

Promise Neighborhoods
Frequently Asked Questions ADDENDUM #2
May 18, 2010

Please note that the following FAQs are an addendum to the FAQs published on May 11, 2010. The FAQs below have been incorporated into the relevant sections of the May 11, 2010 FAQs and the revised document is also now posted on the Promise Neighborhoods website at <http://www2.ed.gov/programs/promiseneighborhoods/faq.html>.

B. Eligible Applicants and Partners

B-12. What entity may act as the fiscal agent for a Promise Neighborhoods planning grant?

The Department will award a Promise Neighborhoods planning grant to the applicant, which then becomes the grantee. Under all Department grant programs, the grantee is the fiscal agent. A grantee may rely on a third party to perform fiscal management functions related to its Promise Neighborhoods grant. The grantee, however, remains the fiscal agent for the grant and, as such, is responsible for ensuring that grant funds are used for allowable and documented costs.

As described in the eligibility section of the notice, an eligible applicant (and, if successful, a grantee) may be:

- A nonprofit organization that meets the definition of a nonprofit under 34 CFR 77.1(c); or
- An institution of higher education as defined by section 101(a) of the Higher Education Act of 1965, as amended.

C. Priorities

C-9. Is an eligible applicant required to operate or partner with at least one target school that is within the geographic area proposed to be served?

Yes. Eligible applicants must operate or partner with at least one target school described in paragraph 2(a)(i), 2(a)(ii), or 2(a)(iii) of Absolute Priority 1¹ that is within the geographic area proposed to be served. In cases where an eligible applicant operates or partners with a target school that does not serve all students in the neighborhood, the applicant must partner with at least one additional school that serves students in the neighborhood.

C-10. Is an eligible applicant permitted to partner with a school that is located outside of the geographic area proposed to be served?

Yes, an eligible applicant may partner with a school that is located outside of the geographic area proposed to be served, so long as the applicant also partners with at least one target school that is within the geographic area proposed to be served.

¹ i.e. a persistently low-achieving school, a low-performing school, or an effective school (all as defined in the notice).

E. Project Design

- E-8. Are applicants expected to plan to implement their complete continuum of cradle-through-college-to-career solutions at the end of the planning year, or may they plan to build up the complete continuum over a period of time?**

The Department believes that applicants are best positioned to determine the timing of the eventual implementation of their continuum of solutions. The primary expected output during the planning year is a feasible plan to implement a complete continuum of solutions for children in the target school or schools described in paragraph 2(a)(i), 2(a)(ii), or 2(a)(iii) of Absolute Priority 1.

- E-9. When will planning grant funds be available to selected grantees?**

Planning grants will be awarded no later than September 30, 2010. The full amount of funding for the planning grant will be awarded to grantees at the time the initial grant is made.

- E-10. How may a Promise Neighborhoods grantee draw down funds to pay for expenses related to its grant?**

Although the full amount of funding for the planning grant will be awarded to grantees at the time the initial grant is made, Parts 74 of EDGAR provides that grantees should minimize the period of time between their drawdown of grant funds (i.e., the transfer of those funds to a grantee from the U.S. Treasury), and the use of those funds by the grantee to pay for grant related expenses.

G. Allowable Activities

- G-3. Should applicants include expenses related to the national evaluation in their budgets?**

No. Applicants are not expected to include expenses related to the national evaluation in their budgets. The Department will pay those expenses separately.

- G-4. How does an eligible applicant determine what expenditures are allowable and what expenditures are prohibited?**

The budget an eligible applicant includes in its application should include only costs that are reasonable and necessary for carrying out the objectives of the proposed Promise Neighborhoods planning process. Rules about allowable costs are included both in EDGAR (*see* <http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html>) and in the cost principles contained in applicable Office of Management and Budget (OMB) Circulars: A-21 for institutions of higher education, and A-122 for nonprofit organizations (*see* www.whitehouse.gov/omb/circulars).

H. Future Competitions

H-3. Is an eligible applicant for a planning grant required to be the same entity that will eventually implement the plan?

The FY 2010 Promise Neighborhoods grant competition is for planning grants only. The eligible applicant for a Promise Neighborhoods planning grant competition should be the entity that will lead the planning activities during the planning year.

Funding and eligibility requirements for implementation grants are yet to be determined.

I. Matching Requirement

I-5. May Federal funds count toward the matching requirement if they are distributed by a State or local governmental entity?

No. An applicant may not count Federal funds toward the matching requirement regardless of the entity that distributes them.

I-6. May eligible applicants commit their own funds or in-kind contributions as part of the matching requirement?

Yes. Eligible applicants may commit their own funds or in-kind contributions to meet the matching requirement, so long as the funds or in-kind contributions in question: (a) do not come from Federal sources, (b) are spent or used during the planning year, and (c) are used for purposes within the scope of the proposed planning process. The eligible applicant must provide appropriate evidence of the commitment of its own resources in its application.

J. Selection Criteria

J-1. One of the selection criteria, quality of project personnel, provides that peer reviewers will consider the quality of the project personnel who will carry out the proposed project. Does this criterion refer solely to the personnel of the eligible applicant or also to the personnel of the applicant's partner organizations?

The eligible applicant is the single entity applying for a Promise Neighborhoods planning grant. In determining the quality of the project personnel, the Secretary will consider the qualifications of the project personnel of the eligible applicant only, including the project director, and the prior performance of the eligible applicant on efforts similar or related to the proposed Promise Neighborhood. This criterion does not concern the personnel of any organization other than the eligible applicant. However, under another selection criterion, quality of the management plan, peer reviewers will consider, among other factors, the extent to which the memorandum of understanding described in Absolute Priority 1 describes each partner's financial and programmatic commitment; how each partner's existing vision,

theory of action, and theory of change, and existing activities align with those of the proposed Promise Neighborhood; and the governance structure of the proposed Promise Neighborhood.

K. Application Process

K-1. Must applications be submitted electronically?

Yes. Applications for Promise Neighborhoods planning grants must be submitted electronically using e-Application, which is accessible through the Department's e-Grants Web site at <http://e-grants.ed.gov>. An application will be rejected if it is submitted in paper format unless, as described in the notice and the application package, the applicant qualifies for one of the exceptions to the electronic submission requirement and submits, no later than two weeks before the application deadline date, a written statement to the Department that it qualifies for one of these exceptions. More detailed instructions regarding the electronic submission of applications are in the notice and the application package. Applicants are advised to become familiar with the e-Grants Web site and the electronic submission process well in advance of the application deadline.

We strongly recommend that you **do not wait until the last day to submit your application.** The time it takes to upload the narratives for your application will vary depending on a number of factors including the size of the files and the speed of your Internet connection. **If you try to submit your application after 4:30:00 PM on the deadline date, the e-Application system will not accept it.**