

§ 2553.72

CNCS determines that the grant should not be renewed for an additional three year period.

[76 FR 20246, Apr. 12, 2011, as amended at 83 FR 64656, Dec. 17, 2018]

§ 2553.72 What are project funding requirements?

(a) *Is non-CNCS support required?* (1) A CNCS 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-CNCS funds which may include in-kind contributions.

(b) *Under what circumstances does CNCS allow less than the percentage identified in paragraph (a) of this section?* CNCS 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 CNCS restrict how a sponsor uses locally generated contributions in excess of the non-CNCS support required?* Whenever locally generated contributions to RSVP projects are in excess of the non-CNCS 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), CNCS 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 sub-

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ject to audit by CNCS, its Inspector General or their authorized agents.

[64 FR 14135, Mar. 24, 1999, as amended at 67 FR 6875, Feb. 14, 2002; 83 FR 64657, Dec. 17, 2018]

§ 2553.73 What are a sponsor's legal requirements in managing grants?

What rules govern a sponsor's management of grants?

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

(1) The Act;

(2) Regulations in this part;

(3) 2 CFR part 200 and 2 CFR part 2205;

(4) All applicable CNCS policies; and

(5) All other applicable CNCS requirements.

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

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

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

(e) Payments to settle discrimination complaints, either through a settlement agreement or formal adjudication, are not allowable costs.

(f) Written CNCS approval/concurrence is required for a change in the approved service area.

[79 FR 76078, Dec. 19, 2014, as amended at 83 FR 64657, Dec. 17, 2018]

Subpart H—Non-CNCS Funded Projects

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

An eligible agency or organization who wishes to sponsor an RSVP project without CNCS funding must make an application through the designated grants management system which is approved by CNCS and documented

through the Notice of Grant Agreement (NGA).

[83 FR 64657, Dec. 17, 2018]

§ 2553.82 What are the resources and benefits to which a non-CNCS funded project is entitled?

(a) All technical assistance and materials provided to CNCS funded RSVP volunteer projects; and

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

[64 FR 14135, Mar. 24, 1999, as amended at 83 FR 64657, Dec. 17, 2018]

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

Issuance of an NGA to a sponsor of a non-CNCS funded project does not create a financial obligation on the part of CNCS for any costs associated with the project.

[83 FR 64657, Dec. 17, 2018]

§ 2553.84 What happens if a non-CNCS funded sponsor does not comply with the NGA?

A non-CNCS funded project sponsor's noncompliance with the NGA may result in suspension or termination CNCS' agreement and all benefits specified in § 2553.82.

[83 FR 64657, Dec. 17, 2018]

Subpart I—Restrictions and Legal Representation

§ 2553.91 What legal limitations apply to the operation of the RSVP volunteer Program and to the expenditure of grant funds?

(a) *Political activities.* (1) No part of any grant shall be used to finance, directly or indirectly, any activity to influence the outcome of any election to public office, or any voter registration activity.

(2) No project shall be conducted in a manner involving the use of funds, the provision of services, or the employment or assignment of personnel in a matter supporting or resulting in the identification of such project with:

(i) Any partisan or nonpartisan political activity associated with a candidate, or contending faction or group, in an election; or

(ii) Any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or

(iii) Any voter registration activity, except that voter registration applications and nonpartisan voter registration information may be made available to the public at the premises of the sponsor. But in making registration applications and nonpartisan voter registration information available, employees of the sponsor shall not express preferences or seek to influence decisions concerning any candidate, political party, election issue, or voting decision.

(3) The sponsor shall not use grant funds in any activity for the purpose of influencing the passage or defeat of legislation or proposals by initiative petition, except:

(i) In any case in which a legislative body, a committee of a legislative body, or a member of a legislative body requests any volunteer in, or employee of such a program to draft, review or testify regarding measures or to make representation to such legislative body, committee or member; or

(ii) In connection with an authorization or appropriations measure directly affecting the operation of the RSVP Program.

(b) *Nondisplacement of employed workers.* A RSVP volunteer shall not perform any service or duty or engage in any activity which would otherwise be performed by an employed worker or which would supplant the hiring of or result in the displacement of employed workers, or impair existing contracts for service.

(c) *Compensation for service.* (1) An agency or organization to which NSSC volunteers are assigned, or which operates or supervises any NSSC program, shall not request or receive any compensation from NSSC volunteers or from beneficiaries for services of NSSC volunteers.

(2) This section does not prohibit a sponsor from soliciting and accepting voluntary contributions from the community at large to meet its local support obligations under the grant or from entering into agreements with