

APPLICATION INSTRUCTIONS

2017 NATIONAL CRIMINAL HISTORY IMPROVEMENT
PROGRAM (NCHIP) FUNDS

Division of Criminal Justice
Office of Adult and Juvenile Justice Assistance (OAJJA)
December 2016

PLEASE READ THE INSTRUCTIONS THOROUGHLY BEFORE YOU BEGIN, AND WHILE YOU ARE WRITING YOUR PROPOSAL.

GENERAL INFORMATION

Application Materials: Materials are available at: <http://dcj.oajja.state.co.us/home/current-funding-announcements>

Questions: kristy.wilson@state.co.us or 303-239-4567.

Application Format:

- Narrative sections of the application must be typed, single-sided, single spaced, with font size no smaller than 10 point.
- You must stay within the specified page limits indicated for each numbered item.
- Number all pages.
- Send an electronic copy of the application to kristy.wilson@state.co.us
- Submit one copy of your most recent audit report or financial review with the application packet.

Reasons for Disqualification:

- Sections missing from the application
- Late submission, electronic or faxed application
- Application does not meet the purposes of the NCHIP program.

Submission Details: Submit your complete application by email to: kristy.wilson@state.co.us no later than **Friday, February 17, 2017 by 3 PM.**

All material submitted becomes the property of the State of Colorado and is subject to the terms of the Colorado Revised Statutes 24-72-201 through 24-72-206: Public (open) records.

TIMELINE

Announcement of Availability of Funds posted to the DCJ/OAJJA web site <http://dcj.oajja.state.co.us/grant-programs/nchip>by January 3, 2017

APPLICATION SUBMISSION DEADLINE.....Friday, February 17, 2017 at 3 PM

Proposal Review and Selection.....by March 27, 2017

Applicants Notified of Decision TBD by federal grant

Statement of Grant Awards Forwarded to Recipients.....TBD by federal grant start date

ISSUING OFFICE

The National Criminal History Improvement Program (NCHIP) Grant funds may be issued for the State of Colorado by the Colorado Department of Public Safety, Division of Criminal Justice (DCJ) on a competitive basis. These federal funds are made available through the Office of Justice Programs,

Bureau of Justice Statistics (BJS). Appropriations for the NCHIP program have been made pursuant to the Crime Identification Technology Act of 1998 and the procedures for applying for NCHIP grants generally reflect the provisions of that Act. DCJ is the sole point of contact concerning these funds and all communications must be made through the Division of Criminal Justice.

ELIGIBILITY

Applicants for these funds must be member agencies of the CICJIS Board and working group or designated by the CICJIS Board as critical to Colorado's criminal history improvement efforts.

AWARD PERIOD

Projects are awarded for 12 months, October 1, 2017- September 30, 2018. A delay in the start date may occur if the award to the state by BJS is delayed.

AMOUNT AVAILABLE

NCHIP is a competitive federal grant program. Based on the historical level of funding Colorado has received in the past few years, the total grant request from eligible agencies should be between \$250,000 and \$300,000. The actual amount the state receives for FY 2017 may differ and applicants will be notified of any difference (increase or decrease) to their request based on the actual amount of funds the state receives.

MATCH REQUIREMENT

All sub-applicants are required to provide 12.5% matching funds. To determine the required match, multiply the federal amount requested in the application by 12.5%. Applicants must identify the source of the match funding and how the funds will be used. Resources designed to meet project goals will be allowable in support of the match requirement.

PURPOSE OF THE FUNDS

The NCHIP grant program aims to improve the nation's safety and security by enhancing the quality, completeness, and accessibility of criminal history record information and by ensuring the nationwide implementation of criminal justice and noncriminal justice background check systems. Achieving this goal is contingent on accomplishing four objectives:

- Providing direct financial and technical assistance to states and tribes to improve their criminal records systems and other related systems in an effort to support background checks
- Ensuring the infrastructure is developed to connect criminal history records systems to the state record repository or appropriate federal agency record system and ensuring records are accessible through the Federal Bureau of Investigation's (FBI) records systems
- Providing the training and technical assistance needed to ensure that records systems are developed and managed to conform to FBI standards, and appropriate technologies, while ensuring that contributing agencies adhere to the highest standards of practice with respect to privacy and confidentiality
- Using systematic evaluation and standardized performance measurement and statistics to assess progress made in improving national records holdings and background check systems

PRIORITY AREAS FOR GRANT FUNDING

DCJ will accept applications that (1) propose projects that specifically and directly address one or more of the priority areas identified below, and (2) to the maximum extent possible, propose to match or leverage the NCHIP award with other resources.

1. Updating and automating case outcomes from courts and prosecutors in state records and the FBI's Criminal History File.

Allowable costs may include activities such as—

- a. Implementing or upgrading record systems that facilitate immediate identification of disposition records, provided the records are accessible for criminal history inquiries at the state and national level
- b. Implementing improved criminal history record capture procedures, including complete arrest reporting and researching missing dispositions, provided that the captured data are subsequently included in relevant state and federal files
- c. Ensuring that criminal history record information is shared with investigative service providers (ISPs) for national security and other purposes pursuant to Title 5 U.S.C. Sec. 9101
- d. Ensuring that records of all criminal events starting with an arrest or indictment are included in background check files, perhaps through data analysis focused on the completeness of criminal history records
- e. Automating the interface between the record repository and prosecutors, courts, and corrections, including the development of relevant information exchange package documentation based on the National Information Exchange Model (NIEM)
- f. Capturing data on domestic violence misdemeanor convictions
- g. Capturing data on persons convicted of abuse of children, the elderly, and the disabled or stalking and domestic violence offenses (including protection orders and violations thereof)
- h. Submitting disposition information to the FBI via the III Message Key (MKE), Machine Readable Data (MRD) process, or other methods of transmission accepted by the FBI
- i. Reducing any backlog of missing court dispositions, provided the dispositions are accessible for criminal history inquiries at the state and national level
- j. Implementing the standardized RAP sheet format, which relies on NIEM, and assisting states in converting criminal history records to the standard interstate RAP sheet format or developing electronic interchange capabilities related thereto
- k. Converting manual or other nonautomated records to electronic records
- l. Establishing more effective accuracy and information quality controls
- m. Converting juvenile records to the adult system (federal regulations allow the FBI to accept juvenile records if submitted by the state or local arresting agency)

n. Upgrading equipment to directly improve availability of data where appropriate, given the level of data completeness and participation in national records systems **(the ongoing and/or maintenance costs associated with any such equipment are allowable only for the first 12-month period)**

o. Purchasing Livescan equipment for local agencies where the funds can be justified on the basis of geographic, population, traffic, or other related factors, and only when the jurisdiction has established an AFIS and either has implemented or is implementing procedures to ensure that the AFIS is compatible with FBI Next Generation Identification (NGI) standards **(the ongoing and/or maintenance costs associated with any such equipment are allowable only for the first 12-month period)**

p. Ensuring compatibility with federal record systems, such as III, and implementing integrated system strategies that interface all components of the criminal justice system, including law enforcement, prosecutors, courts, and corrections, to the extent that such expenditures improve the availability of criminal record data, and provided that any systems funded are compatible with FBI standards for national data systems, such as NIBRS, NCIC, NICS, and NGI (formerly IAFIS). However, NCHIP funds may not be used to support studies, analysis, design, or development of integrated systems strategies. Funds should not be used to primarily improve law enforcement investigative capabilities associated with NGI participation (e.g. latent workstation, palm prints).

2. Automating access to information concerning persons prohibited from possessing or receiving a firearm and transmitting relevant records to III, NCIC, and the NICS Index, including persons who have been adjudicated as a mental defective or have been committed to a mental institution; are unlawful users of, or addicted to, any controlled substance; are the subject of protection or restraining orders; or have been convicted of a misdemeanor crime of domestic violence.

Allowable costs may include activities such as—

a. Identifying and developing access to data on persons prohibited from firearm purchases under the Gun Control Act (18 U.S.C. Section 922), as amended by the Brady Act

b. Participating in the FBI's Identification for Firearms Sales (IFFS) program, which is a system for flagging III records for the immediate and accurate identification of convicted felons

c. Enabling the state to serve as a Point of Contact (POC) under the NICS system (including costs of equipment, software, personnel training, and development and implementation of related operating and administrative procedures). However, funds may not be used to cover ongoing costs of presale firearm background checks, but may be used to pay costs associated with capturing dispositions in response to a specific NICS inquiry, provided that the captured data are entered into the automated state and FBI systems, thus serving to upgrade the permanent quality of the records systems

d. Instituting programming or operational changes in records management necessary to comply with the requirements for NICS record-keeping and reporting the status of transactions

e. Establishing electronic interfaces or information exchanges between criminal history records, sex offender registry, and civil protection order files to ensure that, consistent with state law, a complete data review is possible in connection with background checks for child care or other authorized purposes. Funds may be used to develop software to establish protocols to permit interfaces between the criminal history record system, the state sex offender registry, and related protection order files, including files of civil protection orders.

3. Full participation in the III and National Fingerprint File (NFF), including adoption and implementation of the National Crime Prevention and Privacy Compact.

Allowable costs may include activities such as—

- a. Paying reasonable costs associated with the adoption and implementation of the National Crime Prevention and Privacy Compact, including those associated with state review and enactment of the Compact, and the development and implementation of procedures (including purchase of equipment and development of software) necessary to facilitate operations pursuant to Compact protocols, including those relating to participation in the FBI's (NFF)
- b. Automating criminal record databases
- c. Synchronizing records between the state and the FBI
- d. Developing software and hardware necessary to enable electronic access to state records on an intrastate or interstate basis.

BUDGET CONSIDERATIONS

Supplanting: These funds cannot be used to supplant (replace) dollars that would, in the absence of these federal funds, be made available for the proposed project; however, they may enhance or expand an existing program funded from other sources. If the request is to sustain a program that has lost previous funding through no fault of its own, the loss must be clearly documented.

Project Income: Any project that intends to earn project income during the grant year must estimate the amount of this income and the sources. Project Income includes such things as registration fees that are generated by services or activities provided through the grant. Project Income must be used for purposes that further the grant project. This income and expenditures from it must be reported quarterly by awarded projects.

REPORTING REQUIREMENTS

The Division of Criminal Justice (DCJ) requires quarterly and final narrative and financial reports that document the project's progress towards meeting its goals and objectives, and its expenditures under the approved budget. DCJ maintains the right to withhold payments if reporting requirements are not met in a timely manner.

In addition to the quarterly and final narrative and financial reporting, all projects must provide quantitative measures to assess or describe the impact this project will have on the quality, completeness, and availability of records at the national level. In the application, applicants must include the corresponding NCHIP Performance Measures (below) upon which the proposed project will impact.

MANDATORY DATA TO BE COLLECTED (select those appropriate to your proposed project):

- Number of criminal history records, manual and automated, in the state's or tribe's criminal history file.
- Number of fully automated records (records for which the master name index and entire criminal history are automated) in the state's or tribe's criminal history database.
- Number of records available through the III system (including arrests and case outcomes).
- Number of arrests reported to the repository by mail, fax, electronic, and other means of submission; of these, the number communicated by automated interface.
- Number of court dispositions reported to the repository by mail, fax, electronic, and other means of submission.

- Number of applications for firearm transfers.
- Number of applications for firearm transfers rejected for the presence of a prior felony conviction or other ineligibility factors.
- Number of 10-print records submitted to the FBI's NGI.
- Number of records submitted to the FBI's POF.

APPLICATION REVIEW

Applications will be reviewed internally by Division of Criminal Justice staff to determine eligibility of applicants. The content of the application, use of funds, etc. will be further reviewed by CICJIS Task Force which will serve as DCJ's subject matter expert for the application process. There may also be an additional review by subject matter experts if necessary.

REJECTION OF PROPOSALS

The Division of Criminal Justice reserves the right to reject any and all applications, to waive informalities and minor irregularities in the applications received and to accept any portion of the application for funding if deemed to be in the interest of the State of Colorado and the program to do so. The Division of Criminal Justice reserves the option of holding for further consideration those applications with merit that were not funded. Any further consideration is dependent upon the availability of funds.

APPLICATION SPECIFICS

SECTION I - APPLICANT INFORMATION

PROJECT TITLE: Enter a brief descriptive title of the project. Use a short, but meaningful title for your project.

APPLICANT AGENCY: This is normally the implementing agency for the project as well as the agency that is fiscally responsible for the funds received from DCJ.

TYPE OF GOVERNMENT: Self-explanatory. Check only one

FEDERAL EMPLOYER ID NUMBER: The Federal Employer ID Number (EIN or TIN) is a nine-digit number used by the finance department to report to the IRS.

DUN & BRADSTREET DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER: A unique number that identifies an organization and helps track the distribution of grant money at the federal level. These are required as part of the implementation of the Federal Funding Accountability and Transparency Act of 2006 (Transparency Act) that went into effect January 1, 2009.

PROJECT DURATION: Awards will be made on an annual basis, for twelve-month periods, generally being October 1, 2017 through September 30, 2018.

TOTAL GRANT REQUEST: Show the amount of funding requested in this application.

PROJECT ABSTRACT: The abstract is an important part of the application. When read separately from the rest of the application, the abstract should serve as a succinct and accurate description of the proposed work. Applicants should concisely describe project goals and objectives, project plans, and methods for achieving the goals. Once an award has been granted, the abstract is computerized and serves as a summary available to all interested parties for the duration of the grant. It also becomes a part of the statement of work in the grant agreement.

SECTION II - PROJECT DESCRIPTION

1. **PROBLEM STATEMENT:** Clearly describe the problem to be addressed. Must address a problem that fits within the state's identified priorities and use relevant data to explain the nature and extent of the problem. (Limit - one page)
2. **NCHIP PRIORITY AREAS:** Describe the extent to which the project proposes to directly address one or more of the areas below. (Limit - one page)
 - Updating and automating case outcomes from courts and prosecutors in state records and the FBI's Criminal History File.
 - Automating access to information concerning persons prohibited from possessing or receiving a firearm and transmitting relevant records to III, NCIC, and the NICS Index, including persons who have been adjudicated as a mental defective or have been committed to a mental institution; are unlawful users of, or addicted to, any controlled substance; are the subject of protection or restraining orders; or have been convicted of a misdemeanor crime of domestic violence.

- Full participation in the III and National Fingerprint File (NFF), including adoption and implementation of the National Crime Prevention and Privacy Compact.
- Improving the quality, completeness, and accessibility of records at the national level, particularly with regard to the NICS.

3. PROJECT PLAN: Clearly describe how project activities will be implemented and how the proposed activities will result in the projected outcomes. If the activities for which funds are being requested are part of a larger project, clearly define what the larger project is and how the activities for which funding is being requested will fit into the larger plan and if you might request funding in future years to complete the plan. (Limit - one page)

Describe the extent to which proposed grant activities:

- a) Will result in more records being available to systems queried by the NICS, including through federal and state and criminal history records, NCIC, and the NICS Index.
- b) Recognizes the role of the courts in ensuring complete records.
- c) Are reasonable in light of the applicant's current level of system development and statutory framework.
- d) Demonstrates the technical feasibility of the proposed task(s) and details the specific implementation plan to achieve the intended deliverables.

4. GOALS AND OBJECTIVES: Your goal should be a broad statement about what the project expects to achieve - logically linked to the problem identified and proposed activities. Identify the Goals, Objectives and Activities that will be completed utilizing the requested grant funds. Use the format below (repeat if more than one goal and/or more objectives). (Limit - two pages)

GOAL #1:
OBJECTIVE #1:
ACTIVITIES:
DATA TO BE PROVIDED FOR OBJECTIVE #1:

GOAL #1:
OBJECTIVE #2:
ACTIVITIES:
DATA TO BE PROVIDED FOR OBJECTIVE #2:

GOAL #2:
OBJECTIVE #1:
ACTIVITIES:
DATA TO BE PROVIDED FOR OBJECTIVE #1:

5. **OUTCOMES AND PERFORMANCE MEASURES:** Provide quantitative measures to assess or describe the impact this project will have on the quality, completeness, and availability of records at the national level. Include the corresponding NCHIP Performance Measures (below) upon which your proposed project will impact.

MANDATORY DATA TO BE COLLECTED (select those appropriate to your proposed project):

- Number of criminal history records, manual and automated, in the state's or tribe's criminal history file.
- Number of fully automated records (records for which the master name index and entire criminal history are automated) in the state's or tribe's criminal history database.
- Number of records available through the III system (including arrests and case outcomes).
- Number of arrests reported to the repository by mail, fax, electronic, and other means of submission; of these, the number communicated by automated interface.
- Number of court dispositions reported to the repository by mail, fax, electronic, and other means of submission.
- Number of applications for firearm transfers.
- Number of applications for firearm transfers rejected for the presence of a prior felony conviction or other ineligibility factors.
- Number of 10-print records submitted to the FBI's Next Generation Identification (NGI).
- Number of records submitted to the FBI's Protection Order File (POF).

SECTION III - BUDGET

This section must have a complete budget and budget narrative. The narrative must contain sufficient detail to specifically explain how the budget figures were derived, including the number of items to be purchased and the cost per item, or in the case of training, the cost of the training or speaker fees and the length of the training (in hours or days). See page 3-6 of these instructions regarding allowable costs under the NCHIP program.

All sub-applicants are required to provide 12.5% matching funds. To determine the required match, multiply the federal amount requested in the application by 12.5%. Applicants must identify the source of the match funding and how the funds will be used. Resources designed to meet project goals will be allowable in support of the match requirement.

BUDGET LINE ITEM INSTRUCTIONS: These funds cannot be used to supplant (replace) dollars that would, in the absence of these federal funds, be made available for the proposed project; however, they may enhance or expand an existing program funded from other sources. If the request is to sustain a program that has lost previous funding through no fault of its own, the loss must be clearly documented.

Budget items are detailed, reasonable, specifically defined, justified and applicant demonstrates how those costs were determined. No concerns of supplanting have been identified. Budget must be completed entirely and each item listed should be accompanied by a description, which provides justification for the budget items and details the basis for determining the cost of each item.

- The budget must cover the entire project duration.
- In figuring the budget, work with WHOLE DOLLAR AMOUNTS ONLY. When necessary, round to the next highest whole dollar amount.

- The budget is broken into seven Budget Categories: A. Personnel, B. Fringe, C. Supplies and Operating, D. Travel, E. Equipment, F. Consultant/Professional Services and G. Indirect.

A. PERSONNEL: Enter the annual, full-time salary or base pay for the position x % of time funded under this project= Total

- This budget category should be used when employees are positions within the applicant agency and the implementing agency is a division (under the same unit of government) of the applicant agency.
- If the implementing agency is contracted by the applicant agency (i.e., non-profit organization), these costs should be included in Consultant/Professional Services.
- Questions regarding the difference between a contract employee and a regular employee may be directed to the Internal Revenue Service. Contract employees or independent contractors should be shown under Consultant/Professional Services.

Personnel Budget Narrative and Justification: Explain how the salary and fringe benefit rates for this position were determined. An explanation and justification is required if the budget is not for an entry-level position. If the salary is expected to increase during the project year, indicate the percentage of the increase, the months covered by the increase, and justify it. Be sure that scheduled salary increase has been included in the Salary row, and that the proposed salary is one that is paid for equivalent positions and employee qualifications in your area.

B. FRINGE: Enter the amount of full-time Fringe Benefits for that position x % of time funded under this project= Total

Fringe Budget Narrative and Justification: Explain how the fringe benefit rates for this position were determined.

C. SUPPLIES AND OPERATING: Add expendable or non-durable items within this category by major type [e.g., office supplies, **software (regardless of cost)**, training materials, research forms, telephone, tuition, postage] and show the basis for computation: “X” dollars per month for office supplies, “Y” dollars per person for training tuition, telephone-base charge plus long distance at “Z” dollars per month

Supplies and Operating Narrative and Justification:

- Includes tuition, registration, vehicle gas, leases; explain why costs will be incurred (purpose)
- Out-of-state training costs must be justified in terms of availability of comparable training in state and must be clearly related to the Coverdell goals.
- Large items should be listed separately and justified (e.g., unusual supply items, software, special printing)

NOTE: Tuition and registration fees (even if they include lodging and/or subsistence), vehicle gas, leases, and maintenance on project- or government-owned vehicles are operating expenses not travel. These types of costs must be shown in the Supplies and Operating category.

Items with a unit cost less than \$5,000 are considered supplies and should be listed in this category. Items with a unit cost of \$5,000 or more should be listed under Equipment (see E below). If software is being purchased, regardless of the price, it belongs in the Supplies and Operating category. If custom

development of software is contracted out, it is subject to prior approval by OAJA and should be shown in the Consultant & Professional Services line. All purchases should be made through competitive bid, state or local award, or established purchasing procedures.

D. TRAVEL: Add travel expenses for project personnel by purpose (e.g., to attend training sessions, to transport clients, etc.) and show basis for computation. List airfare, ground transportation, automobile, lodging and meals individually. Indicate if the travel is in state or out-of-state.

- Out-of-state travel must be justified.

Where a jurisdiction has an established travel policy, those rates may be used. Otherwise, state travel rates are the maximum allowed. Allowable State travel rates are:

1. Mileage: \$.48 cents per mile for use of personal vehicle.
2. Lodging: In-state is actual cost of reasonable accommodations. However, lodging costs in excess of \$60.00 must have prior approval of the Project Director. Out-of-state costs should be government rates, and reasonable.
3. Meals: Exceptions to the following rates are available from the DCJ for higher cost areas.

Meal	In-State
Breakfast	11.00
Lunch	12.00
Dinner	23.00
Total per diem	\$46.00
Incidentals	\$5.00

NOTE: Tuition and registration fees (even if they include lodging and/or subsistence), vehicle gas, leases, and maintenance on project- or government-owned vehicles are operating expenses and not travel. These types of costs must be shown in the Supplies and Operating category.

Travel Narrative and Justification: Explain the relationship of each cost item to the project, (e.g., if training or conference travel expenses are requested, explain the topic of the conference and its relationship to the project). Out-of-state travel is discouraged and needs to be thoroughly justified. Prior approval from the DCJ grant manager should be received prior to booking.

E. EQUIPMENT: Enter each item separately, by unit cost. This category should include all items with a unit cost of **\$5,000** or more and useful life of more than one year. Items not meeting these criteria should be included in the Supplies and Operating category. Equipment must be justified as necessary and not available currently.

If the proposed equipment is to be shared with entities outside this project, the cost should be prorated based upon the percentage of use of the equipment by this project.

DCJ must provide prior written approval for the actual purchase of all equipment, separate from approval to fund the project. All equipment must be purchased through competitive bid, state or local award, or established purchasing procedures.

Equipment Narrative and Justification: Explain why the proposed equipment is essential to conducting the project and is not currently available for use within your agency or organization.

F. CONSULTANT & PROFESSIONAL SERVICES: *Application must contain a detailed budget and budget narrative for anything listed under Budget Category F (Contracted, Consultant and Professional Services). List each consultant, contractor, or type of service with proposed fee (by eight-hour day or hourly rate). If the applicant agency is contracting with an outside agency to conduct the day-to-day operations of the project, the total cost should be in Consultant/Professional Services.

Rates (honoraria are not an allowable expense) for individual professional services must be based on an hourly rate (including preparation and travel time), and must have explicit, **separate** prior approval from DCJ. Rates for individual consultants cannot exceed \$650 per day or \$81.25 per hour. Justification is required to establish a "usual" or "going rate" for similar services. Some consultants provide services at a flat rate rather than an hourly rate. If that is the case, identify the service to be provided, including all covered expenses such as travel, and the rate for each "unit" of service. There are other federal regulations that pertain to some professional services/consultant rates. Contact DCJ if you have questions.

Professional services should be procured competitively. **Sole source contracts must be justified** and are always subject to prior written approval from DCJ, separate from approval to fund the project.

Consultant & Professional Services Narrative and Justification: Explain why proposed consultant services cannot or should not be provided by project staff. Explain how the hourly rate or flat rate was determined. For each consulting organization added, indicate the number of people to be assigned to the project, number of hours per person per day to be spent on the project, and a breakdown of the contract price by major cost item (i.e., supplies, rent, equipment, travel, contracted services).

G. INDIRECT COSTS:

Indirect costs are costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project. Examples of costs usually treated as indirect include those incurred for facility operation and maintenance, depreciation, and administrative salaries.

If applicant meets any of the two requirements below, they are eligible to request indirect costs at the approved rate.

- A governmental department or agency unit that receives more than \$35 million in direct Federal funding must submit its indirect cost rate proposal to its cognizant agency for indirect costs for approval.
- Other governmental department or agency (receiving less than \$35 million in direct Federal Funding) must develop an indirect cost proposal in accordance with the requirements of this Part (2 CFR 200) and maintain the proposal and related supporting documentation for audit. These governmental departments or agencies are not required to submit their proposals unless they are specifically requested to do so by the cognizant agency for indirect costs.
- If the applicant has never received a federal negotiated indirect cost rate, and is not required to have a federal negotiated indirect cost rate, they are eligible to request the "**de minimis**" rate which is 10% of the Modified Total Direct Costs (MTDC).

When using this method, cost must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. Also, if this method is chosen then it must be used consistently for all Federal awards.

What is the Modified Total Direct Cost, or MTDC?

- This base includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subawards up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award).
- MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency (OJP).

SECTION IV- FINANCIAL MANAGEMENT

This section is to be completed in cooperation with the designated Financial Officer assigned to this grant. Answer all questions completely and thoroughly.

SECTION V – SIGNATURES

All signatures must be for the individual who meets the criteria described below for the Authorized Official, Project Director, and Financial Officer. “Acting” or temporary assignment personnel acting in an official capacity during the absence of the person are acceptable “for” signatories. Documentation of the temporary authority should be attached as an appendix to this application. Date is the day, month, and year signature was affixed.

THE NAMES AND SIGNATURES MUST BE FOR THREE DIFFERENT INDIVIDUALS. NO ONE PERSON CAN SERVE MORE THAN ONE OF THE FUNCTIONS LISTED BELOW.

A. AUTHORIZED OFFICIAL: ***This must be an individual other than the project director or financial officer.*** Enter the name, title, agency, mailing address, and telephone number of the Authorized Official. This is the individual authorized to enter into binding commitments on behalf of the applicant agency (Item #2, Section I). For local units of government, this will normally be a city manager, mayor, district attorney, and/or the chair of the county commission. At the state level, this individual will be a department or division head.

B. PROJECT DIRECTOR: ***This must be an individual other than the authorized official or financial officer.*** Enter the name, title, agency, mailing address, telephone number, Fax line, and e-mail address, if applicable, of the Project Director. The project director is the individual who will be in direct charge of the project and should be within the organizational structure of the applicant agency. This should be a person who combines knowledge and experience in the project area with ability in administration and supervision of personnel and will be expected to devote a major portion of his/her time to the project. This person will be required to sign all quarterly reports, cash requests, and other grant forms.

C. FINANCIAL OFFICER*: ***This must be an individual other than the project director or authorized official.*** Enter the name, title, agency, mailing address, telephone number, Fax line, and e-mail address, if applicable, of the Financial Officer. The financial officer is the person who will be responsible for fiscal matters relating to the project and in ultimate charge of accounting, management of funds, verification of expenditures, and grant financial reports. ***The Financial Officer must be from the applicant agency.**