

Understanding Grants

Federal, State, Corporate & Foundation Resources

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Introduction

Today, companies in the K-12 technology education marketplace are finding a great deal of interest in their products and a limited amount of funding for purchase. Companies now need to “follow the money” from federal, state, corporate, and private sources to help their customers acquire their programs. It is important for ScholarCentric to understand the funding process and to know how to position your products to demonstrate the greatest potential for success. This Handbook is intended to offer insight into one aspect of funding – the grant process.

The purpose of the Handbook is to assist you in understanding grants in the education market. Throughout this Handbook, grants are defined as a means of furnishing financial assistance to support a program.

Grants should not to be confused with contracts or bids which often use the same terminology such as Request for Proposal (RFP). Unlike contractual agreements, grants are not limited to purchase of a specific product. The basic intent of a bid or contract is for the procurement of supplies, services, or construction. This Handbook is specific to grant funding and does not address the contractual or bid process.

Part I: Description of the Grant Process

What Are Grants?

Chances are ScholarCentric has benefited from capital gained through various financial ventures. Often this occurs in companies by convincing interested investors to supply the money required to bring the business model to profitability. Sometimes this happens in return for a share of the profit. Much the same, public and private non-profit organizations benefit from access to grant funding gained through various philanthropic ventures. In the case of education agencies, this occurs through federal- or state-funded grants or by convincing interested stakeholders or foundations to supply the money required for a project that addresses a particular problem or need. In this way, potential grantees (organization applying for the funds) can be seen as the not-for-profit equivalent of business entrepreneurs.

Grants share a common element—they involve the distribution of funds to support specific project(s), as approved by the grantor (organization offering the funds) through an application process.

Grant projects typically involve the implementation of specific components that are designed to address specific problems. In order to secure a grant, the potential grantee must clearly explain their strategy for accomplishing that task. That means the grantee is asked to develop a program and demonstrate how their proposed program presents innovative solutions to particular problems. Proposals include methods designed to achieve the objectives in reasonable time and at reasonable cost.

Grant writing begins with a Request for Proposals or RFP. This document contains all of the information required to develop a grant in accordance with the guidelines and priorities established by the grantor organization. Essential information to be found in the RFP includes grantor agency, program description, grantee eligibility, program priorities, proposal instructions and the ever important due date. The RFP is critical to the grant writing process and grantees must conduct a thorough review of the document.

However, the best projects begin before a competition is announced. A prepared applicant will research a problem, set goals, gather partners and determine a course of action long before a grant is identified. Conducting proper needs assessments and constructing effective implementation plans often take more time than is allowed by the submission deadline. It is important that the project address a real need in the district or school and is a well designed solution as well as meeting RFP guidelines. The key is finding the right grantor.

What Kinds of Grants Are Available?

Grants are available in all shapes and sizes and from many sources. Some are oriented towards a specific goal, while others address broader goals, sometimes over a period several years. Grants are awarded for as little as \$50 to

supplement a field trip or as much as \$200 million or more to support construction or program implementation on a wide scale. The amount of grant funding is appropriate to the specific task and grantors expect that potential grantees seek a reasonable amount as required to perform the work, as outlined in the grant request.

Federal, state, foundation, and corporate grants are available to school districts. The primary source of grant funding for schools is federal funding that is usually administered by the State Education Agency (SEA). Federal funding includes both Federal Entitlement, or Formula/Allocation funds, and Competitive Grant funds.

Type	Description
Federal Grants	<ul style="list-style-type: none"> • Offered by various agencies of the US government. • Available to support a wide range of programs, institutions and individuals at home and overseas. • Coordinated and under the direct supervision of the agency secretary appointed by the President. <p><i>While Congress reserves the fiscal authority in appropriating funds requested by a particular executive administration, the design of programs is almost always handled at the agency or department level. It is important to note here that the various agencies can make grants to a wide variety of potential grantees and not just those typically associated with that particular agency. In other words, if you are looking for a grant to support a particular program initiative you do not necessarily have to limit your search to the US Department of Education. In fact, there are numerous and perhaps more relevant opportunities available at other agencies to support your program.</i></p>
State Grants	<ul style="list-style-type: none"> • Similar to federal grants but state governments develop and administer them. <p><i>Familiarity with the federal grants process is useful for understanding a particular state's grant programs. Moreover, because state grants are typically broken down according to the formal divisions of state government, knowledge of the state agencies, as well as their role in that state, is essential to understanding and predicting the availability (and appropriateness) of applying for a particular state grant.</i></p>
Community Grants	<ul style="list-style-type: none"> • Intended to benefit a particular community's organizations, schools, or other sectors. • Developed in order to facilitate outreach and encourage partnership and sharing of program resources locally. • Frequently require some kind of matching commitment and substantial buy in from all sectors of the participating community. • Local charities, civic organizations and wealthy community members who wish to give something back to the community in which they live are the usual donors for community foundations. <p><i>While there are a wide variety of community grants with different</i></p>

	<i>purposes, they are generally smaller grants intended to respond directly to priorities established by the community for the community.</i>
Foundation and Corporation Grants	<ul style="list-style-type: none"> • A wide variety of private and public foundation and corporate grantmaking organizations exist. • Private and public foundation grants in the US are at the core of American philanthropy. In return for the special privileges afforded to a US tax-exempt foundation, such foundations are required to seek approval for their charitable objectives from the US Treasury (IRS) and must expend their tax-exempt funds in accordance with IRS-approved regulations and procedures. These foundations are commonly referred to as 501(c)(3) organizations because that is the section of the Internal Revenue Code under which all public and private (non-religious) charitable organizations are registered. Examples of US 501(c)(3) charitable foundations include the Carnegie Foundation, Ford Foundation, Pew Charitable Trusts, Hewlett Packard Foundation, Coca Cola Foundation, and many others. • These grants are often limited to specific states, regions, counties, or cities. <p><i>In the vast majority of foundations, grants are awarded to 501 (c)(3) or non-profit organizations. The IRS considers public schools to be 501 (c)(3) organizations. Always check the eligibility criteria before pursuing this funding.</i></p>

What Is a Competitive Grant?

A competitive grant requires a grantee to submit a proposal to obtain funding. Competitive grant awards are based on the quality of the grant proposal and the compliance of the proposal with the grant requirements. In a competitive grant, the organization or agency often releases a RFP or a request for applications (RFA). Eligible applicants typically have four to six weeks to complete an application/proposal and submit it for funding. Deadlines are crucial. Applications are reviewed by a team of experts and scored. The top scoring applications receive funding.

What Is a Competitive Sub-Grant?

Several federal programs direct states to make competitive sub-grant opportunities available with the funding coming to the state. States manage the federal money and schools and districts apply to the state through a competitive process to receive funding. Reading First, Enhancing Education through Technology, and 21st Century Community Learning Centers are federal programs that support competitive state sub grant programs.

What Is a Non-Competitive Grant?

Often called "formula" funding, this money is allocated based on the numbers of students with a particular characteristic, for example, students with special needs, or English language learners. Districts still have to apply for this funding

and show the requisite need in order to receive funds. They are notified of their allocations for various programs on an annual basis. Example: Title I, Part A—Improving Basic Programs.

THE TWO TYPES OF GRANTS		
Factor	Competitive	Formula
Purpose	Supports special/exemplary projects, demonstration, research	Support for conducting programs
Document Structure	Narrative with guidelines	Completion of specific forms
Creativity	High degree required	Little required
Length	Long and detailed, 20-80 pages	Several pages
Amount of Work	Extensive planning, development, research, responds to criteria	Boilerplate forms and supportive explanations

How Do You Find Grant Opportunities?

An important resource in finding a grant opportunity is to become familiar with MDR’s School Funding Services and to consult that posting on a regular basis. School Funding Services is your source for actionable federal, state, & private education funding intelligence.

Federal Grants

All federal US Government grants are published in the US Federal Register, a publication issued by the US Government Printing Office (www.gpo.gov). Additional information on US Department of Education grant programs can be found on its website at: <http://www.ed.gov/fund/landing.jhtml?src=rt>

Select individual federal grants are published daily in the federal register, often between 45-60 days prior to the application due date. Please see the website at: <http://www.ed.gov/news/fedregister/announce/index.html> for daily updates.

Federal grants not administered by the states support substantial projects. The application process is extremely competitive. Therefore it is critical to become aware of federal grant opportunities as early as possible in order to begin the planning process long before the RFP is published. It normally takes an organization like a community college or local education agency (LEA) from three to six months to adequately prepare for a large federal proposal submission.

State Grants

States vary in their approaches to grantmaking. A good starting point in a state grant search is to visit the SEA website. Most often there are direct links to No Child Left Behind grants and state funding opportunities.

Like federal grants, the sooner the opportunity is identified the more time is available to complete the proposal process.

Community Grants

Often community grantmakers require substantial collaboration and matching funds with the general strategy of encouraging the stakeholders throughout the community to take part in the project. Community grants often involve extensive networking among various grantmaking organizations and community groups.

Foundation Grants

Most foundation grants are listed on the web. Employing a web-based search engine will also help you get started. Another source is the Foundation Center found at www.foundationcenter.org.

What is the Timeline for the Federal Budget?

May - Federal agencies (i.e. Department of Education) begin developing their budgets for the following fiscal year (this is 1-1/2 years before the fiscal year begins.)

September - Agencies submit requests to Office of Management & Budget (OMB)

October/November - OMB examiners review agencies' budget requests

November - OMB passes back agencies' budget requests with revisions

December - Final economic assumptions released to agencies

December - Agencies appeal OMB's decisions

Late December - Final Presidential decisions

January - President's Budget Request drafted

Late January - All budget documents approved and printed

Early February - Transmittal of President's budget request to Congress

By April 15 - Congress should pass budget resolution

May 15 - House can begin passing appropriations even if there is not a budget resolution

By June 30 - House should adopt all of its appropriations bills

July-September - Senate scheduled to pass appropriations bills

September - House & Senate pass appropriations conference reports"" President signs appropriations bills

October 1 - New fiscal year begin

If the budget is not passed and signed on schedule, Congress uses the "Continuing Resolution" to maintain funding at the level of the previous budget for a specified amount of time.

When Do Federal Competitive Grants Become Available At The State Level?

As the administrator of federal grants, each SEA will repeat its grant cycle at about the same time each year. As an example, if a state releases specific program funding in September of 2007 and the application/proposal is due in November of 2007, then the grant cycle will probably repeat in September and

November of 2008.

How Much Money Can ScholarCentric Get From A Grant?

Grants are not a means to fast money. The time period from application to award can be as long as nine months. After submitting a grant there is no guaranteeing that an award will be made. Every grant program has its own unique focus to address a particular need. From year to year funding amounts and program requirements are subject to change.

That being said, available funding is substantial enough to provide full program support for the ScholarCentric products.

How Can Our Districts Write Successful Grants?

These are the steps your customers must take to complete a successful grant application/proposal. The primary goal in writing a grant should be to get the funding required to execute a specific program or project. A goal of writing a grant should never be just to get money. Successfully implementing a grant and writing a winning grant proposal are intertwined and equally complex. As such, it becomes imperative that the proposal accurately describes the program for which the grantee seeks support. Basic elements of a workable plan must be presented in order to dramatically improve the impact of the funds used to implement that project. Here are the major steps in the grant writing process. ScholarCentric can assist its customers in this process with data, information, success stories of other districts, etc.

- ⇒ Identify a problem
- ⇒ Conduct a needs assessment
- ⇒ Establish outcomes
- ⇒ Conduct research to identify the best strategies and activities
- ⇒ Write a concept paper outlining your need, outcomes, strategies and activities
- ⇒ Identify the partners you need and the roles they should play
- ⇒ Use your concept paper to get approval within your organization
- ⇒ Use your concept paper to get your partners to sign on to your project
- ⇒ Identify possible funding sources
- ⇒ Upon getting the Request for Proposal (RFP), carefully read it over and over again. Get to know the program metrics (categories of activities and limitations). Gain an overall understanding of the program requirements and priorities; research the grantor; know the deadline
- ⇒ Tailor your project to match the priorities identified in the RFP
- ⇒ Attend any technical meetings
- ⇒ Write the proposal

- ⇒ Get letters of commitment from project partners
- ⇒ Have a disinterested party read and critique your proposal, and make revisions
- ⇒ Get final approval from your organization
- ⇒ Submit your proposal

What are the Parts of a Grant Proposal?

A proposal contains many sections. These sections are dependent upon and related to the previous sections. The entire proposal should function as one coherent document with each section flowing logically from its predecessors. Some standard components of proposals may contain the following sections in the following order.

Cover Sheet	The first page of the proposal containing the title, the name of your organization and authorized signatures.	
Abstract	A one-page overview of the entire proposal.	
Table of Contents	A guide to the contents of the proposal.	
Project Narrative	Introduction	A short, one paragraph, statement containing project description, implementation plan, and total budget figure.
	Needs Assessment	A study demonstrating a need for the proposed project.
	Outcomes	A statement of what the project is intended to achieve.
	Implementation Plan	A plan for achieving the stated outcomes.
	Evaluation Plan	A plan for evaluating the success of the project.
	Management Plan	A plan for coordinating and directing the efforts in support of the implementation and evaluation plans
	Integration With Educational Reform	A discussion of how the proposed project helps meet school, community, LEA, SEA and national goals.
Future Plans	A discussion of how the project will continue past the funding period.	
Budget	A detailed report of all requested and in-kind financial resources.	
Appendices	Any relevant information not required in the project narrative, including resumes of key personnel and letters of commitment from project partners.	

How Does The Funding Process Work?

Funding processes differ among funding sources. Typically you can expect your proposal to go through several steps on its way to final approval. Here are few the general outline of these steps.

The funder distributes an RFP.

A technical meeting is held to provide additional information and answer questions.

You submit a letter of intent to the funder.

The funder provides feedback on your idea.

You write the proposal.

You submit your proposal.

Your proposal is prescreened for the prescribed format (word limits, margins, page limits, font size, line spacing etc.). Proposals not meeting the prescribed format are eliminated.

Your proposal is read and scored by a team of reviewers. Proposals not meeting minimum requirements are eliminated.

Further information is requested from you to clarify any questions raised in the review.

A committee makes the final selection of proposals to be funded.

Awards letters are distributed and budget and/or programmatic changes are requested based on the level of the award.

You make the requested changes and resubmit the proposal.

The grant is formally awarded.

Part II: Types of Grants Useful for ScholarCentric Products

The table below provides examples of the types of grants that would address ScholarCentric Solutions.

Federal	
Grant	Description
TITLE I, PART A Education of the Disadvantaged	The purpose of Title I, Part A is to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach proficiency on challenging state academic achievement standards and assessments.
TITLE I, PART D Prevention & Intervention Programs for Children & Youth Who are Neglected, Delinquent, or At-Risk	This grant provides financial assistance to educational programs for youths in state-operated institutions or community day programs. The program also provides financial assistance to support school districts' programs involving collaboration with locally operated correctional facilities.
TITLE II PART A – Improving Teacher Quality	Formula grant for improving teacher and principal quality. The money can be used for areas such as hiring teachers to limit class sizes, providing professional development, and funding initiatives to retain highly qualified teachers.
TITLE IV PART B – 21st Century Community Learning Centers	21st Century Community Learning Centers provide services, during non-school hours or periods, to students and their families for academic enrichment, including tutorial and other services to help students to meet state and local academic achievement standards. Other activities can include recreation and the arts.
Title V – Innovative Education State Grants	The Innovative Programs formula grant supports local education reform including support for library services and instructional and media materials, and meets the educational needs of all students, including at risk students; and develops education programs to improve school, student, and teacher performance.
TITLE X – McKinney-Vento Homeless Education Assistance Improvements	The purpose of Title X, Part C is intended to ensure that homelessness does not cause these children to be left behind in school. Homeless children and youths should have access to the education and other services that they need to meet the same challenging state student achievement standards to which all students are held.
State	
Each of the federal grants listed above is administered by the states.	
Corporations and Foundations	
Please see the state grant listings in Appendix A.	

Part III: Glossary

||A ||

Abstract

Summarizes the purpose, importance and scope of the proposed project.

Accessibility

The extent to which programs or services can be reached or obtained by those who want or need them.

Administrative Action

A post-award administrative request to modify the conditions of the original grant. An administrative action may be monetary or non-monetary and may require prior approval from the Department.

Administrative Costs

All direct and indirect costs associated with the management of grant programs. Often capped by the grantor at a certain percentage of the grant.

Administrative Regulations

Regulations that implement 1) guidance from OMB contained in circulars that apply to the administration of all federal grants and cooperative agreements, 2) Presidential executive orders (where regulation is necessary), and 3) legislation that affects all applicants for or recipients of federal grants and cooperative agreements; see also *EDGAR* (defined below).

Allowable Costs

Expenditures under a grant project that are specifically permitted (or not specifically prohibited), by law, regulation, or guidance from the Office of Management and Budget, federal accounting standards, or other authoritative sources.

Applicant

Party requesting a grant.

Application Control Center (ACC)

The administrative unit of the Department that is officially authorized to receive paper applications for discretionary grants and cooperative agreements.

Application for Federal Education Assistance or ED 424

The grant application form, sometimes referred to as the application "cover page," used by the Department.

Application Notice

A notice published in the *Federal Register* and posted on the Department's Web site that invites applications for one or more discretionary grant or cooperative agreement competitions, gives basic program and fiscal information on each competition, informs potential applicants when and where they can obtain application packages, and cites the deadline date for a particular competition.

Application Package

A package that contains the application notice for one or more programs, and all the information and forms needed to apply for a discretionary grant or cooperative agreement.

Application Reviewer (Reviewer)

An individual who serves the Department by reviewing new discretionary grant and cooperative agreement applications; also referred to as 'field reader' or 'peer reviewer.'

Appropriations Legislation

A law passed by Congress to provide a certain level of funding for a grant program in a given year.

Assurances

A listing of a variety of requirements, found in different federal laws, regulations, and executive orders, that applicants agree in writing to observe as a condition of receiving federal assistance.

Audit

An examination of grants records and financial accounts for accuracy and legal compliance, which may lead to recommendations for corrective action.

Audit Finding

A conclusion about a monetary or non-monetary matter related to an auditor's examination of a grantee organization, program, activity, or function, which frequently identifies problems and provides recommendations for corrective action in order to prevent their future recurrence.

Audit Resolution Process

The process by which the U.S. Department of Education determines whether costs in an audit report are actually allowable or unallowable. If costs are identified as being unallowable, the Department initiates action to have grantees return unallowable expenditures.

Audit Resolution Specialist

The U.S. Department of Education staff member who reviews audit reports of grantees and develops the proposed recommendations for settling cases of expenditures not allowed under discretionary grants or cooperative agreements. The recommendations become the basis for decisions issued in the Program Determination Letter.

Authorizing Legislation

A law passed by the Congress that establishes or continues a grant program. Award funds that have been obligated by a funding agency for a particular project

|| A || **B** ||

Budget

The detailed statement outlining estimated project costs to support work under a grant or contract

Budget Period

An interval of time which a project period is divided for budgetary purposes, usually twelve months.

|| A || B || **C** ||

CFDA Number

Identifying number for a federal assistance program, composed of a unique two-digit prefix to identify the federal agency ("84" for the Department of Education), followed by a period and a unique three-digit code for each authorized program. Alfa-designations may be added to some programs to distinguish among competitions when multiple competitions are based on the same program authority.

Capital Support

Refers to funds provided for endowment purposes, buildings, construction or equipment.

Catalog of Federal Domestic Assistance (CFDA)— Publication and database produced by the General Services Administration that lists the domestic assistance programs of all federal agencies and gives information about a program's authorization, fiscal details, accomplishments, regulations, guidelines, eligibility requirements, information contacts, and application and award process; also called the "CFDA."

Certification

A statement, signed by an applicant or grantee as a prerequisite for receiving federal funds, that it 1) meets or will adhere to certain conditions and 2) will undertake or not undertake certain actions.

Challenge Grant

A grant that is offered with the stipulation that the recipient will raise additional funds from another source or sources. Also called a “matching grant.”

Charitable Choice

A requirement that state governments contracting with private sector organizations cannot discriminate against a faith-based social services provider because the provider is religious.

Concept Paper

Contains key elements of a project, including information about the applicant, the target population, the need, objectives, total budget, other contributors and what makes it remarkable. Concept papers usually do not exceed three pages, including the cover letter

Code of Federal Regulations (CFR)

Compilation of all final regulations issued by federal agencies and published annually by the National Archives and Records Administration. The CFR is divided into numbered titles. Title 34 contains the regulations of the Department of Education.

Combined Application Notice (CAN)

A notice published by the Department in the *Federal Register* and posted on the Department's Web site that identifies programs and competitions under which the secretary has invited, or plans to invite, applications for new awards for a particular fiscal year. The notice provides the actual or estimated information on the following: 1) the date the competition will be announced in the *Federal Register*; 2) the date application packages will be available; 3) the application deadline date; 4) the deadline for intergovernmental review; 5) the range of awards; 6) the average size of awards; and 7) the number of awards. The CAN also provides a contact name and phone number for further information.

Community Foundation

A 501(c)(3) organization, usually considered a public charity, that makes grants for specific purposes in a specific community or region. Funds are derived from many donors and held in an endowment that is independently administered.

Competitive Grant

A grant opportunity that requires potential grantees to compete for funds. Not all applications will receive funding, so an innovative and well designed proposal is vital to success. A competitive grant program may come from a federal or state agency, or a private foundation.

Competitive Review Process

The process used by the Department to select discretionary grant and cooperative agreement applications for funding. Subject-area experts score applications and the most highly scored applications are considered for funding.

Consultant

Someone brought in for a limited time to solve one or more specific problems. This can be done under a contract for a specific problem or on a longer-term contract for ongoing needs related to a specific problem.

The term consultant is often used interchangeably with the terms independent contractor, freelancer, and vendor.

Contact Person

The representative of the funder for the grant program, and may also serve as the program administrator or grant officer.

Continuation Award

Additional funding awarded to the same grant for a budget period following the initial budget period of a multi-year discretionary grant or cooperative agreement.

Continuation Grant

Provides additional funding for budget periods subsequent to the initial budget period.

Contract

A mechanism for procurement of a product or service with specific obligations for both sponsor and recipient. The recipient is normally private sector providers of goods and services. The purpose is to purchase or otherwise acquire goods, services, or construction for government use or benefit. The scope of work may take the form of definitive specifications to meet the objectives of the program or task for which the object of the procurement is intended to accomplish.

Cooperative Agreement

A type of federal assistance; essentially, a variation of a **discretionary grant**, which is awarded by the Department when it anticipates having substantial involvement with the grantee during the performance of a funded project.

Corporate Foundation

A private foundation whose assets are derived primarily from the contributions of a for-profit business. While a company-sponsored foundation may maintain close ties with the parent company, it is an independent foundation with its own endowment and its own board of directors.

Corporate Giving Program

A grant-making program established and administered by a profit-making company. Corporate giving is planned as part of the company's budgeting process and usually is funded with pre-tax income.

|| A || B || C || **D** ||

Deadline

The receipt date by the funder for an application to be considered for funding. However, some deadline dates are mailing dates and need to be confirmed by a postmark or private shipping company date.

Deadline Date

The date by which an applicant must submit a discretionary grant or cooperative agreement application for it to be considered for funding by the Department. Under many competitions, applicants must mail their paper applications by midnight on the deadline date. Under other competitions, the Department must receive the application by the deadline date. Application packages and notices published in the *Federal Register* for a particular competition indicate the deadline date and time for the submission of paper and electronic applications.

Deliverables

Those products that are produced by a grant project. They may be quantified achievement i.e., enrollments, or singular outcomes, i.e., a curriculum.

Demonstration Grant

A grant made to fund an innovative project with the intention of duplicating the project elsewhere.

Direct Costs

Direct costs are those items in a grant project that can be identified specifically with a particular final cost objective. Examples of direct costs are compensation of employees for the time devoted and identified specifically to the performance of grant activities, cost of materials acquired, consumed, or expended specifically for the purpose of the grant, equipment and other approved capital expenditures, and travel expenses incurred specifically to carry out the activities of a grant project.

Discretionary Grant

Competitive grant program in which the applicant designs the proposal, and the funding agency ranks the proposals received and determines which will receive grant awards; also called competitive grants or project grants.

|| A || B || C || D || **E** ||

e-Application

Electronic grant application system (online submission)

e-Administration

The Department's electronic system that allows grantee project directors to

request administrative changes to their grant awards over the Internet. For example, grantees can submit a change of address related to a grant award.

e-Application

The Department's electronic application system that provides the capability for applicants to apply to selected discretionary and formula grant programs over the Internet.

ED

The acronym for the U.S. Department of Education (i.e., Education Department).

ED Pubs

The Department's main distributor of grant applications and other ED literature.

e-Grants

A term for the Department's electronic grants initiative and Web site that permits applicants and grantees to do business with the Department over the Internet. It includes the Web-based modules: e-Application, e-Reader, e-Reports, e-Administration, and e-Payments.

e-Payments

A module of the Department's e-Grants system that allows grantees to carry out financial transactions over the Internet such as requesting grant funds, returning funds, adjusting expenditures among awards, and monitoring the financial history of a grant.

e-Reader

The Department's electronic peer review system that manages the program office's peer review process when conducted over the Internet.

e-Reports

The Department's electronic reporting system which makes it possible for grantees to submit their annual grant performance reports (ED Form 524B) to ED via the Internet.

EDGAR (Education Department General Administrative Regulations)

Administrative regulations covering the Department of Education's grant programs as found in Title 34 of the CFR. The website for EDGAR is: <http://www.ed.gov/offices/OCFO/grants/edgar.html>.

Education Department General Administrative Regulations (EDGAR)

Administrative regulations governing the Department's grant and cooperative agreement programs found in Parts 74, 75, 76, 77, 79, 80, 81, 82, 85, 86, 97, 98, and 99 of Title 34 of the CFR; a document issued by the Department that contains a reprint of these regulations.

Education Foundation

Raises funds for school programs, but is a private, non-profit corporation, legally

independent from the educational institution. They can serve as a broker between the school and community or fiscal agent between a school and a private funder. Education foundations often operate mini-grant programs for teachers.

Encumbrance

An obligation in the form of a purchase order, or commitment, which is chargeable to a grant award and for which part of the awarded amount is reserved. Ceases to be an encumbrance when paid in full.

Endowment

Financial support kept permanently by an institution and invested to provide income to support programs or operations.

ESEA (Elementary & Secondary Education Act)

Legislation that authorizes most education grants. Reauthorized in 2002 as the No Child Left Behind Act (NCLB).

Evaluation

Process of collecting and analyzing data on various aspects of a program, usually for the purpose of program planning and goal setting, improving processes and outcomes, securing and allocating resources. Includes formative (collecting and analyzing data to focus on “what’s working and what needs to be improved”) and summative (collecting and analyzing to investigate “what’s been achieved” in a program).

Expiration Date

Date specified in the grant award notification after which expenditures may not be charged against the grant unless to satisfy obligations committed before that date.

|| A || B || C || D || E || **F** |

Federal Giving Program

Joint-fundraising effort, usually administered by an umbrella organization that, in turn, distributes the contributed funds to several non-profit agencies.

Federal Register (FR)

A daily compendium of federal regulations and notices, including announcements or RFPs (Request for Proposals) for grant awards.

(<http://www.gpoaccess.gov/fr/index.html>)

Fiscal Year (FY)

The 12-month accounting period at the end of which the books (accounting) are

closed for an agency or governmental unit.

Financial Payments Group

The administrative unit of the Department that makes payments of federal funds to grantees of discretionary grants and cooperative agreements.

Formula Grant

Several listings in the Federal Grants section use the term “formula grant”. A formula grant is funding from specific programs at the US Department of Education that is distributed to state departments of education based upon a formula that usually includes the number of students in the state that fit into a certain category, e.g. the number of students in the state that receive free or reduced-price lunches. Formula grants to states can be distributed to local school districts through a competitive application process or a formula determined by the state.

Funder

Governmental unit, foundation, corporate giving program or other entity that awards grants.

Funding Cycle

The schedule of events starting with the announcement of the availability of funds, followed by the deadline for submission of application, review of applications, award of grants and release of funds.

Funding Priorities

A means of focusing a competition on the areas in which the agency is particularly interested in receiving applications. Priorities take the form of specific kinds of activities that applicants are asked to include in an application to receive preference points in the review process. The U.S. Department of Education has the following classifications for priorities:

- Absolute priorities are those that the applicant must address to be considered for funding.
- Competitive priorities are optional and may provide bonus points or are given some other advantage in funding.
- Invitational priorities also are encouraged, but not required. The only advantage they offer is serving as a tiebreaker between proposals with the same score.

Freelancer

A person who pursues a profession, usually in the arts, under no long-term contractual commitments to any one employer or company. They are on their own to find work, negotiate the terms and compensation for that work, and deliver the work to the satisfaction of the paying client. The term freelancer is often used interchangeably with the terms independent contractor, consultant, and vendor.

Grant

The furnishing of assistance to support, stimulate or aid another party's activities in order to accomplish a public purpose. The award is of financial assistance in the form of money, or property in lieu of money, by a funding agency. The grant is usually advertised through a Request for Proposal (RFP).

Grant Administration and Payment System (GAPS)

A financial subsystem that is part of the Department's larger Education Central Automated Processing System (EDCAPS). GAPS works in tandem with e-Grants to allow applicants to apply electronically and allow grantees to submit reports and administrative changes, and to request payments and access grant accounts to obtain current payment information.

Grant Award Notification (GAN)

Official document signed by a program official who is authorized to obligate the Department in financial matters. The GAN states the amount and the terms and conditions of an award for a discretionary grant or cooperative agreement.

Grant Closeout

The final stage in the lifecycle of a discretionary grant or cooperative agreement. During this phase, the Department ensures that all applicable administrative actions and required work of a discretionary grant or cooperative agreement have been completed by the grantee. The Department also reconciles and makes any final fiscal adjustments to a grantee's account in GAPS.

Grant Guidelines

The official notice sent out by a foundation or agency announcing that a grant is open. This announcement will contain proposal guidelines, eligibility requirements, submission deadlines, contact information, and other details about the grant opportunity.

Grant Maker

A governmental unit, foundation, corporate giving program or other entity that awards grants.

Grant Period

A period of time that extends from the effective date through the expiration date.

Grants Policy and Oversight Staff (GPOS)

A component within the Office of the Chief Financial Officer that is responsible for policy development and oversight of the grants process at the Department. GPOS provides technical assistance to the program offices regarding

discretionary grant planning, awarding, administration, and closeout. GPOS is also responsible for maintaining *EDGAR*.

Grant Programs

The Department's programs that award discretionary grants and cooperative agreements.

Grant Seeker

An organization (school, school district, nonprofit, person) who is applying for a grant.

Grantee

An organization that has been awarded financial assistance for a project.

Grantor

The grantee is required to account for spending the money in the manner specified by the grantor.

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In-kind

Contribution of equipment, supplies or other tangible resource, as distinguished from a monetary grant. Some organizations may also donate the use of office space or staff time as an in-kind contribution.

Independent Contractor

Person or a business that follows an independent trade, business, or profession in which they provide goods or services to the public. The business contracting for their services must have the right to control or direct only the result of the work and not the means and methods of accomplishing the result. In other words, the business or organization contracts for certain work to be done, but does not tell the independent contractor when, where or how to do the work.

The term independent contractor is often used interchangeably with the terms vendor, freelancer and consultant.

Indirect

Costs that cover general administrative costs of a project, including such items as rent, utilities, maintenance, depreciation and custodial services.

Indirect Cost Rate

Percentage of a grant, approved by a federal or state department, or that a

particular organization can use to reimburse itself for indirect costs incurred in doing the work of the grant project.

Indirect Cost Rate Agreement

A formalized, written, and signed agreement between a recipient and the cognizant federal agency that specifies the treatment of indirect costs. The agreement includes, at a minimum, the approved rate(s); base(s) to which the rate(s) apply; applicable fiscal year; specific treatment of certain items of cost; general terms and conditions; and any special remarks. The rates and cost treatment laid out in the agreement are accepted and used by all federal agencies unless prohibited or limited by statute.

Indirect Cost Rate Proposal

The documentation prepared by an organization to substantiate its claim for the reimbursement of indirect costs. This proposal provides the basis for the review and negotiation leading to the establishment of an organization's indirect cost rate.

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LEA (Local Educational Agency)

The district education department that applies for and oversees a grant.

Letter-of-Commitment

Specifically lists services, activities, money promised to the project by a partner organization.

Letter-of-Intent

Expresses the grantor's willingness to commit funds to a project if other conditions are met.

From an Applicant: A letter of intent should describe the purpose of the request, the applicant's credentials and state the amount of funding requested. If the request fits the funder's priorities, applicants may be asked to submit a full proposal.

Letter-of-Support

Written endorsement of an application for funding provided by organizations or individuals who are familiar with the applicant's ability.

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Matching Funds

Funds required by a grant program to pay the percentage of project costs not covered by the grant.

Matching Grant

Grant made by one grantor or donor to match those provided by another grantor or donor.

Memorandum of Understanding (MOU)

An agreement developed and executed among partners relating to their roles in a joint operation.

Mini Grant

Funding for small projects, usually less than \$2,500.

Monitoring

A grantor's review and evaluation of specific aspects of a grantee's activities under a grant agreement.

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NCLB

No Child Left Behind Act. The current version of the federal legislation known broadly as the Elementary and Secondary Education Act (ESEA). This legislation provides federal funding for specific education programs, including formula and competitive grants, and requires accountability and reporting on the effectiveness of the money spent.

Nonprofit

An incorporated organization approved by the Secretary of State as "nonprofit". This means that, in addition to certain advantages realized by the corporation in return for the nature of its public services, any profit (surplus) earned from its services must remain within the corporation for program improvement, enhancement or expansion, and cannot be distributed to owners, shareholders, etc. In addition, Board members receive no remuneration from its activities.

Notice of Funding Availability (NOFA)

Term some agencies use for the announcement of a funding competition or a Request for Proposal (RFP).

Notice of Proposed Rulemaking (NPRM)

An announcement published in the *Federal Register* of proposed new regulations or modifications to existing regulations; the first stage in the process of creating or modifying regulations.

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OESE

Office of Elementary and Secondary Education. One of six agencies within the USDE under which grants are organized and authorized

OMB Circulars

Administrative policy documents issued by OMB that give instruction to federal agencies on a variety of topics, including the administration of federal grants and cooperative agreements.

OSERS

Office of Special Education & Rehabilitative Services. One of six agencies within the USDE under which grants are organized and authorized.

Obligation

There are two kinds of obligations. At the federal level, an authorized program staff member obligates funds in the Department's automated accounting system that dedicates funds to a particular grantee. Once funds are obligated, the Financial Payments Group can make payments of federal grant funds to a grantee. At the grantee level, an obligation is the commitment of federal funds to pay for the costs of a grant. In some cases, an obligation is made by signing a check for services of an employee, in other cases, an obligation can be made by entering into a contract with a vendor for goods or services.

Office of Inspector General

The Office of Inspector General conducts audits and investigations of Department programs and operations in order to promote their efficiency and effectiveness and to detect and prevent fraud, waste, and abuse. Through courts and administrative procedures, this office seeks to recover misused federal funds. In cooperation with the Department of Justice, it seeks prosecution of wrongdoers.

Office of Management and Budget (OMB)

A branch of the federal government that oversees procurement, financial management and regulatory policies. OMB Circulars are policy documents, which include the administration of federal grants

Office of the Chief Financial Officer

An organizational unit in the Department whose primary responsibility is serving as the principal adviser to the secretary of education on all matters related to financial management, financial control, and accounting including matters relating to discretionary grants, cooperative agreements, and procurement.

Operating Foundation

Uses the majority of its funds to conduct research or run programs for the common good. An operating foundation may make a few, small grants.

Outreach

An active effort by program staff to encourage individuals in the designated service delivery area to avail themselves of program services.

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PR/Award Number

The identifying number for a discretionary grant or cooperative agreement award.

Partnerships

Involve similar organizations that help each other meet their respective goals, without making substantial changes in the services they provide.

Performance Funding

Based on the timely submission of deliverables according to the specifications negotiated between grantor and grantee.

Performance Measure

A characteristic or metric that can be used to assess the performance aspects of a program or project (i.e., dollars expended, students enrolled, grade- point average, number of job offers received).

Performance Report

A report of the specific activities the recipient of a discretionary grant or cooperative agreement has performed during the budget or project period.

Post-Award Performance Conference

The first major discussion between the Department and some grantees after a new award has been made. The conference generally focuses on the proposed project outcomes as stated in the grantee's approved application, and on the ways in which project progress will be assessed.

Principal Office

For the purposes of this publication, one of eight organizational units of the Department responsible for administering programs that award discretionary grants and cooperative agreements: The Office of English Language Acquisition,

Language Enhancement, and Academic Achievement for Limited English Proficient Students (OELA); Institute of Education Sciences (IES); Office of Elementary and Secondary Education (OESE); Office of Postsecondary Education (OPE); Office of Special Education and Rehabilitative Services (OSERS); Office of Vocational and Adult Education (OVAE); Office of Safe and Drug-Free Schools (OSDFS); and the Office of Innovation and Improvement (OII).

Principal Officer

The Department official who is head of one of the nine principal offices and holds the rank of assistant secretary or its equivalent.

Program Determination Letter (PDL)

An official written notice from an authorized Department management official to a grantee that sets forth the Department's decision on findings against a grantee, including all necessary actions and repayment of funds for which the grantee is responsible. A PDL is generally issued after an audit, but sometimes a PDL can be issued based on other information made available to the Department.

Program Office

A sub-unit of a principal office that conducts the daily work of administering discretionary grant and cooperative agreement programs, including the review and ranking of applications.

Program Regulations

Regulations that implement legislation passed by Congress to authorize a specific grant program; they generally include applicant and participant eligibility criteria, nature of activities funded, allowability of certain costs, selection criteria under which applications will be selected for funding, and other relevant information.

Program Staff

A group of Department staff members in a program office responsible for all phases of the grants process including the review, award, administration, and closeout of discretionary grants.

Project Period (Also referred to as the performance period)

The total amount of time for which the Department promises to fund a grant and authorizes a grantee to conduct the approved work of the project described in the application. Project periods of more than 18 months are divided into 12-month budget periods. When the Department awards a multi-year award, it obligates funds for the first 12 months and promises to fund subsequent budget periods if certain conditions are met.

Program Year (PY)

The 12-month period beginning in July 1 and ending June 30 for the state and beginning October 1 and ending September 30 for the federal government.

Proposal

An application for funding that contains all information necessary to describe project plans, staff capabilities, and funds requested. Formal proposals are officially approved and submitted by an organization in the name of a principal investigator.

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Regulations

For purposes of this publication, federal rules of general applicability that are authorized by federal laws or other federal authority and contained in the CFR.

Replicability

A project requirement of most demonstration grants to replicate the grant elsewhere.

Request-for-Application (RFA)

Two definitions:

Often used in non-competitive grant programs, seeking information from a grantee that usually is entitled to receive funds according to a demographic formula.

Formal announcement of an opportunity to apply for a grant. An RFA specifies the requirements for applying for the grant. RFAs are issued by governments and foundations.

Request-for-Proposal (RFP)

A solicitation by a grantor seeking applications from potential grantees. Formal announcement of an opportunity to apply for a grant. An RFP specifies the requirements for applying for the grant. RFPs are issued by governments and foundations.

Also used by organizations to hire professional services.

Request-for-Quotation (RFQ)

When the government is merely checking into the possibility of acquiring a product or service, it may issue a Request for Quotation (RFQ). A response to an RFQ by a prospective contractor is not considered an offer, and consequently, cannot be accepted by the government to form a binding contract. The order is an offer by the government to the supplier to buy certain supplies or services upon specified terms and conditions. A contract is established when a supplier accepts the offer.

Responsive Proposal

A submission that meets all the mandatory requirements stipulated in the RFP or

RFA and addresses the legislative intent of the program.

Reviewer (Grant Reviewer, Peer Reviewer, Field Reviewer)

An individual who serves the funder by reviewing and scoring a competitive proposal. Reviewers are chosen for their subject-area expertise. They serve on a panel or “technical” panel

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S ||

SEA (State Educational Agency)

A state-level entity such as the California Department of Education authorized under federal law to administer federal funds directed to education in the state. The state board of education or other agency or officer primarily responsible for the supervision of public elementary and secondary schools in a state.

Seed Money

Grant or contribution used to start a new project or organization.

Selection Criteria or Evaluation Criteria

Standards by which different components of a proposal are rated and scored to qualify for funding.

Set-Asides

Funds reserved by a grantor for a specific purpose or project.

Solicitation for Grant Application (SGA)

Term some agencies use for the announcement of a funding competition or an RFP.

Standard Form 424

Application for federal assistance. The form is available for download at: <http://www.ed.gov/fund/grant/apply/appforms/appforms.html>

State Single Point of Contact (SSPOC)

State entities designated by the States to review and coordinate proposed Federal financial assistance and direct Federal development. See the following website for the SSPOC in your state: (<http://www.whitehouse.gov/omb/grants/spoc.html>)

STEM

Science, Technology, Engineering and Mathematics. “STEM” is a common term used to talk about these fields as a group, and “STEM education” is frequently

used to talk about the need for courses, teacher education and improving achievement in these fields.

Subgrant

An award of financial assistance in the form of money or property made under a grant by a grantee to an eligible recipient called a subgrantee.

Substantial Progress

A level of accomplishment that a grantee must make in its project during a budget period, which produces measurable and verifiable evidence that the activities undertaken complied with those objectives submitted and agreed on between the grantee and the Department during the grant awarding process.

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|| **T** ||

Target Area

Geographic area, such as a city, neighborhood, county, certain census tracts or schools districts, school service areas.

Targeted Population

Target population group to receive direct assistance through the project.

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Vendor

A Vendor is a seller of products or services. Often in contracting with a business or the government, the supplier is called a vendor. The term vendor is often used interchangeably with the terms independent contractor, freelancer, and consultant.