**North Carolina Department of Health and Human Services**

**Division of Mental Health, Developmental Disabilities and Substance Use Services**

**RFA Questions and Answers**

**RFA #:** DMH25-002

**RFA Title:** Peer Respite Services: Peer Living Room Models

**Addendum Number**: 1

**Questions Received Until Date**: August 29, 2024

**Questions and Responses**

1. **Question:** Please clarify under what conditions the 40% and 15% can be included in the proposal.

**Answer:** The Peer Respite Services: Peer Living Room Models award limits administrative cost to 40%. Where the applicant has a Federal Negotiated Indirect Cost Rate (FNICR), the indirect cost rate requested may not exceed the award’s limit as defined above regardless of the applicant’s recognized rate. The total modified direct cost identified in the applicant’s FNICR shall be applied. A copy of the FNICR must be included with the applicant’s budget.

If the applicant does not have an FNICR, then the applicant may claim indirect cost up to the limit as defined above or the de minimis indirect cost rate of 10%, whichever is less with no additional documentation required, per the federal Uniform Guidance. The applicant may elect to claim a lesser portion of the allowed indirect cost rate. If claiming the de minimis or some portion thereof, it may not exceed the limit of the modified total direct costs in the proposed budget as defined by 2 CFR 200.1 “Modified Total Direct Cost (MTDC)”. Applicants must indicate in the budget narrative that they wish to use the de minimis rate, or some part thereof. Applicants who do not wish to claim any indirect cost must enter “No indirect cost requested” in the indirect cost line item of the budget narrative.

1. **Question:** Is this RFA requiring the contractor to operate both respite house and peer living room with the $1-$.3M budget?

**Answer:** No. Applicants are free to propose any service/combination of services to provide. These funds are meant to supplement the development of resources in the communities served.

1. **Question:** If we were to propose a couple different locations, would you want multiple applications, one for each, or to include them all in one application?

**Answer:** Please submit one application, include the multiple locations in details of the application.

1. **Question:** Just to confirm, does page 18 of the RFA provide the most up-to-date indirect cost information?

**Answer:** Yes, the indirect cost information is up to date.

1. **Question:**  Does a "yellow book" audit need to be completed prior to applying for the grant or prior to the grant being awarded?

**Answer:** No. An entity that receives State or Federal pass-through grant funds directly from a State agency is to file annual reports on how those grant funds were used.  More changes are coming to audit and reporting requirements effective Oct 1, 2024, however, for now, if an entity receives a combined $750,000 or more in State or federal pass-through funds from ALL state agencies, it must submit a single or program-specific audit prepared and completed in accordance with Generally Accepted Govt. Auditing Standards (GAGAS), also known as Yellow Book Audit.

In addition, the audit requirement would be for the year entity received over $750,000 or more, and audit expenses can be budgeted as direct costs prorated based on the ratio of the grant to the total pass-through funds received by the entity.

1. **Question:** Do we have to have a respite house AND a Peer Living Room?

**Answer:** No. With the available funding, applicants should feel free to submit a proposal that is viable and tailored to their strengths and their community needs.

1. **Question:** Do we have to keep the PLR staffed 24/7?

**Answer:** Operating hours are set by the organization.

1. **Question:** Can we contract the staff mentioned in #9 on page 7?

**Answer:** While it is preferrable to have staff in-house under a unified leadership, contract labor is allowed.

1. **Question:** What documentation is required to be provided when submitting for reimbursement of indirect cost funds once the grant is awarded? (i.e. how do we document that we paid ourselves the 10% admin fee?).

**Answer:** Awarded organization will be required to submit a Financial Status Report (FSR) template by line item by the 10th of the following month. No separate documentation is required to claim de minimis indirect cost rate.