

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Request for Applications for Nonprofit Organization Grants for the Jobs and Education for Texans (JET) Program (RFA# N-G-2)

Official Responses to Questions from Potential Applicants (January 22, 2010)

1. **Can an applicant include associated expenses incurred in the provision of recruitment activities targeting high school seniors and GED graduates as a part of the required match? For example, such services would include HS and pre-college counseling services, assistance with FAFSA applications, outreach activities, career fairs, college days, mentoring services, transportation to such events, etc.**

RESPONSE: The grant instructions, application form, and contract with attachments should be reviewed closely to determine the types of expenses that are eligible for JET grant funding. Some of the costs that you describe above such as pre-college counseling services, assistance with FAFSA applications, and mentoring services meet the JET program requirements as long as those services are provided directly to an eligible JET participant. House Bill 3, Sec. 134.005(b)(1) states that the funds granted to nonprofits are to be used to fund "...a program to offer assistance to low-income students in preparing for, applying to, and enrolling in a public junior college or public technical institute..." However, outreach activities, career fairs, college days, and transportation to such events may be excluded. Please review the Chart of Accounts attached to the sample contract as it provides more specific information about the types of expenses that can be funded by JET grant funds. Note that while certain expenses cannot be funded by JET grant funds, they can be funded by matching funds subject to any restrictions by the match provider. Also, the application provides that participants must be age 18 or older and graduated from high school or obtained a GED to participate in the JET Launchpad program so high school seniors would not be eligible.

2. **Additionally, can an applicant include the costs associated with counselor and financial aid personnel time/effort in working with Launchpad Fund program participants as part of the Cash Match? For example, such services as college counseling, financial aid personnel efforts, assistance with FAFSA application, parent nights, etc.**

RESPONSE: Cash Match may be in the form of cash contributions made to the applicant for this project, grant funds awarded to the applicant by a match provider, or cash provided to the project by the applicant from reserve funds. Only those types of funds would be considered Cash Match. Donations of space or services would be considered as In-Kind Contributions, not Cash Match. See item number 4 below for further clarification on this issue. See item number 3 below for an important update on Cash Match requirements.

3. **I need clarification of "matching funds" as listed in Section VII in the "RFP". Must the "matching funds" consist strictly of cash or may a portion of the funds be cash or may the in-kind contributions provide 100% of the match? In other words, can the match be all in-kind contributions?**

RESPONSE: Matching funds are required. Cash Match will be considered during the evaluation process. **Please note that we have changed the Cash Match requirements from those posted in Section VIII of the grant instructions.** We are now allowing existing programs to have a minimum 50% total match, of which at least 10% must be in cash. We are now allowing new programs to have a minimum 25% total match, of which 5% must be cash. For additional information related to Cash Match, see the responses to items number 2 above and 4 below.

4. **To further confuse the issue, numerous community college foundations would not have the ability to provide the 50% Cash Match nor would they be able to provide the in-kind contributions. Most foundations have no personnel (college personnel provide the workforce for the foundations). Nor do**

the foundations have tangible assets (equipment, materials) nor would they "develop the curriculum". The colleges would have these matching items.

RESPONSE: In-Kind contributions may include space provided by the college to the foundation, college personnel who work part-time on foundation business, or equipment sometimes used for foundation activities. An authorized representative of the college could provide a letter stating that the In-Kind contributions would be provided to the foundation. The value would need to be estimated and included in the application and letter.

The types of contributions described above would be considered In-Kind Contributions, not Cash Match. However, perhaps the college could award Cash to the foundation which the foundation could then use to reimburse the college for the expenses which would count as Cash Match for the purpose of the grant requirements.

Matching funds are required. Cash Match will be considered during the evaluation process. **Please note the following important change in the Cash Match requirements.** Existing programs must have a minimum 50% total match, of which at least 10% must be cash. New programs must have a minimum 25% total match, of which 5% must be cash.

For example, an existing program with a \$100,000 budget would be eligible for \$50,000 in JET funds. The program would have to provide \$50,000 in match (50% of \$100,000). Of that \$50,000 required match, \$5,000 (10% of \$50,000) would have to be in cash and the remaining \$45,000 could be in-kind contributions such as use of space provided by another entity, use of equipment, etc. If the \$100,000 program was new, JET would fund up to \$75,000 and the match requirement would be \$25,000 (25% of \$100,000), of which \$1,250 (5% of \$25,000) would have to be in cash and the remaining \$23,750 could be in-kind contributions.

A new program would be a program not previously administered by the applicant or not previously administered by the applicant in the workforce development board district for which funding is requested. A new program may provide services that are different than those previously provided by the applicant in the workforce development board district or if the same services are being delivered, but are being provided in a different workforce development board district than those previously provided. No historical information on success measures would be available for a new program.

An existing program means a program that delivers the same type of services previously delivered by the applicant in the same workforce development board district. An existing program would be able to provide proven historical information on success measures which would be considered for additional points over a new program during the evaluation process. If the program is the same with the only difference being the high-demand occupation, the program would be considered an existing program.

5. Full-time versus Part-time Student Status – Are participants in the Launchpad Fund program required to be in college full-time? Or are part-time students eligible to participate?

RESPONSE: Participants must be preparing for, applying to, or enrolling in a public junior college or public technical institute. They do not have to be enrolled in college full-time to participate in the Launchpad Fund program.

6. Credit versus Non-credit post-secondary programs – Are participants in the Launchpad Fund program allowed to take non-credit workforce training programs?

RESPONSE: See the response to item number 5 above. The Chart of Accounts, Attachment E of the sample contract, states that "JET funds may only be used to fund participant training courses or seminars directly related to successful completion of university or college educational or certification courses funded by JET." JET funds may be used for continuing education unit (CEU) programs if the CEU program is 360 contact hours or more, approved by the Texas Higher Education Coordinating Board, and will lead to professional registration, certification, or licensure in an approved high-demand occupation.

7. Please explain the Cash Match requirements.

We are revising the requirements that were included in Section VIII of the grant instructions. For Round 2 applications, existing programs must have a minimum 50% total match of which at least 10% must be cash. New programs must have a minimum 25% total match, of which 5% must be cash. See item number 4 for clarification on the terms “existing” and “new” programs. As noted, this is a change in the Cash Match requirements that were posted on January 8, 2010.

8. Must applicants be a Texas 501(c)(3)? Only our national association has a 501(c)(3) foundation.

RESPONSE: The enabling statute that created the program states that:

“Nonprofit organization” means an organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code.”

The statute further requires that the Comptroller may award a grant to a nonprofit organization eligible under that section. The grant has to serve low-income Texans. Organizations meeting the criteria may apply.

9. Are we, (name of college), eligible to apply and be considered in (name of county) even though (name of another entity in same county) received an award in the first round?

RESPONSE: There are no restrictions on the number of applications from the same county, city, or workforce development board district applying. However, geographic distribution of funds will be a consideration during the evaluation process.

10. Will you consider an application from a community college for funds to develop curriculum in one of the high demand occupations listed in the RFP? Curriculum development and obtaining institutional and state approval for a new Associate’s Degree takes 9 to 12 months. We would not be able to begin training until 12 months down the road. Is this an eligible activity or do we have to initiate and or complete some training in order to obtain funding under the Launchpad Fund?

RESPONSE: JET funds may not be used for curriculum development. House Bill 1935, Section 403.355(b)(1), states that to be eligible to receive a grant under the Launchpad Fund program, a nonprofit organization must provide a program to offer assistance to low-income students in preparing for, applying to, and enrolling in a public junior college or public technical institute.

11. Are low-income high school dual credit (concurrent enrollment) students who enroll in college-level career and technology courses offered by the community college eligible participants for this program?

RESPONSE: Per the program rules, to be eligible for JET Launchpad Funds, participants must be 18 years of age or older and have graduated from high school or obtained a GED. The funds cannot be used for current high school students.

12. Are non-credit workforce development training programs that lead to an employable credential, such as an industry-recognized certification, eligible technical training programs for the purpose of the Launchpad Fund?

RESPONSE: JET funds may be used for continuing education unit (CEU) programs if the CEU program is 360 contact hours or more, approved by the Texas Higher Education Coordinating Board, and will lead to professional registration, certification, or licensure in an approved high-demand occupation.

13. Can federal dollars received by the college that support technical training be used for the match, such as Carl Perkins Funds and Community-Based Job Training Grant funds from the Department of Labor?

RESPONSE: Yes, as long as the funds are dedicated to the JET program and used to pay expenditures in accordance with the budget worksheet submitted with the application.

14. Section VIII Matching Funds in the application instructions says that a 50% “cash” match is required, but it also lists other “non-cash” items that are considered acceptable for the match requirement, such as in-kind contributions, equipment, personnel, materials, supplies, curriculum development costs and equipment use. Can you clarify?

RESPONSE: Cash Match is required. See the response to item number 4 above. While Cash Match is required, non-Cash Match is not required, but will be considered during the evaluation process.

15. Can the funds be used to support student enrollment in general education courses that are required for a technical associate degree, i.e. Associate of Applied Science or Associate of Applied Arts degrees? The Texas Higher Education Coordinating Board and the Southern Association of Colleges and Schools require that all technical associate degree programs must have a minimum 15-credit hours of general education core courses that include at least one course from each of the following: mathematics/natural sciences, social/behavioral sciences, humanities/fine arts, and written/oral communications.

RESPONSE: If the general education courses are required to complete a technical associate degree on the approved list of Comptroller-approved high-demand occupations, participant expenses can be funded by the JET Launchpad Fund. See the response to item number 12 above.

16. Will applications that were funded in Round 1 be made available for review and if so, how can they be accessed?

RESPONSE: To request copies of applications funded in Round 1, an open records request should be submitted. Please see more information on submitting an open records request at <http://www.window.state.tx.us/pia.html>.

17. Because this grant program has a substantial reporting component, will the Manual of Reporting Procedures for Round 1 be made available during the Round 2 application process for inspection?

RESPONSE: The reporting elements that will be required are listed on pages 1-12 of the grant instructions. Grant Administration Procedures and reporting worksheets for Round 1 Launchpad grant recipients are now posted at <http://www.everychanceeverytexan.org/funds/launchpad/>.

18. QUESTION: I am the director of a 501(c)(3) organization that serves low-income students preparing students for transition from high school to college and encouraging those students to prepare for careers in the types of occupations that appear on the Comptroller’s list of high-demand occupations. We have good statistics for the students whom we serve in most of the outcome areas addressed in the current RFA. However, working with high-school-age students requires an approach that incorporates mentoring and case management. I would very much like to submit an application for JET funding, but the RFA as written prohibits me from doing so. The RFA will not allow funding for youth below the age of 18 years, and it will not allow funding for salaries to provide for the case-management/family-involvement approach that is necessary for success with high school students. Please explain why the JET approach makes no provision for working with students in the age demographic beginning with age 15 or 16 and the requisite salaries for a case management/mentoring approach that could work. I ask this question because my reading of the applicable sections of the law does not reflect a provision that stipulates participate age requirements, nor do I find language prohibiting the use of funds for personnel to manage the project.

RESPONSE: Rules adopted for the JET program require that participants be 18 or older and have graduated from high school or obtained a GED. The full JET program rules are available at http://info.sos.state.tx.us/pls/pub/readtacSext.ViewTAC?tac_view=4&ti=34&pt=1&ch=8.

The JET Chart of Accounts included as Attachment E of the sample contract reflect the types of expenditures that are eligible for funding with JET Launchpad Fund grants. The Chart of Accounts describes the types of

counseling expenses that can be funded with the JET grant. Applicants can complement the JET grant funds with grants or contributions from other entities that fund expenses that cannot be funded with JET funds.

19. Can an organization use federal and/or private foundation grant funds for “matching” requirements?

RESPONSE: Yes. See the responses to items number 4 and 13 above for more clarification on matching requirements.

20. Criterion #12 of the evaluation form lists “Other”, which is worth 25 points. Are there any guidelines or examples available which would elaborate on what might constitute “other”?

RESPONSE: This criterion means that other points may be awarded to one or more applicants at the discretion of the evaluation team.

21. Criterion #13a of the evaluation form states “Deduct 25 points if the application is for the same high-demand occupation as that previously funded by JET.” Does this, as in other parts of the application (e.g. paragraph 2 of page 2), refer to previous funding within the same workforce development area? I.e. would the evaluation deduct points for the training of nurses in a WDA that had not received any kind of funding because nurse training had been funded in another WDA?

RESPONSE: The criterion means that points would be deducted for an application that requests funding for a program that delivers the same type of services previously funded by the Launchpad Fund that were delivered by the applicant in the same workforce development board district. No points would be deducted for a program not previously administered by the applicant or not previously administered by the applicant in the workforce development board district for which funding is requested. Perhaps the services are different than those previously provided by the applicant in the workforce development board district or the same services are being delivered, but in a different workforce development board district than those previously provided.

22. May the 10% or 5% Cash Match be included a line item associated with an project component such as scholarship monies from the Foundation, faculty salaries from the College budget, or other direct expenditures supporting project activities?

RESPONSE: See changes noted above in item number 4 related to revised Cash Match requirements. Cash Match could be in the form of scholarship monies from the Foundation, faculty salaries from the College budget, etc. It will be critical during reporting, monitoring, and auditing activities to be able to account for all such cash and related expenditures and to be able to demonstrate that they were directly related to the JET program.

23. Would the Cash Match actually be transferred from the Foundation or College budgets into the program budget, or would documentation of salary, scholarship, and other such expenditures from the Cash Match be sufficient?

RESPONSE: Yes, Cash Match should be transferred to the organization’s budget funded with JET funds and the cash and related expenses should be accounted for and reported as part of the JET program.

24. Are there a minimum or maximum number of low-income students expected for a project cohort?

RESPONSE: There is no minimum or maximum number of low-income students expected. However, the cost per student is considered during the evaluation process with up to 10 points awarded for a low cost per student ratio.

25. Is the allowable household income level based on gross or taxable household income?

RESPONSE: The levels are based on gross household income.

26. Would Welding (credit certificate program) be a priority education/training program for the Round 2 competition?

RESPONSE: Welding Technology is included in the Comptroller's list of approved high-demand occupation training programs at <http://www.everychanceeverytexan.org/funds/trainingprograms/>. Whether or not it is given priority status above that for other Comptroller-approved high-demand occupations included in the list would be based on the demand in the workforce development board district, geographic distribution, and other evaluation criteria as shown on page 9 of the grant instructions. Letters of support from the local workforce development board or area employers will be considered during the evaluation process.

27. If a certificate program requires no developmental education courses, may we exclude the program data describing developmental education completion?

RESPONSE: House Bill No. 1935, Section 403.355(b)(3)(A), states that to be eligible to receive a grant, a nonprofit organization must demonstrate that the organization has achieved or will achieve certain measures of success to the extent applicable to the type of program the organization provides. Among those measures is above average completion of developmental education among program participants. If a success measure is not applicable to the program proposed in the application, the applicant should note that in response to the request for information.

28. Counseling is provided through our case management services and is a direct participant expense. May we include Case Management salaries, taxes, and benefits as part of the Direct Participant Expenses (1): Counseling Budget Line Item?

RESPONSE: Per Attachment D of the sample contract, counseling expenses may be funded by JET when necessary for the successful completion of university or college educational or certification courses funded by JET. Counseling expenses are limited to \$1,000 per participant for the life of the grant. JET funds may only be used to pay counselors if the individual providing the counseling is licensed or certified by the State of Texas to provide such services. Counseling expenses must be tracked at the participant level, including:

- name of counselor;
- name of participant;
- date of counseling;
- hours of counseling;
- hourly billing rate; and
- description of counseling services provided.

Please note that JET funds may only be used to fund participants' academic counseling, financial counseling, or career counseling.

29. Please explain how the "Low Cost" per participant is determined in the Grant Application Instructions for Non-Profit Organizations on Attachment A, Evaluation form, No. 10, Low Cost Per Participant Served.

RESPONSE: The total cost per participant is determined by dividing the total JET expenses by the number of program participants funded by JET. An adjusted cost per participant is calculated for comparison purposes between grant requests to make the comparison gender neutral. The adjusted cost per participant divides total JET expenses, after subtracting childcare expenses, by total JET program participants.

30. On Attachment A, Evaluation Form, No. 12, 25 points are assigned to "Other." What is "Other"?

RESPONSE: Please see the response to item number 20 above.

31. In the eligibility requirements, it states that the nonprofit would be community-based and led. While the Foundation is not an organization such as those funded in the first round (Project QUEST, Project ARRIBA, etc.), it is led by community leaders and seeks to provide educational opportunities through scholarships to students. Our question is " Does the (our) Foundation qualify as being community-based and led?"

RESPONSE: House Bill 1935 requires that organizations must be a nonprofit organization exempt from federal income tax under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code. It further requires that organizations be governed by a board or other governing structure that includes leaders of broad-based community organizations and members of the local business community. We are unable to determine whether your organization meets the criteria without reviewing your IRS determination letter and a listing of your governing board or structure. That information is required as part of the application process. Organizations should include the names of their governing board or structure and indicate any affiliations with community organizations or businesses.

32. In the eligibility requirements, it states that the nonprofit needs to "achieve certain measures of success". (Our) Foundation has awarded scholarships and many of the students who received those scholarships have completed their education. Is this considered to be adequate to meet the eligibility requirement?

RESPONSE: The measures of success are those listed in section 403.355(3) of the legislation:

- 1) above average completion of developmental education among participating students
- 2) above average persistence rates among participating students
- 3) above average certificate or degree completion rates

A more detailed description of the success measures is available on the Texas Higher Education Coordinating Board's Web site at <http://www.thecb.state.tx.us/Reports/pdf/1760.pdf>. Please note that the legislation says "has achieved or will achieve" the success measures, to the extent applicable to the type of program the organization provides.