LITC

Low Income Taxpayer Clinic

> Access to Representation
> Outreach and Education for Taxpayers Who Speak English as a Second Language

> 2004 GRANT APPLICATION Package and Guidelines

TAXPAYER ADVOCATE SERVICE
INTERNAL REVENUE SERVICE

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MAY 1 2003

National Taxpayer Advocate

Dear Prospective Low Income Taxpayer Clinic Grant Applicant:

I am pleased to announce that the 2004 Low Income Taxpayer Clinic (LITC) grant application process is now open. Responsibility for the LITC Program has moved to the Office of the National Taxpayer Advocate and I look forward to working with the LITCs to enhance both the program and the way IRS administers the program.

Several changes are already planned that will improve IRS's understanding of and involvement with the technical components of the LITC Program. We also plan to work with clinics to establish issue committees, develop more comprehensive program standards, improve communications, and increase the emphasis on the education and outreach programs to taxpayers for whom English is a second language. I am excited about the opportunity we have to improve the LITC Program. By working together, we can make the LITC Program an avenue for more low income taxpayers.

As the enclosed package materials indicate, the IRS may award grants to qualifying organizations to fund one-year, two-year or three-year project periods. This package contains the current program guidelines, eligibility information, certification and assurance documents, and other materials needed to prepare your grant application. Please note that this year's package provides an explanation of "ancillary" as it relates to ancillary tax return preparation.

This package includes instructions to transmit your application to our office electronically or by mail. The costs of preparing and submitting an application are the responsibility of each applicant. Your application must be received at Internal Revenue Service, Taxpayer Advocate Service Mail Stop 211-D, LITC Program Office, 401 West Peachtree St. NW, Atlanta, GA. 30308 no later than 4:00 pm EST on July 1, 2003. Each application will be given due consideration and the LITC Program Office will mail notification letters to each applicant.

If you have questions about the LITC Program or grant application process, please contact the LITC Program Office at 404-338-7185 or by email at LITCProgramOffice@irs.gov.

I appreciate your interest in the LITC Program and look forward to working with the 2004 Low Income Taxpayer Clinics.

Sincerely

Nina E. Olson
National Taxpayer Advocate

The Office of the Taxpayer Advocate operates independently of any other IRS Office and reports directly to Congress through the National Taxpayer Advocate.

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Paperwork Reduction Act Notice:

This application package is provided for awards under the Low Income Taxpayer Clinic Grant Program. The information is requested from the applicants in order to determine their eligibility for an LITC grant and evaluate their grant proposals. Applicants are not required to respond to this collection of information unless it displays a currently valid OMB number. The estimated average burden associated with this collection of information is 60 hours per respondent for program sponsors and 2 hours for student and program participants. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. Do not send grant application forms to this address. Grant applications should be sent to: Internal Revenue Service, Taxpayer Advocate Service, LITC Program Office, Mail Stop 211-D, 401 W. Peachtree St. NW, Atlanta, GA 30308

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I. INTRODUCTION

This publication outlines requirements for the development, expansion or continuation of a qualifying IRS Low Income Taxpayer Clinic (LITC) program and provides instructions on how to apply for a grant under this program. Acceptance into the program will be based on the criteria outlined in this publication. All applications for this grant must be completed thoroughly and accurately. Failure to do so may result in an application being eliminated from consideration.

This publication and copies of the required forms and certifications should be retained for future reference. Interim and annual reporting requirements are included in this package and should be followed when those reports are prepared.

> **NOTE:** There is a new mailing address for the 2004 LITC grant application. (See page 17 of this package.) Please use the new LITC Program Office address for all correspondence relating to the LITC Program. When questions arise regarding the program, they can be submitted by email to the LITC Program Office at: LITCProgramOffice@irs.gov.

II. LITC PROGRAM OVERVIEW

The LITC Program provides matching grants for qualifying organizations that represent low income taxpayers involved in controversies with the Internal Revenue Service (IRS) and for organizations that provide tax education and outreach to taxpayers who speak English as a second language (ESL) or who have limited English proficiency ("ESL taxpayers"). Qualifying clinics may not charge for their services or may charge only a nominal fee.

Low income status is determined by guidelines contained in the Federal Poverty Guidelines, which are updated annually by the Department of Health and Human Services (HHS).

Section 7526 of the Internal Revenue Code (IRC) authorizes the IRS to award organizations matching grants of up to $100,000 per year. Applications will be accepted for project periods of up to three years duration. Funding will be provided by budget periods of one year, subject to the availability of annual appropriated funds. With respect to applications for two-year or three-year project periods, the second and/or third years will be funded subject to satisfactory performance, compliance with grant terms, and availability of appropriated funds. All grant funds awarded to an LITC must be used for the LITC project specifically authorized in the grant.

The LITC Program is administered by the Office of the Taxpayer Advocate. The Director of the Taxpayer Advocate Service (TAS) LITC Program Office reports directly to the National Taxpayer Advocate and is responsible for providing oversight, guidance, and assistance to LITC grantees and prospective applicants.

III. LITC PROGRAM GRANT REQUIREMENTS

A. ELIGIBILITY

Organizations must meet the following eligibility criteria:

1. The organization must be a qualified clinic that represents and/or refers low income taxpayers in controversies with the IRS and/or operates programs to inform taxpayers for whom English is a second language about their tax rights and responsibilities. Qualified Clinics are those that do not charge more than a nominal fee to either represent low income taxpayers in controversies with the IRS or provide tax information

to individuals for whom English is a second language about their rights and responsibilities.

a. The term “clinic” includes:

i. a clinical program at an accredited law, business, or accounting school in which students represent low income taxpayers in controversies with the IRS, and

ii. an organization described in IRC Section 501(c) and exempt from tax under IRC Section 501(a) that either directly represents taxpayers or refers taxpayers to qualified representatives.

NOTE: The IRS may require applicants who propose to charge a fee for their services to demonstrate that the fee is in compliance with the Statutory requirement that any fee for representing low income taxpayers in controversies with the IRS or providing information to individuals for whom English is a second language about their tax rights and responsibilities be nominal.

b. The term "controversies" includes:

i. An IRS account, collection, examination, or Appeals matter;

ii. Representation on a federal tax matter in federal courts, including the United States Tax Court;

iii. Representation or referral of a low income taxpayer involved in a state or local tax controversy, if the clinic is also representing or referring that taxpayer in a federal tax controversy;

iv. Representation or referral of a low income taxpayer involving a state or local tax controversy if the clinic operates a program to inform ESL taxpayers about their federal rights and responsibilities; and

v. Providing assistance to a non-filer in the preparation of prior year return(s), or preparing an amended return, if such assistance is required or necessary to resolve a controversy for which an LITC is representing a taxpayer.

c. The "referral activity" for which grant funds may be expended is the referral of low income taxpayers to qualified representatives who provide *pro bono* representation or to nonprofit entities or organizations that provide *pro bono* or nominal fee representation to low income individuals. Examples of “referral activity” include:

i. A panel of qualified representatives maintained by the clinic to whom the clinic refers matters and who agree to provide *pro bono* (free) representation to low income taxpayers;

ii. A panel maintained by a state bar association which, for free or for a nominal fee, makes referrals to qualified representatives who have agreed to provide *pro bono* representation in legal matters; and

iii. A panel maintained by a state or local society of accountants which, for free or for a nominal fee, makes referrals to qualified representatives who have agreed to provide *pro bono* assistance to taxpayers.

d. A “qualified representative” is any individual, whether or not an attorney, who is authorized to practice before the IRS or applicable court.

e. A “program to inform” is one in which the clinic has direct consultative contact with ESL taxpayers about their tax rights and responsibilities.

f. Examples of “qualifying ESL activities” are:

i. an educational outreach program about U.S. taxpayer rights and responsibilities conducted by a clinic and attended by ESL taxpayers.

ii. direct consultation with an ESL taxpayer regarding their tax rights and responsibilities.

iii. ancillary assistance to ESL taxpayers in the preparation of federal tax returns or other required tax forms.

- The term “ancillary” means incidental. That is, the LITC’s program must focus on outreach and education and not tax preparation. If, for example, an ESL client requests help with a tax return in the course of an LITC’s conducting of outreach or education, the LITC may not provide such assistance unless it arises from, and is demonstrative of, the LITC’s primary activity of outreach and education.

- If an LITC advertises its services, it has to advertise and promote itself as providing information and education to help ESL individuals understand the federal tax system. For example, an LITC could advertise a community meeting to acquaint ESL individuals with their rights and responsibilities under the U.S. tax system. Posters, radio advertisements, or any other media announcing the meeting must not mention tax return preparation or refund claim assistance. Nor can any posters at the LITC advertise return preparation or refund claim assistance.

NOTE: Generally, if ESL taxpayers require tax preparation assistance, they should be referred to a Volunteer Income Tax Assistance (VITA) program (including a program co-located and independently funded by the LITC), a Tax Counseling for the Elderly (TCE) site, or an IRS field assistance center, where available. Grant funds awarded to an LITC must be used for the LITC project authorized in the grant agreement and cannot be used to fund VITA and/or TCE activities.

2. The organization may be a clinic providing qualifying services that it conducts within a broader spectrum of activity, i.e., generally, the operation of a "clinic within a clinic" does not disqualify an applicant from eligibility for an LITC program grant award. A clinic may provide representation in non-tax matters as well as representation in tax matters. Such

clinics must reasonably allocate their expenses and matching funds for services shared with non-qualifying programs or other organizations in determining allowable expenses for LITC funding and their compliance with the statutory matching funds requirement.

- See OMB Circular A-21, "Cost Principles for Educational Institutions" and Circular A-122, "Cost Principles for Non-Profit Organizations".

- The OMB Circulars are available on the following web page: www.whitehouse.gov/omb/circulars.

a. *Clinic within a clinic.* Services provided to taxpayers by a clinic cannot be separated and operated out of another clinic within that clinic for purposes of meeting the 90/250 income requirement. (See "Additional Eligibility Criteria below for a description of the 90/250 income requirement.)

b. *Start-up Expenses.* A clinic may be awarded an LITC grant although it anticipates that it will not begin the actual conduct of qualifying activities until after the current grant period (i.e., start-up operations qualify for grant funding.) Such applicants still must satisfy the statutory matching funds requirement during the year covered by the grant. In addition, LITC grants to such applicants will be conditioned on the conduct of qualifying activities during the immediate succeeding grant year.

c. *Nominal Fee.* A clinic also must not charge more than a nominal fee for clinic services (except for reimbursement of actual costs incurred).

NOTE: A clinic may not charge any fee for the ancillary preparation of a tax return.

B. ADDITIONAL ELIGIBILITY CRITERIA

1. The 90/250 Requirement

If the clinic represents and/or refers low income taxpayers in controversies with the IRS:

- at least 90 percent of taxpayers represented and/or referred must have incomes that do not exceed 250 percent of the poverty guidelines published annually by HHS, and

- the amount in controversy for any taxable year generally must not exceed the amount specified in IRC Section 7463 (currently $50,000).

a. Income Ceilings

i. Based on the 2003 poverty guidelines published on February 14, 2003, the income ceilings for low income representation are as follows:

Size of Family Unit	Income Ceiling (250% of Poverty Guidelines)
1	$22,450
2	$30,300
3	$38,150

Size of Family Unit	Income Ceiling (250% of Poverty Guidelines)
4	$46,000
5	$53,850

ii. For family units with more than five members add $7,850 for each additional member. Applicants may use the 2003 income ceilings for the population served during the project period prior to the required adoption of the 2004, 2005 and 2006 ceilings, regardless of the date of client intake.

iii. For Alaska and Hawaii poverty guidelines, see HHS Guidelines at http://aspe.hhs.gov.poverty

b. Applicants must use the 2004, 2005 and 2006 income ceilings as soon as the official poverty guidelines are published to determine whether a client seeking representation is a low income client for purposes of LITC Program funding. Applicants must adopt the 2004, 2005 and 2006 income ceilings within 30 days from the date of publication of the HHS poverty guidelines.

2. Definition of Income.

a. "Income" is defined in accordance with the statistical definition used by the U.S. Bureau of the Census. See Website at: http://www.census.gov/population/www/cps/cpsdef.html

b. For purposes of this grant program, income includes total annual cash receipts before taxes with the exceptions provided in (c) below. Income includes, e.g. salaries before deductions, net receipts from self-employment (receipts after deductions for business expenses), alimony, child support, federally funded and other public assistance, social security, private pensions, university scholarships, dividends, interest, net gambling winnings, regular insurance or annuity payments.

c. Income does not include capital gains, withdrawals from a bank, money received from the sale of property, a house or a car, tax refunds, gifts, loans, a lump sum inheritance, one-time insurance payments, compensation for injury or non-cash benefits (including, as an example, employer paid or union paid portion(s) of employee fringe benefits).

3. Definition of Family Unit

a. For purposes of this grant program, a family unit is defined as an unrelated individual or a family. An unrelated individual is a person 15 years old or over who is not living with persons related by birth, marriage or adoption. A family is a group of two or more persons related by birth, marriage, or adoption who live together. However, if related individuals live together, but the person seeking assistance from the clinic is financially independent, then that person may be treated as a family unit. If two unrelated individuals live together, they constitute two family units.

b. For purposes of determining the total number of taxpayers represented or referred in controversies with the IRS, include both those who do and do not meet the income requirements, and the total number of ESL taxpayers assisted. Ancillary preparation of a joint return counts as two taxpayers assisted. If only one spouse on a joint return is represented or referred, the represented spouse counts as one taxpayer assisted.

4. Income Ceiling Applications

a. The income ceilings should be considered at the time of the client's intake, whether the organization provides representation in tax controversies or refers eligible individuals to other organizations or panels for such representation. The taxpayer's status as a low income taxpayer for grant program purposes will not change based on subsequent changes in the taxpayer's financial condition.

b. The Internal Revenue Service will apply the 90/250 income requirement by looking to the population served during the project period specified in the program application.

c. Whether the 90/250 income requirement is met is determined based on taxpayers actually represented. For this purpose, representation occurs when the arrangement is memorialized through a letter of engagement, a *pro bono* representation agreement, or a Form 2848, Power of Attorney.

d. Satisfaction of the 90/250 income requirement is determined based on the means testing of family units, not on the average income of the taxpayers represented or referred. Therefore, a clinic must maintain records for the total number of taxpayers represented (or referred) in controversies with the IRS and the number of taxpayers represented (or referred) in controversies with the IRS who have incomes which do not exceed 250 percent of the poverty level and whose cases meet the amount in controversy requirement.

e. A clinic must base its determination of whether a taxpayer satisfies the 90/250 income requirement on current income information provided by the taxpayer to the clinic on an intake form (or similar form) at the time the taxpayer seeks the clinic's assistance. This determination should not be made based on a taxpayer's tax return (other than the current year's return), even if accompanied by a certification that the taxpayer's circumstances have not changed since the return was filed.

f. If a clinic represents and also refers taxpayers, the 90/250 income requirement is determined on the basis of aggregate representations and referrals.

5. Matching Funds

Applicants must provide matching funds on a dollar-for-dollar basis for all LITC Program grant funds received.

a. Cash contributions and third party in-kind (i.e., donated property or services) qualify as matching funds. The salary, including fringe benefits, paid for the individuals performing services for the clinic may count as matching funds and the cost of equipment used in the clinic may count as matching funds. The value

of volunteer services furnished by professional and technical personnel, consultants and other skilled and unskilled labor may be counted as matching funds if the service is an integral and necessary part of an approved project or program. Services provided by students to satisfy an academic requirement, e.g., representation of taxpayers by students enrolled in a clinic sponsored by a law or business school, do not qualify as matching funds.

NOTE: The rates for volunteer services shall be determined consistent with the principles stated in OMB Circular A-110, "Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations", Subpart C, Section .23. The OMB Circulars referenced in this document are located at the following web address: www.whitehouse.gov/omb/circulars

b. Program income (i.e., the clinic's receipts from activities that serve grant purposes) count as matching funds. For example, these types of fees may count as matching funds: registration fees for training and technical assistance programs for tax practitioners who serve the low income community, registration fees for informational programs for taxpayers for whom English is not a primary language and nominal fees for legal services.

   i. Indirect expenses, including general overhead of the institution sponsoring the clinic, shall not be counted as matching funds, except for salaries and equipment as indicated above.

   ii. OMB guidance restricts percentages of overhead that can be charged.

   iii. Grant awards may be made on the basis of good faith estimates of matching funds, including verifiable pledge commitment(s) or likely sources of funding.

c. For a clinic to obtain a grant payment in advance of actual disbursement or receipt of the required non-federal match, the clinic must have firm commitments for the required matching funds. A firm commitment, *at a minimum*, consists of a binding written agreement between the grantee and the source of the matching funds that is conditioned solely upon the availability of federal assistance (and such other conditions as approved in advance by the IRS).

NOTE: Funds from other federal grants cannot be counted as matching funds unless authorized by statute. (See OMB Circular A-110, § 23.) Legal Service Corporation funds are ineligible.

C. LITC Program Standards

Low Income Taxpayer Clinics will be held to certain operating and ethical standards during the duration of their grant period.

1. *Committee Service*. Each clinic is required to provide a representative to serve on an LITC substantive issue committee. These issue committees will focus on substantive, administrative, and procedural tax issues that impact low income and/or ESL taxpayers. Examples of committee issues are the Earned Income Tax Credit (EITC), Individual tax identifying numbers (ITINs), simplification of notices sent to taxpayers, increased use of

E-File by and the availability of free e-filing for low income taxpayers, multilingual tax initiatives, and numerous federal tax compliance issues (i.e., Schedule C non-filers, offer in compromise (OIC), private debt collection, and access to representation.)

2. *Standards for Clinic Operation*. The LITC Program Office is developing standards of operation for LITC grant recipients. Organizations that are awarded a grant will be provided copies of these standards. The LITC Program Office will consult with LITCs and others to develop meaningful operating standards. To date, LITC Program standards include:

   a. *Qualified Tax Expert Requirement* – Availability of staff member with tax law expertise.

   b. *Qualified Business Administrator* – Availability of staff member with business administration expertise.

   c. *Internal Controls* – Assurance of compliance, safeguarding of assets, costs allowable, authorized and allocable.

   d. *Publicity/Marketing* – Effective publicity/marketing efforts to targeted audience.

   e. *Mentoring Programs* – Availability of mentoring and other technical assistance for clinic staff and volunteers.

   f. *Networking* - development and maintenance of relationships with other community based organizations.

   g. *Tax Library* – accessibility to and adequacy of tax library and research arrangements.

   h. *Continuing Professional Education (CPE)* – quality of training of the clinic staff, volunteers and other program participants to increase their knowledge and skills to effectively deliver the services for which the clinic is funded.

   i. *Qualified Volunteers* – qualifications, training, and background of volunteers used in the clinics.

IV. LITC PROGRAM ADMINISTRATIVE REQUIREMENTS

A. GRANT AWARD ADMINISTRATIVE REQUIREMENTS

Grant award administrative requirements are set forth in OMB and Treasury Circulars. The basic administrative requirements applicable to individual Grant Agreements are contained in:

- OMB Circular No. A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-profit Organizations", and

- OMB Circular A-133, "Audits of States, Local Governments, and Non-profit Organizations".

All applicable provisions of these circulars as revised, and any existing and further supplements and revisions are incorporated into these program requirements and into all Grant Agreements entered into between the IRS and clinics.

The OMB Circulars referenced are available at the following web site: www.whitehouse/omb/circulars.

1. Programs involving use of federal funds are governed by a wide variety of federal laws, federal regulations, Executive Orders of the President, circulars and directives from the Office of Management and Budget (OMB) and other Federal agencies. These include:

    a. Certain civil rights laws, including Title VI of the Civil Rights Act of l964, as amended by the Civil Rights Restoration Act, Public Law 100-259, 102 Stat. 28, March 22, l988; Title I X of the Education Amendments of 1972; as amended; Section 504 of the Rehabilitation Act of 1973, as amended; and the Age Discrimination Act of 1975, as amended.

    b. Restrictions on political activities at 18 U.S.C. §§ 595, 598, 600-603;

    c. The preservation requirements in the National Historic Preservation Act (16 U.S.C. § 470 et seq.) and the Archeological and Historic Preservation Act of l966 (16 U.S.C. § 469a-1 et seq.);

    d. Environmental requirements of the Clean Air Act (42 U.S.C. § 7401 et seq.);

    e. The non-pollution requirement of the Federal Water Pollution Control Provisions (33 U.S.C. § 1251 et seq.); and,

    f. Restrictions on lobbying (18 U.S.C. § 1913).

2. Certifications are required for LITC funding, according to the “common rule” on non-procurement, debarment and suspension adopted by Department of Treasury at 31 CFR, Part 19, Subpart F. This means you must certify that your organization and LITC Program Director are not presently debarred or suspended from covered transactions by any Federal agency. In addition, you must certify that within the three-year period before applying for a grant, your organization and LITC Program Director have not been convicted of or had a civil judgment rendered against them for fraud, theft or certain other offenses, and have not had one or more public transactions terminated for cause or default. You must also certify that your organization and LITC Program Director are not presently criminally or civilly charged with certain offenses.

3. Additional certifications are required according to the Government-wide requirements for a drug-free workplace (Pub.L. 100-690, Title V, Subtitle D, 41 U.S.C. §§ 702-707), adopted by Department of Treasury at 31 CFR, Part 19, Subpart F.

4. Certification forms are included in the forms section of this application package.

B. GRANT AGREEMENT

1. LITC organizations execute Grant Agreements with the IRS in compliance with Public Law 105-206. The IRS, subject to the availability of appropriated funds, is authorized to award grants to provide matching funds for the development, expansion, or continuation

of qualified LITCs. The LITC Grant Agreement includes functions and duties to be performed by the LITC grantee, cites the geographic area of clinic services, as specified in proposed program plan, lists the maximum amount of grant award, the type of services to be performed by clinic, the grant period, and any additional requirements specified in the application package and other pertinent information.

2. The LITC Program Grant Agreement may be awarded for up to a three-year performance period. Periods of performance may be:

   a. Single Year Award January 1, 2004 through December 31, 2004

   b. Two Year Award January 1, 2004 through December 31, 2005; or

   c. Three Year Award January 1, 2004 through December 31, 2006

3. Grant Agreements with an approved program plan of two or three years will be funded for each subsequent year subject to the availability of annual appropriated funds, satisfactory performance, and compliance with grant terms. Grant Agreements entered into prior to Congress passing an appropriations act for the fiscal year that is covered by the agreement are contingent on availability of funds.

4. The necessity for re-negotiation, suspensions, or terminations of Grant Agreements will be determined solely by the IRS and will not be subject to appeal.

5. This grant agreement shall be terminated and enforced in accordance with OMB Circular A-110.

C. CIVIL RIGHTS REPORTING REQUIREMENTS

1. Overview

   This information is being collected to enforce Title VI of the Civil Rights Act of l964, as amended, which prohibits discrimination on the basis of race, color, or national origin in any program or activity receiving Federal funds; Title IX of the Education Amendments of l972, as amended, which prohibits discrimination on the basis of sex in any program or activity receiving Federal funds; Section 504 of the Rehabilitation Act of l973, as amended, which prohibits discrimination on the basis of disability in any program or activity receiving Federal funds; and Age Discrimination Act of l975, as amended, which prohibits discrimination on the basis of age in any program or activity receiving Federal funds. This section describes the data collection and reporting requirements required of Low Income Taxpayer Clinic grant applicants by IRS to meet its responsibilities under these laws.

2. Civil Rights Reporting Requirements

   (All of the questions must be answered and included with the submission of the certification statement civil rights assurance form. This information is mandatory and required of every applicant on an annual basis)

   This information is required pursuant to the civil rights statutes and the regulations of the Department of Justice (DOJ) and the Department of the Treasury and must be submitted prior to the approval of any IRS financial assistance application. Recipients of LITC

multi-year grants shall provide updated information on an annual basis. All applicants must submit a response to the IRS information outlined below as outlined in subsections a through e. As a condition of eligibility under the LITC Program, the applicant must provide the requested information in their grant application package.

a. A list of active lawsuits or complaints naming the applicant which allege discrimination on the basis of race, color, national origin, age, sex, or disability with respect to service or benefits being provided. The list should include: the date the lawsuit or complaint was filed; a summary of the allegation; and the status of the lawsuit or complaint, including whether the parties to a lawsuit have entered into a consent decree.

b. A description of all pending applications for financial assistance and all financial assistance currently provided by other Federal agencies. For all applicants for IRS financial assistance, this information should be relevant to the organizational entity actually submitting the application, not necessarily the larger agency or department of which the entity is a part.

c. A summary of all civil rights compliance review activities conducted in the last three years. The summary shall include: the purpose or reason for the review; a summary of the findings and recommendations of the review; and a report on the status and/or disposition of such findings and recommendations. For all applicants for IRS assistance, this information should be relevant to the organizational entity actually submitting the application, not necessarily the larger agency or department of which the entity is a part.

d. A signed and dated Statement of Assurance Concerning Civil Rights Compliance agreeing that all of the records and other information required have been or will be compiled, as appropriate, and maintained by the applicant, recipient, or sub-recipient.

e. Additional data may be requested only to the extent that it is readily available or can be compiled with reasonable effort, and is found to be necessary to make a civil rights compliance determination. Examples of data and information which, to the extent necessary and appropriate for determining compliance with applicable civil rights statutes and implementing regulations may be as follows, but not limited to:

    i. The manner in which services are or will be provided by the program in question, and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination;

    ii. The population eligible to be served by race, color, national origin, age, sex or disability;

    iii. Data regarding covered employment, including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English;

iv. The location of existing or proposed facilities connected with the program, and related information adequate for determining whether the location has or will have effect of unnecessarily denying access to any persons on the basis of prohibited discrimination;

v. The present or proposed membership, by race, color, national origin, sex, age, or disability, in any planning or advisory body which is an integral part of the program; and

vi. Data, such as demographic maps, the racial composition of affected neighborhoods or census data.

f. Each multi-year applicant shall update civil rights reporting requirement information annually. Each application for financial assistance shall be reviewed for its civil rights reporting requirements by an external civil rights unit staff member, upon completion, the reviewer shall forward a letter of compliance to the applicant indicating the civil rights determination. Financial assistance shall not be awarded to the applicant until the civil rights reviewer has issued a finding of compliance or conditional compliance. Department of Justice regulations state that all Federal agency staff determinations of Title VI compliance shall be made by, or be subject to review by the agency's civil rights office.

g. If you need additional information or have any questions, please contact Mr. Harry T. Takai, Civil Rights Unit Manager, at (202) 927-3497.

V. COMPLETION AND SUBMISSION OF LITC PROGRAM GRANT APPLICATION PACKAGE

Applications may be submitted either electronically or by mail. To submit an electronic application, go to the IRS Web Site at www.irs.gov/advocate.

A. LITC Program Grant Application Contents

1. Background Information

This section is designed to solicit information concerning an organization's qualifications. Provide specific responses for each requirement and keep comments concise and relevant. Double-space and number answers to correspond with the appropriate requirement.

a. Describe nature of organization. Include a full explanation of existing affiliation with other organizations; such as schools, governmental bodies, or other charitable organizations.

b. Describe experience in coordinating an LITC Program. Include type and duration of service, target groups and geographic areas covered.

c. Describe experience in delivering services to low income taxpayers and taxpayers for whom English is a second language. Include type of service provided, number of individuals reached, and geographic area covered.

d. Describe the organization's ability to properly utilize and account for program funds. Include examples of experience in managing federal grants, if any, and a description of the organization's existing accounting system and accounting support staff. Include copies of relevant internal procedures, and other pertinent information.

e. Provide background information on quality of management staff. List titles, responsibilities and qualifications of top five members of professional staff who will be involved with the LITC Program.

f. Identify the staff member with tax law knowledge and expertise.

g. Provide a copy of letter of academic accreditation for college, university or other institution of higher learning, if applicable.

2. Program Plan

This section is designed to solicit information concerning the proposed plans to represent taxpayers, refer taxpayers, and/or to inform taxpayers for whom English is a second language about their tax rights and responsibilities. Information regarding the methods and procedures that will be used in implementing the program should be stated in this section.

a. Describe your proposed program plan. The plan should not be limited to what has been done in the past or to existing programs. Include a description of the type of assistance (representation, referral, and/or ESL) that will be provided if an award is granted. If more than one type of assistance is requested, describe a program plan for each. Responses must be double spaced and numbered to coincide with appropriate requirement.

b. State your program goals. Provide a detailed description of your program goals by the type of assistance. If your program goals extend beyond one year, state goals by annual increments up to three years.

c. Briefly describe the steps planned to ensure compliance with LITC Program rules and administrative guidelines.

d. Provide a detailed description of your plans for raising matching funds. Identify likely and committed sources of funds to match the amount of funding requested. Provide copies of any agreements, memoranda of understanding or similar documents pertaining to matching funds. Although the Service may execute a grant agreement based on good faith estimates of matching funds, no payment of grant funds in advance of actual receipt will be made in the absence of firm commitments.

e. Identify geographic area(s) the clinic will serve.

f. Include dates, days and hours of clinic operation. An accredited law, business or accounting school must indicate whether the clinic will be open seasonally or year round.

g. Explain internal procedures for monitoring and evaluating clinic activities to ensure the program is administered in accordance with eligibility guidelines and that grant funds are used for program purposes. The following procedures must also be explained in this section, if applicable:

   i. Plans for ensuring the 90/250 income requirement is satisfied;

   ii. Plans for ensuring the amount in controversy for any taxable year generally does not exceed the amount specified in IRC Section 7463, currently $50,000;

   iii. Plans for ensuring that programs to inform ESL taxpayers about their tax rights and responsibilities reach the targeted audience;

   iv. How the nominal fee charged taxpayers will be determined; and,

   v. Plans for determining number of ESL taxpayers served.

h. Description of actions planned to ensure students, volunteers, and/or other LITC employees provide quality representation to low income taxpayers and/or quality information to ESL taxpayers. Include a description of training planned for students, volunteers and/or other LITC employees as well as a description of your plans to ensure that telephone and other assistance is accurate.

i. Description of the methods and resources that will be used to identify students who participate in the clinic, if the LITC will be at an accredited law, business or accounting school.

j. Description of the *pro bono* network that has or will be created if taxpayers will be referred to a qualified representative.

k. Description of the procedures that will be used for proper cost allocation for LITC Program grant funds if the organization seeks to operate both Volunteer Income Tax Assistance (VITA) and LITC Programs.

l. Description of accounting procedures.

m. Description of the method for allocating allowable expenses and matching funds between qualifying and non-qualifying activities or programs, if applicable.

n. Description of the plans for audits and controls.

o. Description of the plans for program publicity.

p. Plans to ensure taxpayer privacy and to maintain confidentiality of taxpayer information and any ancillary tax returns prepared.

q. Plans for staffing the LITC during periods of student absence if the LITC is part of an academic organization.

r. Description of the strategy for monitoring and evaluating program results (in short and long term) including how success will be defined and measured.

s. Plans, if any, to make name or organizational changes. Requests to approve name or organizational status changes must be submitted in writing to the LITC Program Office in advance of the effective dates of proposed changes with sufficient time to afford program evaluation and legal review. Supplemental information may be required. Supplemental information may include, but is not limited to, certifications by the clinic's legal counsel that transfers were properly effected under applicable laws and evidence that a successor in interest is eligible to perform the grant and will comply with all the terms of the grant, including the program plan. IRS approval criteria will include, but not be limited to, the statutory requirements of IRC Section 7526 and the interests of the Government. The statutory requirements include, but are not limited to, the limitation that the aggregate amount of grants which may be made to a clinic for a year shall not exceed $100,000.

3. Budget/Financial Information

Applicants must use Standard Form 424A, Budget Information-Non-Construction Programs (Forms Section herein.) A budget narrative should be submitted to explain the expenses stated on Standard Form 424A. Organizations conducting more than one qualifying activity must provide a separate budget for each activity.

B. GENERAL INSTRUCTIONS FOR SUBMISSION OF LITC PROGRAM GRANT APPLICATION PACKAGE

1. LITC Program Grant Application Package Requisites

a. Application Package must be assembled as described below and submitted in **quadruplicate** (four sets**)**. The LITC Program Office will provide a copy of your Application Package to the IRS EEO Office, for a pre-award civil rights compliance review.

b. All application documents must be typed, double-spaced and numbered at the bottom of the page.

c. All documents (originals and copies) must have original signature in **blue ink**.

2. LITC Program Grant Application Package Assembly

It is very important that the LITC Program grant application package be assembled correctly. An improperly assembled or incomplete application will cause a delay in processing and may result in non-acceptance of the application. A copy of IRS Form 12183, “Grant Agreement”, is included in the Forms Section, but it is <u>not</u> required to be submitted with your package. The application package should be assembled in the following manner:

a. Standard Form 424: completed according to instructions provided with form and signed in blue ink (not a photocopy) by an authorized representative of the organization. (The LITC Program Catalog of Federal Domestic Assistance Number, Block #10, is 21.008).

NOTE: In Box 5, the organization's legal name should be shown in the space provided. The clinic's name should be placed in the space designated for the "Organizational Unit".

b. Background Information prepared according to instructions in Section V.A.1.

c. Copy of the determination letter issued by IRS recognizing organization as exempt under IRC Section 501(c), if applicable.

d. Copy of letter of academic accreditation for college, university or other institution of higher learning, if applicable.

e. Standard Form 424A, Budget Information – Non-Construction Programs.

f. Budget narrative.

g. Copy of most recent audited or unaudited financial statements. If an unaudited financial statement is included, please explain why an audited financial statement is not available.

h. Copy of most recent A-133 Audit, if applicable.

i. Information concerning proposed source and amount of matching funding.

j. Copy of Proposed Program Plan prepared according to instructions in Section V.A.2.

k. Completed IRS Low Income Taxpayer Clinic (LITC) Application Information Sheet. The form is included in the Forms Section of this package.

l. Assurances and Certifications signed in blue ink by an authorized representative of the organization. Assurances and Certifications should be submitted in the following order.

   i. Standard Form 424B, “Assurances – Non-Construction Programs”;

   ii. “Certification Regarding Debarment, Suspension and Other Responsibility Matters, Primary Covered Transactions”;

   iii. “Certification Regarding Government-wide Requirements for Drug-Free Workplace (Grants)”;

   iv. "Certification of Assurance Concerning Civil Rights Compliance"; and

   v. Standard Form LLL, “Disclosure of Lobbying Activities”.

3. Delivery of LITC Program Grant Application Package

The LITC Program Office **must** receive applications no later than 4:00 p.m. EST on July 1, 2003 in order for them to be considered for 2004 LITC Program grant funding.

Internal Revenue Service
Taxpayer Advocate Service
LITC Program Office Mail Stop 211-D
401 W. Peachtree St NW
Atlanta, GA 30308

4. Withdrawal Of LITC Program Grant Application Package

An application may be withdrawn at any time during the application process or prior to the time grant money is awarded. All withdrawals must be made in writing.

VI. SELECTION AND AWARD

Through the selection and award decision-making process, the IRS will seek to implement Congress' intent to provide grants to academic institutions and non-profit organizations throughout the United States for low income representation, referral and ESL tax educational services.

The IRS may award grants with one-year, two-year, and three-year project periods to clinics evaluated under this application cycle's selection and award process. Clinics awarded a two or three-year grant based on acceptance of their program plans will not undergo formal evaluation under the second and/or third year cycle selection and award process. However, two and three-year recipients will be reviewed annually for satisfactory performance and progress in meeting goals and objectives as well as compliance with grant terms. The funding level for subsequent years will be reviewed annually and may be increased or decreased at the discretion of the Service. ***All funding will be based on the availability of annually appropriated funds***. The IRS also may elect not to award any multi-year grants.

All applications received in response to this announcement will undergo a preliminary eligibility screening. Applications that do not meet all eligibility screening criteria will be eliminated from the award process. Applications that pass the eligibility screening will be evaluated based on their Technical Merit, Cost and Other Considerations.

A. ELIGIBILITY SCREENING

1. Applications will be reviewed to determine the following information:

   a. Length of Project Proposed (Single year, two year or three year);

   b. Type of Organization (Law/Business/Accounting School, 501(c) or other);

   c. Type of Service Proposed (Representation, Referral, ESL); and,

   d. Status of Organization (Previous LITC Program, Existing Student Tax Clinic, Start-up or other).

2. Applications will further be reviewed to determine if the following information or items are included in the application package.

   a. A Budget and Budget Narrative;

   b. Information regarding *pro bono* referral network when organization does not intend to provide representation, if applicable;

   c. Amount of nominal fee taxpayers will be charged, if any, for representation, referral or ESL assistance;

   d. Statement concerning 90/250 requirement, including copy of intake screening sheet organization will use to gather information;

   e. Statement concerning general limitation on amount in controversy (currently $50,000);

   f. Description of the source of matching funds;

   g. Copy of most recent audited or unaudited financial statements;

   h. Certifications regarding non-procurement, debarment and suspension, government-wide requirements for a drug-free workplace and civil rights assurance;

   i. Accreditation information, if applicable; and,

   j. Letter granting IRS tax-exempt status for 501(c) organizations, if applicable.

B. TECHNICAL EVALUATION

Applications that pass the eligibility screening process will be numerically ranked in each of the areas listed below based on the information contained in their proposed program plan. Each criterion reflects the maximum number of points that may be assigned. In assigning numerical points, the IRS will evaluate the program plan based on how it will assist in accomplishment of the LITC statute goals as stated elsewhere in the application package. The IRS retains discretionary authority to award grant funds based on representation, referral, ESL or combination thereof of program plans to further execute the accomplishment of the LITC statute goals. Organizations can receive a maximum of 100 points. If you are applying for more than one qualifying activity (i.e. representation, referral, ESL, or combination thereof) each type of program will be evaluated separately. The ranking points will be assigned as follows:

1. Quality of programs offered to assist low income taxpayers or taxpayers for whom English is a second language. This item should address the qualifications of administrators and qualifications and tax expertise of qualified representatives; comprehensiveness of the services to be provided; amount of time devoted to the program by clinic staff; quality of training and technical support to clinic volunteers, students, and /or other LITC employees; plans for supervising clinic volunteers, students, and/or other LITC employees; procedures for ensuring the confidentiality of taxpayer information; publicity of clinic operations; and, the dates and days and hours of clinic operation.
   (Maximum 75 points)

2. Experience in sponsoring a tax clinic where individuals with tax controversies with the IRS were represented, or experience in sponsoring a tax clinic where taxpayers with tax controversies with the IRS were referred to a panel of qualified representatives, or experience in providing a program to inform taxpayers for whom English is a second language about their rights and responsibilities.
(Maximum 10 points)

3. Quality of grant administration and internal accounting procedures.
(Maximum 10 points)

4. Number of low income and ESL taxpayers in geographical area.
(Maximum 5 points)

C. COST

Appropriateness of funds sought for quantity and quality of services to be offered.

D. OTHER CONSIDERATIONS

1. To foster parity regarding clinic availability and accessibility for low income and ESL taxpayers nationwide, the IRS will consider the geographic area of applicants as part of the decision making process.

2. If applications from more than one clinic sponsored by the same institution or organization are received, the IRS will consider all factors surrounding the operation of the clinics, including the geographical areas served by the clinics and the comprehensiveness of the services to be provided, in determining whether and in what amount grants will be made to one or more such clinics.

3. For academic clinics, which generally serve fewer taxpayers than nonacademic clinics, the IRS will consider additional ways in which academic clinics can accomplish LITC statute goals. For example, they can advise the IRS about their publishing articles about the LITC Program; commenting on proposed Treasury regulations; and monitoring graduates to determine whether they perform *pro bono* work on behalf of or otherwise assist low income taxpayers.

4. In addition, the following factors will be reviewed:

   a. The number of taxpayers who will be served by the clinic, including the taxpayers in the geographical area for whom English is a second language;

   b. Existence of other LITC Programs serving the same population; and,

   c. Other sources of funding available to the clinic.

E. REQUEST FOR LITC PROGRAM GRANT CONTINUATION

For use by multi-year grantees.

1. Applicants approved for two or three-year project periods must submit a letter requesting continuation in the 2005 program by July 31, 2004. A decision to approve funding for the second or third year of the project period will be based on the following:

   a. Grantees satisfactory performance including measurable progress in meeting program goals and objectives;

   b. Compliance with grant terms; and,

   c. Availability of annual appropriated funds.

2. The letter requesting continuation must include the grant amount requested for the 2005 program, any proposed program modifications to the original application, and the items listed below.

   a. Standard Form 424, “Application for Federal Assistance”, completed according to instructions provided with form and signed in blue ink (not a photocopy) by an authorized representative of the organization. Check “continuation” in Block 8, “Type of Application”. The LITC Catalog of Federal Domestic Assistance Number, Block 10, is 21.008;

   b. Standard Form 424A, "Budget Information - Non Construction Programs";

   c. Budget Narrative (The budget narrative should include the cost for up to two individuals from your organization to attend the LITC Orientation Workshop. The date and location of the workshop are to be determined);

   d. Statement regarding the source and amount of matching funds;

   e. An estimate of funds that will be unexpended during the current year;

   f. Standard Form 424B, "Assurances - Non Construction Programs";

   g. Certification Regarding Debarment, Suspension, and Other Responsibility Matters Primarily Covered Transactions;

   h. Certification Regarding Government-Wide Requirements for Drug-Free Workplace (Grants);

   i. Certification of Assurance Concerning Civil Rights Compliance;

   j. Standard Form LLL, “Disclosure of Lobbying Activities”; and,

   k. Updated LITC Information Sheet.

   NOTE: Attachments must be assembled in the order listed above and all certifications must be signed and dated in blue ink.

3. Grantees requesting continuation in the 2005 LITC Program will be notified by the LITC Program Office regarding approval/disapproval of their request and the amount of their grant award, if any.

VII. LITC PROGRAM GRANT ADMINISTRATION

A. Notification Of Award Decisions

The IRS will notify organizations of their acceptance or non-acceptance into the program. Accepted organizations will be provided the name, address and telephone number of a local IRS contact person after their Grant Agreement is signed. The Service may, at its discretion, conduct a site inspection visit to a prospective LITC Program location prior to awarding grant funds.

B. Payments To LITC Program Grantees

1. Grantees must have a signed grant agreement on file with the LITC Program Office and must provide written assurances of specific matching funds prior to the payment of any funds. If expenses are incurred prior to approval, and the grant is later denied, all costs incurred will be the responsibility of the applicant.

2. Electronic Funds Transfer (EFT) payments shall be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved program or project. The timing and amount of EFT payments shall be as close as is administratively feasible to the actual disbursements by the recipient organization for direct program or project costs and the proportionate share of any allowable indirect costs.

3. LITC Program grant payments will be disbursed through EFT. Information regarding the EFT procedure is available on the Health and Human Services (HHS) Website at www.dpm.psc.gov. Questions should be directed to Debra Chandler, LITC Program Office Management and Program Analyst, at 404-338-8306.

   NOTE: The grant agreement shall be terminated and enforced in accordance with OMB Circular A-110.

C. Management Of Funds

1. Advances of federal grant funds must be maintained in insured accounts whenever possible. In addition, grantees shall maintain advances in interest bearing accounts, unless:

   a. The grantee receives less than $120,000 in federal awards per year;

   b. The best reasonably available interest-bearing account would not be expected to earn interest in excess of $250 per year on Federal cash balances; or,

   c. The depository would require an average or minimum balance so high that an interest bearing account would not be feasible, given the grantee's expected federal and non-federal cash resources.

2. You shall promptly, but at least annually, remit to the IRS interest earned on advances of federal grant funds. However, you may keep interest earned on all advances of federal grant funds of $250.00 or less per fiscal year.

3. Unexpended grant amounts and advance payments must be returned to the Internal Revenue Service.

4. The TAS LITC Program Director must approve any changes to the above procedures in writing.

5. Consistent with the national goal of expanding the opportunities for women and minority business enterprises, recipients are encouraged to use women-owned and minority banks.

D. ALLOWABLE EXPENSES

The IRS portion of ordinary and necessary program expenditures may not exceed the total award amount stated on IRS Form 12183, "Grant Agreement." Allowable expenses, which must be in accordance with the grant award including OMB circular A-122, "Cost Principles for Non-Profit Organizations Institutions" and A-21, "Cost Principles for Educational Institutions", as applicable, include but are not limited to:

1. Salaries, wages, and personnel benefits;

2. Reasonable office supplies and equipment costs;

3. Rent, utilities, and custodial services;

4. Miscellaneous services, such as printing, postage, insurance, etc.;

5. Indirect costs as determined in accordance with principles set forth in OMB Circulars A-21 and A-122;

6. Audit services;

7. Publicity and training costs directly and totally associated with the program;

8. Installation of telephone lines necessary to provide representation to low income taxpayers or information to taxpayers for whom English is a second language;

9. Travel performed by program administrator, coordinator, student and/or volunteer to monitor or conduct clinic initiatives. Other travel in support of clinic such as meetings with local IRS contact person and IRS sponsored LITC meetings; and,

10. Costs incurred for interpreter services for hearing-impaired or non-English speaking taxpayers.

E. UNALLOWABLE EXPENSES

LITC grant funds may NOT be used for:

1. Purchase, construction, repair, or rehabilitation of any building or any portion thereof; and/or,

2. Costs or expenses incurred which do not support or benefit the program, or which are unnecessary in carrying out the program.

VIII. AUDIT REQUIREMENTS

A. Audit requirements applicable to grantees are described in OMB Circular A-133. If you expend less than $300,000 a year in total federal awards, no audit requirements are applicable. The IRS, however, has the right to audit expenditure of LITC funds regardless of the dollar amount of federal funding received by the grantee.

B. If you expend $300,000 or more a year in Federal awards, you must provide IRS with a copy of the results of an audit performed in compliance with OMB Circular A-133. You must arrange for an audit by an independent auditor in accordance with the Government Auditing Standards developed by the Comptroller General of the United States.

C. An audit under OMB Circular A-133 is organization-wide. The auditor must determine whether:

1. Your financial statements present fairly your financial position and the results of your operations in accordance with generally accepted accounting principals;

2. You have an internal control structure to provide reasonable assurance that you are managing Federal awards in compliance with applicable laws and regulations, and controls that ensure compliance with the laws and regulations that could have a material impact on the financial statements; and,

3. You have complied with laws and regulations that may have a direct and material effect on your financial statement amounts and on each major Federal program.

IX. LOBBYING ACTIVITIES

Under 31 USC § 1352 recipients of Federal grants are prohibited from using appropriated funds for lobbying the Executive or Legislative branches of the Government with respect to any federal grant. This law also requires that lobbying activities be disclosed by each organization that receives or accepts federal grants of $100,000 or more. The reporting period for disclosure of lobbying activities, if applicable, is the same as the project period.

X. LITC PROGRAM GRANTEE RESPONSIBILITIES

A. LITC PROGRAM COORDINATION

A program director should be designated to manage the LITC Program. The program director should be the primary person designated to work with the LITC Program Office and/or the local IRS contact person. The program director may be a member of the organization's professional

staff. In addition, the program director shall prepare or review the required reports and must sign them as the applicant's authorized representative.

B. CHANGES IN LITC PROGRAM AWARD-SUPPORTED ACTIVITIES

Organizations should immediately notify the LITC Program Office of developments that have a significant impact on the award-supported activities. Also, the LITC Program Office should be notified in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of this award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.

C. RELEASE OF LITC PROGRAM AWARD FUNDS

Once a determination is made that you will not use all of the funds awarded, the LITC Program Office should be notified in writing. The letter should include the amount being released, the effective date of the release and the reason that the amount awarded is being released.

D. MANAGEMENT OF LITC PROGRAM PERSONNEL

Grantees are responsible for providing administrative support for the clinic by acting as managers and/or program leaders for students, volunteers, and/or other LITC employees. Grantees must:

1. State the amount of time managers and/or program leaders will devote to the LITC Program as well as the amount of time that will be devoted to the management of students, volunteers, and/or other LITC employees;

2. Provide training for students, volunteers, and/or other LITC employees;

3. Obtain certification from the IRS Office of Professional Responsibility for students who will be representing taxpayers before the IRS. Only students who are enrolled in graduate business and accounting classes or law school programs qualify for certification. The Office of Professional Responsibility certification is limited to IRS. Permission must be obtained from the courts for student representation. LITCs that receive special orders from the IRS Office of Professional Responsibility must revoke the authorization after students leave the program;

4. Monitor compliance of students, volunteers, and/or other LITC employees with regard to program requirements and guidelines outlined in grant agreement;

5. Maintain records of reimbursed expenses, if any, for students, volunteers, and/or other LITC employees; and,

6. Prepare and submit reports to the LITC Program Office as explained elsewhere in this publication.

E. CONFIDENTIALITY

1. Taxpayer information is confidential and should be shared on a limited basis. Grantees are responsible for ensuring that taxpayer information is not compromised. Only those

who have a need to know in order to effect resolution of the controversy should be allowed access to taxpayer information.

2. Keep taxpayer information in a secure location. Taxpayer information must be locked up before employees leave the office. If it is necessary to take taxpayer information out of the office, it should be safeguarded at all times.

3. Taxpayer information must be sanitized before being used for teaching purposes. Sanitized means delete names, addresses, social security numbers and any other information that would identify the taxpayer.

F. SELECTION AND MANAGEMENT OF LITC LOCATION

Grantees are responsible for notifying the LITC Program Office and the local IRS contact person of the location, days and hours of clinic operation, and the beginning and ending dates clinic services will be provided.

G. LITC PROGRAM MATERIALS

Grantees that operate programs to inform ESL individuals of their tax rights and responsibilities are responsible for creating, printing and distributing the educational program materials used in conjunction with this activity.

H. LITC PROGRAM PUBLICITY

1. Grantees are responsible for effectively publicizing the LITC Program to low income taxpayers and taxpayers for whom English is a second language. Publicity plans should be completed well in advance of the period that representation and other assistance will be offered.

2. Publicity materials prepared and announcements made to advertise the services provided by an LITC should not mention tax return preparation or refund claim assistance. Nor should any posters at the LITC's clinic advertise tax return preparation or refund claim assistance.

I. LITC PROGRAM QUALITY CONTROL REQUIREMENTS

Effectiveness of LITC operations will be measured by the quality of service provided to low income taxpayers and ESL taxpayers. Given the complexity of federal tax laws, it is important to monitor the accuracy and thoroughness of representation and information provided to ESL taxpayers. It is also important to provide training for students, volunteers, and/or other LITC employees. Grantees are required to notify the LITC Program Office if problems or delays occur that would adversely affect the objective of the LITC Program. The notification should include a statement that includes action(s) taken, or contemplated, and any assistance needed to resolve the situation.

J. ETHICS

An LITC may not refer any cases in which it declines representation except to other *pro bono* organizations or to state or local bar referral services. Under no circumstances should anyone associated with the clinic be allowed to provide representation in a declined case (or continue

representation in an accepted case, e.g., where the client's financial circumstances improve during the course of representation) on a fee-for-service basis.

K. WITHDRAWAL FROM LITC PROGRAM

1. All withdrawals from the LITC Program must be made in writing and all unexpended funds must be returned to the IRS immediately.

2. If clinic activity is terminated prior to the expiration of the period of the grant agreement or if a grantee withdraws from the LITC Program, a final program and financial report must be submitted within 90 days of final clinic activity or withdrawal from the program.

XI. LITC PROGRAM REPORTING REQUIREMENTS

A. INTERIM REPORTS

1. Interim reports which consist of a financial narrative, Standard Form 269 (Long Form), Financial Status Report and a program narrative must be submitted to the LITC Program Office by **July 31,** 2004. Continued funding may be suspended if a grantee fails to submit an interim report.

a. Interim Financial Report

The financial interim report (Form 269 and narrative) must cover the period January 1, 2004 through June 30, 2004.

b. Interim Program Narrative

The program narrative must cover the period January 1, 2004 through June 30, 2004. The report must be typed using double spacing. The narrative must include the following information: (Responses must be numbered to coincide with the program number provided.)

i. A detailed explanation of the strategy used for monitoring and evaluating program results;

ii. A description of how you define and measure its success;

iii. A detailed explanation of the progress made in implementing the LITC Program;

iv. The status of proposed goals and objectives;

v. A description of any impediments to meeting established goals and objectives, and efforts made to overcome them, if applicable;

vi. A description of the type of representation and/or other assistance provided to low income taxpayers and/or ESL taxpayers including:

- A description of the type of tax issues in controversy handled by the LITC students, volunteers, and/or other LITC employees;

- The total number of cases handled; including the total number closed, the total number remaining open/or pending and the total number referred to Tax Court;

- The number of outreaches, workshops and other educational programs conducted;

- A list of the topics discussed during educational presentations; and,

- The number of ESL taxpayers to whom educational information was provided.

vii. A description of the efforts made to publicize the program and the number of individuals reached through the marketing activities. Include examples of and the number of flyers, brochures, posters, newsletters, etc distributed, the number of radio and/or television advertisements and potential audience, the number of radio/television appearances or newspaper coverage and the potential listening/viewing/reading audience and the number of personal visits to organizations. Other publicity efforts should also be included.

viii. A description of any ancillary tax return preparation performed which includes the following information:

- The number of ESL taxpayers assisted;*

- The number of non-ESL taxpayers assisted;*

- The number of ancillary tax returns prepared for ESL taxpayers;

- The total number of tax returns prepared; and,

- The total number of tax returns electronically filed.

***NOTE:** For reporting purposes, preparation of a joint ancillary tax return counts as two taxpayers assisted.

2. The interim financial report and program narrative must be submitted to:

Internal Revenue Service
Taxpayer Advocate Service Mail Stop 211-D
LITC Program Office
401 W. Peachtree St NW
Atlanta, GA 30308

B. YEAR-END REPORTS

1. A year-end financial report and program narrative must be submitted within 90 days following the end of the calendar year. This report must cover the period July 1st, through December 31st. (This is the final report for grantees whose project period ends on December 31, 2004.) Under unusual circumstances, a request for an extension of

time to submit the year-end financial and program narrative may be requested from the LITC Program Office. The request must be submitted in writing. For grantees that have been approved for the year 2005, failure to submit the year-end report for 2004 may suspend additional funding.

a. Year-End Financial Report

In addition to a cumulative Standard Form 269 (Long Form), Financial Status Report, the financial report **must include** the following information:

i. A breakdown of the actual LITC expenses incurred during the calendar year,

ii. The source, date, availability and amount of matching funds received for LITC Program, and

iii. An itemization and explanation of actual program costs for all expenses. If space was rented for clinic, include a breakdown of costs incurred.

b. Year-End Program Narrative

The annual program narrative **must include** specific information, including the items delineated below, about the methods and procedures used to implement the clinic and a comparison of the actual accomplishments with the goals and objectives established for this calendar year and how they satisfied the goals of the LITC Program. In addition, the narrative must include an explanation of why established goals were not met, if applicable, and other pertinent information. Narrative comments must be typed, double-spaced. Responses to each of the following items must be numbered to coincide with the following paragraphs.

i. Describe the strategy for monitoring and evaluating program results including how success is defined and measured. In addition, describe the overall approach taken in implementing the LITC Program and the steps taken to ensure compliance with its rules and administrative guidelines.

ii. Describe training provided for students and/or qualified representatives, including volunteers.

iii. Describe specifically how program publicity was provided.

iv. Describe your efforts to provide information to ESL taxpayers regarding their tax rights and responsibilities. Specifically describe:

- How educational materials were developed and prepared. How the accuracy of the educational materials was verified. Who prepared the educational materials and the qualifications of the preparer. How that information was provided. (Attach a sample copy of program materials to this report.)

- The number of outreaches, workshops, or other educational programs conducted.

- The topics discussed during educational presentations.
- The number of ESL taxpayers to whom educational information was provided.
- The number of ESL taxpayers assisted with ancillary preparation of federal tax returns or other required federal tax forms.
- The efforts made to publicize the program and the number of individuals reached through the marketing activities. Include the number of flyers, brochures, posters, newsletters, etc. distributed; the number of radio and/or television advertisements and potential audience; the number of radio/television appearances or newspaper articles and the potential listening/viewing/reading audience; and the number of personal visits to organizations. Other publicity efforts should also be included.
- The referral point for controversy cases, if applicable.

c. Specifically state how students, volunteers and/or other LITC employees provided high-quality representation to low income taxpayers and high-quality service to ESL taxpayers. Describe and provide examples of:

i. On-site quality review procedures;

ii. Information provided to ESL taxpayers. How were the topics determined? What type of analysis was performed to determine how to best meet the educational needs of the ESL community your organization services? If written information was developed, who reviewed it for accuracy? What were the qualifications of the reviewer? Were materials prepared in languages other than English? If so, who reviewed the information for accuracy? What were the reviewer's qualifications? What methods were used to convey information to taxpayers for whom English is a second language?

iii. Training provided to students, volunteers, and/or other LITC employees. What efforts were made by the LITC program director to ensure students, volunteers, and/or other LITC employees were adequately prepared to assist taxpayers with controversies. How were training materials developed and prepared? Who prepared the training materials and what were the qualifications of the preparer? How was the accuracy of the training materials verified? How was the training provided and what were the qualifications of the instructor. (Attach examples of training materials to this report.)

iv. Types of controversies handled by the LITC. What system was used to control assignment of controversy cases to students, volunteers and/or other LITC employees? How did you determine to whom the case would be assigned? What were the skill levels of the students, volunteers, and/or other LITC employees in the clinic? What changes did you make in issuing cases to students, volunteers, and/or other LITC employees when the controversy issue exceeded their level of training? What type of

mentoring program did you have in place to assist students, volunteers, and/or other LITC employees in resolving controversies? What type of monitoring system was used to insure that controversies were resolved expeditiously and appropriately.

v. Publicity for the LITC. How was the LITC program publicized? Who developed the publicity materials? If publicity materials were translated into another language, who verified the accuracy of the information?

vi. Referral mechanism for controversies, if applicable. What type of referral system did you use to refer taxpayers with a controversy? Was follow-up action performed to determine the outcome of the controversy or to determine if the referral person/organization was able to assist the taxpayer? What procedures did you have in place to resolve controversies for taxpayers who did not receive appropriate assistance from the referral person/organization?

d. Describe steps taken to ensure taxpayer privacy and to maintain the confidentiality of tax information.

e. State number of low income taxpayers represented or referred in controversies with the IRS and/or the number of ESL taxpayers assisted. For reporting purposes, ancillary preparation of a joint return counts as two taxpayers assisted. However, if representation/referral is provided to only one spouse on a joint return, the number of taxpayers assisted should be reported as one. Specifically, include the following information:

i. The total number of taxpayers in controversy with the IRS who were represented or referred to a qualified representative.

ii. The number of taxpayers **represented** whose income **did not** exceed 250% of the poverty level and whose amount in controversy with the IRS for any taxable year did not exceed the amount specified in IRC § 7463 (currently $50,000).

iii. The number of taxpayers **represented** whose income **exceeded** 250% of the poverty level or whose amount in controversy with the IRS for any taxable year exceeded the amount specified in IRC § 7463 (currently $50,000).

iv. The number of taxpayers **referred** to a qualified representative, whose income **did not** exceed 250% of the poverty level and whose amount in controversy with the IRS for any taxable year did not exceed the amount specified in IRC § 7463 (currently $50,000).

v. The number of taxpayers **referred** to a qualified representative, whose income **exceeded** 250% of the poverty level or whose amount in controversy with the IRS for any taxable year exceeded the amount specified in IRC § 7463 (currently $50,000).

i. The number of **ESL** taxpayers assisted with

   i. Representation;

   ii. Referral; and,

   iii. Ancillary return preparation

j. The number of **non-ESL** taxpayers assisted with

   i. Representation;

   ii. Referral; and,

   iii. Ancillary return preparation

k. The number of ancillary tax returns **prepared** for

   i. **ESL** taxpayers and

   ii. **Non-ESL** taxpayers

l. The number of ancillary tax returns **electronically filed** for

   i. ESL taxpayers and

   ii. Non-ESL taxpayers

m. Information regarding controversy assistance.

   i. The type of tax controversy issues;

   ii. The total number of controversy cases handled;

   iii. The total number of controversy cases closed;

   iv. The total number of controversy cases still open or pending; and,

   v. The number of controversy cases petitioned to the U.S. Tax Court or other federal courts.

   Note: With respect to low income taxpayers represented or referred by the LITC, whose controversies with the IRS for any taxable year exceeded the amount specified in IRC § 7463, explain the circumstances surrounding the representation or referral (e.g., the taxpayer had other taxable years in controversy that did not exceed the statutory amount, the taxpayer's issues were of significance to the low income taxpayer population generally, etc.)

n. Describe the qualified representatives to whom taxpayers were referred.

o. Explain internal procedures used to monitor and evaluate clinic activities to ensure the program was administered in accordance with grant agreement guidelines.

p. Describe the nominal fee, if any, charged for representing or providing tax information to taxpayers, including the basis for determining the amount of the nominal fee to be charged.

q. Describe the type of assistance given by telephone and the procedures used to monitor its quality, if applicable.

r. Attach copy of the student certification letters issued by IRS Office of Professional Responsibility, if applicable.

s. Describe the types of activity performed by the clinic that are not included elsewhere in your narrative that facilitated accomplishment of the LITC Program mission.

t. Explain in detail any recommendations for improving the LITC Program.

2. Year-End Reports should be mailed to the following address:

Internal Revenue Service
Taxpayer Advocate Service Mail Stop 211-D
LITC Program Office
401 W. Peachtree St NW
Atlanta, GA 30308

NOTE: LITCs that terminate clinic activity prior to the expiration period of the grant agreement or withdraw from the LITC Program must submit a final report to the IRS within 90 days of final clinic activity or withdrawal from the program.

XII. RECORDS RETENTION AND ACCESS REQUIREMENT

Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of 3 years from the date of submission of the final report for the grant period, subject to certain exceptions set forth in OMB Circular A-110.

XIII. WITHDRAWAL FROM LITC PROGRAM

If a grantee withdraws from the LITC Program, the grantee shall return immediately to the IRS all unexpended LITC Program grant funds. All withdrawals must be made in writing.

XIV. LITC PROGRAM TRAINING CONFERENCE

Successful grant award recipients are required to attend a grantee technical assistance workshop and to budget for this annual event. The workshop will be held on two consecutive days; however, first time grantees must attend an additional orientation day preceding the 2-day workshop. The date and location of the workshop will be announced at a later date. OMB Circulars A-21 and A-122 allow the use of grant funds to pay for the allowable expenses associated with this mandatory workshop.

XV. ON-SITE ASSISTANCE VISITS

A. The LITC Program Office will periodically perform on-site assistance visits to selected clinics. Each new clinic can expect to receive a site visit during its first year of operation. Returning and continuing clinics will also be selected, as deemed appropriate.

B. During assistance visits, the review process may include reviews of intake procedures, referral record keeping systems, communication and publicity plan, demographics/population information, case statistics and analysis. Prior to the assistance visit, the clinic will receive a list of items and topics to be reviewed. Additional items may be requested during or after the assistance visit. This list will be derived from the standards for clinic operation.

XVI. TAXPAYER ADVOCATE SERVICE LITC PROGRAM OFFICE RESPONSIBILITIES

The Taxpayer Advocate Service LITC Program Office will assist LITCs in various ways at the national and local levels including:

A. Furthering the understanding of and involvement with the LITC program within the IRS;

B. Assisting with the placement of clinic materials in IRS Offices;

C. Identifying liaisons for LITCs within IRS Operating Divisions and Functions, and program areas impacting low income or ESL taxpayers;

D. Maintaining a publication listing LITCs;

E. Informing the public about the availability of LITCs as appropriate and to the extent permitted by law, including references on the external IRS Website;

F. Assisting with marketing efforts to promote the LITC Program;

G. Answering questions from potential LITC applicants;

H. Providing information on how to obtain student certification from the IRS Office of Professional Responsibility;

I. Coordinating meetings between IRS officials and LITC Program grantees;

J. Coordinating and making periodic on-site assistance visits;

K. Providing technical assistance, suggestions, recommendations, and guidance to LITCs regarding operation of their programs;

L. Coordinating the cross-functional LITC Program grant application review process;

M. Coordinating Taxpayer Advocate Service Issue Committees; and

N. Providing information on how to obtain tax forms, IRS publications and other pertinent IRS program materials.

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Appendix A

LITC Program Grant Forms

All Forms in this section must be submitted with your application <u>except</u> the Grant Agreement.

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APPLICATION FOR FEDERAL ASSISTANCE

OMB Approval No. 0348-0043

2. DATE SUBMITTED April 18, 2003	Applicant Identifier	
3. DATE RECEIVED BY STATE	State Application Identifier	
4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier	

1. TYPE OF SUBMISSION:

Application
- ☐ **Construction**
- ☐ **Non-Construction**

Preapplication
- ☐ **Construction**
- ☐ **Non-Construction**

5. APPLICANT INFORMATION

Legal Name:	Organizational Unit:
Address *(give city, county, State, and zip code):*	Name and telephone number of person to be contacted on matters involving this application *(give area code)*

6. EMPLOYER IDENTIFICATION NUMBER *(EIN):*

☐☐ — ☐☐☐☐☐☐☐

7. TYPE OF APPLICANT: *(enter appropriate letter in box)* ☐

A. State
B. County
C. Municipal
D. Township
E. Interstate
F. Intermunicipal
G. Special District
H. Independent School Dist.
I. State Controlled Institution of Higher Learning
J. Private University
K. Indian Tribe
L. Individual
M. Profit Organization
N. Other (Specify) _____

8. TYPE OF APPLICATION:

☐ **New** ☐ **Continuation** ☐ **Revision**

If Revision, enter appropriate letter(s) in box(es) ☐ ☐

A. Increase Award B. Decrease Award C. Increase Duration
D. Decrease Duration Other*(specify):*

_____

9. NAME OF FEDERAL AGENCY:

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:

☐☐ — ☐☐☐

TITLE:

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:

12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.):*

13. PROPOSED PROJECT		**14. CONGRESSIONAL DISTRICTS OF:**	
Start Date	Ending Date	a. Applicant	b. Project

15. ESTIMATED FUNDING:

a. Federal	$ .00
b. Applicant	$ .00
c. State	$ .00
d. Local	$ .00
e. Other	$ .00
f. Program Income	$ .00
g. TOTAL	$ 0 .00

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON:

DATE _____

b. No. ☐ PROGRAM IS NOT COVERED BY E. O. 12372
☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

☐ **Yes** **If "Yes," attach an explanation.** ☐ **No**

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Type Name of Authorized Representative	b. Title	c. Telephone Number
d. Signature of Authorized Representative		e. Date Signed

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form used by applicants as a required facesheet for preapplications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item:	Entry:
1.	Self-explanatory.
2.	Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).
3.	State use only (if applicable).
4.	If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank.
5.	Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application.
6.	Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.
7.	Enter the appropriate letter in the space provided.
8.	Check appropriate box and enter appropriate letter(s) in the space(s) provided: -- "New" means a new assistance award. -- "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date. -- "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation.
9.	Name of Federal agency from which assistance is being requested with this application.
10.	Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.
11.	Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.

Item:	Entry:
12.	List only the largest political entities affected (e.g., State, counties, cities).
13.	Self-explanatory.
14.	List the applicant's Congressional District and any District(s) affected by the program or project.
15.	Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate *only* the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.
16.	Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.
17.	This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
18.	To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		$	$	$	$	$ 0.00
2.						0.00
3.						0.00
4.						0.00
5. Totals		$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total
	(1)	(2)	(3)	(4)	(5)
a. Personnel	$	$	$	$	$ 0.00
b. Fringe Benefits					0.00
c. Travel					0.00
d. Equipment					0.00
e. Supplies					0.00
f. Contractual					0.00
g. Construction					0.00
h. Other					0.00
i. Total Direct Charges *(sum of 6a-6h)*	0.00	0.00	0.00	0.00	0.00
j. Indirect Charges					0.00
k. TOTALS *(sum of 6i and 6j)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
7. Program Income	$	$	$	$	$ 0.00

Authorized for Local Reproduction

Standard Form 424A (Rev. 7-97)
Prescribed by OMB Circular A-102

Previous Edition Usable

SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	$	$	$	$ 0.00
9.				0.00
10.				0.00
11.				0.00
12. TOTAL *(sum of lines 8-11)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	**1st Quarter**	**2nd Quarter**	**3rd Quarter**	**4th Quarter**
13. Federal	$ 0.00	$	$	$	$
14. Non-Federal	0.00				
15. TOTAL *(sum of lines 13 and 14)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	$	$	$	$
17.				
18.				
19.				
20. TOTAL *(sum of lines 16-19)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

INSTRUCTIONS FOR THE SF-424A

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0044), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a *single* Federal grant program (Federal Domestic Assistance Catalog number) and *not requiring* a functional or activity breakdown, enter on Line 1 under Column (a) the Catalog program title and the Catalog number in Column (b).

For applications pertaining to a *single* program *requiring* budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in *Column* (a) and the respective Catalog number on each line in Column (b).

For applications pertaining to *multiple* programs where one or more programs *require* a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For new applications, leave Column (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant program applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5 - Show the totals for all columns used.

Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Line 6a-i - Show the totals of Lines 6a to 6h in each column.

Line 6j - Show the amount of indirect cost.

Line 6k - Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7 - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount, Show under the program

narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11 Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a) - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b) - Enter the contribution to be made by the applicant.

Column (c) - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d) - Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e) - Enter totals of Columns (b), (c), and (d).

Line 12 - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D. Forecasted Cash Needs

Line 13 - Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14 - Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15 - Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19 - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20 - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21 - Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22 - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23 - Provide any other explanations or comments deemed necessary.

Applicant's Name _____

CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITIES MATTERS
PRIMARY COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 31 CFR Part 19, Section 19.510, Participants' Responsibilities.

1. **The prospective primary participant certifies to the best of its knowledge and belief, that It and its principles;**

   (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency,

   (b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property,

   (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1.b) of this certification, and

   (d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

2. **Where the prospective primary participant is unable to certify to any of the above, such prospective participant may attach an explanation to this proposal.**

   (Before signing certification, read the instructions which are an integral part of the certification.)

_____
Print/Type:

_____
NAME OF RESPONSIBLE OFFICIAL

_____
TITLE

_____
(Signature) *(Date)*

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Applicant's Name _____

CERTIFICATION REGARDING GOVERNMENT-WIDE REQUIREMENTS FOR DRUG-FREE WORKPLACE (GRANTS)

This certification is required by the Treasury regulation regulations implementing the Drug-Free Workplace Act of 1988, 31 CFR Part 19, Section 19.630, Certification Requirements and Procedures. The regulation was published as Part 11 of the May 25, 1990 Federal Register (55 FR 21688-21691).

1. The applicant certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the action that will be taken against employees for violation of such prohibition;

(b) Establishing a drug-free awareness program to inform employees about
- (1) the dangers of drug abuse in the workplace,
- (2) the grantee's policy of maintaining a drug-free workplace,
- (3) any available drug counseling, rehabilitation, and employee assistance programs, and
- (4) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will –
- (1) abide by the terms of the statement, and
- (2) notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing , within ten calendar days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such convictions. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the federal agency has designated a central point for the receipt of such notices. Notices shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d) (2), with respect to any employee who is so convicted –
- (1) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended, or
- (2) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of Paragraphs (a), (b), (c), (d), (e), and (f).

2. The applicant may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Check ☐ if there are workplaces on file that are not identified here.

_____
Place of Performance

_____
Street Address

_____
City **County**

_____
State **Zip code**

(Before signing certification, read the instructions which are an integral part of the certification.)

Print/Type:

_____
NAME OF RESPONSIBLE OFFICIAL

_____
TITLE

_____
(Signature) *(Date)*

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DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
☐ a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	☐ a. bid/offer/application b. initial award c. post-award	☐ a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____

4. Name and Address of Reporting Entity:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:
☐ **Prime** ☐ **Subawardee** Tier _____, *if known*: **Congressional District**, *if known*:	 **Congressional District**, *if known*:
6. Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
8. Federal Action Number, *if known*:	**9. Award Amount,** *if known*: $
10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*):	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*):
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less that $10,000 and not more than $100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____

Federal Use Only:	Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employeeof a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizationallevel below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

    (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

OMB Approval No. 0348-0040

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
APPLICANT ORGANIZATION	DATE SUBMITTED April 18, 2003

FINANCIAL STATUS REPORT

(Long Form)

(Follow instructions on the back)

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Federal Grant or Other Identifying Number Assigned By Federal Agency	OMB Approval No. **0348-0039**	Page of pages
3. Recipient Organization (Name and complete address, including ZIP code)			
4. Employer Identification Number	5. Recipient Account Number or Identifying Number	6. Final Report ☐ **Yes** ☐ **No**	7. Basis ☐ **Cash** ☐ **Accrual**
8. Funding/Grant Period *(See instructions)* From: (Month, Day, Year)	To: (Month, Day, Year)	9. Period Covered by this Report From: (Month, Day, Year)	To: (Month, Day, Year)

10. Transactions:	I Previously Reported	II This Period	III Cumulative
a. Total outlays			0.00
b. Refunds, rebates, etc.			0.00
c. Program income used in accordance with the deduction alternative			0.00
d. Net outlays *(Line a, less the sum of lines b and c)*	0.00	0.00	0.00
Recipient's share of net outlays, consisting of: e. Third party (in-kind) contributions			0.00
f. Other Federal awards authorized to be used to match this award			0.00
g. Program income used in accordance with the matching or cost sharing alternative			0.00
h. All other recipient outlays not shown on lines e, f or g			0.00
i. Total recipient share of net outlays *(Sum of lines e, f, g and h)*	0.00	0.00	0.00
j. Federal share of net outlays *(line d less line i)*	0.00	0.00	0.00
k. Total unliquidated obligations			
l. Recipient's share of unliquidated obligations			
m. Federal share of unliquidated obligations			
n. Total Federal share *(sum of lines j and m)*			0.00
o. Total Federal funds authorized for this funding period			
p. Unobligated balance of Federal funds *(Line o minus line n)*			0.00
Program income, consisting of: q. Disbursed program income shown on lines c and/or g above			
r. Disbursed program income using the addition alternative			
s. Undisbursed program income			
t. Total program income realized *(Sum of lines q, r and s)*			0.00

11. Indirect Expense	a. Type of Rate *(Place "X" in appropriate box)* ☐ **Provisional** ☐ **Predetermined** ☐ **Final** ☐ **Fixed**			
	b. Rate	c. Base	d. Total Amount	e. Federal Share

12. *Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.*

13. Certification: **I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.**

Typed or Printed Name and Title	Telephone (Area code, number and extension)
Signature of Authorized Certifying Official	Date Report Submitted April 18, 2003

FINANCIAL STATUS REPORT
(Long Form)

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0039), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET.

Please type or print legibly. The following general instructions explain how to use the form itself. You may need additional information to complete certain items correctly, or to decide whether a specific item is applicable to this award. Usually, such information will be found in the Federal agency's grant regulations or in the terms and conditions of the award (e.g., how to calculate the Federal share, the permissible uses of program income, the value of in-kind contributions, etc.). You may also contact the Federal agency directly.

Item	Entry
1, 2 and 3.	Self-explanatory.
4.	Enter the Employer Identification Number (EIN) assigned by the U.S. Internal Revenue Service.
5.	Space reserved for an account number or other identifying number assigned by the recipient.
6.	Check *yes* only if this is the last report for the period shown in item 8.
7.	Self-explanatory.
8.	Unless you have received other instructions from the awarding agency, enter the beginning and ending dates of the current funding period. If this is a multi-year program, the Federal agency might require cumulative reporting through consecutive funding periods. In that case, enter the beginning and ending dates of the grant period, and in the rest of these instructions, substitute the term "grant period" for "funding period."
9.	Self-explanatory.
10.	The purpose of columns, I, II, and III is to show the effect of this reporting period's transactions on cumulative financial status. The amounts entered in column I will normally be the same as those in column III of the previous report *in the same funding period*. If this is the first or only report of the funding period, leave columns I and II blank. If you need to adjust amounts entered on previous reports, footnote the column I entry on this report and attach an explanation.
10a.	Enter total gross program outlays. Include disbursements of cash realized as program income if that income will also be shown on lines 10c or 10g. Do not include program income that will be shown on lines 10r or 10s. For reports prepared on a cash basis, outlays are the sum of actual cash disbursements for direct costs for goods and services, the amount of indirect expense charged, the value of in-kind contributions applied, and the amount of cash advances and payments made to subrecipients. For reports prepared on an accrual basis, outlays are the sum of actual cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase or decrease in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subgrantees and other payees, and other amounts becoming owed under programs for which no current services or performances are required, such as annuities, insurance claims, and other benefit payments.
10b.	Enter any receipts related to outlays reported on the form that are being treated as a reduction of expenditure rather than income, and were not already netted out of the amount shown as outlays on line 10a.
10c.	Enter the amount of program income that was used in accordance with the deduction alternative.
Note:	Program income used in accordance with other alternatives is entered on lines q, r, and s. Recipients reporting on a cash basis should enter the amount of cash income received; on an accrual basis, enter the program income earned. Program income may or may not have been included in an application budget and/or a budget on the award document. If actual income is from a different source or is significantly different in amount, attach an explanation or use the remarks section.
10d,	e, f, g, h, i and j. Self-explanatory.
10k.	Enter the total amount of unliquidated obligations, including unliquidated obligations to subgrantees and contractors. Unliquidated obligations on a cash basis are obligations incurred, but not yet paid. On an accrual basis, they are obligations incurred, but for which an outlay has not yet been recorded. Do not include any amounts on line 10k that have been included on lines 10a and 10j. On the final report, line 10k must be zero.
10l.	Self-explanatory.
10m.	On the final report, line 10m must also be zero.
10n,	o, p, q, r, s and t. Self-explanatory.
11a.	Self-explanatory.
11b.	Enter the indirect cost rate in effect during the reporting period.
11c.	Enter the amount of the base against which the rate was applied.
11d.	Enter the total amount of indirect costs charged during the report period.
11e.	Enter the Federal share of the amount in 11d.
Note:	If more than one rate was in effect during the period shown in item 8, attach a schedule showing the bases against which the different rates were applied, the respective rates, the calendar periods they were in effect, amounts of indirect expense charged to the project, and the Federal share of indirect expense charged to the project to date.

CERTIFICATION STATEMENT OF ASSURANCE CONCERNING CIVIL RIGHTS COMPLIANCE

The Applicant provides this assurance in consideration of and for the purpose of obtaining Federal grants, loans, contracts, property, discounts or other Federal financial assistance from the Internal Revenue Service. The Applicant agrees:

1. To conduct its activities so that no person is excluded from participation in, is denied the benefits of or is subject to discrimination in the distribution of services and/or benefits provided under this financial assistance or grant program.

2. To compile, maintain and submit information to the Internal Revenue Service concerning its compliance with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), as amended, Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended, Title IX of the Educational Amendments of 1972 (Pub. L. 92-318), as amended, and the Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, in accordance with those laws and the implementing regulations.

3. To provide to the address shown on the Civil Rights Requirements statement, a copy of any finding issued by a Federal or State court or by a Federal or State administrative agency that the Applicant has discriminated on the basis of race, color, national origin, sex, age or disability.

4. To inform the public that persons who believe they have been discriminated against on the basis of race, color, national origin, sex, age or disability, in the distribution of services and benefits resulting from this financial assistance or grant program may file a complaint with the Department of the Treasury at the following address:

Director, Office of Equal Opportunity Program
Department of the Treasury
1500 Pennsylvania Avenue, NW
Metropolitan Square - Room 6068
Washington, DC 20220

The Applicant agrees that compliance with this assurance constitutes a condition for continued receipt of Federal financial assistance and is binding on the Applicant, its successors, transferees and assignees.

The person whose signature appears below is authorized to sign this assurance and commit the Applicant to the above provisions.

_____

(NAME AND TITLE OF AUTHORIZED OFFICIAL)

_____

(SIGNATURE OF AUTHORIZED OFFICIAL) (DATE)

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IRS Low Income Taxpayer Clinic (LITC)
Application Information Sheet

Name of Sponsoring Organization _____

Contact Person _____ Title _____

Contact Person's Phone Number _____ Fax Number _____

Contact Person's E-Mail Address _____

Street Address	**Mailing Address**
_____	_____
_____	_____
(City) (State) (Zip Code)	(City) (State) (Zip Code)

Name of Clinic _____

Street Address	**Mailing Address**
_____	_____
_____	_____
(City) (State) (Zip Code)	(City) (State) (Zip Code)

Public Telephone Number _____

Clinic Director _____ Title _____

Clinic Director's Phone Number _____ Fax Number _____

Clinic Director's E-Mail Address _____

Grants Officer/Financial Administrator _____ Title _____

Street Address	**Mailing Address**
_____	_____
_____	_____
(City) (State) (Zip Code)	(City) (State) (Zip Code)

Grants Officer's/Financial Administrator's Phone Number _____ Fax Number _____

Grant Officer's/Financial Administrator's E-Mail Address _____

Funds will be forwarded to this address.

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GRANT AGREEMENT

The Grant Agreement is entered into by the Internal Revenue Service, Department of the Treasury, United States of America, hereinafter referred to as IRS, and

_____.
(Name of Grantee)

Hereinafter referred to as recipient.

The recipient agrees to operate a LITC Program in conformity with the approved Grant Application and

1. Program Requirements (as stated in Publication 3319, “Low-Income Taxpayer Clinics 2004 Application Package and Guidelines");
2. IRC § 3601 of the Internal Revenue Service Restructuring and Reform Act of l998, Public Law 105-2060 adding 26 U.S.C. § 7526; and,
3. Office of Management and Budget Circulars No. A-110, A-133 and either A-21 or A-122, as applicable.

Grant Agreement Period:

The Grant Agreement covers the period _____ to _____.

NOTE: If expenses are incurred prior to approval, and the grant is later denied, all costs incurred will be the responsibility of the Recipient.

Maximum Amount of Funds Available from Internal Revenue Service for Expense Reimbursement:

For Information Only
Do Not Return With Package

The Maximum amount available from the Internal Revenue Service under this Grant Agreement is _____. This amount may be increased in writing only by the Internal Revenue Service, Taxpayer Advocate Service, LITC Grant Program Administration Office, Mail Stop 211-D, 401 W. Peachtree St., Atlanta, GA 30308. No additional expense reimbursements or other payments shall be made by the Internal Revenue Service unless the maximum amount of funds set forth above has been increased in writing by the National Taxpayer Advocate

Approved by an Authorized Representative of the Program Sponsor by:

Name (Please Print)

Title (Please Print)

Signature Date

Approved for the Internal Revenue Service by:

Name (Please Print)

Title (Please Print)

Signature Date

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Appendix B

LITC Program Grant Application Check List

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LITC PROGRAM GRANT APPLICATION PACKAGE SUBMISSION CHECK LIST

All applications for the LITC Program Grant Application **must** include the following information

Background Information
Items described under section V.A.1 of this package.

Program Plan
Items described under section V.A.2 of this package.

Budget/Financial Information
Items described under section V.A.3 of this package.

Requisites for Package Submission
Submit application in quadruplicate (four sets). Double Space and sign all documents (application, certifications, etc) in blue ink. Each set must have original signatures.

Package Assembly
It is very important that the LITC Program Grant Application Package be assembled correctly. A copy of the standard forms and certifications are included in the forms appendix section of this publication. The application package **must** be assembled in the following manner:

__1. Standard Form 424, Application for Federal Assistance

__2. Background Information

__3. Copy of determination letter issued by IRS recognizing organization as exempt under IRC Section 501©, if applicable

__4. Copy of letter of academic accreditation for college, university or other institution of higher learning, if applicable.

__5. Standard Form 424A, "Budget Information – Non-Construction Programs"

__6. Budget narrative

__7. Copy of most recent audited or unaudited financial statements. If an unaudited financial statement is included, please explain why an audited financial statement is not available.

__8. Copy of most recent A-133 Audit, if applicable

__9. Statement of Information concerning proposed source and amount of matching funding

__10. Copy of Proposed Program Plan prepared according to instructions in Section V.A.2 of this package.

__11. Completed IRS Low Income Taxpayer Clinic (LITC) Program Grant Application Sheet. The form is included in the Forms Section of this package

__12. Assurances and Certifications signed in blue ink by an authorized representative of the organization. Assurances and Certifications should be submitted in the following order.

- __A. Standard Forms 424B, "Assurances – Non Construction Programs";
- __B. "Certification Regarding Debarment, Suspension and Other Responsibility Matters Primary Covered Transactions";
- __C. "Certification Regarding Government-wide Requirements for Drug-Free Workplace (Grants)"; and,
- __D. Certification of Assurance Concerning Civil Rights Compliance"
- __E. Standard for LLL, "Disclosure of Lobbying Activities"

DELIVERY OF LITC GRANT APPLICATION PACKAGE

The LITC Program Office must receive applications no later than 4:00 pm EST on July 1, 2003 in order for them to be considered for 2004 LITC Program grant funding. If applications are not completed electronically, they should be mailed or hand delivered to Internal Revenue Service, Taxpayer Advocate Service, LITC Program Office, Mail Stop 211-D, 401 W Peachtree, NW, Atlanta, GA 30308.

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Appendix C

Index of LITC Terms

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Department of the Treasury
Internal Revenue Service

www.irs.gov

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