

50% Rule - Implementation

Query – 10.17.2003

Query:	
I would appreciate it if some of you could provide us with examples of how you have addressed the 50% rule. We are now in the process of making our first set of awards under the ITQ regs and have found that most of our potential recipients are using a "sub-contract" to the LEA as a way to handle the 50%. I'm pretty conversant on understanding the examples cited in the Non-regulatory guidelines, but would still appreciate knowing how some of you have actually implemented the requirement in the grants you've awarded so far.	
From: California	
Responses:	
Utah	Utah has done the same, re: subcontracts to LEAs.
Nebraska	Nebraska requires the proposal to have a break down of the budget for each partner, so it is clear that no one partner will be using more than 50%. The partnership designates one partner to be the fiscal agent. The fiscal agent handles the pass-through according to that institution's policy and procedures.
Iowa	In Iowa, applicants were asked to tell us how they expected funds to benefit each member of the eligible partnership. The form is in the RFP which is available on our website http://www2.state.ia.us/regents under Higher Education Links. In one case, multiple LEAS were part of the eligible partnership; the applicant forgot to break these down by member of the eligible partnership. Needless to say, we had to revise that by breaking down to each member of the eligible partnership before the award could become final. I will be leading workshops October 20-22 around the state to assist potential applicants in making it through the process. Sorry I won't be available to follow up for a few days.
Alabama	The Alabama model is the twin sister of Nebraska.
Nevada	Nevada does it just like Nebraska does it.
Wisconsin	Wisconsin does the same as Nebraska and Nevada. The proposers break down the budget indicating the portion that each partner is using.
Illinois	Illinois uses an approach similar to Nebraska.
Indiana	Same goes for Indiana.
Texas	Texas follows Nebraska's practice, as well.
Missouri	Missouri pretty much follows the Nebraska model.
Alaska	Alaska required the same budget documentation as Nebraska.
Mississippi	Mississippi does the same as the Nebraska and Nevada. The proposer(s) break down the budget indicating the portion that each partner is using. The partnership identifies the fiscal agent. The fiscal agent handles the pass-through according to that institution's policy and procedures.
New Jersey	Although New Jersey made this requirement very clear in the Notice of Grant Opportunity (RFP) and provided detailed information at the technical assistance session, with examples of how to comply with the 50% rule, we did not require a breakdown of the budget per se for each partner. However, the fiscal agent is required to include in the budget detail pages how the funds will be spent; for whom and for what.
Puerto Rico	In Puerto Rico's 2003-04 <i>Request for Proposals</i> , proponents are required to submit a

	<p>Consolidated Budget Form, and a Budget Distribution Form, which is to be filled according to a Guideline for NCLB Special Rule Distribution, that we provide in the RFP package. Please share the attachments (budget documents attached via email).</p>
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