

Notice of Funding Opportunity - Volunteer Income Tax Assistance (VITA) Grant

A. Program Description

In December 2007, Congress first appropriated funds to the Internal Revenue Service (IRS) to establish and administer a matching grant program for community volunteer income tax assistance. Each year since, Congress has appropriated annual funding for the program. Funding for this opportunity was appropriated in the Consolidated and Further Continuing Appropriations Act, 2015, P.L. 113-235. This funding allows the Stakeholder Partnerships, Education and Communication (SPEC) organization within the 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.

Additional information concerning this notice of funding opportunity can be found in **IRS Publication 4671, *VITA Grant Program Overview and Application Instructions***, available on irs.gov.

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 (defined by the earned income tax credit (EITC) threshold), persons with disabilities, the elderly, and those having limited English proficiency. Trained VITA volunteers prepare basic **Federal** income 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 the IRS and the creation of the SPEC organization. In 2010, the IRS expanded services using computer kiosks. This offers an alternative for sites with limited volunteer resources by offering assistance to taxpayers who wish to prepare their own returns.

In order to ensure consistent treatment of taxpayers and accurate return preparation, the IRS established certain requirements for participation. Additional information, along with any forms mentioned, can be found in IRS Publication 1084, *IRS Volunteer Site Coordinator's Handbook*. This publication along with any forms covered in the publication can be found at irs.gov.

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

B. Federal Award Information

IRS anticipates awarding a total of \$12 million in grants through this opportunity to between 200 and 225 non-federal entities. Award amounts range from \$5,000 to \$900,000 with a median range of \$42,000. The amount of award is dependent on reach and returns expected to be prepared in the program.

The period of performance for this grant is July 1, 2015 through June 30, 2016. Awards are expected to be awarded to organizations providing services within the United States and Puerto Rico assuming eligible organizations submit applications by the due date and meet the established criteria.

Awards will be given to both new and continuing programs from a prior award period. Continuing programs are awarded for up to three years (including initial year of grant) depending on continued adherence to VITA guidelines and achievement of expected return filing performance. Continuing programs may file an abbreviated application as explained under *Continuation of Multi-Year Award* in IRS Publication 4671.

C. Eligibility Information

1. *Eligible Applicants* – Applicants must already be classified as one of the following.

- A private or public non-profit organizations that qualified for and received an IRS determination letter confirming the organization's tax exemption under section 501 of the Internal Revenue Code of 1986 including but not limited to education institutions, credit unions, or faith based and community organizations,
- A state or local government agency,
- A federally recognized Indian Tribal government, 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.

Note: Organizations that have applied for recognition as tax-exempt but have not received their IRS determination letter confirming the organization as exempt at the time of application are not eligible to apply for this grant. Section 501(c)(4) organizations may apply; however, if awarded a grant, federal law will prohibit your organization from lobbying. If you are a church, a determination letter is required to apply for this grant. If your organization is included as a subordinate in a group exemption ruling, include the official subordinate listing approved by the central organization.

2. *Cost Sharing or Matching* – This grant requires 100% cost sharing or matching of all federal funds awarded. For every federal dollar requested or awarded, the applicant must commit an equal amount. The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,

2 CFR Part 200, 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:

- Are verifiable from the non-Federal entity's records;
- Are not included as contributions for any other Federal award;
- Are necessary and reasonable for accomplishment of project or program objectives;
- Are allowable under 2 CFR Part 200 Subpart E – Cost Principles;
- Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs;
- Are provided for in the approved budget when required by the Federal awarding agency; and
- Conform to other provision of this part, as applicable.

3. *Other* – In addition to 1 and 2 above, the following are part of eligibility consideration.

- Be tax compliant with federal tax obligations – The organization submitting an application must be in compliance at time of application, prior to award, and must remain in compliance throughout the grant period for their federal tax and information reporting requirements. This includes filing all required federal information and tax returns and payment of all federal tax, penalties, and interest.
- Be compliant with other federal obligations - Organizations with federal nontax debt may not be awarded a grant depending on the circumstances surrounding the debt. We may require additional information to make a final decision if you describe a federal nontax debt in your grant application or if the System for Award Management (SAM) reports a federal nontax debt.
- Be eligible to receive federal financial assistance – The organization must not be debarred or suspended from receiving federal financial assistance and must provide certification regarding debarment, suspension, and other responsibility matters as covered in the List of Assurances and Certifications section of the application.
- Be compliant with audit requirements, when applicable – Audit requirements applicable to grant award recipients are described in 2 CFR § 200.501. A non-federal entity that expends \$750,000 in Federal awards (if the entity's fiscal year begins after December 26, 2014) or \$500,000 in Federal awards (if the entity's fiscal year begins prior to December 26, 2014) is required to have a single audit conducted in accordance with 2 CFR § 200.514. Organizations with other than unmodified opinion will be asked the actions taken to correct the identified concern.
- Submit required reports timely – If your organization received a VITA Grant or Tax Counseling for the Elderly grant in prior years, timely submission of required reports is a pre-requisite for consideration of future grant opportunities.

D. Application and Submission Information

1. *Address to Request Application Package* – The application package is available electronically on Grants.gov. Using the Search for Grant Opportunities feature, refine the search to CFDA Number 21.009 or funding opportunity number VITA-2016.

2. *Content and Form of Application Submission*

Detailed instructions for the application and its components are contained in IRS Publication 4671, *VITA Grant Program Overview and Application Instructions*. All applications must be submitted electronically through Grants.gov.

- i. Pre-application and letters of intent are not required or encouraged.
- ii. The Narrative is limited to 55 pages, double spaced, Arial or Calibri font 12. The page limit does not include attachments; however, attachments should not be used to circumvent the narrative page limit.
- iii. The application components for all competitive applicants are:
 - *Application for Federal Assistance, Standard Form 424*
 - *Confirmation of Non-Profit Eligibility*
 - *Narrative (3 sections: Program, civil rights, and financial operations)*
 - *Other attachments, if applicable (as determined by the applicant)*
 - *VITA Grant Workbook or similar to include performance data, site listing, budget detail explanation, matching funds summary chart, and corporate felony conviction information.*
 - *Matching funds supporting documentation*
 - *Budget Information, Standard Form 424A*
 - *Indirect Cost Rate Agreement, if applicable*
 - *Disclosure of Lobbying Activities, Standard Form LLL, if applicable*

The application components for all non-competitive, continuing multi-year applicants are:

- *Application for Federal Assistance, Standard Form 424*
- *Narrative (3 sections possible: Civil rights section required; Program and financial operations sections required if substantive changes to prior submission are proposed)*
- *Other attachments, if applicable (as determined by the applicant)*
- *VITA Grant Workbook or similar to include performance data, site listing, budget detail explanation, matching funds summary chart, and corporate felony conviction information.*
- *Matching funds supporting documentation*
- *Budget Information, Standard Form 424A*
- *Indirect Cost Rate Agreement, if applicable*
- *Disclosure of Lobbying Activities, Standard Form LLL, if applicable*

Note: Applicants must be approved to submit a non-competitive, continuing multi-year application.

- iv. Successful applicants receiving the award will not need to submit any information prior to accepting the award and executing IRS Form 13981, *Grant Agreement*.

3. *Unique Entity Identifier and System for Award Management (SAM)*

Applications must include a DUNS number. DUNS numbers may be obtained for free by calling Dun and Bradstreet at (866) 705-5711 or by applying online at <http://fedgov.dnb.com/webform>. The number is staffed from 7 a.m. to 6 p.m. Central Time. Individuals who are hard of hearing can contact (866) 814-7818.

After obtaining a DUNS number, all applicants must be registered with SAM at <https://www.sam.gov/portal/public/SAM/>. Applicants must continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency. SAM registration must be renewed annually.

The federal awarding agency may not make an award to an applicant until the applicant has complied with all applicable DUNS and SAM requirements. If an applicant has not fully complied with the requirements by the time the federal awarding agency is ready to make an award, the awarding agency may determine that the applicant is not qualified to receive the award and may make the award to another applicant.

4. *Submission Dates and Times –*

i. The application must be successfully submitted to Grants.gov by 11:59 p.m. June 1, 2015, based on the applicant's time zone. Other methods of submission are not accepted.

ii. The applications must be successfully submitted to Grants.gov by the due date/time to be considered for an award.

iii. Failure to successfully submit the application through Grants.gov by the due date/time will result in non-consideration of the application.

iv. Proof of timely submission is automatically recorded by Grants.gov. An electronic time stamp is generated within the system when the application is successfully received by Grants.gov. The applicant will receive an acknowledgement of receipt and a tracking number from Grants.gov with the successful transmission of their application. Applicants should print this receipt and save it as proof of timely submission. When the Internal Revenue Service successfully retrieves the application from Grants.gov, Grants.gov will provide an electronic acknowledgment of receipt to the email address of the AOR. Proof of timely submission shall be the date and time that Grants.gov receives your application.

5. *Intergovernmental Review –* 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 www.whitehouse.gov/omb/grants_spoc to determine if your state is participating. Follow state instructions, if applicable.

6. *Funding Restrictions* –In general, expenses are only allowable if they are reasonable and are costs that would not have been incurred but for the VITA program. IRS Publication 4671 provides additional information by cost category along with an exhibit with the most common allowable and unallowable program expenses.

- Federal funds may not be used to pay for the activities of screening, return preparation or quality review. Non-federal funds may be used to pay these costs and can be used as match.
- Purchases of computers, printers or other technology with a cost of over \$1,000 require prior approval.
- Cost of food and beverages provided for volunteers at VITA sites is allowable as long as the purchase meets all OMB established criteria, is a direct cost, and does not exceed \$500 per applicant. Costs in conjunction with an event considered entertainment or social activity is not allowable.
- Construction costs are not allowable.

7. *Other Submission Requirements* – Applications will only be accepted if submitted electronically through Grants.gov. Instructions for applying for a grant on Grants.gov are found at: <http://www.grants.gov/web/grants/applicants/apply-for-grants.html> to download the grant application package under Step 1, search using **CFDA Number 21.009**. Once the package is downloaded and saved to your computer, it can be completed, submitted, and tracked following the instructions provided at the above URL address.

Applications may be downloaded prior to finishing the Grants.gov registration process; however, they may not be submitted until registration is complete. Grants.gov provides instructions for registering an organization at: <http://www.grants.gov/web/grants/applicants/organization-registration.html> Depending on whether your organization already has a DUNS number or SAM registration, registration could take up to **4 weeks** to complete all steps. **START EARLY.**

Organizations submitting an application must have a DUNS number, an active SAM registration that will not expire prior to successful submission, and active accounts within Grants.gov for the individual submitting and/or authorizing the submission. Applications must ensure they register the individual who is able to make legally binding commitments for the applicant organization as the Authorized Organization Representative (AOR). Approval of the AOR is done by the E-Business Point of Contact (E-Biz POC). When your organization registers with SAM, the assignment of the E-Biz POC is required. A special password is created called the “MPIN” (Marketing Partner Identification Number). This password gives the designated individual the sole authority to designate which staff members are allowed to submit applications electronically through Grants.gov. Organizations should review and confirm the E-Biz POC and contact information in SAM is accurate to prevent delay of Grants.gov application submission.

E. Application Review Information

1. *Criteria* – Competitive applications are reviewed for the following criteria in a technical evaluation. Applications must score 70% (140 points) or more in the technical evaluation to receive an evaluation by the SPEC Grant Program Office (GPO). Non-competitive, continuing multi-year applicants are subjected to a GPO evaluation only.

Technical Evaluation Criteria:

- a. *Experience with Low Income and/or Return Preparation – 40 points*
- b. *Strength of Program – 40 points*
- c. *VITA Target Audience – 40 points*
- d. *Ability to Partner or Collaborate with Multiple Organizations – 20 points*
- e. *Sustainability and Growth Strategy – 10 points*
- f. *Quality Control Process – 40 points*
- g. *Program Measures – 10 points*

2. *Review and Selection Process* – Parts of eligibility screening, technical review and GPO evaluation may occur simultaneously. Technical reviews are conducted by IRS field employees with extensive knowledge of the Volunteer Income Tax Assistance or Tax Counseling for the Elderly programs. Continuing multi-year and competitive applications achieving 70% (140 points) or more are subjected to the GPO evaluation.

GPO Evaluation Criteria:

- a. *Geographic Dispersion of Grants* – Considers applicant’s target audience and plans to provide service. Ensures funds are provided throughout all states, DC and Puerto Rico when eligible applicants are identified. To be eligible, organizations must meet eligibility requirements and score 140 or higher on the technical evaluation.
- b. *Budget Information Review* – Considers budget information including proposed budget, matching funds, appropriateness of funds sought for quantity of returns proposed, reasonableness of expenses, and financial operations.
- c. *Prior Year Grant Performance* – Considers delivery to plan, cooperation with requests for information and submission of required reporting.
- d. *Multi-year Award Requests* – Confirms applicants meet eligibility for multi-year award, when requested. To be eligible, organization must be a prior grant recipient, in good standing, and scored 90% or better during the current technical review.
- e. *Eligibility requirements* – Processing may occur simultaneously so GPO evaluation may occur prior to when final eligibility checks are completed.

Recommendations are made by the GPO through management and final selection of grant recipients are made by the Director, Stakeholder Partnerships, Education and Communication.

3. *Anticipated Announcement and Federal Award Dates* – Continuing multi-year awards are generally announced the last week of August with competitive awards/non-awards announced the first week of October. Organizations that do not meet eligibility requirements may be informed earlier.

F. Federal Award Administration Information

1. *Federal Award Notices* – Successful applicants will receive a letter and grant agreement detailing the amount of funds awarded, match required, whether a single or multi-year award, terms and conditions, and reporting requirements. The package will also include any questions, comments, or concerns noted on the budget or in the program plan, and for competitive applications, feedback from the technical review. Organizations have 20 calendar days to accept the award and provide requested information. Details on the information required to accept the award can be found at the following URLs depending on whether the organization is offered a single year

(<http://www.irs.gov/Individuals/Single-Year-VITA-Grant-Recipient>) or multi-year award

(<http://www.irs.gov/Individuals/Multi-Year-VITA-Grant-Recipient>).

2. *Administrative and National Policy Requirements* – IRS Publication 4671 contains a section on assurances and certifications along with Exhibit 3, *List of Assurances and Certifications*, which were part of the national policy requirements agreed to during the application process. VITA and TCE grant recipients will also find additional information about the grant, reporting, and reviews in IRS Publication 4883, *Grant Programs Resource Guide*. It contains a sample of IRS Form 13981, *Grant Agreement*, covering the administrative and national policy requirements, grant terms and conditions, and reporting requirements. In addition, organizations are required to sign IRS Form 13533, *Partner Sponsor Agreement*, providing assurances that they will operate their VITA program within the program requirements and ensure that each volunteer has agreed to IRS Form 13615, *Volunteer Standards of Conduct Agreement – VITA/TCE Programs*. The forms are included in IRS Publication 4299, *Privacy and Confidentiality – A Public Trust*. All forms and publications are available on IRS.gov.

3. *Reporting* – As stated earlier, IRS Form 13981, *Grant Agreement*, provides the reporting requirements along with the method, and point of submission. Financial reports (Standard Form 425) are to be submitted electronically quarterly through the Payment Management System and within 90 days of project end date. Interim reporting is required periodically to inform IRS of key personnel changes, sub-awards, related party transaction, matching funds documentation, and site establishment. In late April, performance monitoring completed by IRS is shared to ensure agreement with non-federal entity records. Final reporting is due September 30 following the end of the project period and includes both program and financial reporting. Detailed information on the report components, method and point of submission are contained in IRS Publication 4883, *Grant Programs Resource Guide*, available on IRS.gov.

G. Federal Awarding Agency Contacts

Interested applicants should review IRS Publication 4671 or consult the Frequently Asked Questions available on IRS.gov at URL: [http://www.irs.gov/Individuals/Volunteer-Income-Tax-Assistance-\(VITA\)-Grant-Program-FAQs](http://www.irs.gov/Individuals/Volunteer-Income-Tax-Assistance-(VITA)-Grant-Program-FAQs) . For remaining questions, email Grant.Program.Office@irs.gov or call 404.338.7894 (not a toll-free number). Our hours of operation are 8 a.m. to 4:30 p.m. Eastern Time. Email is the preferred method of communication.

H. Other Information

The inside cover of IRS Publication 4671 provides URL and contact information for different aspects of grant management including Grants.gov, System for Award Management, and Dun and Bradstreet along with other IRS aides an applicant may find useful.