



FY 2017 CDBG REQUEST FOR PROPOSALS (RFP) Frequently Asked Questions (FAQ) - #2

January 22, 2016

Contact: CDBG@sandiego.gov

FY 2017 CDBG RFP: Budget Questions (All Categories)

1. Can FY 2017 personnel expenses for our own employees/future employees be included in the NCIP total project budget? Can this be included as Secured Funding?

Your agency must have documentation of the commitment to set aside a specific dollar amount toward salary that supports the completion of project activities (i.e. project Scope of Work), prior to RFP submittal. Secured funding must represent a specific dollar amount committed and available for expenditure to complete proposed project activities during the FY 2017 period to review and confirmation. The Total Project Budget listed in Section 3.c. (Proposed Uses of Total Project Funds) should represent the total budget needed to complete the activities described in Section 1.a. (Project Summary) of the FY 2017 CDBG RFP (i.e. project's proposed Scope of Work). Within Section 3.b., the funding sources should be identified as Amount Secured or Amount Unsecured. The requirement is that the Secured Funding listed is documented to be available to complete the CDBG project activities during the FY 2017 period. Expenses that will be incurred toward the provision of client services after completion of the Scope of Work may not be included in Section 3.c., Proposed Uses of Total Project Funds.

2. For the NCIP category, should all construction-related expenses be budgeted under the Construction/Renovation line item?

Yes, all construction-related activity costs should be budgeted under the Construction/Renovation Line item. This includes costs to obtain permits or to complete mechanical revisions to an existing plan/drawing required for the permit approval process. It should be noted that the cost to develop original plans or drawings is not eligible to be budgeted with CDBG funds. Ensure that an explanation for all costs budgeted under the Construction/Renovation line item is included in the Project Specifics section of the RFP, when providing justification for the project budget.



3. For the NCIP category, can staff time for monitoring project activities, processing payments to contractors, and completion of required reports be included in the CDBG project budget?

Staff time for monitoring project activities, processing payments from contractors, as well as other costs associated with administering the CDBG project for completion, is not allowable to be included in the CDBG budget. However, your agency may list these costs under the Non-City column of the Excel Budget Information form (3.c.). In this case, if staff is a budgeted cost that your agency has already set aside for FY 2017, you can list the amount as an Amount Secured under the Agency Funds title for 3.b.

4. Our agency does not have a Federally Approved Indirect Rate. It is our understanding that this is required, in order to include Indirect Costs to the CDBG budget. Since we don't have this documentation, how can we include indirect costs that will be expensed to complete project activities?

Applicants without a Federally Approved Indirect Rate may not budget indirect administrative costs in the FY 2017 CDBG RFP. However, these costs can be budgeted as direct line items, which should be supported and documented by a cost allocation plan developed for the proposed CDBG project.

5. Is it permissible to use the 10% De Minimis Rate for Indirect Costs?

No, for the FY 2017 CDBG RFP process, it is not permissible to use the 10% De Minimis Rate for indirect costs. As stated in response #4 above, applicants without a Federally Approved Indirect Cost Rate may budget specific administrative costs (such as accounting, payroll, and communications) as direct line items, which should be supported and documented by a cost allocation plan developed for the proposed CDBG project.

FY 2017 CDBG RFP: Nonprofit Capital Improvement Projects and Housing Rehabilitation

1. What documents are acceptable for document "project site control" for property owned by our agency?

For applicant agency-owned property, acceptable forms of documentation for project site control may include a copy of the following: the recorded Deed for the property (i.e. Deed of Trust, Grant Deed, etc.), a current property tax invoice, or a current title report.

2. If our agency owns the property to be improved, are we required to submit the Certification Regarding Use of Real Property?

Yes, the Certification Regarding Use of Real Property must be signed by the property owner of the proposed FY 2017 CDBG project site. Your agency, as the property owner, is required to complete and submit this form. The terms listed on the form must be adhered to, if your agency is awarded funding.