

§ 2553.72

(b) *What must an eligible organization include in a grant application?* (1) An applicant shall complete standard forms prescribed by the Corporation.

(2) The applicant shall comply with the provisions of Executive Order 12372, the “Intergovernmental Review of Federal Programs,” (3 CFR, 1982 Comp., p. 197) in 45 CFR part 1233, and any other applicable requirements.

(c) *Who reviews the merits of a RSVP application and how is a grant awarded?*

(1) The Corporation reviews and determines the merit of an application by its responsiveness to published guidelines and to the overall purpose and objectives of the program. When funds are available, the Corporation awards a grant in writing to each applicant whose grant proposal provides the best potential for serving the purpose of the program. The award will be documented by a Notice of Grant Award (NGA).

(2) The Corporation and the sponsoring organization are parties to the NGA. The NGA will document the sponsor’s commitment to fulfill specific programmatic objectives and financial obligations. It will document the extent of the Corporation’s obligation to provide financial support to the sponsor.

(d) *What happens if the Corporation rejects an application?* The Corporation will return to the applicant an application that is not approved for funding, with an explanation of the Corporation’s decision.

(e) *For what period of time does the Corporation award a grant?* The Corporation awards a RSVP grant for a specified period that is usually 12 months in duration.

§ 2553.72 What are project funding requirements?

(a) *Is non-Corporation support required?* (1) A Corporation grant may be awarded to fund up to 90 percent of the total project cost in the first year, 80 percent in the second year, and 70 percent in the third and succeeding years.

(2) A sponsor is responsible for identifying non-Corporation funds which may include in-kind contributions.

(b) *Under what circumstances does the Corporation allow less than the percentage identified in paragraph (a) of this sec-*

45 CFR Ch. XXV (10–1–10 Edition)

tion? The Corporation may allow exceptions to the local support requirement identified in paragraph (a) of this section in cases of demonstrated need such as:

(1) Initial difficulties in the development of local funding sources during the first three years of operations; or

(2) An economic downturn, the occurrence of a natural disaster, or similar events in the service area that severely restrict or reduce sources of local funding support; or

(3) The unexpected discontinuation of local support from one or more sources that a project has relied on for a period of years.

(c) *May the Corporation restrict how a sponsor uses locally generated contributions in excess of the non-Corporation support required?* Whenever locally generated contributions to RSVP projects are in excess of the non-Corporation funds required (10 percent of the total cost in the first year, 20 percent in the second year and 30 percent in the third and succeeding years), the Corporation may not restrict the manner in which such contributions are expended provided such expenditures are consistent with the provisions of the Act.

(d) *Are program expenditures subject to audit?* All expenditures by the grantee of Federal and Non-Federal funds, including expenditures from excess locally generated contributions, are subject to audit by the Corporation, its Inspector General, or their authorized agents.

[64 FR 14135, Mar. 24, 1999, as amended at 67 FR 6875, Feb. 14, 2002]

§ 2553.73 What are grants management requirements?

What rules govern a sponsor’s management of grants?

(a) A sponsor shall manage a grant awarded in accordance with:

(1) The Act;

(2) Regulations in this part;

(3) 45 CFR Part 2541, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments”, or 45 CFR Part 2543, “Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations”;

(4) The following OMB Circulars, as appropriate A-21, “Cost Principles for Educational Institutions”, A-87, “Cost Principles for State, Local and Indian Tribal Governments”, A-122, “Cost Principles for Non-Profit Organizations”, and A-133, “Audits of States, Local Governments, and Other Non-Profit Organizations” (OMB circulars are available electronically at the OMB homepage www.whitehouse.gov/WH/EOP/omb); and

(5) Other applicable Corporation requirements.

(b) Project support provided under a Corporation grant shall be furnished at the lowest possible cost consistent with the effective operation of the project.

(c) Project costs for which Corporation funds are budgeted must be justified as being essential to project operation.

(d) Volunteer expense items, including transportation, meals, recognition activities and items purchased at the volunteers own expense that are not reimbursed, are not allowable as contributions to the non-Federal share of the budget.

(e) Costs of other insurance not required by program policy, but maintained by a sponsor for the general conduct of its activities are allowable with the following limitations:

(1) Types and extent of and cost of coverage are according to sound institutional and business practices;

(2) Costs of insurance or a contribution to any reserve covering the risk of loss of or damage to Government-owned property are unallowable unless the government specifically requires and approves such costs; and

(3) The cost of insurance on the lives of officers, trustees or staff is unallowable except where such insurance is part of an employee plan which is not unduly restricted.

(f) Costs to bring a sponsor into basic compliance with accessibility requirements for individuals with disabilities are not allowable costs.

(g) Payments to settle discrimination allegations, either informally through a settlement agreement or formally as a result of a decision finding discrimination, are not allowable costs.

(h) Written Corporation State Office approval/concurrence is required for a change in the approved service area.

[64 FR 14135, Mar. 24, 1999, as amended at 67 FR 6875, Feb. 14, 2002; 69 FR 20831, Apr. 19, 2004]

Subpart H—Non-Corporation Funded Projects

§ 2553.81 Under what conditions may an agency or organization sponsor a RSVP project without Corporation funding?

An eligible agency or organization who wishes to sponsor a RSVP project without Corporation funding, must sign a Memorandum of Agreement with the Corporation that:

(a) Certifies its intent to comply with all Corporation requirements for the Retired and Senior Volunteer Program; and

(b) Identifies responsibilities to be carried out by each party.

§ 2553.82 What benefits are a non-Corporation funded project entitled to?

(a) All technical assistance and materials provided to Corporation-funded RSVP projects; and

(b) The application of the provisions of 42 U.S.C. 5044 and 5058.

§ 2553.83 What financial obligation does the Corporation incur for non-Corporation funded projects?

Entry into a Memorandum of Agreement with, or issuance of an NGA to a sponsor of a non-Corporation funded project does not create a financial obligation on the part of the Corporation for any costs associated with the project.

§ 2553.84 What happens if a non-Corporation funded sponsor does not comply with the Memorandum of Agreement?

A non-Corporation funded project sponsor’s noncompliance with the Memorandum of Agreement may result in suspension or termination of the Corporation’s agreement and all benefits specified in § 2553.82.