

State of Connecticut
Office of Policy and Management
NONPROFIT GRANT PROGRAM
Guidelines and Application Instructions
REVISED: September 20, 2013

■ A. INTRODUCTION

The Office of Policy and Management (OPM) is accepting applications for the Nonprofit Grant Program (NGP). **The application deadline for consideration for the first round of funding is not later than 4:00 p.m. on October 18, 2013.** If funding remains after the first round, applications will be accepted on a rolling, continuous basis. The NGP will award Grants-in-aid to selected private, nonprofit health and human service organizations that are exempt under Section 501(c)(3). The purpose of the NGP is to improve the efficiency, effectiveness, safety and/or accessibility of health and human services being delivered by nonprofit organizations, with applicants who are delivering such services under one or more contracts or agreements with and funding from one of more State agencies to receive priority. The eligible projects include facility alterations, renovations, improvements, additions, and new construction; health, safety and Americans with Disabilities Act (ADA) projects; energy conservation improvements; information technology systems; technology that promotes client independence; and purchase of vehicles.

The NGP is administered in accordance with Section 13 of Public Act 13-239, June 2013 Session. The NGP is to be funded by proceeds from State General Obligation Bonds. The use of such funds for this program is subject to review and approval of the State Bond Commission in accordance with Section 3-20 of the Connecticut General Statutes. The State Bond Commission is authorized to issue up to \$20,000,000 in funding to support eligible projects.

The award of any grant pursuant to this program is dependent upon the review and approval of OPM.

These Program Guidelines and Application Instructions may be amended at any time as determined necessary by OPM.

B. ELIGIBLE APPLICANTS, PROJECTS AND COSTS

1) Eligible Applicants

Eligible applicants are health and human services organizations that are exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time.

2) Eligible Projects

The NGP is for capital projects or items that achieve or address at least one of the two following priorities:

- 1) Improving or enhancing the efficiency or effectiveness of health and human services delivered by health and human services organizations
- 2) Addressing documented need for health, safety and ADA improvements for which other funding sources are not readily available

The following capital projects or items as allowed by Public Act 13-239 will be considered, provided they address one of the above priorities, including:

- Facility alterations, renovations, improvement, additions, new construction and land purchase associated with new construction or additions;
- Health, safety and compliance with Americans with Disabilities Act;
- Energy conservation, improvements or projects;
- Information technology projects, including encryption or client confidentiality systems;
- Technology that promotes client independence;
- Purchase of vehicles;
- Acquisition and upgrades to electronic health or medical records and other health information technology systems; and
- Converting use of property to address mutually agreed to state agency service needs

Contingency Funds: Contingency Funds up to 10% of the project will be allowed (Note: Contingency Funds will be held by the state agency and shall only be distributed to a grantee if deemed necessary by the state. Any unexpended funds shall be returned to the Bond Pool).

3) Non-Eligible Costs and Limitations

Non-Eligible Costs Include:

- Procurements, items or any costs not eligible to be financed by bond funds
- Interior or exterior painting unless part of a larger improvement

- Equipment, furniture, copiers or similar equipment unless part of a larger improvement
- Supplanting of Funds. Funds received for any project under the grant program must be used to supplement and not supplant, any federal, state, private or other funds received for the project.
- Staffing or operating costs
- Any costs incurred prior to grant award contract execution

Limitations Include:

- For a facility improvements,, the requested funds shall be lesser than the current market value of the property net of: (1) any liens on the property and (2) any outstanding mortgage balance.
- Provisions regarding related party transactions shall be treated the same as in OPM's Cost Standards.
- Architectural fees limited to no more than 10% of project costs; applicant may submit justification, based on project complexity, to exceed this percentage. The Evaluation Committee may utilize "technical advisors" to review proposed architectural and engineering fees.

4) Grant Amounts

- Grant awards will be limited to generally no more than \$1.0 million for any project or nonprofit provider per year
- \$25,000 minimum cost per project
- Grant typically should not exceed 25% of the applicant's annual budget for health and human services.
- Evaluation Committee or OPM Secretary, in consultation with applicant, may modify the amount requested in approving awards

C. OFFICIAL STATE NGP APPLICATION CONTACT PERSON (i.e. Official State Contact Person) and INQUIRY PROCEDURES

The **Official NGP Application Contact Person is:**

Valerie Clark
Office of Policy and Management
450 Capitol Avenue
Hartford, CT 06106
Telephone: (860) 418-6313
e-mail: valerie.clark@ct.gov

The Official State Contact Person is available to answer questions or provide information regarding the NGP and the application process.

Please Note: For those planning to submit an application and following the submittal of any application, all questions or contacts related to the application should be directed solely to the Official State Contact Person.

D. APPLICATION PROCESS TIMEFRAMES

- 1) **Application deadline for the first round of funding:** Applications for the first round of funding under this program are due to the following address **not later than 4:00 p.m. on October 18, 2013:**

Office of Policy and Management
450 Capitol Avenue
Hartford, CT 06106
c/o Valerie Clark, Office of Finance
e-mail: valerie.clark@ct.gov

- 2) **Questions and answers regarding Program Guidelines and Application Instructions and the Application Form:** Potential applicants can submit questions related to these Program Guidelines and Application Instructions and the Application Form to the Official State Contact through mail or e-mail, which questions must be received by the Official State Contact **not later than 4:00 p.m. on September 6, 2013.** These questions and the related answers will be posted on OPM's [website](#) and DAS's [website](#) **not later than 4:00 p.m. on September 20, 2013.**
- 3) **Selection and award process:** OPM and/or the Evaluation Committee plans to post information regarding the anticipated timeframes related to the selection and award process as this information becomes available. It is anticipated that applicants will be notified about the status of their application not later than December 15, 2013. It is the State's goal to have grant award agreements with selected applicants completed no later than March 1, 2014.
- 4) **Rolling applications:** If funding remains after the first round, applications will be accepted on a rolling, continuous basis. More information as appropriate in this regard will be posted on OPM's [website](#) and DAS's [website](#).

E. APPLICATION CONTENTS AND APPLICATION FORM

The application for this funding program is located on [OPM's web-site](#) under the link for Request for Proposals and posted on the [DAS website](#). Applications may also be obtained from the **Official State Contact Person**.

1. APPLICATION CONTENTS

The application sections are:

- Part 1 – Participant Profile
- Part 2 - Project Application (one for each project)

Part 1– Organizational Profile

Contents of Part 1- Organizational Profile:

- A.** Organizational profile and information—e.g. name of contact person, address
- B.** Description of provider organization and services provided
- C.** List of State health and human service contracts or agreements in current year, including State agency name, dollar amounts and summary of program types
- D.** Questions and other information
- E.** Certification of Application
- F.** The following forms and information (*or an indication that the form is on Biznet*):
 - 1) State of Connecticut, Nondiscrimination Certification (Rev. 07-08-2009) (Form 1)
 - 2) State of Connecticut, Acknowledgement of Contract Compliance, Notification To Bidders (Form 2)
 - 3) State of Connecticut, Contract Compliance Monitoring Report (Parts I-V) (Form 3)
- G.** Financial Audits
 - 1) State Single Audit for the two most recent years; if no Single State Audit completed, please submit copies of any independent financial audits and IRS Form 990 (Return of Organization Exempt Form Income Tax) for the two most recent years,

plus any additional forms or attachments submitted to IRS with the return. *NOTE: If the State Single Audits for the two years are on OPM's website, there is no need to submit such audits separately.*

Part 2 - Project Application (*Note: one application per project*)

A separate Project Application form must be submitted for each project. In this regard, by way of example, an organization seeking funding for 1) the implementation of an electronic medical record (EMR) system and 2) the renovation a kitchen would need to file separate Project Applications (one for the EMR system and the one for the kitchen renovation) since these are unrelated projects. On the other hand, an EMR system involving multiple locations would be considered to be one project.

Separate Part 2 Project Application forms for projects involving facility improvements or new construction must be submitted for each location.

Contents of Part 2- Projection Application:

- A. Name of and Purpose of Project
- B. A description of project:
 - 1) the work to be done and
 - 2) a detailed schedule of the timeframe of the project, including cash flow requirements.
- C. A line-item project budget and narrative, including all funds.
- D. A description of the non-NGP funds to be used for project, including the sources and assurance that such funds will be available in a timely fashion to complete the project within the contract period.
- E. A list of Procurements (e.g. facility improvement, construction or renovation project, equipment or vehicle purchases) needed for project and a justification and description of methodologies used to develop cost estimates for each. With respect to these procurement cost and estimates:

1. Facility Improvements or Land Purchase associated with new construction or additions: In the absence of a recent appraisal, an applicant may use the municipality's assessed value of the property to help calculate the amount of the grant funding request. This calculated amount is only an estimate for the purposes of the application. If selected for a possible grant award, the applicant will be required to submit one (or two) appraisals to satisfy the requirements of the application. Only recent appraisals, i.e., those prepared during the previous 365 days, are acceptable. The amount of any subsequently awarded grant will be adjusted according to the lowest appraised value of the facility. If selected for a grant award, the grantee will be required to conduct competitive procurement for facility improvements.

2. Equipment, Technology and Vehicles: An applicant may use a price quote from a vendor or website to help calculate the amount of the grant funding request. This amount is only an estimate for the purpose of the application. If selected for a grant award, the grantee will be required to conduct a competitive procurement process to select a vendor.

- F. The associated expense increases or reductions and revenue increases or decreases projected to be realized/achieved each year over a five year period, compared to current expenses and revenues, as a result of the project.
- G. The associated improvements in service effectiveness, capacity, safety, accessibility, or in other areas to be achieved as a result of project.
- H. Questions for facility improvements or land purchase associated with new construction or additions only
- I. Forms and submittals for facility improvements or land purchase associated with new construction or a only

2. Clarifying Information.

Applicants may be requested by the Official State Contact or the Evaluation Committee to submit clarifying information related to their application as well as additional information as may be required by the Official State Contact, the Evaluation Committee, the OPM Secretary or the State Bond Commission.

F. SUBMITTAL OF APPLICATIONS; ORIGINAL COPY AND COPIES.

Applicants must submit one (1) original paper application; five (5) conforming paper copies of the original application; and one (1) conforming electronic copy of the original application to the **Official State Contact Person**.

The original paper application must carry original signatures and be clearly marked on the cover as "Original." Unsigned applications will not be evaluated. The original application and each conforming paper copy of the application must be complete, properly formatted and outlined, and ready for review by the Evaluation Committee. For the electronic copy, required forms and documentation may be scanned and submitted in Portable Document Format (PDF) or similar file format.

G. EVALUATION AND SELECTION OF APPLICATIONS; GRANT AWARD

- 1. Evaluation Process.** It is the intent of OPM to conduct a comprehensive, fair, and impartial evaluation of applications received.
- 2. Minimum Submission Requirements.** Only applications found to be responsive (that is, in compliance with all instructions and requirements) will be reviewed, rated, and scored. At its sole discretion, the Evaluation Committee may allow applicants to correct applications in order to ensure minimum submission requirements are met.
- 3. Evaluation Committee.** The OPM Secretary will designate an Evaluation Committee to review, rate, and score eligible applications meeting the minimum submission requirements. The members of the Committee shall include two staff members from OPM and two or three representatives from State POS agencies. Members will serve for at least one year. The Committee will be able to use non-voting "technical advisors" from state agencies or outside entities, as appropriate, to assist, as needed, in reviewing the technical aspects of proposals.

4. Evaluation Criteria

Evaluation Criteria	
(a)	Priority for providers headquartered in State and for applicants who are delivering health and human services under one or more contracts or agreements with and funding from one or more State agencies
(b)	Amount of funding requested is proportionate to the amount of the annual budget for the health and human services program(s) impacted by the project and the number of clients served by such program(s)
(c)	Demonstrated efficiencies or improvements in terms of cost savings, service effectiveness or capacity and/or in meeting critical health, safety and accessibility needs. Applications involving such efficiencies or improvements for health and human services under one or more contracts or agreements with and funding from one or more State agencies to receive priority. Net cost savings and service improvements should be quantified to the extent possible to determine the return on the investment
(d)	Other funds needed to undertake the project and/or to maximize the State's investment, including funds from the applicant, federal or private sources, have been secured or will be readily available in order to ensure project completion in a timely manner.
(e)	Demonstrate fiscal stability and show sustainable funding, to the extent applicable, in the out years
(f)	Quality of application in terms of project plans and description and reasonableness and accuracy of cost estimates and project budgets
(g)	Compliance with applicable affirmative action and equal employment opportunity requirements by the provider

5. Meetings with Applicants. The Evaluation Committee may request a meeting with an applicant in order to gain a better understanding of the application. The meeting may involve a site visit. If the Evaluation Committee decides such a meeting is warranted, the Official State Contact Person will notify the applicant and provide detailed procedures for the meeting. Any such meeting will be scheduled at the mutual convenience of the Evaluation Committee and the applicant. An applicant must not use a meeting with the Evaluation Committee to supplement, improve, or amend the application. At its sole discretion, OPM may invite only certain applicants to meetings and may limit the number of attendees per applicant.

6. Recommendations by the Evaluation Committee. Upon completing its evaluation of applications, the Evaluation Committee will submit its recommendations to the Secretary of OPM. The Evaluation Committee may recommend all, none, or part of any application to the Secretary of OPM. The Evaluation Committee will generally not recommend for the Secretary's

approval a project that received an average score of below 70 points on a scale of 100 from the committee.

- 7. Selection by Secretary.** The final selection of any application is at the discretion of the Secretary of OPM. The OPM Secretary has full discretion to accept or reject, in whole or in part, any funding recommendation submitted by the Evaluation Committee.
- 8. Notification by OPM.** Applicants will be notified by OPM as to the status of their applications both for awards and non-awards. Any selected applicant notified by OPM for an award will be given an opportunity to negotiate the scope and amount of a possible grant award contract. As part of this process, the applicant will be required to submit such additional information and documentation as required by OPM (see Section H. of these Guidelines and Instructions).
- 9. Grant Administration.** If a grant is awarded, OPM or another state agency selected by OPM will seek to execute the grant award contract with the successful applicant and to oversee the grantee's implementation of the approved project(s). If OPM is not a party to the contract with the grantee, OPM will continue to exercise its statutory authority related to the overall direction and implementation of the program. The contract is executory and no final commitments can be made until the contract is approved by the Office of the Attorney General.
- 10. Freedom of Information Act.** Applications submitted are the sole property of the State. Applicants are encouraged NOT to include in their applications any information that is proprietary. Applicants are advised that all materials associated with an application are subject to the terms of the Freedom of Information Act (FOIA), the Privacy Act, and all rules, regulations, and interpretations resulting from them. The FOIA generally requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content falls within certain categories of exemption.

If the information is not readily available to the public from other sources and the applicant submitting the information requests confidentiality, then the information is generally considered to be "given in confidence." If the applicant indicates that certain documentation is submitted in confidence, by specifically and clearly marking said documentation as CONFIDENTIAL, OPM will endeavor to keep said information confidential to the extent permitted by law. OPM, however, has no obligation to initiate, prosecute, or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information pursuant to a FOIA request. The applicant has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall OPM or any of its staff have any liability for disclosure of documents or information in the possession of OPM which OPM or such staff believes to be required pursuant to the FOIA or other requirements of law.

11. Conflict of Interest. A conflict of interest exists when a relationship between an applicant and a public official (including an elected official) or State employee may interfere with fair competition or may be adverse to the interests of the State. The existence of a conflict of interest is not, in and of itself, evidence of wrongdoing. A conflict of interest may, however, become a legal matter if an applicant tries to influence, or succeeds in influencing, the outcome of an official decision for personal or corporate benefit. Applicants are required to disclose any current business relationships (within the last three years) that pose a conflict of interest. OPM will determine whether the conflict of interest poses a substantial advantage to the applicant over the competition, decreases the overall competitiveness of the application, or is not in the best interests of the State.

H. INFORMATION AND DOCUMENT REQUIREMENTS-POST SELECTION

If selected for a possible grant award, the applicant will be required to submit additional documentation (listed below) within 60 calendar days after OPM's Official Contact sends the applicant written instructions to do so. A description of some of the information, depending on the nature of the project that may be required is included below.

NOTE: It is not required to submit this additional documentation with the application. For those applicants selected for a possible grant award, OPM will issue instructions at the conclusion of the evaluation process for submitting the additional documentation.

1. Certified Resolution. The applicant must submit a certified resolution, adopted by the Board of Directors, authorizing the Executive Director or other designated representative to act on behalf of the Board of Directors to undertake the particular project awarded under this program.

2. Proof of the legal existence as documented by the Secretary of State

3. Facility Improvements and Land Purchase associated with new construction or additions

a) Appraisals. If a facility to be constructed or improved and is valued at less than \$100,000, one independent appraisal is to be prepared and submitted. If the facility to be constructed or improved is valued at \$100,000 or more, OPM may require that a second independent appraisal be prepared and submitted. For all projects, one appraisal must be done by a MIA-certified appraiser (Member of the Appraisal Institute). The second appraisal, if required, may be done by the financial institution that grants a mortgage, unless the financial institution is the owner of the facility. Any appraisal submitted in fulfillment of the requirements of these instructions must have been prepared within the previous 365 days.

- b) (Modified) Lien Analysis Form. (Form 4)** If the current value of any liens on the property, plus the (anticipated) mortgage balance, plus the requested funding amount exceeds the current market (appraisal) value of the property, grant funds for a project will either be, at the state's option, reduced or not awarded.
- c) Engineering or Inspection Report.** The applicant must provide an engineering or inspection report on the facility regarding the presence of lead paint, asbestos, radon, underground storage tanks, or other environmental hazards, including the ramifications of removal or abatement.
- NOTE: Removal or abatement costs of potential hazards must be taken into account when requesting grant funds. The majority of pre-1978 construction contains lead paint. If a facility is to be used for residential purposes, strict guidelines concerning lead paint apply if a child age six or under will be living at the facility.
- d) Owner Statement**
- e) Mortgage Commitment Agreement. *As applicable.*** Successful applicants (grantees) must provide the State administering agency with a copy of the fully executed mortgage commitment agreement. This is not a letter of intent, but an actual commitment.
- f) Owner Approval. *For Facility Improvements.*** The owner's written approval of the improvement project is required for each applicant-leased or applicant-owned facility.
- g) Agreement to Purchase. *Land Purchase***
- h) Other, as deemed necessary by OPM**

I. GRANT AWARD CONTRACT

OPM or the state agency selected by OPM to administer the grant funds will execute a grant award contract with the successful applicant, which contract shall outline the amount of the grant, the work to be done and the state's terms and conditions. These terms and conditions shall include, but not be limited to, requirements with respect to:

- 1. Code Compliance.** All improvement projects must comply with all State or local fire, health and safety codes. Applicants must submit documentation that the facility and site meets (or will meet) all applicable licensing, local and State zoning, building, fire health, and safety codes for the anticipated use of the facility.
- 2. Insurance.** Grantees must require that all contractors bidding on improvement projects have a certificate of insurance covering public liability and worker's compensation. Requirements for public liability and

worker's compensation must be stated in the written specification used to solicit bids from contractors. If the selected contractor is a sole employee and, therefore, does not carry worker's compensation, the applicant must state such in the project application.

- 3. Performance Bond.** For all improvement projects where the selected contractor's bid is greater than or equal to \$150,000, a performance bond in favor of the State and in an amount not less than 50% of the bid (covering the labor and material of the selected contractor for the improvement project) must be submitted and on file with the State administering agency prior to payment of invoices. This is the mechanism through which the quality and performance of the work being financed with the State's bond funds is guaranteed. It is general practice for contractors in private industry to procure the performance bond. A performance bond is acquired from an insurance or bonding company by the contractor. The requirement for a performance bond must be stated in the written specification used to solicit bids from contractors.
- 4. Property Ownership and Control.** Grantees will own any equipment, technology or vehicles purchased with grant funds. Grantees must document the assignment of ownership and usage, and maintain these documents so they are available to the State administering agency. The grantee (owner) will be responsible for the proper insurance, licensing and permitting, and maintenance of all purchases.

Grantees must maintain a property control record for each equipment item with the following information: (1) date of purchase; (2) name and address of vendor; (3) year, make, and model of equipment item; (4) serial number; and (5) if applicable, date of disposition; method of disposition; and amount received or trade-in value.
- 5. Change of Ownership or Tenancy.** Grantees must notify the State administering agency immediately of any plans to change ownership or tenancy of a funded facility; as such a change affects that status of the grantee's bond fund contract with the State.
- 6. Competitive Procurements.** All procurements must be competitive, with written bids in a manner as prescribed by the State agency, except for a land purchase associated with new construction or addition project. As a general rule, "sole source" procurements are not permitted. One possible exception would be for a vendor having proprietary services or patent rights. In such a case, an applicant must explain in detail the reasons for requesting a waiver from the competitive procurement requirements and provide supporting evidence of the proprietary services or patent rights.
- 7. Lien Receipt and Copy.** Receipt of funds for a facility project requires the filing of lien in the town where the property is located. The lien will remain in effect for ten years for facility construction and improvements. Grantees are responsible for the filing costs.

8. Repayment. Each grantee must commit to the continued use of any equipment, technology or vehicle purchased with grant funds for not less than five years. The grantee shall return to the State a declining amount (20% each year) during the five-year period for any discontinued use.

The grant award contract shall also include provisions regarding matters such as fiscal control and reporting, audits, budget modifications, progress reports, methods to request reimbursement for project expenses, return of unexpended funds and/or disallowed costs, and project close-out.