

FY 2022-23 Statewide Planning and Capacity Building Project Administrator Solicitation Q&A Written Staff Responses

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Introduction

On August 17, 2023, and September 6, 2023, California Air Resources Board (CARB) staff held two Question and Answer (Q&A) sessions for the Fiscal Year (FY) 2022-23 Statewide Planning and Capacity Building Project Administrator (PCB Administrator) Solicitation. The full solicitation can be found here: <https://ww2.arb.ca.gov/planning-and-capacity-building-administrator-fy-22-23>.

The questions and answers in this document include both questions reviewed via email before the Q&A sessions and questions and answers asked during the Q&A sessions. To minimize repetition, similar questions have been combined and answered together.

The following written responses serve as an update to and take precedence over verbal responses provided during the Q&A session. This document includes references to the Solicitation and associated appendices. Language in the Solicitation and appendices takes precedence over any additional language provided in this Q&A document, except for clarifications provided in the Solicitation Errors & Clarifications section. Use the following links to reference the relevant Solicitation and appendices.

- PCB Administrator Solicitation: https://ww2.arb.ca.gov/sites/default/files/2023-07/FY22-23_PCB-Admin-Solicitation.pdf
- PCB Administrator Solicitation Appendix A: https://ww2.arb.ca.gov/sites/default/files/2023-07/FY22-23_PCB-Admin-Sol_Appendix-A.pdf
- PCB Administrator Solicitation Appendix A, Template I: https://ww2.arb.ca.gov/sites/default/files/2023-07/FY22-23_PCB-Admin-Sol_Appendix-A-Template-I.pdf
- PCB Administrator Solicitation Appendix A, Template II: https://ww2.arb.ca.gov/sites/default/files/2023-07/FY22-23_PCB-Admin-Sol_Appendix-A-Template-II.xlsx
- PCB Administrator Solicitation Appendix B: https://ww2.arb.ca.gov/sites/default/files/2023-07/FY22-23_PCB-Admin-Sol_Appendix-B.pdf

CARB will not answer questions regarding this Solicitation outside of the Q&A sessions.

Solicitation Errors and Clarifications

An Addendum has been issued for the Solicitation with the following updates:

- All references to “bonus” were deleted from the Solicitation (page 10, 25, and 26). The California Constitution (Article XVI, Section 6) prohibits gifts of public funds, which was the intent for excluding bonus as an eligible labor costs. This clarification is intended to minimize confusion pertaining to pay structures that account for varying approaches to employee compensation.
- Incentive compensation is being added to the Solicitation as an eligible labor cost and is defined per the Code of Federal Regulations (CFR), 2 CFR 200.430¹.
- In the Eligible Costs section, on page 25, the Solicitation identifies “Grant management costs (including indirect costs) necessary to fulfill the Scope of Work in this Solicitation, including but limited to: management oversight, prorated office space, and prorated general liability, Workers’ Compensation, and automotive insurance.” This should read: Grant management costs (including indirect costs) necessary to fulfill the Scope of Work in this Solicitation, including but **not** limited to management oversight, prorated office space, and prorated general liability, Workers’ Compensation, and automotive insurance.”

PCB Administrator Solicitation Appendix A, Template II:

- In the Budget Summary tab, disregard the output of cell G13. The Grant management eligibility requirement check includes indirect costs when it should not. To clarify, Grant management costs may not exceed five (5) percent of the total CARB requested funds, and indirect costs may not exceed a separate five (5) percent of the total requested funds. CARB will manually check that this eligibility requirement has been met using the Budget Details tab.
- In the Budget Details Tab: the call out comment box that appears when in cell E14 currently says: “Input all indirect costs here. Indirect costs should account for no more than 1% of the total requested funds.” This should read: “Input all indirect costs here. Indirect costs should account for no more than **5%** of the total requested funds.”

¹ <https://www.ecfr.gov/current/title-2/section-200.430>

Questions and Written Responses from Q&A Session 1

- 1. Question:** I would like to sign up for Technical Assistance for the Statewide Planning and Capacity Building Administrator FY 2022-23 Grant. We saw this was available for this grant, but I could not find the link to sign up.

Answer: There is no dedicated technical assistance for potential applicants of the Statewide Planning and Capacity Building Administrator. It is possible this inquiry is related to the technical assistance that is offered to applicants interested in the Fiscal Year (FY) 2022-23 Planning and Capacity Building (Planning), Clean Mobility in Schools (CMIS), and Sustainable Transportation Equity Project (STEP) Request for Applications (RFA). For those interested in the Planning, CMIS, and STEP RFA, please visit <https://ww2.arb.ca.gov/planning-cmis-step-fy-22-23>.

- 2. Question:** In the PCB Admin Solicitation document, Grant Management and Budget heading, Section II. Budget, on p. 28, it is stated that: "Grant management costs may not exceed five (5) percent of the total requested funds. In addition, indirect costs may not exceed five (5) percent of the total requested funds." Is "total requested funds" here referring to the maximum of \$5 million available? If so, does the language cited above from p. 28 mean a maximum of \$250k for "grant management costs" as defined starting on p. 18 under the Scope of Work heading? Is there also then a separate maximum of \$250k for "indirect costs" as defined starting on p. 10, Overview heading, Section VII. Terms and Definitions, and distinct from the amount described above in 1b?

Answer: Per page 8 of the Solicitation, "CARB currently has \$5 million available for the PCB Administrator." Under the Budget heading of page 28, "Grant management costs may not exceed five (5) percent of the total requested funds. In addition, indirect costs may not exceed five (5) percent of the total requested funds." If an applicant requests all available funds, the grant management costs may not exceed \$250,000 or five (5) percent, and the total indirect costs may not exceed a separate \$250,000 or five (5) percent of the total requested funds.

- 3. Question:** Under the Eligible and Ineligible Activities and Costs heading, Section II. Eligible Costs, on p. 25, the fourth bullet indicates an eligible cost to be "grant management costs (including indirect costs) necessary to fulfill the Scope of Work...". Can you clarify the reference to "indirect costs" here tied to "grant management costs" as it pertains to the limitations noted in another question submitted (Question 2 in this document)?

Answer: While indirect costs are part of the total Grant Management cost, you should budget them separately to ensure you are not exceeding the two budget caps as outlined in the Solicitation: five (5) percent for Grant Management and five (5) percent for Indirect Costs as described on page 28.

- 4. Question:** Within nonprofit operations, indirect, overhead, and general and administrative (G&A) are often used interchangeably. However, there are nonprofits with more complex costs structures that segregate indirect and G&A with each component defined as follows: Indirect (Overhead) costs are allowable program costs that have been incurred for common or joint cost objectives that cannot be readily attributed to a specific final cost object. General and administrative (G&A) expenses are costs of activities necessary to the overall operation of the business, where no direct relationship to any particular cost object can be identified and include costs related to human resources, accounting, other administrative payroll, legal costs, insurance, business development costs, a portion of facility costs, and other global costs of operation. Will this cost structure be allowable under the terms of this solicitation and subsequent Agreement?

Answer: The costs must adhere to the indirect costs definition on page 10 of the Solicitation and be eligible costs (per pages 24-26). On page 26, "litigation costs, attorney fees, or lobbying" are not eligible costs. CARB understands that different organizations may calculate overhead and indirect costs differently and will work with the selected funding recipients to determine the best approach for tracking indirect costs during grant implementation.

- 5. Question:** Under Section VII. Terms and Definitions, on page 10, the term "Direct costs" is defined as "actual costs incurred that are directly tied to the implementation of the project, including, but not limited to, personnel costs (i.e., hourly wage)...". On the same page, allowable "indirect costs" are defined as, in part, "a pro rata share of general management (overhead) costs for operations that support the work under the Grant Agreement, such accounting, ... , and centralized data processing not already identified or reimbursed as a direct cost." It is also noted that "... bonuses, and taxes (real and personal) are NOT reimbursable as direct or indirect costs." How are "actual costs" for labor being defined?

Answer: On page 25, the following sentence is referenced for labor: "Labor, including but not limited to, salaries, wages, and stipends for staff dedicated to the project (excluding bonuses, project sharing, or anything not otherwise allowed by applicable laws)." Labor may not include bonuses, project sharing or anything not otherwise allowed by applicable laws.

6. Questions: If an organization's fully burdened labor rates include fringe, indirect/overhead, and general and administrative (G&A) costs, is that all allowable under "direct costs" and not subject to the limitation on "indirect costs" noted in Question 2? In Appendix A Template II: Budget Template, the "Budget Details" tab notes that "Labor rates must account for overhead and fringe benefits" and column C is labeled as "Direct Labor Plus Expenses." Column E is labeled as "Indirect Costs (Non-labor)." Can you clarify if there are any limitations on what can be included in a fully burdened labor rate for hours that would be "directly tied to the implementation of the project" per the definition of direct costs?

Answer: Please refer to Appendix A, Template II: Budget Template. CARB understands that different organizations may calculate overhead and indirect costs differently and will work with the selected funding recipients to determine the best approach for tracking indirect costs during grant implementation.

7. Question: Can CARB provide any guidance or expectations on how much of the initial \$2 million administrative set-aside can be used toward program "start up" costs (e.g., program design, policies and procedures, implementation manual, etc.)?

Answer: The expectation is that the Administrator build the appropriate budget to complete the tasks outlined in the Scope of Work while considering the budget parameters identified on page 28.

8. Question: The "grant management" task in the PCB solicitation does refer to the implementation manual, so is there an expectation that those activities noted above are wholly contained within this Task 1 and subject to the 5% limitation?

Answer: On page, 19, the Solicitation says under the Grant Management task to "Finalize and implement the Project Implementation Plan, including obtaining CARB review and approval of the plan." This specifically relates to the Implementation Manual as a CARB deliverable, including obtaining CARB approval which is an element of Grant Management. The plan should include the various components as identified in the Solicitation, but implementation of those components should be built into other tasks if they do not relate to Grant Management.

Questions and Written Responses from Q&A Session 2

- 1. Question:** I noticed on a couple of the documents that we have to get signed by our chief financial officer – they are asking for the subs to sign as well. For example, the conflict of interest. The lead applicant has to sign one and you're indicating the subs need to sign one. Do we have all signatures on that one document? Or are the subs going to have their own individual documents?

Answer: The Appendix A: Application identifies several required elements or attachments that must be submitted together as a complete application package. Attachment 6-8, and 10 are forms that must be signed by the Lead Applicant and all Sub-applicants. The Lead Applicant can either prepare a single document for each attachment with all the required information/signatures from each applicant, or the Lead Applicant may submit a separate, signed form from each applicant. It is the Lead Applicant's responsibility to ensure all applicants have signed the requested forms and to submit those forms as part of the application package.

- 2. Question:** I have a question about the data collection evaluation reporting component of the Solicitation (on page 22). Is that intended to apply to Planning awardees, or, if it is intended to also apply to STEP and CMIS awardees, it's a little unclear. I'm trying to just gather the scope of what is expected under that section of the Solicitation.

Answer: The Data Collection, Evaluation, and Reporting task is specifically related to the PCB Administrator activities. Through this task, the PCB Administrator will collect, evaluate, and report on metrics of success related to the grant activities, including the capacity building, administrative, and implementation support the PCB Administrator will provide. As part of Planning project administration, the PCB Administrator will be expected to report data on behalf of the Planning awardees to CARB. The PCB Administrator is not expected to report data on behalf of CMIS and STEP awardees because those grants are directly administered by CARB. Assisting CMIS and STEP awardees with developing their project plans including data collection and evaluation plans as well as understanding reporting requirements and learning how/what to report on project activities is a component of the implementation support task.

- 3. Question:** In the last cycle, we were on a larger team with a firm that led the administration. This year we might be a sub. We are also working with two communities to actually apply for capacity building grants. Does this exclude us from managing the funds or from being a sub as part of the project management team?

Answer: On page 6 and page 13 of the Solicitation, it says "To avoid real or perceived conflicts of interest the Lead Applicant (including its Sub-applicants, contractors, subcontractors, consultants, members of the Project Team, affiliates, employees, representatives, and officers) will not be eligible to be a Planning, CMIS, or STEP awardee or funding recipient for any project selected for funding for the length of their agreement. Additional conflict of interest evaluation by CARB may be appropriate depending on the specific project."