

**Frequently Asked Questions (FAQs) on the U.S. Department of Labor's
(USDOL) Solicitations for Cooperative Agreement Applications (SGAs) for
Projects to Combat Exploitive Child Labor Internationally: SGA 09-06**

Q1: What is the funding instrument used to make awards under Child Labor Elimination SGAs?

A: Child Labor Elimination funds are awarded through cooperative agreements. A cooperative agreement is a form of a grant where substantial involvement is anticipated between the donor and the Grantee during the performance of the proposed activities. The level of monitoring and accountability required by USDOL under a cooperative agreement is less than what is required in a contract, but more than in a regular grant.

Q2: What are the goals of Child Labor Elimination projects?

A: USDOL-funded Child Labor Elimination projects generally seek to achieve five major goals:

1. Withdrawing and preventing children from involvement in exploitive child labor through the provision of direct educational services;
2. Strengthening policies on child labor and education, the capacity of national institutions to combat child labor, and formal and transitional education systems that encourage children engaged in or at risk of engaging in exploitive labor to attend school;
3. Raising awareness of the importance of education for all children and mobilizing a wide array of actors to improve and expand education infrastructures;
4. Supporting research and the collection of reliable data on child labor; and
5. Ensuring the long-term sustainability of these efforts.

Q3: How do USDOL Child Labor Elimination grants differ from Basic Education Grants funded by other U.S. Government agencies?

A: Unlike Basic Education projects funded by other U.S. Government agencies, USDOL-funded child labor elimination projects aim to withdraw or prevent children from involvement in exploitive labor through the provision of education and training services, rather than focusing on providing education as their main goal. To achieve this end, these USDOL-funded projects must include an assessment of children's needs and the development of a strategy for keeping direct beneficiary children out of exploitive labor.

A hallmark of USDOL's child labor elimination projects is their emphasis on direct beneficiary monitoring, which includes monitoring both children's work status and their school participation. All projects must determine how long after enrollment in a project supported activity a child can reasonably be considered to be withdrawn from child labor for the purposes of GPRA and also include strategies for monitoring the work status of such children.

Q4: What types of organizations may submit proposals?

A: SGAs are open to any eligible, qualified organization.

Under SGA 09-06, an eligible Applicant is defined on page 24 as: “Any commercial, international, educational, or non-profit organization(s), including any faith-based, community-based, or public international organization(s) capable of successfully withdrawing and preventing children from exploitive child labor and developing and implementing educational programs to serve this target population in the target country.... provided that they are in compliance with audit requirements and can demonstrate presence in the target country.... Applications from foreign governments and entities that are agencies of, or operated by or for, a foreign state or government will not be considered. Applications from organizations designated by the U.S. Government to be associated with terrorism or that have been debarred or suspended will not be considered.”

Q5: How are grantees selected?

A: As noted on page 47 of the SGA: “Each complete and responsive application will be objectively evaluated by a technical review panel against the criteria described in this solicitation. Neutral, non-religious criteria that neither favor nor disfavor religion will be employed in the selection of cooperative agreement awardees. Applicants are advised that panel recommendations to the Grant Officer are advisory in nature. The Grant Officer may elect to select a Grantee on the basis of the initial application submission or the Grant Officer may establish a competitive or technically acceptable range from which qualified Applicants will be selected. If deemed appropriate, the Grant Officer may call for the preparation and receipt of final revisions of applications, following which the evaluation process described above may be repeated, in whole or in part, to consider such revisions. The Grant Officer will make final selection determinations based on panel findings and consideration of factors that represent the greatest advantage to the Federal government, including cost, the availability of funds, and if applicable, the Applicant’s past performance on Federal awards. USDOL reserves the right to: 1) solicit information from Federal sources regarding Applicants’ past performance on Federal awards—including evaluations, audits, attestation engagements, and questionnaires; 2) assess Applicants’ past performance on Federal awards with respect to its potential effect on grant implementation; and 3) consider this information as part of its selection process. If USDOL does not receive technically acceptable applications in response to this solicitation, USDOL reserves the right to terminate the competition and not make any award. The Grant Officer’s determinations for awards under this solicitation are final.

Applicants should note that the selection of an organization as a potential cooperative agreement recipient does not constitute approval of the cooperative agreement application as submitted in response to this solicitation. Before the actual cooperative agreement is awarded, USDOL may enter into discussions—known as BAFO— with one or more selected

Applicants for any reason deemed necessary, including to negotiate components of the project design/strategy; budget; project duration, staffing and funding levels; and financial and administrative systems in place to support grant implementation [including relevant issues raised in submitted audit report(s)]. If the negotiations do not result in a mutually acceptable submission, the Grant Officer reserves the right to terminate the negotiation and decline to fund the application. In the actual cooperative agreement, USDOL reserves the right to place special provisions on Grantees, including in cases where USDOL has concerns about their application, including their audit report(s). USDOL also reserves the right to negotiate program components further after award, during the project design consolidation phase and Project Document submission and review process. See section VI.C.3.

Award of a cooperative agreement under this solicitation may also be contingent upon an exchange of project support letters between USDOL and the relevant host government ministries in the target country."

Q6: What are the criteria used to select grantees?

A: Technical review panels review applications against established evaluation criteria that are outlined in each SGA.

Under SGA 09-06, applications will be evaluated against the following criteria, as outlined on pages 43-46: project design and budget; strategy for monitoring direct beneficiaries; building local capacity and promoting sustainability; organizational capacity, and personnel and project management plan. Applications will be evaluated on the basis of 100 points, with up to five extra points possible for "cost sharing," meaning the inclusion of committed, non-U.S. Federal Government resources that significantly expand the dollar amount of the project as well as its size and/or scope. (See Section V.A.6. of SGA 09-06 for more specific information).

Q7: How long do SGAs remain open?

A: The open period for SGAs may vary. In general, SGAs are open for a period of at least 30 days. The designated open period is established in each SGA.

Q8: When can Applicants expect to find out the results of a cooperative agreement competition?

A: Cooperative agreements must be awarded and signed by September 30 of the year in which the SGA is published. The USDOL Grant Officer will notify Applicants of competition results through an official letter.

Q9: Is it possible that USDOL would fund more than one proposal per country under a solicitation?

A: Yes, depending on the number of quality applications received, recommendations made by the technical review panel, and funding available

under the solicitation for a particular country.

Q10: Do I have to apply for the full funding amount available under the SGA for the target country my organization is interested in?

A: No. As noted on page 4 of SGA 09-06, "Applicants may apply for any funding amount up to the maximum amount specified per target country."

Q11: Does USDOL typically award numerous cooperative agreements or one large one for each country and then expect the lead grantee to subcontract to others?

A: As stated in the SGA 09-06, "The U.S. Department of Labor, Bureau of International Labor Affairs, will award up to USD 18.45 million through 4 or more cooperative agreements to one or more qualifying organizations and/or Associations to combat exploitive child labor in the following 4 countries...". As this suggests, USDOL may award one or more cooperative agreements for each country noted in the SGA. Grantees may award subcontracts to carry out work under cooperative agreements awarded through this SGA.

Q12: Who do I contact for additional information on the competitive process for Child Labor Elimination project awards?

A: Please contact Ms. Lisa Harvey, U.S. Department of Labor, Office of Procurement Services, 200 Constitution Avenue, NW, Room S-4307, Washington, D.C. 20210; telephone (202) 693-4570 (this is not a toll-free number) or e-mail: harvey.lisa@dol.gov. Applicants may also contact Ms. Georgiette Nkpa, U.S. Department of Labor, Office of Procurement Services at (202) 693-4854 (this is not a toll-free number) or e-mail: nkpa.georgiette@dol.gov.

Q13: What types of activities qualify as direct education service under a Child Labor Elimination project?

A: Child Labor Elimination Projects to be funded under SGA 09-06 must provide direct educational services to children as a means to remove them from exploitive child labor and/or prevent them from engaging in exploitive child labor.

As stated in Appendix A of SGA 09-06, "Direct educational services" may involve either (1) or (2):

1. The provision of goods and/or services (if lack thereof is a barrier to education) that meets direct beneficiaries' specific needs and results in their enrollment in at least one of the four categories of educational activities listed below. Examples of goods and/or services that may meet the specific gaps/educational needs of targeted children include tutoring, school meals, uniforms, school supplies and materials,

books, tuition and transportation vouchers, or other types of non-monetary incentives.

The four categories of educational activities that qualify are:

- a. Non-formal or basic literacy education- This type of educational activity may include transitional, leveling, or literacy classes so that a child may either be mainstreamed into formal education and/or can participate in vocational training activities;
 - b. Vocational, pre-vocational, or skills training- This type of training is designed to develop a particular, marketable skill (*e.g.*, mechanics, sewing);
 - c. Formal education - This is defined as the formal school system within the target country; or
 - d. Mainstreaming - This type of educational activity involves transitioning children from non-formal education into the formal education system. Generally, mainstreaming involves the provision of goods and/or services that may assist in placement testing and enable a child to attend and stay in school.
2. The direct provision of at least one of the following two educational activities by the project to its direct beneficiaries:
- a. Non-formal or basic literacy education; or
 - b. Vocational, pre-vocational, or skills training.

Q14: Does USDOL have a preference for the percentage of the project budget going toward withdrawal and prevention of exploitive child labor through educational and training alternatives; capacity building; awareness raising; mobilization; and administrative costs?

A: Applicants are reminded that "the largest proportion of project resources must be allocated to direct educational services, other direct services, and other project interventions aimed at children targeted as direct beneficiaries of the project, rather than direct and indirect administrative costs," as stated on page 29 of SGA 09-06.

Q15: Does USDOL have examples of documents that should be submitted as part of an application?

A: Yes. Please visit <http://www.dol.gov/ilab/grants/bkgrd.htm> for the following forms and sample materials:

Cost Proposal:

- Standard Form (SF) 424 Application for Federal Assistance
- SF-424A Budget Information (Non-Construction Programs)
- SF-424 Supplemental Key Contacts Information,

- Outputs-based Budget
- Indirect Cost Information (NICRA) form
- Survey on Ensuring Equal Opportunity for Applicants

Technical Proposal:

- Logical Framework

Q16: May applications and attachments be in a language other than English?

A: Applications will only be accepted in English. As noted in SGA 09-06 on page 28, "All parts of the application must be written in English. Any required or additional supporting documents submitted in languages other than English may not be considered."

Q17: What indicators does USDOL use for its Child Labor Elimination projects?

A: USDOL common indicators include the following: 1) number of children withdrawn or prevented from exploitive child labor and provided education and/or training opportunities as a result of USDOL-funded projects; 2) number of children who have been retained in a USDOL-supported education and/or training program; 3) number of children who have completed a USDOL-supported education and/or training program; and 4) number of countries with improved capacity to address child labor as a result of USDOL-funded projects. These common indicators are defined in Section I.B.2.b. of SGA 09-06.

Q18: Should Associates be included in the SF-424 A budget in the subcontract line?

A: No. USDOL does not consider Associates to be subcontractors, and as such, they should not be accounted for in the SF-424A as a subcontracted cost. The SGA states on page 29, "please note that the budgets for Associates cannot be listed under Section B.(6f.) Contractual of the consolidated SF-424A, as USDOL considers all members of an Association to be Grantees of USDOL." As this suggests, the costs attributed to any and all Associates should be reflected in the SF-424A as direct costs of the project.

Q19: What audits are required to be included in my application?

A: As stated in the SGA on page 38: "Annex G must contain the audit report(s) of the Applicant (including Associates, in the case of an Association) and any proposed subcontractors (as applicable). The following audit attachments are required, depending on the organization's status: 1) the Applicant's most recent single audit, as submitted to the Federal Audit Clearinghouse, if the Applicant is a **U.S.-based, non-profit organization** already subject to the single audit requirements. In addition, this Annex must show that the Applicant has complied with report submission timeframes established in OMB

Circular A-133; 2) the Applicant's most current independent financial audit, if the Applicant is a **for-profit or foreign-based organization**; 3) the most recent single audit report for all proposed **U.S.-based, non-profit, Associates and/or subcontractors** that are subject to the Single Audit Act; and/or 4) the most current independent financial audit, for all proposed **Associates and/or subcontractors that are for-profit or foreign-based organizations**. In order to expedite the screening of applications and to ensure that the appropriate audits are attached to each application, Applicants must provide a cover sheet to the audit attachments listing all proposed Associates and/or subcontractors (as applicable)."

Applicants should note that applications will be considered non-responsive and will be rejected for any one of the following reasons: 1) failure to include all required audit report(s); 2) inclusion of an audit report(s) that reflects adverse opinions, or 3) for U.S.-based non-profit organizations, failure to comply with annual single audit report completion and submission timeframes established in OMB Circular A-133 (see page 27 of SGA 09-06).

Q20: Do you require résumés for all project personnel, or only key personnel?

A: As noted in the SGA on pages 34-35 and 37, the Applicant must include—in Annex E of the technical proposal—résumés and personnel descriptions for all key personnel **and** other professional personnel being proposed.

Q21: What commitment of time does USDOL require of an Applicant's key personnel?

A: As stated on page 35 of SGA 09-06:
"All key personnel [*i.e.*, the Project Director, Education Specialist, and Monitoring and Evaluation Officer] must allocate 100 percent of their time to the project and live in the target country. Key personnel positions must not be combined." Proposed key personnel candidates must be available to commence work on the project within 45 days of cooperative agreement award.

Q22: What is a Dun and Bradstreet DUNS Number and how can my organization obtain one?

A: DUNS is an acronym that stands for "Data Universal Numbering System," and DUNS numbers are unique nine-digit numbers used to identify businesses. The SGA requires such numbers, as stated on pages 26-27:
"Applicants must include their unexpired Dun and Bradstreet Number/DUNS number in the organizational unit section of Block 8 of the Standard Form (SF) 424. For Associations, Block 8 of the SF-424 must contain the DUNS number of the Lead Applicant, and a list of the DUNS number(s) of all Associate(s) must be included as an attachment to the SF-424. These DUNS numbers must be included with the application unless an Applicant provides evidence of an OMB exemption from the DUNS number requirement.

Applications that do not meet these requirements will be considered non-responsive and will be rejected...

To obtain a DUNS number free of charge, call 1-866-705-5711 or access the following Web site: <http://www.dnb.com/us/>. Requests for exemption from the DUNS number requirement must be made to the Office of Management and Budget (OMB), Office of Federal Financial Management at 202-395-3993. Any Applicant (including Associates, as applicable) that does not already have a DUNS number should consider starting the process of obtaining their DUNS number as soon as possible in order to avoid delays that could result in the rejection of an application.

After receiving a DUNS number, Applicants must also register as a vendor with the Central Contractor Registration (CCR) through the following Web site: <http://www.ccr.gov> or by phone at 1-888-227-2423. CCR should become active within 24 hours of completion. For any questions regarding registration, please contact the CCR Assistance Center at 1-888-227-2423. After registration, Applicants will receive a confirmation number. The Point of Contact listed by the organization will receive a confidential Trader Partnership Identification Number (TPIN) via mail.

Q23: If an implementing partner is a foreign-based NGO that does not have a Dun and Bradstreet DUNS Number and is not currently registered with the U.S. Government, can this organization be part of an Association if our organization is the Lead Applicant?

A: Foreign-based NGOs may apply for a DUNS number. Please see the relevant information on applying for a DUNS number or an OMB exemption on pages 26-27 of SGA 09-06, as well as USDOL response to Question 22. Foreign-based organizations that are proposed as Association members must have DUNS numbers and be registered with CCR. Applicants must provide a DUNS number or evidence of an OMB exemption from the DUNS number requirement in order for the application to be considered responsive.

Q24: Please clarify whether the requirement for Applicants and their Associates to submit their DUNS number (or evidence of an OMB exemption) and to register as a vendor with the Central Contractor Registration also applies to subcontractors?

A: The requirement for DUNS numbers applies only to Lead Applicants and other members of an Association, as described in the SGA. It does not apply to subcontractors.

Q25: May Applicants send in hard copy applications to USDOL through such delivery methods as the U.S. Postal Service, Federal Express, and UPS?

A: Yes. USDOL accepts paper applications. As stated on page 38 of SGA 09-06: "Applications in response to this solicitation may be submitted in hard copy or electronically via www.grants.gov. Applications submitted by other means, including e-mail, telegram, or facsimile (FAX) will not be accepted. Irrespective of submission method, all applications must be received by USDOL by 5:00 p.m. Eastern Standard Time (EST) on July 27, 2009.

Applicants electing to submit hard copies must submit one (1) blue ink-signed original, complete application, plus three (3) additional copies of the application. Hard copy applications must be delivered to: U.S. Department of Labor, Procurement Services Center, 200 Constitution Avenue NW, Room S-4307, Washington, DC 20210, Attention: Lisa Harvey, Reference: SGA 09-06."

Q26: If USDOL does not receive any applications for a given country under SGA 09-06, what is the likely course of action USDOL would take? If an Applicant decides to submit a partial application, is that still a valid option and would a concept paper responding to the USDOL SGA (in the chance no full applications are received) be considered as an alternative?

A: In the case that no applications were received for a given country under SGA 09-06, USDOL would consider options such as reallocating some or all of the funds set aside for that country to other countries under the SGA, using the funds for other purposes in line with the relevant appropriations language, or electing to not obligate the funding. Partial applications that are not fully responsive to the SGA will not be considered. Applications responding fully to the SGA but requesting only part of the available funding amount would still be considered for award, as noted on page 4 of SGA 09-06.

Q27: Is it better for an organization to apply by itself or as part of Association? Does the reputation and capacity of an Association partner strengthen an application?

A: Applicants are responsible for determining the most effective way to apply—whether independently as a single organization or as an Association. The SGA also notes that organizational capacity is one of the application evaluation criteria, worth 10 points. As stated on page 45 of the SGA,

"Applicants will be rated on their demonstrated capacity to manage (technically, administratively, and financially) a project of similar type, funding amount, and complexity as the one being applied for under this solicitation. Applicants proposing to utilize subcontracts will be evaluated based on their past experience and performance in providing quality technical, administrative, and financial oversight to subcontractors to ensure responsiveness and quality reporting to the donor and that all targets and deliverables are met under the grant, cooperative agreement, and/or contract.

Applicants will be rated on their experience in implementing international development projects that aim to 1) withdraw or prevent children from exploitive child labor through the provision of direct educational services; 2) provide basic, transitional, non-formal and vocational education programs to children; 3) improve country capacity to combat exploitive child labor and/or improve access to, and quality of, basic education; and 4) combat human trafficking and poverty. Applicants will also be evaluated on their ability to commence project activities in the target country soon after signing a cooperative agreement with USDOL.

Applicants will also be rated on their past performance implementing grants, cooperative agreements, and/or contracts that are relevant to this solicitation. USDOL reserves the right to contact the organizations listed in the Organizational Capacity: International and U.S. Government Grant and/or Contract Experience of the Project Design Narrative and/or Annex C of Applicants' technical proposals and use the information provided in evaluating applications... Lack of past experience with USDOL cooperative agreements, grants, or contracts is not a bar to eligibility or selection under this solicitation."

Q28: Could a proposal include only certain target beneficiary age groups instead of the entire category of children?

A: The only age range specified as required for all countries in the SGA is that all direct beneficiaries must be under the age of 18 years. Unless a more specific age restriction/priority age focus is stated in a country-specific scope of work, Applicants are only required to adhere to the requirement to target direct beneficiaries under the age of 18 years. The SGA does state, however, on page 44 that, "Applicants will be evaluated on the overall quality, effectiveness, relevance, and clarity of their proposed project design and strategy, including the extent to which it responds to all of the requirements outlined in the Scope of Work in Section I.B. of this solicitation...."

Q29: What activities are not permitted by USDOL?

A: Applications must be developed in accordance with all requirements outlined in OMB Circular A-122, 29 CFR Part 95, 29 CFR Part 98, and USDOL/ILAB policy as stated in the SGA, including, but not limited to, the specific restrictions, unallowable activities, and prohibitions highlighted in Section IV.D. The following are some examples of unallowable activities: subgranting; providing direct cash transfers to communities, parents, or children; providing micro-credits, revolving funds, or loan guarantees; and providing funds to foreign government or entities that are agencies of, or operated by or for, a foreign state or government, ministries, officials, or political parties.

Q30: Why are subgrants not permitted by ILAB?

A: In general, it is improper for non-governmental entities that receive grant funds from the U.S. Government to subgrant any of these funds where there is not specific Congressional authority to do so. ILAB does not have the specific authority in its Congressional appropriation to allow subgrants under its child labor elimination cooperative agreements. Subgranting must not to be included in an Applicant's budget; however, subcontracting may be included as a budget line item. For more information on the definitions and characteristics of subgrants vs. subcontracts, see Appendix D of SGA 09-06.

Q31: What is the difference between a subgrant and subcontract? The SGA states that Grantees may not issue subgrants, but are allowed to

issue subcontracts.

- A: For cooperative agreements based on SGA 09-06, Grantees may subcontract, but Grantees may ***not*** subgrant.

The SGA states the following on page 41 of SGA 09-06:

"The determination of whether a Grantee's relationship with a subawardee would constitute a subgrant or subcontract is determined primarily with reference to an agreement's general purpose, programmatic functions, and responsibilities given to the subawardee. These three elements should be closely examined, together with the usual characteristics (terms and performance standards, scope of work, etc.). As a reference tool in determining whether an agreement is a subgrant or a subcontract, see Appendix D. The table in Appendix D is for reference only and does not create any legally binding obligation."

Q32: How does USDOL judge Associates? Are they considered subcontractors or subgrantees?

- A: Once an organization is proposed as a member of an Association, the Association as a whole will be considered and assessed as a single Applicant/potential grantee for the purposes of the competition. After an Association is awarded a cooperative agreement by USDOL, USDOL considers the entire Association to be the grantee. As noted in the SGA on page 26, "Each member of an Association is ultimately responsible for overall project performance, regardless of any assignment of specific tasks, but Associates may agree, among themselves only, to apportion the liability for such performance." Therefore, once an Association is formed, USDOL would not consider the relationship between Association members as subcontracting or subgranting.

Q33: USDOL permits income generation activity for parents, including skills training, toolkits, and market feasibility studies; however, ILAB has specifically prohibited micro-credit, revolving funds and/or loan guarantees as a mechanism of delivering income generation activity. Why are income-generation activities permissible, but common mechanisms of delivering such assistance prohibited?

- A: ILAB does not have the specific authority in its Congressional appropriation that would allow for a grant recipient to subgrant appropriated funds. This restriction would prohibit the provision by grantees of micro-credits or revolving funds. Alternative income-generating activities are allowed, although USDOL reserves the right to negotiate the exact nature, form, or scope of any such activity after award of the cooperative agreement.

Q34: Is the delivery of services through government institutions, such as vocational training authorities, allowable under a Child Labor Elimination project?

A: USDOL-funded projects are not intended to support activities that duplicate the functions of the host government, such as teacher's salaries, and operating expenses, government agencies' personnel costs, or travel. Projects can, however, help to build the capacity of the government to increase access to education for working children and children at risk of entering work through support for activities such as teacher training, curriculum development, legislative reforms, or national action plans and policy development.

Subcontracts with foreign government agencies may be awarded to provide direct services or undertake project activities, subject to applicable laws, but only after a competitive procurement process has been conducted and no other entity in the country is able to provide these services. In these cases, Grantees must receive *prior* USDOL approval before subcontracting to foreign government agencies. See page 42 of SGA 09-06.

Q35: Does USDOL allow Applicants to support psychosocial services in addressing the needs of children removed from the worst forms of child labor?

A: Yes. Psychosocial services are an allowable cost under a Child Labor Elimination project. Psychosocial services are not considered "direct educational services," but would fall within the definition of "other direct services" on page 55 of SGA 09-06.

Q36: Does USDOL support the use of technology in the delivery of services through its Child Labor Elimination projects?

A: While USDOL supports the use of innovative technologies, such as radio distance learning strategies, in the implementation of its Child Labor Elimination projects, Applicants who propose to use these technologies in awareness raising, or in the delivery of direct educational services, must be able to demonstrate that this strategy is likely to have a measurable, positive impact on the project's ability to achieve its targets for number of children to be withdrawn and prevented from exploitive child labor, retained, and completed in an education or training program.

Q37: Do we need to provide information about grants for projects from all donors (including non-US) that are relevant to the above solicitation?

A: Yes. As stated in SGA 09-06 on page 33, "Annex C must include information on all of the Applicant's (including Associates, as applicable) previous and current grants, cooperative agreements, and/or contracts funded by USDOL; other Federal agencies; and other donors, including **foreign governments** that are relevant to this solicitation." See pages 36-37 of the SGA for instructions on how to prepare Annex C: Past Performance Table(s).

Q38: Please clarify the distinction between *Associates* and *subcontractors*, and USDOL's expectations for each type of partnership in terms of application requirements.

A: As stated in the SGA on pages 25, "An Association is comprised of two or more organizations that do not constitute a single legal entity, but join in applying for an award under this solicitation. Each member of the Association must be individually eligible for the award. In the event of award, all Associates identified in the application must sign the cooperative agreement with USDOL and agree to be bound jointly and severally by the cooperative agreement." The Grantee may also utilize subcontracts to implement activities under this cooperative agreement; however, a subcontractor would not sign the cooperative agreement or be considered a Grantee of USDOL.

For Associations, the SGA states on page 25 that:

"Any such Association must submit to USDOL, in Annex H of their technical proposal, an Association Agreement, reflecting an appropriate joint venture, partnership, or other contractual agreement and outlining the deliverables, activities, and corresponding timeline for which each Associate will be responsible. This agreement must designate one member of the Association as the 'Lead Applicant.' In the event of award, this organization will become the 'Lead Grantee.' If any entity identified in the application as a member of the Association (also known as an 'Associate') does not sign the cooperative agreement, the Lead Grantee must provide, within 60 days of award, either a written subcontract agreement with such entity, acceptable to USDOL, or an explanation as to why that entity will not be participating in the cooperative agreement. USDOL reserves the right to re-evaluate the award of the cooperative agreement in light of any such change in an entity's status and may terminate the award if deemed appropriate."

Special application requirements stated in the SGA for Associations include:

- Information for key contact person for each Associate organization on the SF-424 Supplemental Key Contacts Form
- DUNS numbers for each Associate in Block 8 of the SF-424 Application for Federal Assistance (for the Lead Applicant) or as an attachment (other Associates)
- Individual SF-424A for each Associate
- Individual Outputs-Based Budget for each Associate
- Indirect Cost Form for each Associate
- Current, approved NICRA or a Certificate of Direct Costs for each Associate
- Information on proposed Associates should be given in the two-page Executive Summary of the technical proposal
- Past Performance Table for all Associates, in Annex C of the technical proposal
- Audit Reports for all Associates in Annex G of the technical proposal
- Association Agreement in Annex H of the technical proposal

The SGA states on page 41 that:

"Subgranting may not be included in the budget as a line item or in the text of the application. However, subcontracting may be included as a budget line item. Subcontracts awarded after the cooperative agreement is signed, and

not proposed in the application, must be awarded through a formal competitive bidding process in accordance with 29 CFR 95.40-48. All subcontracts are subject to audit, in accordance with the requirements of 29 CFR 95.26(d)."

Special application requirements stated in the SGA for subcontractors identified in the application include:

- Past Performance Table for all subcontractors in Annex C of the technical proposal
- Information on proposed subcontractors should be given in the two-page Executive Summary of the technical proposal
- Audit Reports for all subcontractors in Annex G of the technical proposal

Applicants should also bear in mind the following information on page 41 of the SGA: "More detailed information on subcontracts may be requested by USDOL during the Best and Final Offer (BAFO) process."

Q39: In the case that an Applicant proposes utilizing a specific subcontractor in their application, what documentation should be submitted?

A: See USDOL's response to Question 38 above.

Q40: The Application and Submission Information on page 31 states:

"The cost proposal must also contain information on the Applicant's indirect costs, using the form provided on USDOL/ILAB's Web site at <http://www.dol.gov/ilab/grants/bkgrd.htm>. Applicants must include one of the following supporting documents, as applicable, in their application: 1) a current Negotiated Indirect Cost Rate Agreement (NICRA) or 2) a Certificate of Direct Costs, if no indirect costs are claimed. In the case of Associations, each member of the Association must submit information on their indirect costs, including the required form and supporting documents as applicable. In the event of award, all entities in the Association will be considered direct recipients of Federal funds. The Lead Grantee may charge the costs of coordinating the members of the Association and in dealing with USDOL on behalf of the Association. Such costs must be reflected in an approved NICRA."

Please provide details on how to obtain a Certificate of Direct Costs for organizations that do not have a Negotiated Indirect Cost Rate Agreement (NICRA)? In addition, could you please clarify whether foreign-based organizations must submit a copy of one of the two previously mentioned documents (Certificate of Direct Costs or a NICRA)?

A: Applicants may contact the **Division of Cost Determination**, 200 Constitution Ave, N.W., S-1510 Washington, D.C. 20210, (P) 202-693-4100 (F) 202-693-4099 with any questions. Foreign-based organizations must

submit a copy of either their Certificate of Direct Costs or NICRA.

Q41: In some countries, internal transportation is heavily dependent on air travel. Can you provide guidance on the U.S. Government regulations regarding which air carriers are allowed to be used with USDOL funds? Do these restrictions apply equally to the transport of goods as to the travel of personnel?

A: As stated in the Federal Acquisition Regulations (FAR), 47.402, "Federal employees and their dependents, consultants, contractors, grantees, and others must use U.S.-flag air carriers for U.S. Government-financed international air travel and transportation of their personal effects or property, if available (Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act))." Section 47.403-1 goes on to say, "Availability and unavailability of U.S.-flag air carrier service. (a) If a U.S.-flag air carrier cannot provide the international air transportation needed or if the use of U.S.-flag air carrier service would not accomplish an agency's mission, foreign-flag air carrier service may be deemed necessary." Please see FAR Subpart 47.4—Air Transportation by U.S.-Flag Carriers, for further guidance.

Q42: Are there any restrictions or limits put on expenses related to internal travel?

A: Maximum rates of per diem allowances for travel in foreign areas are established by the Secretary of State and apply to all U.S. Government employees and contractors. USDOL requires its grantees to adhere to these rates as well. For regulations pertaining to these rates, see the Federal Travel Regulations, Chapter 301-7, as established by the General Services Administration and implementing regulations established by Federal Agencies, (Foreign Affairs Manual - See 6 FAM 150).

Q43: Are for-profit, non-lead Associates allowed to charge a fee on the portion of the grant that they will undertake?

A: ***Neither*** the Lead Associate nor non-lead Associates are allowed to charge a fee on the portion of the grant that they will undertake (see OMB Circular A-122).

Q44: If the Lead Grantee's NICRA agreement establishes that it can be applied to all components of a grant, can the NICRA be applied, without modification, on Associate awards in the same manner it would to a subcontractor (i.e., components led by an Associate other than the Lead Grantee)?

A: Each Associate must use its own established NICRA. As stated in the SGA, In the event of award, all entities in the Association will be considered direct recipients of Federal funds. The Lead Grantee may charge the costs of coordinating the members of the Association and in dealing with USDOL on behalf of the Association. Such costs must be reflected in an approved NICRA.

Q45: For applicants applying as an Association, can each organization apply its own NICRA rate or can a composite rate be applied?

A: Each Associate must use its own established NICRA rate.

Q46: If an Applicant were to focus exclusively on a specific target group (and their host communities), should it propose a smaller-scale proposal and budget?

A: Applications responding fully to the SGA but requesting only part of the available funding amount would be considered for funding.

Q47: Please confirm if there are any source/origin restrictions on the use of grant funds for the purchase of commodities, vehicles, and or services (i.e., airfare). There are no restrictions cited in SGA 09-06 Section IV.D.9 Miscellaneous Prohibitions.

A: The Buy America Act does not apply to the purchase of supplies or services by grantees implementing projects outside the United States. However, other source/origin restrictions on the procurement of project related supplies and equipment may apply and, when in doubt, grantees should check with USDOL before making purchases. Air transportation must be on U.S.-flag carriers unless an exemption applies. The rules governing air transportation are found in FAR 47.402. See USDOL's response to Question 41.

Q48: Please confirm that only the project design narrative for the technical proposal should be double-spaced and, specifically, that the Résumés, Workplan, Logical Framework, etc. are not held to this restriction.

A: Yes, this is correct.

Q49: Regarding the SGA stipulation on page 38 that, "Annex H must contain the Applicant's Association Agreement(s).... An Association Agreement should reflect an appropriate joint venture, partnership, or other contractual agreement and outline the deliverables, activities, and corresponding timeline for which each Associate will be responsible."

Can USDOL provide additional clarity as to the format and content for the Association agreement as the proposal document itself will highlight the deliverables, activities and corresponding time line for

which each Associate will be responsible? Does USDOL consider teaming agreements generally signed by the collaborating agencies as meeting the requirement of the Associate agreement?

A: At this time, USDOL does not have and does not require any standard format for documenting/establishing such an Association agreement. The agreement must, however, designate a Lead Applicant, as stated on page 38 of SGA 09-06. It is also important to note, as stated in the SGA on page 25:

“In the event of award, all members of the Association identified in the application must sign the cooperative agreement with USDOL and agree to be bound jointly and severally by the cooperative agreement. If any entity identified in the application as a member of an Association (also known as an “Associate”) does not sign the cooperative agreement, the Lead Grantee must provide, within 60 days of award, either a written subcontract agreement with such entity, acceptable to USDOL, or an explanation as to why that entity will not be participating in the cooperative agreement. USDOL reserves the right to re-evaluate the award of the cooperative agreement in light of any such change in an entity’s status and may terminate the award if deemed appropriate.”

Q50: When a new education program for an older age group is initiated and enrolls a child who was a direct beneficiary from a previous USDOL-funded project, can that child be counted as a direct beneficiary for the new project? An example would be new children enrolled in a current project who could be enrolled in a complementary educational service when the new project starts.

A: A child counted as a direct beneficiary by a grantee in a previous project, and reported to USDOL as withdrawn or prevented for Government Performance and Results Act (GPRA) purposes, may not be counted as a direct beneficiary again for a project funded under this cooperative agreement. A grantee may propose, however, to offer services to such children (under the age of 18 years) to help ensure that they remain out of exploitive labor, but may not report those children to USDOL for GPRA purposes.