



CDBG RFP Best Practices



How to Make Your Proposal Stand Out

- Make a compelling and logical argument on why your proposal is the best
 - Provide background information and data, that is relevant to your proposal
 - Demonstrate a unique or innovative approach
 - Align your goals (mission, program) with the purpose and goals of the funder
- 

- This workshop will review last year's RFP
 - For the 2016 RFP, there will be changes in the priorities and eligible activities and the proposal form.
 - Draft priorities and eligible activities are available on CDA website.
 - 2016 RFP will be available on July 6, 2015.
 - Participants at this workshop will be emailed when the RFP is available (as long as your email address is legible on the sign-in sheet).

CDBG RFP Best Practices

- 10 Common RFP Mistakes
- Review of 2015 RFP Sections



10 Common CDBG RFP Mistakes

CDBG RFP: Common Mistakes

1. Not following instructions
2. Making assumptions
3. Not rating your own proposal in advance of submission
4. Not fully demonstrating need
5. Not fully explaining program design
6. Not meeting a national objective and/or eligible activity
7. Lack of realistic outputs and objectives
8. Not making a reasonable “ask”
9. Not taking advantage of bonus points
10. Not using all of the space provided

CDBG RFP: Rating Sheet

****PLEASE NOTE:** Individual ratings will be averaged to achieve the activity's FINAL score.

City of St. Louis – Community Development Administration

2015 CDBG Proposal Rating Sheet

Applicant Organization: _____ Proposal Number: _____

Activity Name: _____

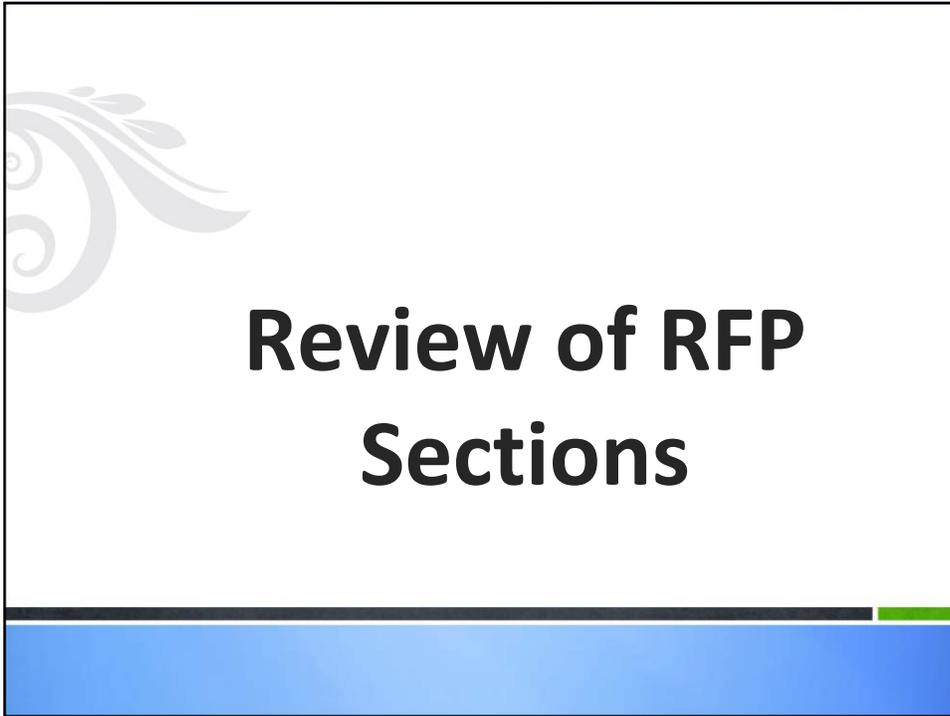
Rater Number: _____ TOTAL SCORE: _____

Instructions: Rate each activity based on the following criteria. Please place the total rating/score above.

Priorities: Does the activity meet the priorities identified on pages 6 and 7 of the RFP?	1	2	3	4	5	6	7	8	9	10							
	Indirectly meets a Plan priority.					Directly meets a Plan priority.											
Needs: Does the activity design demonstrate a positive impact on community need?	1	2	3	4	5	6	7	8	9	10	11	12					
	Unclear design, unclear impact.				Design clear, impact on need is marginal.				Design clear with direct and lasting impact on need.								
Outcomes: To what extent are proposed activity outcomes realistic and measurable?	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Objectives are ill-defined, or unachievable within time frame.						Objectives are stated, but fuzzy, or unrealistic.						Objectives are clear, measurable, with evaluation in place.				

CDBG RFP: Rating Sheet (cont.)

Fiscal Logic: Does the activity demonstrate appropriate budget, cost/unit, and cost control?	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	Proposed budget is far too low or far too high to cover proposed program.						Budget is not clear or well-defined, but appropriate.						Budget clear, well-defined, leverages other funds.					
Collaboration: Does this activity demonstrate agency success in securing other resources or inter-agency cooperation?	1	2	3	4	5	6	7	8	9	10	11							
	Demonstrates little cooperation with other agencies.				Demonstrates cooperation in one area of operation.				Shows cooperation across spectrum of functions and in-kind support.									
Agency Program Qualifications: Does the organization have sufficient staff capacity and have staff members been successful in implementing similar activities?	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
	Low in-house capacity, poor track record, and poor service.				Some experience, erratic service; hit or miss track record.				Experienced in providing service, but hit or miss track record.				High quality service, strong administration, and excellent track record.					
Agency Financial Qualifications: Does the organization have sound financial management systems in place?	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
	Poor financial systems, recent unresolved audit findings.				Adequate financial systems; audit findings resolved.				Excellent financial systems; no audit findings.									
BONUS POINTS Sustainability: Does this activity address the Sustainability Plan or the Sustainability Action Agenda?	1	2	3	4	5													
	Addresses Sustainability Plan and/or Mayor's Action Agenda																	



CDBG RFP Section Review: CDBG Background and National Objectives

- Pages 3 – 5 of 2015 RFP
- Read these pages carefully to determine if your proposed activity fits within program guidelines.
 - If proposed activity does not meet a national objective, it cannot be funded.
- Information on page 5 relates to pages 30-31 of 2015 RFP.

CDBG RFP Section Review: Priorities / Eligible Activities

- Pages 6 – 9
- One of the most important sections of the RFP.
 - Changes annually
- Identifies annual priorities for the City of St. Louis
 - If proposed activity does not fit within an eligible priority/activity, it cannot be funded.
- There will be changes in 2016 RFP
 - Read carefully!!!

CDBG RFP Section Review: Additional Information

- Pages 10-12
- One of the most important sections of the RFP.
 - Changes annually
- Identifies the following
 - Organizations / Departments not required to compete for funding
 - Special initiatives and set asides
- There will be significant changes in 2016 RFP
 - Review carefully!!!

CDBG RFP Section Review: Instructions and Proposal Checklist

- Pages 13-14
- Read carefully!!!
- Tip: Upon completion of proposal packet, use instruction sheet as a checklist
- Number 5 is especially important because it identifies conditions that, if not met, will disqualify applicants.
- There will be changes to this page for the 2016 RFP.
- This page provides instructions on submitting questions.
 - **Read carefully and follow directions!!!**
 - **Questions will only be accepted via CDBG@stlouis-mo.gov**

CDBG RFP Section Review: Acknowledgement and Certification

- Page 15
- Read carefully!!!
- Must be signed by an authorized signer for organization
 - Executive Director;
 - Board President; or
 - Other designated person
- There may be changes in 2016

CDBG RFP Section Review: Organization Profile

- Page 16 of 2015 RFP
- Mistake No. 1: DUNS Number and SAM.gov issues not resolved prior to proposal submission
 - Tip: Periodically during proposal acceptance and review period, search for your organization on SAM.gov through the public domain (do not log on).
 - Verify that your SAM.gov registration is not close to expiring. If it will expire prior to funding announcements, update registration early.
 - Start resolving issues now for the 2016 funding round.

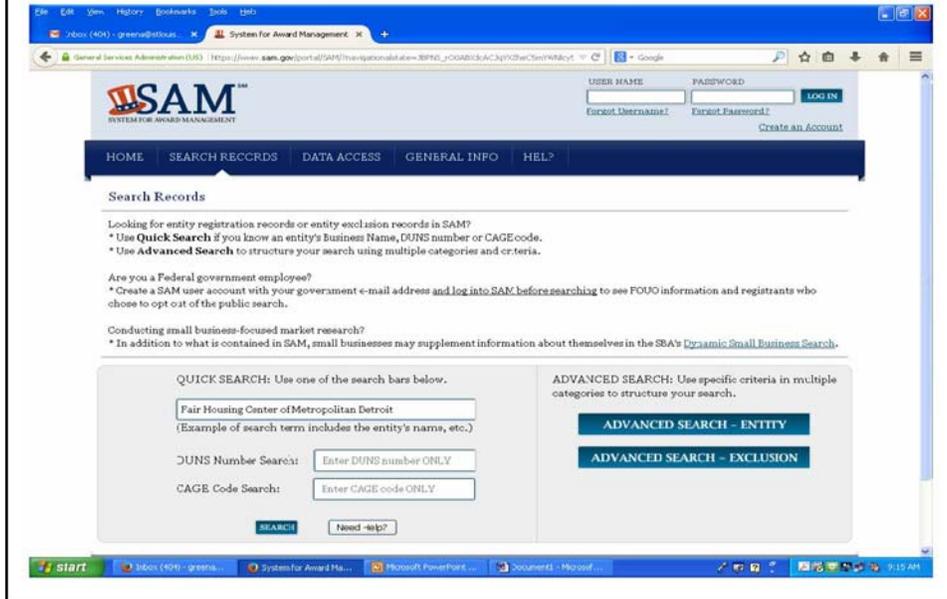
CDBG RFP Section Review: SAM.gov

The screenshot displays the SAM.gov website interface. At the top, there is a navigation bar with links for HOME, SEARCH RECORDS, DATA ACCESS, GENERAL INFO, and HELP. Below this, there are three main columns of content:

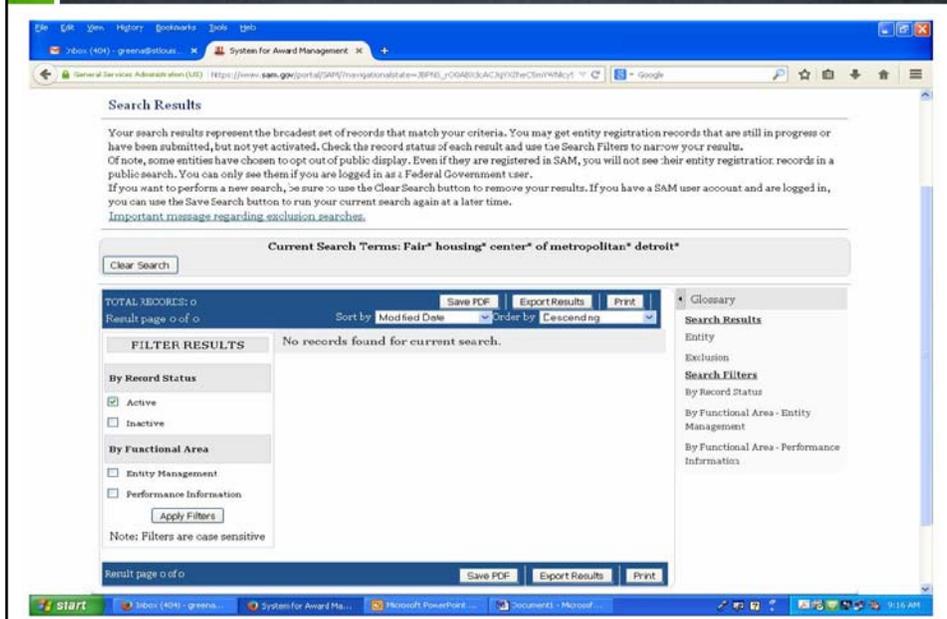
- CREATE USER ACCOUNT:** A section explaining that a user's current username will not work in SAM and that they need to create a new SAM User Account. It includes a "Create User Account" button.
- REGISTER/UPDATE ENTITY:** A section explaining that users can register or update their entity (business, individual, or government agency) to do business with the Federal Government. It includes a "Register/Update Entity" button and a "Check Status" button.
- SEARCH RECORDS:** A section explaining that all entity records from CCR/FedReg and ORCA are available in SAM. It includes a "Search Records" button.

Below these columns, there is a "WHAT IS SAM?" section and a "NEWS AND ANNOUNCEMENTS" section. The "NEWS AND ANNOUNCEMENTS" section includes a "Password reset reminder" and a "Service Desk" link. The "USER GUIDES/HELPFUL HINTS" section includes a link to "Additional information, such as a full User Guide, Quick Start Guides, Helpful Hints, and Webinars are available on the HELP tab." The "FORMER CCR REGISTRANTS" section includes a link to "If you had an active record in CCR, you have an active record in SAM. You do not need to do anything in SAM at this time, unless a change in your business circumstances requires updates to your Entity record(s) in order for you to be paid or to receive an award or you need to renew your Entity(s) prior to its expiration. SAM will send notifications to the registered user via email 60, 90, and 120 days before expiration." The bottom of the page features a "Start" button and a "System for Award Management" link.

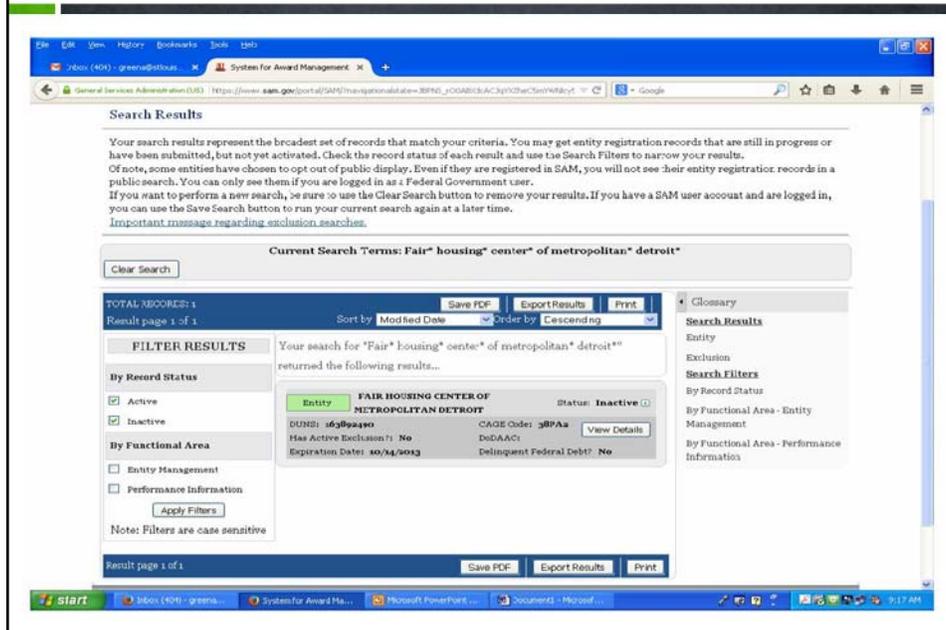
CDBG RFP Section Review: SAM.gov



CDBG RFP Section Review: SAM.gov



CDBG RFP Section Review: SAM.gov



CDBG RFP Section Review: Organization Narratives

- Pages 17 – 23 of 2015 RFP
- This section's all about demonstrating organizational capacity and can showcase your organization.
 - Can significantly affect the organization's overall rating
 - Agency Program and Financial Qualifications category on rating sheet
- Mistake: Providing too much or not enough detail.
 - Be inclusive and succinct

CDBG RFP Section Review: Organization Narratives (cont.)

- Tips:
 - Parts 1a – 1b: Your proposed activities should match your organizational purpose and be reasonably related to the types of services currently provided.
 - For example, a day care center that provides educational services to toddlers should not request funding for an offender re-entry program without adequately explaining the deviation in purpose and change in type of service.
 - Part 1c: Very important; be persuasive in demonstrating organizational capacity to administer the **proposed activity or activities**. If you have space, discuss recognitions received and successes.

CDBG RFP Section Review: Organization Narratives (cont.)

- Tips:
 - Part 1d: Applicant should address all required licenses.
 - Examples:
 - City of St. Louis Business License (**required or must demonstrate exemption**)
 - Day Care License
 - Parts 2a – 2c: May change slightly in 2016 RFP; demonstrate ability to obtain and administer grants

CDBG RFP Section Review: Organization Narratives (cont.)

- Tips:
 - Part 3: In 2016, organizations will be required to provide a summary of all existing and proposed CDBG-related staff positions.
 - Common Mistake: Not submitting job descriptions and resumes
 - Both are required
 - Common Mistake: Not including job descriptions and resumes for all staff involved in the administration, management, and/or operation of proposed CDBG activities.
 - For example, even though CDBG funds may not be used to pay the CFO, the position is involved in managing CDBG activities.

Best Practices – Financial Management

- Tips:
 - Part 4 – Financial Management:
 - There will be changes in 2016
 - In responding to questions, ensure raters will come away with a view of your organization’s financial management system and internal controls that would lend assurance to your ability to properly manage federal funding.
 - Provide detail to support sufficient segregation of major accounting functions within your organization
 - Expand on Board of Directors oversight of your organization’s financial matters
 - Inadequate answers can significantly affect your rating under the “Agency Financial Qualifications” rating category.



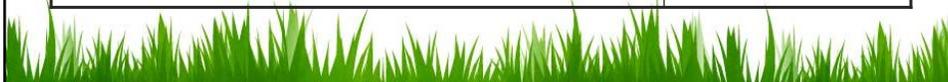
Best Practices – Financial Management

<u>4. Fiscal Management Functions</u>	<u>Responsible Personnel/Title</u>
<p>a. Describe accounting basis:</p> <p>Inadequate Answer:</p> <ul style="list-style-type: none"> • My organization's basis for accounting is good, honest, open for review accounting. We have nothing to hide. <p>Good Answer:</p> <ul style="list-style-type: none"> • Cash basis <p>Best Answer:</p> <ul style="list-style-type: none"> • Accrual basis 	<p>Office Assistant</p> <p>Director</p> <p>Staff Accountant</p>



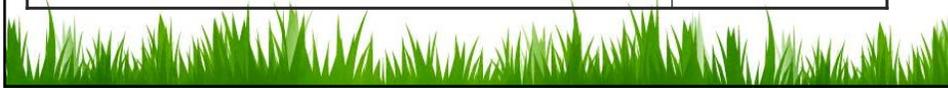
Best Practices – Financial Management

<u>4. Fiscal Management Functions</u>	<u>Responsible Personnel/Title</u>
<p>b. Describe accounting system, including description of automated or manual system:</p> <p>Inadequate Answer:</p> <ul style="list-style-type: none"> • Our checkbook has side check stubs we use to balance our checking account every couple of months. <p>Good Answer:</p> <ul style="list-style-type: none"> • Quickbooks is our automated accounting system <p>Best Answer:</p> <ul style="list-style-type: none"> • The organization uses Quickbooks as its automated accounting system. The system is used to post all revenue and expense transactions for the organization, issue checks, prepare financial reports and account reconciliations. 	<p>Director</p> <p>Staff Accountant</p> <p>Staff Accountant</p>



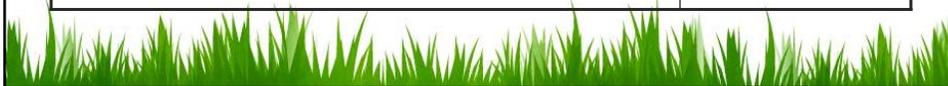
Best Practices – Financial Management

<u>4. Fiscal Management Functions</u>	<u>Responsible Personnel/Title</u>
<p>c. List financial reports generated, including frequency:</p> <p>Inadequate Answer:</p> <ul style="list-style-type: none"> Monthly bank account reconciliations <p>Good Answer:</p> <ul style="list-style-type: none"> Income and Expense reports, Actual and Budget reports on quarterly basis; Bank account reconciliation on monthly basis <p>Best Answer:</p> <ul style="list-style-type: none"> Income and Expense report, Actual and Budget Report and Balance Sheet on Monthly basis for Board of Director's review. General ledger and bank account reconciliation on monthly basis. 	<p>Director</p> <p>Staff Accountant</p> <p>Staff Accountant, Contract Account, Executive Director</p>



Best Practices – Financial Management

<u>4. Fiscal Management Functions</u>	<u>Responsible Personnel/Title</u>
<p>d. Briefly describe accounting procedures that would support sufficient segregation of duties:</p> <p>Inadequate Answer:</p> <ul style="list-style-type: none"> We are a one-person operation, I open the mail, write checks, deposit money, balance check books. I do report everything that I do to my Board of Directors. <p>Good Answer:</p> <ul style="list-style-type: none"> Secretary opens mail, Director approves invoices, accountant post entries in Quickbooks and issues checks, Director signs checks, accountant performs reconciliations. <p>Best Answer:</p> <ul style="list-style-type: none"> The Office Secretary opens all mail except bank statements which are opened directly by the Director. All invoices are given to the Director for approval for payment. The Director initials and dates all invoices approved for payment and forwards to staff accountant. Staff accountant issues checks and post entries in Quickbooks. The Director and one authorized Board member signs checks. Staff accountant prepares bank accountant reconciliations and forwards for review and approval by Board Treasurer. 	<p>Director</p> <p>Staff Accountant, Director</p> <p>Staff Accountant, Director, Board Members</p>



Best Practices – Audit Section

- Tips:
- Part 5 – Audit Requirements:
 - There will be changes in 2016
 - The single audit threshold has been increased from \$500,000 to \$750,000



Best Practices – Audit Section

5a. Describe how the organization will ensure compliance with A-133 guidelines (if applicable).

- Inadequate Answer:
 - If CDA gives me \$750,000, I WILL ENSURE COMPLIANCE. TRUST ME I WILL!!!!!!!!!!
- Good Answer:
 - I will read the OMB circular guidelines to ensure compliance with the guidelines and have the audit report completed by its due date.
- Best Answer:
 - I have read the OMB Circular A-133 guidance on the single audit requirement for organizations spending \$750,000 or more in federal funding in one fiscal year. I am prepared to procure the services of an audit firm, set aside the required resources, and have the audit performed and completed no later than nine months after my agency's fiscal year end date.



Best Practices – Audit Section

5b. Describe any findings issued as result of the most recent audit (OMB or other) and whether or not these findings are resolved or open.

- **Inadequate Answer:**
 - Four findings were issued. I believe I have resolved three of them. I am waiting to hear. I am still waiting on feedback from the IRS regarding the 4th finding. Hoping we don't owe them any money, not our fault.
- **Good Answer:**
 - In our 2014 A-133 report we received four findings. We have submitted the required documentation to HUD to resolve three of the findings. We are currently in negotiations with the IRS to work out a repayment plan with the IRS to resolve the fourth finding. Once a repayment agreement has been reached we will submit the plan and terms to HUD for review.
- **Best Answer:**
 - Our organization received two reporting findings, one matching finding and one financial management finding with questioned costs of \$6,000 in our 2014 A-133 report under our CDBG grant. We have corrected the reports noted in the reporting finding and on 4/14/15 submitted them to HUD for review and approval. We have obtained the documentation needed to resolve the matching finding and it too has been submitted to HUD for review on 4/14/15. We are currently in negotiations with the IRS to reduce the penalties and fines associated with late payroll taxes dues on an organization we recently merged with in 2013. Non federal funds have been identified to pay the fines and/or penalties. A copy of the repayment agreement will be forwarded to HUD for review as soon as it is executed.



Best Practice- Budget Pages

- Pages 24-25 in 2015 RFP
- **Tips:**
 - For 2016 funding, be prepared to provide the 2015 operating budget and the proposed budget for 2016.
 - **Common Mistake: Not including fiscal year beginning and end dates**
 - » Month/Year_____Through_____must be completed
 - **Common Mistake: Not including all funding sources for your organization**
 - » The budget should include all funding sources and expenditures for your entire organization
 - **Common Mistake: Computation Errors**
 - » Check math before submitting
 - **Common Mistake: Expenses in Excess of Revenue with no explanation**
 - If current year or next year proposed expenses will exceed revenue an explanation should be provided on the bottom of the form.



IMPORTANT!!!

In 2016, ORGANIZATIONS WILL BE ASKED TO SUBMIT **SEPARATE PROPOSALS** FOR EACH SEPARATE AND DISTINCT PROPOSED ACTIVITY!!!!

For example:

Organization XYZ would like to request funding for after school programs at 3 locations. XYZ can submit 3 separate proposals OR submit 1 proposal inclusive of all of the sites.

Organization ABC would like to request funding for an after school Arts program and a day care center. ABC must submit 2 separate proposals.

CDBG RFP Section Review: Activity Cover Sheet

- Page 27 in 2015 RFP
- Tips:
 - Check one priority and one eligible activity!!!!

CDBG RFP Section Review: Activity Description & Funding Request

- Pages 28 – 33
- **Very Important!!!**
- Tips:
 - If funded, the name of the activity will most likely become your project name for your contract
 - Be succinct, yet descriptive
 - For example: “XYZ After School Program” or “ABC Financial Literacy Program”
 - CDBG Amount Requested: Be realistic and reasonable.
 - \$10,000 minimum

CDBG RFP Section Review: Activity Description & Funding Request (cont.)

- Part 1 - Activity Description: (work to be performed, services provided, and population served)
 - VERY IMPORTANT!!!
 - Clearly describe your program design
 - Who?
 - What?
 - When?
 - How?
 - If program design is not fully explained, score will be significantly reduced.

CDBG RFP Section Review: Activity Description & Funding Request (cont.)

- Part 2 – Need or Problem: Describing the need or problem in relation to the ConPlan Goals and Priorities
 - Answering the “Why?”
 - Tip: Never assume that the reader (e.g. rater) already knows your need or problem
 - Fully describe the problem and need
 - Provide statistics to support the need for the program
 - Tip: Don’t forget to tie your need and problem to the ConPlan goals and priorities.
- Part 3 – Bonus Points:
 - Tip: Try to relate activity to the Sustainability Agenda.
 - “N/A” should be your last option.

CDBG RFP Section Review: Meeting a National Objective

- Pages 30 – 31 of 2015 RFP
- Part 1: refer to page 5 for details on the national objectives
- If funded, CDA will only reimburse for LMI participants in the activity.
- Tip: When using the area benefit national objective subcategory (1d), the number of beneficiaries under 2a will be the number of LMI individuals residing in the area.
 - Be sure to fully describe the service area in your proposal

CDBG RFP Section Review: Activity Goals & Outputs

- Page 32 of 2015 RFP
- Important part of rating
- Tip: Be realistic in your goal setting
- Tip: When determining reasonableness, analyze per unit cost.
 - CDBG funding request / No. of outputs = per unit cost
 - For example, XYZ organization is requesting \$100,000 for a summer program. The organization proposes to serve 25 children each month for three months.
 - Per child cost for the program is \$4,000
 - Per unit cost (cost per child per month) is \$1,333
 - Is this reasonable????

CDBG RFP Section Review: Outcome Measurements

- Page 33 of 2015 RFP
- Tracking and evaluation is very important.
 - HUD expects measurable, quantifiable results.
 - Will need to demonstrate successes at the end of the grant
- Refer to training materials from CDA's Outcomes and Per Units training (June 10).

CDBG RFP Section Review: Proposed Activity Budget

- Pages 34 of 2015 RFP
- Tip: Be realistic in your budget projections
 - Show how the CDBG funds will be leveraged
- Tip: Activity Budget (line items and total) should be greater than or equal to Proposed CDBG Amount
- Tip: Total Expenses should not be more than Total Revenue

Best Practice - Narratives

- Pages 35 -36 of 2015 RFP
- Part 1 – Other Funding
- Tip: This part should always be applicable. You should be seeking to leverage the CDBG funding.



Best Practice - Narratives

- Part 2 – Reasonableness of Costs
- Tips:
- Organizations Internal Controls Should Include the Following:
 - Organization should have a finance oversight committee, maybe the responsibility of the Board of Directors, to review all Program budgets for unnecessary or excessive costs
 - Organization should have a procurement process to ensure service contracts are awarded to the lowest qualified bidder and at least three bids are received prior to making purchases or a cost analysis has been completed
 - Organization should familiarize itself with eligible costs from each of its funding sources

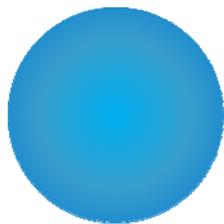


CDBG RFP Section Review: Budget Narratives (cont.)

- Tips:
 - Be prepared to propose and justify a “per unit” cost based on proposed outputs and/or outcomes.
 - Refer to training materials from CDA’s Outcomes and Per Units training (June 10)

CDBG RFP Section Review: Comment Section

- Tip: Include anything that is pertinent to your proposal
 - Did you not have enough space to fully respond to a section?
 - Does part of your budget need explanation?
 - Have you recently resolved compliance issues?
 - Are there any weaknesses in your proposal that need explanation?



Group Exercise



Group Exercise

Review the activity portion of SSI's proposal to CDA (sections V-VII). Identify areas that can be strengthened to maximize points.



Questions and Answers



