



***EDA CARES Act  
Non-Competitive Awards  
Information for Invitees***

**May 13, 2020**

Today's presentation will cover the following topics:

- CARES Act Supplemental Appropriations Overview
- Non-Competitive Awards
- Application Procedures
- Post-Award Requirements
- Frequently Asked Questions

# OVERVIEW – FY 2020 CARES ACT SUPPLEMENTAL

Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136), EDA was appropriated \$1.5 billion in additional Economic Adjustment Assistance (EAA) Program funds to assist communities impacted by the coronavirus pandemic.

- After taking account of implementation and oversight costs, EDA anticipates awarding \$1.467 billion in grants to assist communities respond to, and recover from, the impacts of the coronavirus pandemic.
- The supplemental funds are available for a limited period of time and must be awarded by EDA no later than September 30, 2022.

# NOFO ADDENDUM

- EDA is making the majority of CARES Act funds available through an addendum to the FY 2020 PWEAA NOFO
- These awards will be made using two parallel processes:
  1. EDA's usual competitive process
    - For the competitive process, the procedures from the FY 2020 PWEAA NOFO generally apply to CARES Act funds.
    - Certain special rules apply, however.
    - For more information, see EDA's webinar for competitive applicants.
  2. A non-competitive process open to certain existing EDA grant recipients
    - This process is open by invitation only.

# NON-COMPETITIVE PROCESS

- The coronavirus pandemic and the social distancing measures necessary to respond to it have caused sudden and severe economic dislocations throughout the country, including a sharp rise in unemployment.
- For that reason, EDA has determined that economic injury from the coronavirus pandemic constitutes a “Special Need” and that nationwide eligibility exists for these funds.
  - Applicants do not need to demonstrate additional economic distress to be eligible.
- EDA has also determined that the suddenness and scale of the economic dislocations constitute a situation of unusual and compelling urgency, such that it would be in the public interest for EDA to make certain awards *non-competitively* to expedite the response to the pandemic.

# WHAT IS A NON-COMPETITIVE AWARD?

- A non-competitive award is an award made to a predetermined group of recipients for a specific purpose, in circumstances in which a competitive process is unnecessary or undesirable.
- The **advantage** of non-competitive awards is that it allows EDA to expedite award processing.
  - EDA may use simplified application procedures.
  - There is no merit review process. All applicants who meet the established requirements for receiving an award and who agree to accept the terms and conditions of the award will receive a grant.
- The **caveat** is that awards must be uniform.
  - For the most part, the terms of the awards (e.g., scope of work, maximum award amount) cannot be tailored to applicants' circumstances or preferences.

# EDA'S CARES ACT NON-COMPETITIVE AWARDS

- EDA will make non-competitive awards to three classes of existing EDA grantees:
  - District Organizations and Tribes that currently receive EDA Partnership Planning grants
  - Universities that currently receive EDA University Center grants
  - Current recipients of EDA Revolving Loan Fund grants.

# EDA'S CARES ACT NON-COMPETITIVE AWARDS

- EDA will send invitation letters to all eligible recipients.
  - Only recipients who are currently in substantial compliance with the terms and conditions of their awards and whose awards are not suspended or in the process of termination are eligible.
  - RLF recipients are only eligible if all EDA-funded RLFs under the recipient's management are rated "A" or "B" in EDA's RLF Risk Analysis System.
- Entities that do not meet these requirements are not eligible.
  - **EDA cannot make any exceptions.**
- If you believe you qualify and have not received an invitation letter, please contact your Economic Development Representative.

# AWARDS TO DISTRICT ORGANIZATIONS AND TRIBES

- The standard Scope of Work for these awards includes one or more of the following:
  - Planning and coordination to draft or update a disaster recovery and resiliency plan focused on pandemic recovery and resiliency
  - Funding for regional disaster economic recovery coordinators to serve the communities in the EDD region or Tribal territory
  - Technical Assistance for member organizations, local businesses, and other local stakeholders affected by coronavirus
  - Capacity support for recipients to assist in implementing the scope of work, including technology costs and personnel costs
- Recipients can choose to implement one or more of these elements. Capacity support costs are only available to assist with other elements, however.
- Maximum award amount is \$400,000 for District Organizations and \$150,000 for Tribes.

# AWARDS TO UNIVERSITY CENTER GRANT RECIPIENTS

- The standard Scope of Work for these award includes:
  - Providing technical assistance to entrepreneurs, businesses, and communities to assist in pandemic recovery efforts
  - Moving courses to support the business and entrepreneurial community to an on-line platform
  - Supporting technology commercialization, product development and manufacturing to address the coronavirus pandemic
  - Conducting, sharing and disseminating applied research to address economic challenges resulting from the coronavirus pandemic
  - Assisting communities with workforce training and other professional development programs
- Recipients can select from these Scope of Work activities; recipients do not need to implement all items.
- The maximum award amount is \$300,000.

# AWARDS TO REVOLVING LOAN FUND GRANT RECIPIENTS

- EDA will make a single supplemental award that will fund:
  - Additional lending capital
  - Administrative expenses to assist with the costs of managing the recipient's existing and supplemental RLF awards to respond to the coronavirus pandemic.
- The maximum amount of additional lending capital that a recipient may request is determined by the recipient's existing capital base and cash available for lending.
- The maximum amount of administrative funding is 10% of the additional lending capital requested.
- Administrative funds may be used to support additional staff or to acquire additional technology.
  - Recipients who request additional lending capital are not required to request administrative funding, but are encouraged to do so.

# AWARD TERMS AND CONDITIONS

- All Awards will be made at a 100% federal grant rate.
- The Period of Performance for all awards is 24 months.
- Applicants may request less than the maximum award amount.
  - Applicants should only request the amount of funds they will be able to use productively during the period of performance.
  - Applicants will not be disadvantaged in the non-competitive or competitive processes if they request less than the maximum amount of funds available.
- Applicants who accept a non-competitive award may also apply for funding for a different scope of work through the competitive process.
  - RLF recipients who disburse the full amount of their non-competitive grant funds may apply competitively for additional lending capital.

# AWARD TERMS AND CONDITIONS

- **Time is of the essence.**
- All non-competitive awards will include a Specific Award Condition confirming that time is of the essence and that projects must be implemented promptly.
- If EDA determines that a recipient is not making adequate progress, EDA may determine that the recipient is not in compliance with the terms and conditions of the award and take appropriate action.
  - For RLF recipients, if EDA at any time determines that a recipient is unlikely to disburse the full amount of additional lending capital during the period of performance, EDA may deobligate all or part of the undisbursed grant funds.
- All recipients of non-competitive awards will be required to request disbursements at least quarterly.
- Time extensions will only be granted for compelling reasons.

# APPLICATION PROCEDURES

- Eligible applicants will receive an invitation letter with detailed instructions on how to apply.
- Each applicant will be required to submit a short Project Narrative that describes:
  - The activities the applicant will undertake to implement the scope of work
  - How the proposed activities would help your region respond to economic injury sustained as a result of coronavirus.
  - For University Center and RLF applicants, information on how the project aligns with the relevant CEDS.
  - RLF applicants must also define the lending area for the supplemental award. Rules for determining the lending area are set out in the invitation letter.

# APPLICATION PROCEDURES

- Applicants are also required to submit a letter stating that they are “ready, willing, and able to perform the Scope of Work.”
  - This letter confirms that the applicant has read and understood the scope of work and has the capacity to implement it.
  - It also reaffirms the applicant’s commitment to completing the scope of work and expending the award funds within the 24-month period of performance.
- EDD/Tribe and UC applicants will also be required to re-affirm the assurances they provided on forms ED-900A and CD-511 when they applied for their current awards.

# APPLICATION PROCEDURES – SPOC

- If your state or territory has established a Single Point of Contact under Executive Order 12,372, you must contact your state Single Point of Contact as soon as possible.
  - Participating states and territories include: AZ, AK, CA, DE, DC, FL, IA, KY, MD, MI, MO, NV, NH, SC, UT, WV, AS, PR, and VI.
- You must include with your application evidence that you have contacted the Single Point of Contact, but you do not need to submit a response with your application if you have not yet received one.
- You must provide EDA with a copy of any response from the Single Point of Contact promptly after you receive it.
- If the deadline for the Single Point of Contact to respond passes and you do not receive a response, you must promptly inform EDA.
  - EDA will not make an award until you receive a response or the deadline for responding passes.

# APPLICATION PROCEDURES

- Applicants must also submit the following materials:
  - Forms SF-424 and SF-424A
  - A budget narrative and staffing plan
    - These must be sufficiently detailed to allow EDA to assess whether the proposed costs appear to be reasonable.
  - A current negotiated indirect cost rate agreement or certification of indirect costs for governmental entities
  - If the applicant is a non-profit corporation, a Certification Regarding Federal Felony and Federal Criminal Tax Convictions, Unpaid Federal Tax Assessments and Delinquent Federal Tax Returns
  - RLF applicants are required to submit forms ED-900A and CD-511; EDD/Tribe and UC applicants must reaffirm these assurances
- Applicants are **not** required to submit form ED-900 or ED-900F

# APPLICATION PROCEDURES

- Applications should be submitted within 30 days of the date of the invitation letter.
  - The abbreviated application period is necessary to respond to the unusual and compelling urgency of the coronavirus pandemic.
  - Applicants who are unable to apply by the deadline may still apply for funding through the competitive process.
- All applications should be submitted through grants.gov at the link contained in your invitation letter (links are specific to each program and EDA Regional Office).
  - If you are unable to apply through grants.gov, contact your Economic Development Representative for further instructions.
- EDA may request additional clarifying information after your application is received.

# APPLICATION REVIEW

- EDA will conduct a risk assessment, as required by the Uniform Guidance (2 C.F.R. § 200.205), including review of the applicant's past performance on federal awards.
- EDA will review the Project Narrative, Budget Narrative, and Staffing Plan to determine whether the application is responsive to the invitation, i.e., whether the applicant's proposal
  1. Implements the required Scope of Work,
  2. Responds to the economic impacts of the pandemic, and
  3. Meets all other requirements for funding under PWEDA
- EDA may request revisions to the budget or staffing plan to meet EDA or other federal requirements.
- Applications found to be responsive will be funded at the level provided in the final, EDA-accepted budget.

# POST-AWARD REQUIREMENTS

- Applicants will be required to accept their award within 30 days of award notification.
- Applicants will be required to submit two additional items within 60 days of award notification:
  - Certificate of Completion of Waste, Fraud, and Abuse Training
  - Grant Administration Plan
- RLF recipients will also be required to submit an RLF plan within 60 days of award notification.
  - RLF recipients are not permitted to make loans until they submit an RLF plan, so early submission is encouraged.
- Failure to meet the foregoing deadlines may result in EDA terminating the Award

# POST-AWARD REQUIREMENTS

## Waste, Fraud, and Abuse Training

- EDA will provide all award recipients with a PowerPoint training presentation on “Compliance with EDA Disaster Assistance Program Requirements.”
- All of a recipient’s personnel responsible for managing the recipient’s finances or for overseeing any contractors, sub-contractors or sub-grantees must complete this training.
- The recipient must return the signed Certificate of Training Completion, which is included in the training materials, within 60 days of award notification.
- By accepting the award, the recipient agrees to monitor award activities for common fraud schemes (as described in the training) and to promptly report any suspicious activity to EDA and the Department of Commerce Inspector General.

# POST-AWARD REQUIREMENTS

## Grant Administration Plan

- Within 60 days of notification of the award, each recipient will be required to submit a Grant Administration Plan that includes the following information:
  - A list of tasks that the Recipient will undertake, with a sufficient level of detail to allow EDA to monitor the recipient's progress
  - An explanation of the primary tasks to be undertaken by each individual identified in the Staffing Plan
  - A timeline for implementing the tasks identified
  - If the recipient intends to hire additional staff to implement the project, a hiring plan including target start dates for new staff
- Upon approval by EDA, the Grant Administration Plan will be incorporated into and become an enforceable part of the award.

# SUMMARY

- EDA's CARES Act non-competitive grant program is a means for expediting the delivery of funds to address the unusual and compelling urgency of the coronavirus pandemic.
- Non-competitive awards are only available to existing EDA partners with the capacity to begin implementing response activities immediately.
- Time is of the essence. Applicants for non-competitive awards are committing to expend the full award amount within 24 months.
- Applicants may request less than the maximum award amount.
- Non-competitive awards are only one aspect of EDA's coronavirus pandemic response. Organizations can also apply through EDA's competitive process for alternative scopes of work or funding levels, if doing so is a better fit for the organization.

# FREQUENTLY ASKED QUESTIONS

**Q: Am I required to provide a local matching share for non-competitive awards?**

A: No. For non-competitive awards, EDA will fund 100% of approved project costs up to the grant amount.

**Q: Is there any harm in requesting the maximum amount of funding, even though I may not be able to use it all?**

A. Yes. EDA CARES Act funds are limited. If you request funds and are unable to spend them, it may prevent EDA from funding other meritorious projects. Please consider the needs of others and only request what you are confident you can use. EDA may treat serious under-use of funds as a grant violation.

# FREQUENTLY ASKED QUESTIONS

**Q: May I use funds from a non-competitive award to pay for the costs of performing my existing EDA grant?**

A: No. Non-competitive award funds may only be used to pay for activities specified in the Scope of Work and Grant Administration Plan. These activities must be in addition to the work performed under your existing grant.

**Q: I would like to undertake a project outside the standard scope of work, can I request that EDA approve an exception?**

A: No. All non-competitive awards must implement the standard scope of work. EDA cannot make any exceptions. Applicants wishing to pursue other scopes of work may apply through the competitive process.

# FREQUENTLY ASKED QUESTIONS

**Q: May I include construction as part of my non-competitive award?**

A: No. Non-competitive awards can only fund non-construction projects (including equipment acquisition).

**Q: May I use funds from a non-competitive award to pay for technology upgrades?**

A: Yes, provided that those upgrades are reasonably related to your performance of the standard scope of work.

**Q: May I hire new staff with non-competitive award funds?**

A: Yes. You may hire new employees or contract staff necessary to perform the scope of work in conformance with your organization's written hiring procedures.

# FREQUENTLY ASKED QUESTIONS

**Q: May non-competitive award funds be used for technology to allow my staff to work from home during the pandemic.**

A: Yes. Non-competitive awards may be used to fund the costs of remote working, subject to the normal cost principles under the Uniform Guidance (2 C.F.R. part 200).

**Q: May I use non-competitive award funds to purchase supplies to respond to the coronavirus pandemic, such as PPE?**

A: Funds may be used to purchase supplies that are necessary to perform the standard scope of work. Funds may not be used to purchase supplies for other uses or supplies for third parties.

**Q: May I use non-competitive award funds to acquire equipment other than computer equipment?**

A: Yes. Funds may be used to acquire any equipment that is necessary to perform the standard scope of work.

# FREQUENTLY ASKED QUESTIONS

**Q: Some of my staff already work on other EDA grants. May they also work on this grant?**

A: Yes. Staff who dedicate part of their time to other federal grants may work on the non-competitive project, provided that the percentage of the staff member's time dedicated to all federally funded projects does not exceed 100%.

**Q: Do I need to prepare separate reports for my non-competitive award?**

A: Yes. The non-competitive award is a separate award from your existing award. Budgets, staffing, and activities funded by the two awards must be tracked and reported on separately. Activities that support both awards must be separately allocated to each award. Contact your EDA Project Officer for assistance.

# FREQUENTLY ASKED QUESTIONS

**Q: What types of costs are eligible for the administrative portion of an RLF grant?**

A: Any costs that are necessary to support the administration of the supplemental lending capital or of the recipient's existing EDA-funded RLFs. Examples include additional staffing to process new loans or loan modifications, technology upgrades, professional services costs, and audit costs. Technical assistance for borrowers is also allowable.

**Q: May I use funds from an EDD/Tribe or UC award to establish a new Revolving Loan Fund?**

A: No. Revolving Loan Funds are not included in the EDD/Tribe or UC Scopes of Work, nor may EDD/Tribe or UC awards be used for the cost of administering an RLF.

# FREQUENTLY ASKED QUESTIONS

**Q: May I change the lending area of my supplemental RLF?**

A: In most cases, the lending area of the non-competitive supplemental RLF must be the same as the lending area of your existing RLF. RLF recipients who are also designated District Organizations may choose to have the lending area of the new RLF be the same as their EDD boundaries. RLF recipients may request an award amendment to change the lending area post-award, such requests will be subject to EDA's evaluation of the suitability of the proposed lending area.

**Q: May I use my RLF award to make forgivable loans?**

A: No. An RLF recipient may only make RLF loans that are reasonably expected to be repaid in full.

# FREQUENTLY ASKED QUESTIONS

**Q: I have already incurred costs responding to the coronavirus pandemic. May I use funds from a non-competitive award to reimburse those costs.**

A. No. Pre-award costs are not allowable under non-competitive awards.

**Q: May I add a co-recipient to my award?**

A: In most cases, no. Co-recipients are only permitted if the existing Partnership Planning, University Center, or RLF award is made to co-recipients. You may be able to subaward a portion of your award, however, with EDA's prior approval.

# FREQUENTLY ASKED QUESTIONS

**Q: May I contract with a third party to perform a portion of the project?**

A: Yes. You may contract for services to perform the project. The normal rules for procurement under federal awards apply.

**Q: May I subaward a portion of my grant?**

A. You may be able to subaward a portion of your grant, but only with EDA's prior written approval. All activities funded through the subaward must be consistent with the standard scope of work. Please contact your Regional Office to discuss the possibility of a subaward.

# FREQUENTLY ASKED QUESTIONS

**Q: May I contract with a local government to perform a portion of my project, provided that it is within standard scope of work?**

A: Yes. You may contract with a local government to perform a portion of the project. Procurement rules under the Uniform Guidance may apply. Please consult your Economic Development Representative regarding your specific proposal.

**Q: May I contract with local economic development organizations to work in partnership on activities/programs allowed under the standard scope of work?**

A. Yes. You may partner with other organizations to perform the scope of work. Procurement rules under the Uniform Guidance may apply. Please consult your Economic Development Representative regarding your specific proposal.

# FREQUENTLY ASKED QUESTIONS

**Q: Is there a cap on indirect costs for non-competitive awards to Universities?**

A. No. Recipients may charge the full amount of indirect costs allowed by their negotiated indirect cost rate agreement to the award. Recipients are not required to charge the full amount, however.

**Q: I am a recipient of a University Center grant. How do I show CEDS consistency for my supplemental award?**

A: First, you must determine which CEDS or CEDS-equivalents are applicable in your University Center service area. You must then calibrate your planned implementation activities to be consistent with those plans.