)</li> <li>K. Indian/Native American Tribally Designated Organization</li> <li>L. Public/Indian Housing Authority</li> </ul>	<ul style="list-style-type: none"> <li>M. Nonprofit</li> <li>N. Private Institution of Higher Education</li> <li>O. Individual</li> <li>P. For-Profit Organization (Other than Small Business)</li> <li>Q. Small Business</li> <li>R. Hispanic-serving Institution</li> <li>S. Historically Black Colleges and Universities (HBCUs)</li> <li>T. Tribally Controlled Colleges and Universities (TCCUs)</li> <li>U. Alaska Native and Native Hawaiian Serving Institutions</li> <li>V. Non-US Entity</li> <li>W. Other (specify)</li> </ul>				

**Appendix A – VITA Grant Application Forms**  
**Exhibit 2 – Standard Form 424A, Budget Information – Non-Construction Programs**

**BUDGET INFORMATION - Non-Construction Programs**

OMB Approval No. 0348-0044

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		Total (g)	
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)		
1.		\$	\$	\$	\$	\$	
2.							
3.							
4.							
5. Totals		\$	\$	\$	\$	\$	
<b>SECTION B - BUDGET CATEGORIES</b>							
6. Object Class Categories		GRANT PROGRAM, FUNCTION OR ACTIVITY					Total (g)
		(1)	(2)	(3)			
a. Personnel		\$	\$	\$	\$	\$	
b. Fringe Benefits							
c. Travel							
d. Equipment							
e. Supplies							
f. Contractual							
g. Construction							
h. Other							
i. Total Direct Charges (sum of 6a-6h)							
j. Indirect Charges							
k. TOTALS (sum of 6i and 6j)		\$	\$	\$	\$	\$	
<b>SECTION C - BUDGET CATEGORIES</b>							
7. Program Income		\$	\$	\$	\$	\$	

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Standard Form 424A (Rev. 7-97)  
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**Appendix A – VITA Grant Application Forms (continued)**  
**Exhibit 2 – Standard Form 424A, Budget Information – Non-Construction Programs**

<b>SECTION C - NON-FEDERAL RESOURCES</b>						
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS		
8.	\$	\$	\$	\$		\$
9.						
10.						
11.						
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$		\$
<b>SECTION D - FORECASTED CASH NEEDS</b>						
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	
	\$	\$	\$	\$	\$	\$
13. Federal		\$	\$	\$	\$	\$
14. Non-Federal						
15. TOTAL (sum of lines 13 and 14)	\$	\$	\$	\$	\$	\$
<b>SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT</b>						
(a) Grant Program	FUTURE FUNDING PERIODS (Years)					
	(b) First	(c) Second	(d) Third	(e) Fourth		
16.	\$	\$	\$	\$	\$	\$
17.						
18.						
19.						
20. TOTAL (sum of lines 16-19)	\$	\$	\$	\$	\$	\$
<b>SECTION F - OTHER BUDGET INFORMATION</b>						
21. Direct Charges:	22. Indirect Charges:					
23. Remarks:						

# Appendix A – VITA Grant Application Forms (continued)

## Exhibit 2 – Standard Form 424A, Budget Information – Non-Construction Programs

### INSTRUCTIONS FOR THE SF-424A

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0044), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

#### General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

#### Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a *single* Federal grant program (Federal Domestic Assistance Catalog number) and *not requiring* a functional or activity breakdown, enter on Line 1 under Column (a) the Catalog program title and the Catalog number in Column (b).

For applications pertaining to a *single* program *requiring* budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in *Column* (a) and the respective Catalog number on each line in Column (b).

For applications pertaining to *multiple* programs where one or more programs *require* a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

#### Lines 1-4, Columns (c) through (g)

For *new applications*, leave Column (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For *continuing grant program applications*, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For *supplemental grants and changes* to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

**Line 5** - Show the totals for all columns used.

#### Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

**Line 6a-i** - Show the totals of Lines 6a to 6h in each column.

**Line 6j** - Show the amount of indirect cost.

**Line 6k** - Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

**Line 7** - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount, Show under the program

# Appendix A – VITA Grant Application Forms (continued)

## Exhibit 2 – Standard Form 424A, Budget Information – Non-Construction Programs

### INSTRUCTIONS FOR THE SF-424A (continued)

narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

#### Section C. Non-Federal Resources

**Lines 8-11** Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

**Column (a)** - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

**Column (b)** - Enter the contribution to be made by the applicant.

**Column (c)** - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

**Column (d)** - Enter the amount of cash and in-kind contributions to be made from all other sources.

**Column (e)** - Enter totals of Columns (b), (c), and (d).

**Line 12** - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

#### Section D. Forecasted Cash Needs

**Line 13** - Enter the amount of cash needed by quarter from the grantor agency during the first year.

**Line 14** - Enter the amount of cash from all other sources needed by quarter during the first year.

**Line 15** - Enter the totals of amounts on Lines 13 and 14.

#### Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

**Lines 16-19** - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

**Line 20** - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

#### Section F. Other Budget Information

**Line 21** - Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

**Line 22** - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

**Line 23** - Provide any other explanations or comments deemed necessary.

# Appendix A – VITA Grant Application Forms (continued)

## Exhibit 3 – Standard Form 424B, Assurances – Non-Construction Programs

OMB Approval No. 0348-0040

### ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

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Standard Form 424B (Rev. 7-97)  
Prescribed by OMB Circular A-102

## Appendix A – VITA Grant Application Forms (continued)

### Exhibit 3 – Standard Form 424B, Assurances – Non-Construction Programs

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
APPLICANT ORGANIZATION	DATE SUBMITTED

# Appendix A – VITA Grant Application Forms (continued)

## Exhibit 4 - Standard Form LLL, Disclosure Form to Report Lobbying

### DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352  
(See reverse for public burden disclosure.)

Approved by OMB  
0348-0046

<b>1. Type of Federal Action:</b> <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	<b>2. Status of Federal Action:</b> <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	<b>3. Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change <b>For Material Change Only:</b> year _____ quarter _____ date of last report _____
<b>4. Name and Address of Reporting Entity:</b> <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known:  <b>Congressional District, if known:</b> <sup>4c</sup>		<b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b>  <b>Congressional District, if known:</b>
<b>6. Federal Department/Agency:</b>	<b>7. Federal Program Name/Description:</b>  CFDA Number, if applicable: _____	
<b>8. Federal Action Number, if known:</b>	<b>9. Award Amount, if known:</b> \$	
<b>10. a. Name and Address of Lobbying Registrant</b> <i>(if individual, last name, first name, MI):</i>	<b>b. Individuals Performing Services</b> <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
<b>11.</b> Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
<b>Federal Use Only:</b>		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

# Appendix A – VITA Grant Application Forms (continued)

## Exhibit 4 - Standard Form LLL, Disclosure Form to Report Lobbying

### INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

**Appendix B – Additional Aids in Applying for a Grant**  
**Exhibit 1 – Common Allowable/Unallowable Expenses**

Allowable Expenses	Unallowable Expenses
Computers and printers including related supplies such as printer cartridges, cable locks, memory, network cards, and external media for backup of data	Salary payments to return preparers, screeners, and reviewers with Federal funds. Non-federal funds may be used to pay these costs and can be used as match.
Encryption software	Purchase, construction, repair, or rehabilitation of any building or any portion thereof
Internet Connectivity	Costs that do not support or benefit the program, or are unnecessary in carrying out the program
Audit services when required by A-133	Entertainment costs as described in 2 CFR 220 J.17 and 2 CFR 230, Attachment B § 14
Costs associated with space utilized for tax preparation-rent, utilities, insurance, custodial service	Certain advertising and public relations costs, as described in 2 CFR 220 J.1.f and 2 CFR 230, Attachment B, § 1
Reasonable salary costs for VITA program – clerical support, program or site coordinator, and/or tax law instructor	Costs of goods or services for personal use of the program employees, as described in 2 CFR 220 J.22 and 2 CFR 230, Attachment B, § 19
Publicity related to the VITA program	Tax preparation software; IRS already purchases and provides tax preparation software for your use
Office supplies	Costs or expenses incurred outside the performance period of the award (July 1 - June 30).
Miscellaneous services such as, computer repair or courier for delivering required documents and reports to IRS	Costs associated with the preparation of the VITA Grant application package
Installation of phone lines necessary to provide electronic transmission of returns and to schedule appointments for tax preparation	Any costs for hotel accommodations over the Federal government per diem rate when attending program related meetings and/or conferences
Volunteer travel reimbursement costs to and from the site location	Costs associated with refund anticipation loans
Training costs related to tax return preparation and VITA site operations	Costs associated with IRS Tax Forums or other seminars
Costs for interpreter services	Child care

## **Appendix B – Additional Aids in Applying for a Grant (continued)**

### **Exhibit 2 - Portable Document Format (PDF) Conversion Programs**

The following downloadable programs allow users to read and transmit Portable Document Format files used in certain grant-making agencies' application process.

PDF generator software is available to help you save your documents as PDFs. There are several programs for both PCs and Macs, along with websites that can perform the conversion for you.

Please note that when naming your file, do not use special characters or spaces in the file names. Such files are unrecognizable as PDFs to some systems. The list below contains some of the PDF generators available, many of which are free or very inexpensive. IRS does not endorse any particular software. Consult the vendor websites for more information. The websites below are listed alphabetically.

Adobe

<http://www.adobe.com/products/acrobatstd/main.html>

Print driver that will work with any application. (For PC or Mac)

BLC Technologies

<http://www.gohtm.com>

Web-based converter. Vendor emails PDF back to you. (For PC or Mac)

Create Adobe PDF Online

<https://createpdf.adobe.com/index.pl/>

Web-based converter. Vendor emails PDF back to you. (For PC or Mac)

CutePDF

<http://www.cutepdf.com>

Print driver that will work with any application. (For PC)

Go2PDF

<http://www.go2pdf.com>

Print driver that will work with any application. (For PC)

Pdf995

<http://site4.pdf995.com>

Print driver that will work with any application. (For PC)

PDFcreator

<http://docupub.com>

Web-based converter. View PDF or emails PDF to you. (For PC or Mac)

Win2PDF

<http://www.win2pdf.com/>

Print driver that will work with any application. (For PC)

Zeon Corporation

<http://www.pdfwizard.com/>

Print driver that will work with any application. (For PC)

## Glossary/Definitions of Terms

**Ad Hoc Site** – A site that operates in conjunction with a fixed site to provide service in underserved communities on a limited basis. This term is most commonly referred to when determining whether a separate software license is required.

**Alternative VITA/TCE Site Operating Model** – A model that delivers services using two locations for return preparation; one for intake of information and one for preparation of the return. Preparation is done through communication with the taxpayer after the intake site confirms the taxpayer’s identity. Specific requirements must be met in order to utilize this model. Contact the local territory for more information about this model.

**Alternative Rural Site** – Utilizes the protocols established under the alternative VITA/TCE site operating procedures.

**Cash Contributions** – This is the recipient’s cash contribution, including the outlay of money contributed to the recipients by third parties.

**Clerical Support** – These people perform clerical activities at both the program coordination level and site level. Clerical support might include such activities as scheduling appointments, copying materials for volunteers, maintaining volunteer information and timekeeping records.

**Coalition** – A collaboration of community organizations that have a common interest or shared commitment to the overall goal of helping low-income families.

**Cognizant Agency** – The federal agency that provides the greatest funding to an organization or entity. If the Internal Revenue Service is the only federal agency providing funding, then the Service is deemed to be the cognizant agency by default.

**Collaboration** – To cooperate and work jointly with other agencies that you normally are not connected to.

**Cultural Competency** – Having an awareness and knowledge of cultures’ beliefs in a manner that leads to being more responsive to their needs.

**Designated Quality Review** – This is the preferred quality return review method. It employs a certified volunteer performing a review of the returns prepared at a site to ensure accuracy and completeness. The Designated Quality Reviewer should be one of the most experienced persons at the site and should have the following skills:

1. In-depth knowledge and understanding of tax law, as well as e-file software (if applicable).
2. Properly trained and certified at the Advanced Level or the maximum level for preparing returns at the site.
3. Ability to explain tax law and how it applies to the taxpayer.
4. Tact in dealing with taxpayers and volunteers when errors are identified.

**EFIN** – The Electronic Filing Identification Number is an identification number assigned by the Internal Revenue Service to an electronic return originator. Form 8633 must be filed to receive the number. The number is required for all e-file sites not using on-line filing. The same number is used as long as the site is in operation.

**Elderly** - An elderly individual is an individual age 60 or over at the close of the individual’s taxable year with respect to which tax return preparation assistance is provided.

**Financial Coordinator** – This is the individual that disburses funds, performs record keeping, interacts with the Payment Management System and is responsible for ensuring funds are only spent on authorized items and that documentation of matching and partner expenses are maintained.

**Fixed Site** – A site in a single physical location providing volunteer tax preparation.

## Glossary/Definitions of Terms (continued)

**Generally Accepted Accounting Principles (GAAP)** – Are accounting rules used to prepare, present, and report financial statements for a wide variety of entities, including publicly-traded and privately-held companies, non-profit organizations and governments.

**Grant Recipient** – Designates those organizations applying for a VITA grant that were awarded monies to support the VITA return preparation program.

**Information Technology Support** – This individual provides support of technology used at the sites. Activities will include such actions as loading software, monitoring for new updates and installing updates, resolving problems with equipment, connectivity, and could include establishing and maintaining user profiles and permissions for access.

**Infrastructure** – An underlying base or foundation especially for an organization or system.

**Low Income** – For purposes of the VITA Program, low income means adjusted gross income at or below the maximum Earned Income Tax Credit income limit.

**Matching** – This is the portion of program costs not borne by the federal government.

**Matching Funds** – Funds that applicants must provide on a dollar-for-dollar basis for all grant funds received.

**Matching Grant Program** – A program or project that requires recipients to provide non-federal funds in order to obtain federal financial assistance. The VITA Grant is a matching grant program that requires a recipient provide funds on a dollar-for-dollar basis.

**Metropolitan County** – County that contains at least one core urban area with a population of 50,000 or more.

**Non-Urban** – Non-urban is a city, town, or unincorporated area that has a population of 50,000 inhabitants or less. Non-urban may also be referred to as rural.

**Peer Review** – This refers to a type of quality return review involving the exchange and review of returns with fellow return preparers to ensure accuracy and completeness. This review method is often used at smaller sites where workload and volunteer services do not allow for a person to review all returns.

**Program Coordinator** - This refers to the individual that coordinates the VITA Grant and/or VITA Program for this applicant.

**Project Period** – This refers to the period covered by the grant. For the VITA grant, the project period is July 1, 2011 through June 30, 2012.

**Quality Control Process** – The procedures and processes in place to measure the quality of your VITA site operations and the accuracy rate of returns prepared.

**Quality Reviewer** – A person, other than the individual that assisted in the preparation of the return, who checks a tax return to ensure its accuracy and completeness.

**Quality Site Requirements** – Ten practices identified by the IRS that must be implemented at the site to ensure taxpayers visiting volunteer sites receive quality service and accurate returns.

**Rural** – This term is used interchangeably with non-urban. A designated rural area is defined as a non-metropolitan county. A metropolitan county must contain at least one core urban area with a population of 50,000 or more. The population may live in one county or several connecting counties and is socio-economically connected to an urban core city (typically by employment, shopping, or other major services) is considered metropolitan.

**SIDN** – The Site Identification Number is a number assigned to each volunteer site for identification purposes by the IRS. This number must be recorded on all returns in order to obtain credit for return preparation.

## Glossary/Definitions of Terms (continued)

**Site** – A location established to provide free tax preparation and assistance with return filing.

**Site (*Established*)** – A volunteer tax preparation site that was operational during the most recent filing season.

**Site (*Proposed*)** – A new volunteer tax preparation site location that you plan to have operational for the upcoming filing season.

**Site Coordinator** – The person responsible for program coordination and various administrative duties associated with managing a site.

**Stakeholder Partnerships, Education and Communication** – SPEC is the outreach and education division of Internal Revenue Services' Wage and Investment Division. SPEC administers the VITA/TCE Programs.

**Sustainability and Growth Strategy** – Plan for program expansion, continued funding, volunteer retention, partner collaboration and support.

**Tax Law Instructor** – This refers to the individual that provides instruction to the volunteers in tax law.

**Third Party In-Kind Contributions** – This refers to the value of non-cash contributions provided by non-federal third parties. Third party in-kind contributions may be in the form of equipment, supplies and value of goods and services directly benefiting and specifically identifiable to the VITA Program.

**Underserved** – This term encompasses *low income* taxpayers that may also be limited English proficient, elderly, disabled, Native American, live in rural or urban areas, or other hard to reach areas.

**VITA** – Volunteer Income Tax Assistance is one of the volunteer return preparation programs operated in conjunction with the IRS. The VITA program provides free income tax preparation for taxpayers who have low incomes, limited English proficient, persons with disabilities and the elderly.

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