



Department of Veterans Affairs

Financial Policy

Volume X

Grants Management

Chapter 2

Grant Program Development

Approved:

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0201 Overview

This chapter establishes the Department of Veterans Affairs (VA) policies for developing new programs to be carried out by funding through Federal financial assistance. This chapter applies to the development of new Federal programs.

Establishing a federally funded grant program is a lengthy and sometimes complicated process. This chapter will drill down to each step in the process to help understand the grants process and to assist in submitting a successful grant application.

Key points covered in this chapter

- VA grant programs are funded in accordance with authorizing statutes, and will limit related obligations through apportionments, and further allocate funds from the Office of Budget through allotments, sub-allotments, and allocations;
- VA will only use funds for what is authorized by Congress;
- Each program office will develop a federal assistance Funding Opportunity Announcements;
- VA will announce the availability of assistance through the Catalogue of Federal Domestic Assistance (CFDA) for each new program authorized by Congress;
- VA will establish meaningful performance standards and measurements for its programs, in accordance with the Government Performance and Results Act of 1993 (GPRA) as amended by the GPRA Modernization Act of 2010;
- VA program offices will coordinate the development of performance measures, and work with the VA Office of Regulation and Policy Management in developing the performance measures for a program.

0202 Revisions

Section	Revision	Office	Reason for Change	Effective Date
Various	Reformatted to new policy format and completed the five-year review	OFP (047G)	Reorganize chapter layout	November 2019
0205 Policies	Updated policy statements	OFP (047G)	Properly reflect VA's current guidelines to avoid misuse of appropriation	November 2019

Section	Revision	Office	Reason for Change	Effective Date
020505	Updated policy statements	OFP (047G)	Changed name of office that sets up CFDA numbers to Budget Process and Data Management (041C)	November 2019

0203 Definitions

Appropriation - A provision of law indicating Congressional authority for an agency to withdraw funds from the Treasury commonly limited by purpose, amount, and time.

Apportionment - An OMB-approved plan to use budgetary resources (31 U.S.C. 1513(b); Executive Order 11541). An apportionment is legally binding, and obligations and expenditures (disbursements) that exceed an apportionment are a violation of, and are subject to reporting under, the Anti-deficiency Act (31 U.S.C. 1517(a) (1), (b)).

Entitlement - A program in which the Federal Government is legally obligated to make payments or provide aid to any person, State or local government, that meets the legal criteria for eligibility.

0204 Roles and Responsibilities

The Assistant Secretary for Management/Chief Financial Officer (VA CFO) oversees all financial management activities relating to the direction, management, and administration of the VA Grant Program.

Office of Regulation and Policy Management (02REG) is responsible for assisting program offices in the development of regulations to comply with the authorizing statute.

Office of Budget (OB) is responsible for the allocation of funds in accordance with the statutory authority for each grant program.

Office of Finance and Information Resources Management (OFIRM) is responsible for assisting program offices in the assignment of a Catalogue of Federal Domestic Assistance (CFDA) number.

Program Offices are responsible for the development of Funding Opportunity Announcements and development of detailed information in order to obtain a CFDA number for each grant program.

0205 Policies

020501 Program Development

- A. VA will fund grant programs in accordance with proper authorizing statutes. The ability to award grants is contingent on the statutory authority to award grants for given purposes.
- B. VA will limit the obligations that may be incurred for specified time periods, programs, activities, projects, objectives, or any combination thereof using financial systems or administrative controls. VA may also place limitations on the use of other resources, such as full-time equivalent (FTEs) or property.

020502 Development of Regulations

- A. VA will develop regulations for its grant programs in accordance with the authorizing statute.
 - 1. If required, the Administration program office will contact the regulation point of contact within their administration (VBA, VHA, or NCA).
 - 2. Programs outside of the administrations will work directly with Office of Regulation and Policy Management (02REG).
 - 3. These offices will assist in regulation development. Included in this development the program office may be asked to provide an Impact Analysis or other documentation of the new program. The regulation process is lengthy and may take up to 24 months.

020503 Allocation of Funds

- A. VA will further subdivide the apportionment of appropriated funds for programs into allotments, sub-allotments, and allocations.
- B. The VA Office of Budget is responsible for the allocation of funds. The budget life cycle is outlined in VA policy [Volume II Chapter 2, Budget Cycle and Fund Symbols](#).

020504 Develop Notice of Funding Opportunity Announcement

- A. Program offices will be individually responsible for the development of Federal financial assistance Funding Opportunity Announcements.

- B. VA policy for developing and issuing information about funding opportunities under VA Federal financial assistance programs and the application submission deadlines can be found in VA policy [Volume X Chapter 3, Grant Funding Availability Announcement Process](#).

020505 Catalogue of Federal Domestic Assistance (CFDA)

- A. For programs newly authorized by Congress, VA will announce the availability of assistance under the program through the CFDA, or any OMB-designated replacement. The CFDA is the single, authoritative, governmentwide comprehensive source of Federal financial assistance program information produced by the executive branch of the Federal Government. It contains financial and non-financial assistance programs administered by departments and agencies of the Federal Government.
- B. Program offices will contact the Office of Budget Process and Data Management in the Office of Budget (041C) to obtain a CFDA number.
1. Each program is assigned a unique number by agency and program that follows the program throughout the assistance lifecycle enabling data and funding transparency.
 2. The complete CFDA number is a five-digit number, XX.XXX, where the first two digits represent the Funding Agency (VA is 64: 64.XXX) and the second three digits represent the program. CFDA serves as the authoritative source for all CFDA numbers.
- C. VA Program offices will submit detailed information to OFIRM through the CFDA Program Information Template. See Appendix B, in order to obtain a CFDA number, and subsequently announce the availability of the assistance under the program. After the program office provides this information to OFIRM, OFIRM will coordinate the submission to the General Services Administration (GSA). The detailed information necessary for this process includes the following:
1. Program Description, Purpose, Goals and Measurement. A brief summary of the statutory or regulatory requirements of the program and its intended outcome. Where appropriate, the Program Description, Purpose, Goals, and Measurement will align with the strategic goals and objectives within the Federal agency's performance plan and will support the Federal agency's performance measurement, management, and reporting as required by Part 6 of OMB Circular A-11;
 2. Identification of whether the program makes Federal awards on a discretionary basis or the Federal awards are prescribed by Federal statute, such as in the

case of formula grants;

3. Projected total amount of funds available for the program. Estimates based on previous year funding are acceptable if current appropriations are not available at the time of the submission;
4. Anticipated source of available funds: The statutory authority for funding the program and, to the extent possible, agency, sub-agency, or, if known, the specific program unit that will issue the Federal awards, and associated funding identifier (e.g., Treasury Account Symbol(s));
5. General eligibility requirements: The statutory, regulatory or other eligibility factors or considerations that determine the applicant's qualification for Federal awards under the program (e.g., type of non-Federal entity); and
6. Applicability of single audit requirements as required by Subpart F – Audit Requirements of 2 C.F.R. Part 200.

020506 Budget Object Codes and Cost Centers

- A. Each new Federal financial assistance program developed within VA will have the appropriate accounting string.
- B. Prior to issuing payments to awardees of a new Federal financial assistance program, a Budget Object Code (BOC) and cost center must be assigned to the program as part of the accounting string.
- C. For further details on BOC and cost center assignment, reference Volume XIII (Cost Accounting) of VA Financial Policy [Chapters 1, Cost Centers](#) and [2, Budget Object Codes](#).

020507 Grant Program Performance Measures

- A. The VA will establish meaningful performance standards and measurements for its programs, in accordance with the Government Performance and Results Act of 1993 (GPRA) as amended by the GPRA Modernization Act of 2010.
- B. VA will include in the Federal award an indication of the timing and scope of expected performance by the non-Federal entity as related to the outcomes intended to be achieved by the program.
- C. Where appropriate, the Federal award may include specific performance goals, indicators, milestones, or expected outcomes (such as outputs, or services performed or public impacts of any of these) with an expected timeline for

accomplishment.

- D. VA will clearly articulate reporting requirements such that, where appropriate, performance during the execution of the Federal award has a standard against which non-Federal entity performance can be measured, as required by 2 C.F.R. Part 200.210(d).
- E. VA may include program-specific requirements, as applicable. These requirements should be aligned with agency strategic goals, strategic objectives or performance goals that are relevant to the program.
- F. Program offices will be responsible for coordinating the development of performance measures. Program officers will work closely with the VA Office of Regulation and Policy Management in developing the performance measures for a program. The workflow process to have the Office of Regulation and Policy Management (02REG) approve new guidance and submit that guidance to OMB for approval is documented in Appendix A.
- G. VA will clearly convey to the public in the application notice VA's performance measures and expectations for the program, so potential applicants can design their projects to meet the established performance measures. The performance measures will also be included in the application package.
- H. In preparing an application package, the program staff VA program staff will include specific program objectives, program performance measures and, if necessary, other program- specific measures so that applicants can develop evaluation techniques that provide valid and reliable data on the established performance measures.
- I. VA will include a hyperlink to the reporting form to be used for the program in the Web-based version of the application package.

020508 Program Risk Assessments

- A. Each new program must complete a risk assessment in accordance with the Improper Payments Elimination and Recovery Act (IPERA) of 2010 (Public Law No. 111-204). Policies regarding programmatic risk assessments are addressed in VA financial policy [Volume VII Chapter 9](#). Required reviews of grantee risk are covered under 2 CFR Part 200.205 and included in VA policy Volume X – Chapter 4.

0206 Authorities and References

[31 U.S.C. 1513\(b\), Officials Controlling Apportionments](#)

[Executive Order 11541, Prescribing the duties of the Office of Management and](#)

Budget and the Domestic Council in the Executive Office of the President

The Antideficiency Act, 31 U.S.C. § 1341

VA Policy Volume II Chapter 2, Budget Cycle and Fund Symbols

VA Policy Volume X Chapter 3, Grant Funding Availability Announcement Process

A-11, Preparation, Submission, and Execution of the Budget

The Government Performance and Results Act of 1993 (GPRA)

GPRA Modernization Act of 2010

VA Plans, Budget, and Performance

Improper Payments Elimination and Recovery Act (IPERA) of 2010 (Public Law No. 111-204)

VA Policy Volume VII, Chapter 9, Erroneous and Improper Payment Reporting under OMB Circular A-123 Appendix C

Chief Financial Officers Act of 1990

38 U.S.C. 309 Chief Financial Officer

0207 Rescissions

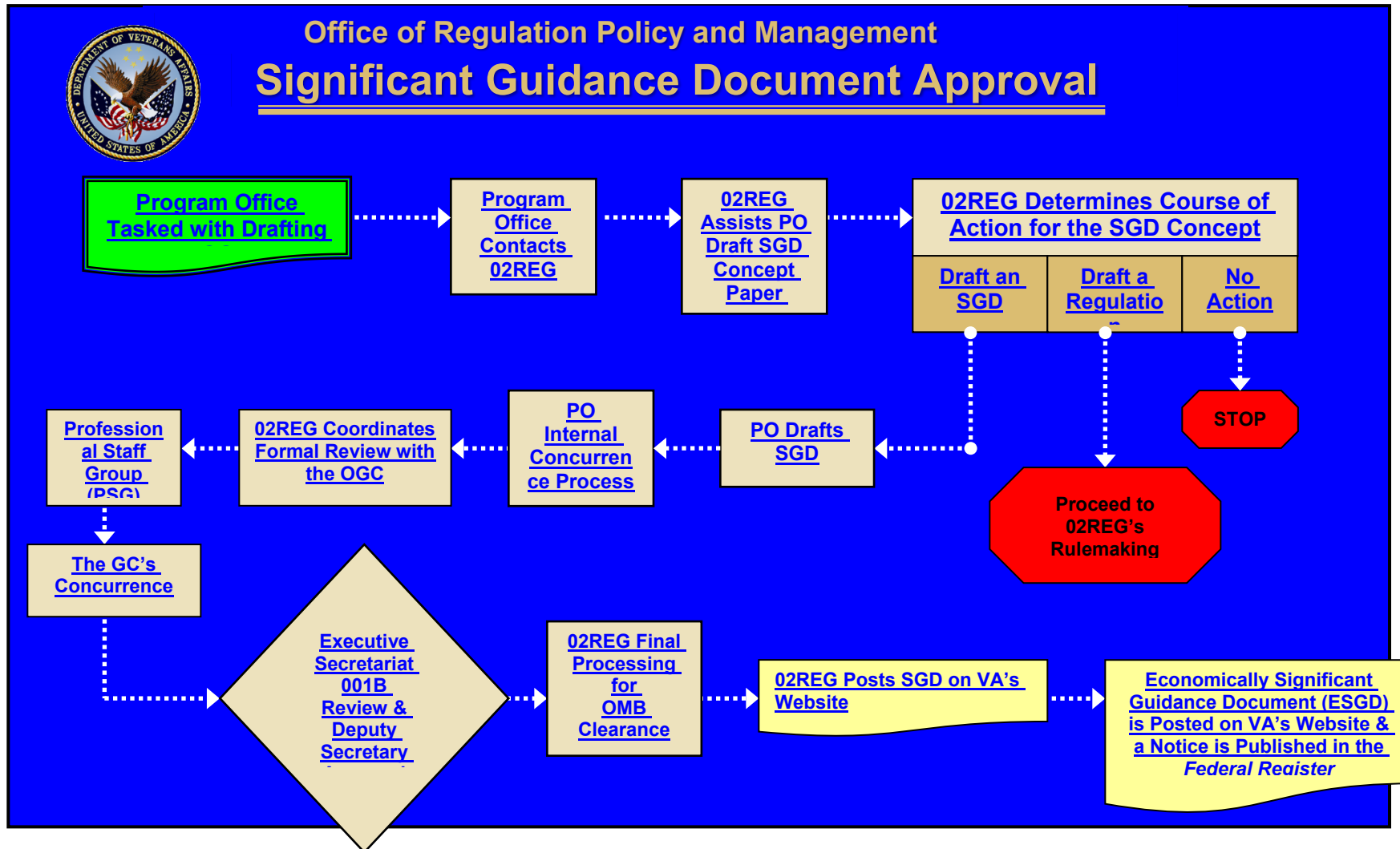
VA Financial Policy Volume X, Chapter 2, Grant Program Development, July 2014

0208 Questions

Questions concerning these financial policies and procedures should be directed to the specific POC's and formatted as follows using the group email. Do not use proper names.

VHA	VHA 10A3A Accounting Policy (Outlook)
VHA	VAFSC Nationwide Accounting (Outlook)
VBA	VAVBAWAS/CO/FINREP (Outlook)
VBA	VAVBAWAS/CO/OPERATIONS (Outlook)
NCA	NCA Financial Policy Group (Outlook)
NCA	NCA Budget Service (Outlook)
All Others	Travel Policy, VAFSC (Outlook)
All Others	OFP Accounting Policy (Outlook)

Appendix A: Significant Guidance Document Approval Workflow



For the most up-to-date version of this workflow go to [http://vaww.va.gov/ORPM/Tools For Writing VA Regulations 2.asp](http://vaww.va.gov/ORPM/Tools%20For%20Writing%20VA%20Regulations%202.asp)

Appendix B: CFDA Program Information Template

Title

Agency: Department of Veterans Affairs
Office:

PROGRAM INFORMATION

Authorization (040):

Objectives (050):

Types of Assistance (060):

Uses and Use Restrictions (070):

Eligibility Requirements (080)

Applicant Eligibility (081):

Beneficiary Eligibility (082):

Credential/Documentation (083):

Application and Award Process (090)

Preapplication Coordination (091):

Application Procedures (092):

Award Procedure (093):

Deadlines (094):

Range of Approval/Disapproval Time (095):

Appeals (096):

Renewals (097):

Assistance Consideration (100)

Formula and Matching Requirements (101):

Length and Time of Phasing Assistance (102):

Post Assistance Requirements (110)

Reports (111):

Audits (112):

Records (113):

Financial Information (120)

Account Identification (121)

Obligation (122):

Range and Average of Financial Assistance (123):

Program Accomplishments (130):

Regulations, Guidelines, and Literature (140):

Information Contacts (150)

Regional or Local Office (151):

Headquarters Office (152):

Website (153):

Related Programs (160):

Examples of Funded Projects (170):

Criteria for Selecting Proposals (180):