



CDBG Proposal

Non-Profit Best Practices

1

Workshop AGENDA



Common RFP Mistakes

Review of Prior Year's RFP

Group Exercise



10 Common CDBG RFP Mistakes

CDBG RFP: Common Mistakes

1. Not following instructions
2. Making assumptions
3. Not rating your own proposal in advance of submission
4. Not fully demonstrating need
5. Not fully explaining program design
6. Not meeting a national objective and/or eligible activity
7. Lack of realistic outputs and objectives
8. Not making a reasonable “ask”
9. Not taking advantage of bonus points
10. Not using all of the space provided

CDBG RFP: Rating Sheet

****PLEASE NOTE:** Individual ratings will be averaged to achieve the activity's FINAL score.

City of St. Louis – Community Development Administration
2016 CDBG Proposal Rating Sheet

Applicant Organization: _____ Proposal Number: _____

Activity Name: _____

Rater Number: _____ TOTAL SCORE: _____

Instructions: Rate each activity based on the following criteria. Please place the total rating/score above.

Priorities: Does the activity meet at least one priority identified in the 2015 – 2019 Consolidated Plan?	1	2	3	4	5	6	7	8	9	10								
	Indirectly meets a Plan priority.			Directly meets a Plan priority.			Directly meets a Plan priority and serves a Plan target area.											
Needs: Does the activity design demonstrate a positive impact on community need?	1	2	3	4	5	6	7	8	9	10	11	12						
	Unclear design, unclear impact.			Design clear, impact on need is marginal.			Design clear with direct and lasting impact on need.											
Outcomes: To what extent are proposed activity outputs and outcomes realistic and measurable?	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
	Outputs and outcomes are ill-defined, or unachievable within time frame.						Outputs and outcomes are stated, but fuzzy, or unrealistic.						Outputs and outcomes are clear, measurable, with evaluation in place.					

CDBG RFP: Rating Sheet (cont.)

Fiscal Logic: Does the activity demonstrate appropriate budget, cost/unit, and cost control?	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
	Proposed budget is far too low or far too high to cover proposed program.						Budget is not clear or well-defined, but appropriate.						Budget clear, well-defined, leverages other funds.						
Collaboration: Does this activity demonstrate agency success in securing other resources or inter-agency cooperation?	1	2	3	4	5	6	7	8	9	10	11								
	Demonstrates little cooperation with other agencies.			Demonstrates cooperation in one area of operation.			Shows cooperation across spectrum of functions and in-kind support.												
Agency Program Qualifications: Does the organization have sufficient staff capacity and have staff members been successful in implementing similar activities?	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
	Low in-house capacity, poor track record, and poor service.			Some experience, erratic service; hit or miss track record.			Experienced in providing service, but hit or miss track record.			High quality service, strong administration, and excellent track record.									
Agency Financial Qualifications: Does the organization have sound financial management systems in place?	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
	Poor financial systems, recent unresolved audit findings.			Adequate financial systems; audit findings resolved.						Excellent financial systems; no audit findings.									
BONUS POINTS Sustainability: Does this activity address the Sustainability Plan or the Sustainability Action Agenda?	1	2	3	4	5														
	Addresses Sustainability Plan and/or Mayor's Action Agenda																		

Not starting the online application process EARLY
in EGrAMS!!



Review of 2016 RFP Sections

CDBG RFP Section Review: CDBG Background and National Objectives

- Read these pages carefully to determine if your proposed activity fits within program guidelines.
 - If proposed activity does not meet a national objective, it can not be funded.

CDBG RFP Section Review: Priorities / Eligible Activities

- One of the most important sections of the RFP
 - Changes annually
- Identifies annual priorities for the City of St. Louis
 - If proposed activity does not fit within an eligible priority/activity, it can not be funded
- There will be changes in 2017 RFP
 - Read carefully!!!

CDBG RFP Section Review: Additional Information

- One of the most important sections of the RFP
 - Changes annually
- Identifies the following
 - Organizations / Departments not required to compete for funding
 - Special initiatives and set asides
- There will be changes in 2017 RFP
 - Review carefully!!!

CDBG RFP Section Review: Instructions

- Read carefully!!!
- Tip: Upon completion of proposal packet, use instruction sheet as a checklist
- Especially important because it identifies conditions that, if not met, will disqualify applicants.
- There will be changes to this page for the 2017 RFP.
- This page provides instructions on submitting questions.
 - Read carefully and follow directions!!!
 - [Questions will only be accepted via CDBG@stlouis-mo.gov](mailto:CDBG@stlouis-mo.gov)

CDBG RFP Section Review: Acknowledgement and Certification

- Read carefully!!!
- Must be signed by an authorized signer for organization
 - Executive Director;
 - Board President; or
 - Other designated person
- There will be changes in 2017

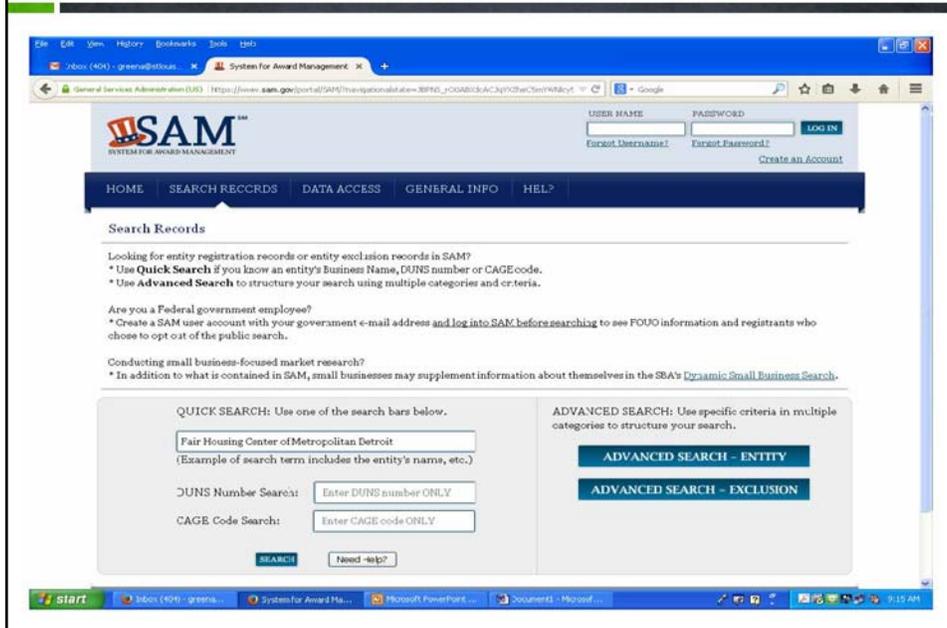
CDBG RFP Section Review: Organization Profile

- Mistake No. 1: DUNS Number and SAM.gov issues not resolved prior to proposal submission
 - Tip: Periodically, during proposal acceptance and review period, search for your organization on SAM.gov through the public domain (do not log on).
 - Verify that your SAM.gov registration is not close to expiring. If it will expire prior to funding announcements, update registration early.
 - Start resolving issues now for the 2017 funding round.

CDBG RFP Section Review: SAM.gov



CDBG RFP Section Review: SAM.gov



CDBG RFP Section Review: SAM.gov

Search Results

Your search results represent the broadest set of records that match your criteria. You may get entity registration records that are still in progress or have been submitted, but not yet activated. Check the record status of each result and use the Search Filters to narrow your results. Of note, some entities have chosen to opt out of public display. Even if they are registered in SAM, you will not see their entity registration records in a public search. You can only see them if you are logged in as a Federal Government user. If you want to perform a new search, be sure to use the Clear Search button to remove your results. If you have a SAM user account and are logged in, you can use the Save Search button to run your current search again at a later time. [Important message regarding exclusion searches.](#)

Current Search Terms: Fair* housing* center* of metropolitan* detroit*

Clear Search

TOTAL RECORDS: 0
Result page 0 of 0

Sort by Modified Date Order by Descending

FILTER RESULTS No records found for current search.

By Record Status

- Active
- Inactive

By Functional Area

- Entity Management
- Performance Information

Apply Filters

Note: Filters are case sensitive

Result page 0 of 0

Save PDF Export Results Print

Glossary
Search Results
Entity
Exclusion
Search Filters
By Record Status
By Functional Area - Entity Management
By Functional Area - Performance Information

CDBG RFP Section Review: SAM.gov

Search Results

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Current Search Terms: Fair* housing* center* of metropolitan* detroit*

Clear Search

TOTAL RECORDS: 1
Result page 1 of 1

Sort by Modified Date Order by Descending

FILTER RESULTS Your search for "Fair* housing* center* of metropolitan* detroit*" returned the following results...

Entity	FAIR HOUSING CENTER OF METROPOLITAN DETROIT	Status: Inactive
DUNS:	16304490	CAGE Code: 38PA3
Has Active Exclusion?:	No	INDAAC:
Expiration Date:	10/14/2013	Delinquent Federal Debt?: No

View Details

Apply Filters

Note: Filters are case sensitive

Result page 1 of 1

Save PDF Export Results Print

Glossary
Search Results
Entity
Exclusion
Search Filters
By Record Status
By Functional Area - Entity Management
By Functional Area - Performance Information

CDBG RFP Section Review: Organization Narratives

- This section's all about demonstrating organizational capacity and can showcase your organization.
 - Can significantly affect the organization's overall rating
 - Agency Program and Financial Qualifications category on rating sheet
- Mistake: Providing too much or not enough detail.
 - Be inclusive and succinct

CDBG RFP Section Review: Organization Narratives (cont.)

- Tips:
 - Your proposed activities should match your organizational purpose and be reasonably related to the types of services currently provided.
 - For example, a day care center that provides educational services to toddlers should not request funding for an offender reentry program without adequately explaining the deviation in purpose and change in type of service.
 - Very important; be persuasive in demonstrating organizational capacity to administer the proposed activity or activities. If you have space, discuss recognitions received and successes.

CDBG RFP Section Review: Organization Narratives (cont.)

- Tips:
 - Applicant should address all required licenses.
Examples:
 - City of St. Louis Business License (**required or must demonstrate exemption**)
 - Day Care License
 - Letter of Recommendation from a previous funder is required for organizations not funded by CDA and Optional for organizations currently funded by CDA

CDBG RFP Section Review: Organization Narratives (cont.)

- Tips:
 - Part 3: Organizations will be required to provide a summary of all existing and proposed staff positions.
 - Common Mistake: Not submitting job descriptions and resumes
 - **Both are required**
 - **If a position is not filled by the submission date a resume is not required, but a job description still is.**
 - Common Mistake: Not including job descriptions and resumes for all staff involved in the administration, management, and/or operation of proposed CDBG activities.
 - **For example, even though CDBG funds may not be used to pay the CFO, the position is involved in managing CDBG activities.**

CDBG RFP Section Review: Organization Narratives (cont.)

- Tips:
- Part 4 – Financial Management:
 - There will be changes in 2017
- In responding to questions, ensure raters will come away with a view of your organization’s financial management system and internal controls that would lend assurance to your ability to properly manage federal funding
 - Provide detail to support sufficient segregation of major accounting functions within your organization
 - Expand on Board of Directors oversight of your organization’s financial matters
 - Inadequate answers can significantly affect your rating under the “Agency Financial Qualifications” rating category

CDBG RFP Section Review: Organization Narratives (cont.)

- Tips:
- Part 5 – Audit Requirements:
 - There will be changes in 2017
 - The single audit threshold was increased from \$500,000 to \$750,000
 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200, Sub Part F)

CDBG RFP Section Review: Organization Narratives (cont.)

5a. Describe how the organization will ensure compliance with A-133 guidelines (if applicable).

- Inadequate Answer:
 - If CDA gives me \$750,000, I WILL ENSURE COMPLIANCE. TRUST ME I WILL!!!!!!!!!!!!
- Good Answer:
 - I will read the OMB circular guidelines to ensure compliance with the guidelines and have the audit report completed by its due date.
- Best Answer:
 - I have read the OMB Circular A-133 guidance on the single audit requirement for organizations spending \$750,000 or more in federal funding in one fiscal year. I am prepared to procure the services of an audit firm, set aside the required resources, and have the audit performed and completed no later than nine months after my agency's fiscal year end date.

CDBG RFP Section Review: Organization Narratives (cont.)

5b. Describe any findings issued as result of the most recent audit (OMB or other) and whether or not these findings are resolved or open.

- Inadequate Answer:
 - Four findings were issued. I believe I have resolved three of them. I am waiting to hear. I am still waiting on feedback from the IRS regarding the 4th finding. Hoping we don't owe them any money, not our fault.
- Good Answer:
 - In our 2014 A-133 report we received four findings. We have submitted the required documentation to HUD to resolve three of the findings. We are currently in negotiations with the IRS to work out a repayment plan with the IRS to resolve the fourth finding. Once a repayment agreement has been reached we will submit the plan and terms to HUD for review.
- Best Answer:
 - Our organization received two reporting findings, one matching finding and one financial management finding with questioned costs of \$6,000 in our 2014 A-133 report under our CDBG grant. We have corrected the reports noted in the reporting finding and on 4/14/15 submitted them to HUD for review and approval. We have obtained the documentation needed to resolve the matching finding and it too has been submitted to HUD for review on 4/14/15. We are currently in negotiations with the IRS to reduce the penalties and fines associated with late payroll taxes dues on an organization we recently merged with in 2013. Non federal funds have been identified to pay the fines and/or penalties. A copy of the repayment agreement will be forwarded to HUD for review as soon as it is executed.

IMPORTANT!!!

ORGANIZATIONS WILL BE ASKED TO SUBMIT SEPARATE PROPOSALS FOR EACH SEPARATE AND DISTINCT PROPOSED ACTIVITY!!!!

For example:

Organization XYZ would like to request funding for after school programs at 3 locations. XYZ can submit 3 separate proposals OR submit 1 proposal inclusive of all of the sites.

Organization ABC would like to request funding for an after school Arts program and a day care center. ABC must submit 2 separate proposals.



CDBG RFP Section Review: Activity Cover Sheet

- Tips:
- Check one priority and one eligible activity!!!!

CDBG RFP Section Review: Activity Description & Funding Request

- **Very Important!!!**
- Tips:
 - If funded, the name of activity will most likely become your project name for your contract
- Be succinct, yet descriptive
 - For example: “XYZ After School Program” or “ABC Financial Literacy Program”
 - CDBG Amount Requested: Be realistic and reasonable.
 - \$10,000 minimum

CDBG RFP Section Review: Activity Description & Funding Request

- Part 1 - Activity Description: (work to be performed, services provided, and population served)
 - VERY IMPORTANT!!!
 - Clearly describe your program design
 - Who?
 - What?
 - When?
 - How?
 - If program design is not fully explained, score will be significantly reduced.

CDBG RFP Section Review: Activity Description & Funding Request

- Part 2 – Need or Problem: Describing the need or problem in relation to the ConPlan Goals and Priorities
 - Answering the “Why?”
 - Tip: Never assume that the reader (e.g. rater) already knows your need or problem
 - Fully describe the problem and need
 - Provide statistics to support the need for the program
 - Tip: Don’t forget to tie your need and problem to the ConPlan goals and priorities.
- Part 3 – Bonus Points:
 - Tip: Try to relate activity to the Sustainability Agenda.
 - “N/A” should be your last option.

CDBG RFP Section Review: Activity Description & Funding Request

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 - Tip: Try to relate activity to the Sustainability Agenda.
 - “N/A” should be your last option.

CDBG RFP Section Review: Meeting a National Objective

- Part 1: refer to CDBG Background 5 for details on the national objectives
- If funded, CDA will only reimburse for LMI participants in the activity.
- Tip: When using the area benefit national objective subcategory (1d), the number of beneficiaries under 2a will be the number of LMI individuals residing in the area.
 - Be sure to fully describe the service area in your proposal

CDBG RFP Section Review: Activity Goals & Outputs

- Important part of rating
- Tip: Be realistic in your goal setting
- Tip: When determining reasonableness, analyze per unit cost.
 - CDBG funding request / No. of outputs = per unit cost
 - For example, XYZ organization is requesting \$100,000 for a summer program. The organization proposes to serve 25 children each month for three months.
 - Per child cost for the program is \$4,000
 - Per unit cost (cost per child per month) is \$1,333
 - Is this reasonable????

CDBG RFP Section Review: Activity Goals & Outputs

- Tip
 - Allowable outputs are Persons, Households or Units of Housing
 - Try and relate the outputs to the activity's Outcomes (objectives)
 - Tracking and evaluation is very important.
 - Will need to demonstrate successes at the end of the grant
 - HUD expects measurable, quantifiable results
 - CDBG reimbursements will be tied to measurable outputs or outcomes
 - *Will talk more about reimbursement later in the presentation.*

TIP: Be prepared to propose and justify a “per unit” cost based on proposed outputs and/or outcomes

Example: Outcomes and Outputs

- Down payment assistance to Low-Moderate Income Programs
- Housing Program → Household
- **Example #1:**
 - Outcome #1 : To increase homeownership in LMI households by 10% in the City of St. Louis
 - Output #1: Homebuyer counseling sessions
 - *Any issues/problems?*
- **Example #2:**
 - Outcome #2: To provide down payment assistance to 50 LMI Households
 - Output #2: Down Payment Assistance to 50 households



CDBG RFP Section Review: Proposed Activity Budget

- Tip: Be realistic in your budget projections
 - Show how the CDBG funds will be leveraged
- Tip: Activity Budget (line items and total) should be greater than or equal to Proposed CDBG Amount
- Tip: Total Expenses should not be more than Total Revenue

CDBG RFP Section Review: Activity Budget Narratives

- Part 1 – Other Funding
- Tip: This part should always be applicable. You should be seeking to leverage the CDBG funding.

CDBG RFP Section Review: Activity Budget Narratives

- Part 2 – Reasonableness of Costs
- Tips:
- Organizations Internal Controls Should Include the Following:
 - Organization should have a finance oversight committee, maybe the responsibility of the Board of Directors, to review all Program budgets for unnecessary or excessive costs
 - Organization should have a procurement process to ensure service contracts are awarded to the lowest qualified bidder and at least three bids are received prior to making purchases or a cost analysis has been completed
 - Organization should familiarize itself with eligible costs from each of its funding sources

CDBG RFP Section Review: Activity Budget Narratives

- Part 5 – Grant Reimbursements
- Reimbursements must be tied to measurable outputs or outcomes
 - *Will talk about reimbursement in more detail tomorrow too*
- Some activities (IE: Food Pantries) are “**Direct Pay**” and reimbursed for actual costs such as salaries
 - Only applies to certain activities and must be approved by CDA
- **CONSTRUCTION** projects can elect to be reimbursed on **Actual Costs** or on a **Percentage of Completion**
- The majority of **NON-CONSTRUCTION** use “**Per Unit Costs**” or a fixed price for a **Unit of Service** completed
- **Whatever the method, your financial records must support the costs**

Example: Direct Pay

- XYZ Food Pantry received \$50,000 in CDBG. They have \$200,000 budgeted for salaries \$200,000. CDBG pays 25% of salaries costs
- \$47,985 in actual salaries (including taxes and FICA) from January, February and March
- $25\% \times \$47,985 = \$11,996$
- Request CDBG Reimbursement for \$11,996
- Additional Requirements/Considerations
 - Require Conflict of Interest and Secondary Employment forms
 - Timesheets that document 25% of time charged to CDBG
 - CDA must approve “Personnel Schedule”
 - **Reimbursement**

Example: Construction - Actual Costs

- Public improvement project to install sewer and water infrastructure in a Low-Moderate Income neighborhood
- Total Project is \$1,000,000 with \$200,000 in CDBG funding
- CDBG will reimburse for actual costs related to the construction (IE: contractors, materials, insurance/bonding, etc.)
- Additional Requirements/Considerations
 - **CDA Approval will be required for the Contractor**
- **If activity is not completed, will have to repay CDBG funds**

Example: Construction - Percentage of Completion

- A project to paint community murals in a Low-Moderate neighborhood
- Total Budget \$25,000 with \$15,000 in CDBG funding
- Construction Costs - paint, brushes, rollers, scaffolding, etc.
- Other “activity delivery” costs related to the CDBG program
- CDBG will reimburse based upon a percentage of the project’s total completion.
 - IE: Complete 1 of 4 murals, request up to 25%
- Additional Requirements/Considerations
 - CDA Approval may be required for contractors/materials
 - Records must support costs (IE: invoices, timesheets, etc.)
- **If activity is not completed, will have to repay CDBG funds**

CDBG RFP Section Review: Activity Budget Narratives

- The majority of **NON-CONSTRUCTION** use “Per Unit Costs” or a fixed price for a **UNIT OF SERVICE COMPLETED**
- The measurable outcomes and outputs will provide the basis for your unit of service
- You should have no more than 1 “unit of service” per outcome (objective)
- You must determine your unit or units of service to arrive at a Per Unit Costs

CDBG RFP Section Review: Activity Budget Narratives

- Examples of Units of Service
 - meals delivered to seniors
 - completed workshops for first time homebuyers
 - completed job resource fairs
 - daily attendance in an after school program
 - community gardens planted

CDBG RFP Section Review: Activity Budget Narratives

- Factors to be considered when arriving at per unit cost:
 - Life Span of Contract
 - Frequency of Reimbursements
 - Amount of Request/Award
 - Reasonable Assumptions
 - Cost Allocation Support
- Units of Service must be related to the outputs (P, HH, U) but don't have to be the same
 - For example an after school program could have Persons (Output) and use Daily Attendance (Per – Unit)

Per Unit Example #1:

After School Program for Low-Income Youth
Output: 150 Persons

- 150 total youth projected
- Average daily attendance of **120** (80%)
- **180 days** in session (90 in Spring, 90 in Fall)
- CDBG Request/Award - **\$100,000**
- $\$100,000 \div 120 \div 180 = \4.63
- **\$4.63 for 21,598 Units (Attendance)**



Per Unit Example #2:

Senior Meals on Wheels Program
Output: 100 Persons

- **100** seniors projected
- Each receives **2 meals** per day for **50 weeks**
- CDBG Request/Award - **\$25,000**
- $\$25,000 \div 100 \div 2 \div 50 = \2.50
- **\$2.50 for 10,000 Units (Meals)**



Per Unit Example #3:

Beautification Program in a L/M Neighborhood

Output: Total # of L/M Persons in Neighborhood

- 10 beautification projects projected
- CDBG Request/Award - \$25,000
- $\$25,000 \div 10 = \$2,500$
- \$2,500 for 10 Units (Beautification Projects)

- *Tip: When using the area benefit national objective, the number of beneficiaries will be the number of LMI individuals residing in the area.*



Per Unit Example #4:

Job Training Program for L/M Income Ex-Offenders

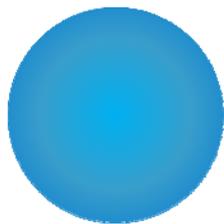
Output: 75 Persons

- 75 total clients projected
- 60 to complete Phase 1; 50 to complete Phase 2
- CDBG Request/Award - \$100,000 (\$50,000 each phase)
- 2 Per Units:
 - **Phase 1:** $\$50,000 \div 60 = \$833 \rightarrow$ \$833 for 60 Units
 - **Phase 2:** $\$50,000 \div 50 = \$1,000 \rightarrow$ \$1,000 for 50 Units



CDBG RFP Section Review: Comment Section

- Tip: Include anything that is pertinent to your proposal
 - Did you not have enough space to fully respond to a section?
 - Does part of your budget need explanation?
 - Have you recently resolved compliance issues?
 - Are there any weaknesses in your proposal that need explanation?



Group Exercise



Group Exercise

Review the activity portion of SSI's proposal to CDA (sections V-VII). Identify areas that can be strengthened to maximize points.



Questions and Answers

