State Library of North Carolina – Library Services and Technology Act

LSTA PROGRAM GUIDELINES and APPLICATION
for 2019-2020 Project Grants

Library Services and Technology Act (LSTA) funds are awarded to the State Library of North Carolina by the federal Institute of Museum and Library Services (IMLS). North Carolina’s LSTA program information is available at <https://statelibrary.ncdcr.gov/ld/resources/lsta-grants>.

Libraries are invited to apply for funding that supports a new or improved program or service that will solve a specific problem or meet an identified need of the library’s current or potential users. This competitive grant program allows libraries to focus on meeting their users’ needs by developing a project that has a user focused need statement, defined outcomes, a timeline with a series of actions spread out over the funding period, and an evaluation that measures how well the outcomes were met. Projects need to support one of the goals from North Carolina’s LSTA Five Year Plan.

- **Goal 1: Strengthening Capacity.** North Carolinians have libraries with essential resources and capable staff that enable them to provide exceptional library programs and services.
- **Goal 2: Expanding Access.** North Carolinians have expanded access to resources for learning and success in school, work, and life.
- **Goal 3: Community Engagement.** North Carolinians have libraries that are more effective because they cooperate, coordinate, collaborate, and communicate to help the community address its needs.

**IMPORTANT DATES**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early September 2018</td>
<td>Annual Program Plan posted</td>
</tr>
<tr>
<td></td>
<td>EZ Grant and Project Grant documents posted</td>
</tr>
<tr>
<td></td>
<td>Letter of Intent document posted</td>
</tr>
<tr>
<td>November 1, 2018</td>
<td>Letter of Intent Applications due</td>
</tr>
<tr>
<td>December 13, 2018</td>
<td>Letter of Intent applicants notified</td>
</tr>
<tr>
<td>February 28, 2019</td>
<td>Applications due</td>
</tr>
<tr>
<td></td>
<td>EZ Grants and Project Grants</td>
</tr>
<tr>
<td>June 6, 2019</td>
<td>Grant awards announced by</td>
</tr>
<tr>
<td>July 1, 2019</td>
<td><em>Anticipated</em> Start Date for awarded grants; beginning of grant period</td>
</tr>
<tr>
<td>June 30, 2020</td>
<td>End Date of grant period</td>
</tr>
</tbody>
</table>

**DOCUMENT OUTLINE**

- **Section 1, General Guidelines**
- **Section 2, Application Instructions**
- **Section 3, Application Form**

**Section 1, GENERAL GUIDELINES**

**ELIGIBLE LIBRARIES**

The following North Carolina libraries are eligible to apply for LSTA grants:

- A public library or library system that meets the eligibility requirements for the Aid to Public Libraries Fund;
- Community college libraries;
- North Carolina Independent Colleges and Universities member libraries; and
• University of North Carolina system libraries, which includes libraries serving the Area Health Education Centers.

An eligible library or organization may submit up to three applications, total, of EZ, Project or Special Grants. A “library” is the eligible public library system or administratively separate library in an academic institution. A public library system is inclusive of all outlets making up that system (e.g. Nantahala Regional Library). An academic institution is the parent institution of the library (e.g. UNC-Greensboro). Administratively separate libraries in an academic institution are those libraries with separate administrative and reporting structures within the institution (e.g. the University Library and the Law Library at UNC-Chapel Hill).

If your institution is not eligible to apply, you may be eligible as a partner (see PARTNERSHIPS section for more information).

**PREPARATION**

Prior to applying for a grant, prospective applicants should have:

• Clearly identified a need of current or potential library users using quantitative (numerical/statistical) and qualitative data to support the need (see IDENTIFYING THE NEED AND TARGET AUDIENCE section for more information);
• Determined a program or service (the project as described on page 1) that addresses the identified need;
• Articulated how the proposed activities support the need identified above;
• Assessed the community to be served and considered/contacted local organizations already representing and serving that community;
• Established relationships with partners (if any) in the proposed project (see PARTNERSHIPS section for more information);
• Determined that the proposed project is consistent with the library's (and any partner’s) long-range plans, strategic priorities, and local or institutional policies;
• Determined whether the project should be single-year or multi-year (up to three years in length);
• Involved all the stakeholders, including the target audience and partners (if any) in project planning, decision-making, and proposed implementation. For example: include members of the target audience on a planning committee, invite them to serve in an advisory capacity, conduct interviews or focus groups with them, etc.;
• Obtained the support and intention or commitment of the applicant’s governing and/or funding bodies regarding sustainability of services once the grant funding has ceased; and
• A permanent library director. This is preferred for all applications; it is required for strategic planning and/or needs assessment applications. An interim director indicates a period of transition for the library and a library with an interim director would not be awarded for strategic planning and/or needs assessment applications.

New prospective applicants are encouraged to talk to State Library consultants and/or previous LSTA grant awardees about their grant proposals to gather feedback as their plans take shape.

**IDENTIFYING THE NEED AND TARGET AUDIENCE**

The need should be clearly identified and focused on current or potential library users. Answers to the following questions will help to bring this out:

• What is the problem you are trying to solve?
• How do you know this is a problem? Have there been complaints, what have you observed, what leads you to believe this is the problem and not something else?
• How will this project, implemented in this way, solve the stated problem?

Specific groups of current or potential library users or non-users (audiences) in the library’s service area that may be targeted through the LSTA program are:

• the library’s primary users or audience (i.e. the legal service area for a public library; students, faculty, and staff for an academic library);
• individuals of diverse geographic, cultural, and socioeconomic backgrounds;
• individuals with limited functional literacy or information skills;
• individuals with disabilities;
• persons having difficulty using a library;
• underserved urban and rural communities; and
• children from families with incomes below the poverty line.

GRANT FUNDS
Project Grants have a two-step process requiring 1) a Letter of Intent (LOI) Application and 2) a full application after the LOI is approved. These grants are for more complex projects that may be single or multi-year and are funded at a higher level than EZ Grants. The minimum that may be requested for Project Grants is $50,000; the maximum is $100,000 for single year projects and $150,000 per year for multi-year projects.

Any costs above the award amount are the responsibility of the local library. Funds requested must be for reasonable, necessary, and allowable costs to achieve the project’s goals; the application must provide rationale to support how the proposed expenditures were determined and why each is needed to achieve the stated goals.

Commitments or expenditures of grant funds may not be made until the library representatives and the State Librarian sign the grant agreement AND after July 1.

MULTI-YEAR PROJECT GRANTS
• Multi-year Project applications may be submitted for a maximum of three years.
• Funding is awarded for one year at a time; no project will be guaranteed funding for the second or third years.
• Applicants must address plans for sustainability of the program or service after the funding period is over.
• In an effort to move the project toward sustainability, the local contribution for all Multi-year Project Grants will increase to 33% in the second year of LSTA funds (a ratio of 1 to 3) and to 50% in the third year of LSTA funds (a ratio of 1 to 2).
• Multi-year Projects require quarterly reports and a mid-year monitoring visit before the second or third year’s application may be submitted.
• Factors that will determine funding for a second or third year include the grantee’s effectiveness in managing the project such as meeting specified deadlines, completing various reports, etc.
• Once a Multi-year Project Grant has been awarded, the Letter of Intent is not required for future years of that project.
• The State Library recognizes that a commitment for future years’ matching funds may not be possible; the intention to provide matching funds in year two or three will suffice in the first year of the application.

PARTNERSHIPS
A collaborative project must be led by an eligible library that will manage the entire project, including making the initial application, acting as fiscal agent, serving as primary contact for the project, maintaining records and paperwork generated by the grant, assuring the successful implementation of the project, and taking responsibility for completion of final reports.

Partnerships are encouraged, though not required, and a reduced match is available when the project has eligible partners. An eligible partner is defined as a library or non-library entity that will contribute specific deliverables to the project in a new or expanded way than has previously occurred with the partner; Friends groups or county departments that already support the library in some way do not meet this definition of a partner. A deliverable may be a cash amount or in-kind contribution such as donated personnel, training space, transportation, supplies, materials, printing, or other items to be used in implementing the project.

All parties involved will clearly define the roles and responsibilities of each partner. For example, if a partner will provide training, be sure there is agreement on the expected quantity and frequency of classes, etc. such as 2 one-hour classes will be taught each month, totaling 20 classes over 10 months. To verify the partner’s contribution, all partner organizations (except the applicant library) will be required to complete and sign a LSTA Partner Statement Form to document the partner’s deliverables to the project. The form will be provided with the Grant Agreement to libraries that identified partners and proposed a 10% match in their application.
If there are agencies and organizations that might be considered as obvious partners for the proposed project but that are not included in project development or implementation, the exclusion of such an organization should be explained. The applicant must demonstrate knowledge of other agencies and organizations that may also provide services to the targeted audience and must show that they were, at a minimum, considered during the planning and grant writing stages of the project.

Relationships between the partnering institutions are the responsibility of the partners. The lead/applicant library is responsible for establishing and enforcing any agreements or contracts with partnering institutions, including matching funds commitments and/or who will retain use or ownership of any equipment after the funding period is over.

**MATCHING FUNDS**

Project Grants require matching funds totaling 25% of the total project costs (less IDC) OR a reduced match of 10% when the project has eligible partners (see PARTNERSHIPS section). Matching funds:

- Consist of cash expenditures paid by the library.
- May come from a combination of local or state funds or funds from non-governmental agencies (e.g. foundations, service clubs). Federal funds may **not** be used as match.
- May only be spent for allowable expenditures.
- Must be available at the time a funded library signs the grant agreement, with an exception regarding matching funds for year two and/or three of multi-year Project Grants.
- Must be spent during the funding period from July 1 – June 30.
- The source(s) of matching funds must be clearly identified in the grant application.
- Indirect Costs may not be charged against Matching Funds.
- All or part of Indirect Costs may be applied as match in lieu of payment to the library.

To calculate the required match, select method #1 or #2:

1. Add all budgeted costs together obtain a Total (less IDC). To determine the required match, divide the Total by 4 for 25% match or divide by 10 for a 10% match.
2. Add all budgeted costs together obtain a Total (less IDC). To determine the required match, multiply the Total by .25 for 25% match or multiply by .10 for a 10% match.

**COST SHARE** for salary and benefits of existing full-time staff who will work on grant funded activities is allowable as follows:

- Cost share may be used for up to **25% of the required match**. For example, if the required match is $10,000, the maximum cost share that may be applied is $2,500 if the full award is claimed.
- Applicants must indicate the existing full-time staff member(s) and their role(s) in implementing the project and the hourly pay rate x the number of hours the staff member will work on the project; benefits calculations should be listed separately (not as a lump sum).
- To be credited toward the match, cost share must be indicated on the Reimbursement Request Form with supporting documentation that provides the name of the staff member, the duties they performed supporting the project, and the hourly pay rate x the number of hours the staff member has worked on the project; benefits calculations should be listed separately (not as a lump sum). A payroll register is required with the reimbursement request.

**INDIRECT COSTS**

Indirect Costs may only be charged against LSTA funds and supporting documentation is required; Indirect Costs may **not be charged against Matching Funds or Cost Share** in this program.

What are Indirect Costs? Indirect Costs are unrecovered expenses incurred by a library as a result of being awarded a grant such as the costs for general telephone service, general utilities, postage, office supplies, office space expenses, various equipment, etc. as well as administrative or financial operations such as payroll or purchasing. For example:
salaries for HR staff that help hire a grant funded position, the electricity costs for keeping a building open longer for a program, and costs to issue a paycheck for grant funded staff may all be Indirect Costs.

Each applicant library must select one of the following options.

- **Option 1:** The library chooses not to include Indirect Costs. This means the library will not ask for reimbursement of indirect cost related to this grant.
- **Option 2:** The library chooses a rate not to exceed 10% of modified total Direct Costs AND declares it is eligible for the 10% rate; supporting documentation will be required with the Grant Agreement. If you are unsure whether the 10% option applies to your library and you would like to consider it, consult the regulations below and your organization’s grants, finance, and/or legal department to determine how to proceed. [http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)
- **Option 3:** The library has a rate of _____ % that has been negotiated with a federal agency; supporting documentation will be required with the Grant Agreement.

**ALLOWABLE EXPENDITURES** – the following list is not exhaustive, but includes most items.

- Consulting or contractual services – applicants must select the consultant before the application is submitted and demonstrate in the application that the proposed consultant is qualified to perform the needed work or service; the selected consultant is subject to State Library approval;
- Evaluation to show the extent to which the project has met its goals;
- Furnishings* that are necessary to support the project;
- Hardware, software, and/or technology* necessary to support the project;
- Indirect costs;
- Library materials* that are necessary to support the project;
- Outsourcing for digitization of specialized items may be allowable when provided with the rationale for doing so and showing that this approach is appropriate and cost effective;
- Postage and printing costs for project materials;
- Salaries and benefits for temporary staff to be employed for the project OR temporary staff to be employed to cover duties of full-time personnel while the full-time person works on the project. Temporary staff means part-time or full-time personnel hired specifically to help carry out the project, or additional hours for existing part-time staff. The project description should clearly explain the need for added staff.
- Supplies necessary to support the project;
- Travel and/or training expenses related to the project for library or project staff; and
- Other expenses that are reasonable and necessary to support the project.

*Funds for any of these items may be requested under this grant program when combined with a new program or service that is the primary purpose of the project; acquisition of these items should not be the primary purpose of the project.

**Note:** While promotional activities are an important aspect of many projects, there are federal restrictions limiting promotional and marketing costs. Applicants are encouraged to review the IMLS Guidance – Advertising, PR, Promotional Materials document and discuss any questions regarding allowability of proposed expenditures for promotional efforts with State Library staff.

Grantees are required to conduct all procurement transactions in a manner providing full and open competition consistent with the federal standards of 2 CFR 200.317-326. Local and state provisions may be more stringent. State requirements are available upon request.

**UNALLOWABLE EXPENDITURES** – the following list is not exhaustive, but includes most items.

- Activities or programs about advocacy, grant writing, or lobbying with a purpose of increasing funding and/or whose primary purpose is to establish a general message that 'libraries are good places and deserve to exist';
- Architectural plans for existing or new buildings;
- Collection development activities;
• Construction or pre-construction planning;
• Construction or renovation of facilities (generally, any activity involving contract labor in the construction trades is not allowable);
• Conventional arrangement, description, or cataloging of materials;
• Costs associated with content management systems (such as CONTENTdm);
• Digitizing runs of newspapers;
• Events, festivals, staff training, or acquisition of collections when any of these are the majority of requested funds;
• Fundraising costs;
• General advertising or public relations costs not specific to LSTA funded activities;
• General operating support;
• Ongoing expenditures such as subscriptions, utilities, Internet access, or other services;
• Pre-award costs;
• Preservation activities or materials (reformatting of media, preservation enclosures including boxes and folders, etc.);
• Promotional items and memorabilia including gifts, incentives, and souvenirs;
• Refreshments, entertainment, ceremonies, receptions, or social events;
• Retrospective conversion of catalog records;
• Salaries, wages, and/or benefits for existing full-time employees;
• Services or software licenses that extend beyond the project’s June 30 funding period;
• Sub-awards; and
• Other expenses prohibited by state or federal regulations.

GRANT PAYMENTS
Grant payments are made on a reimbursement basis. Libraries pay expenses using local funds, submit a Reimbursement Request with paid invoices, then are reimbursed for actual, documented expenses up to the grant award amount.
• Grant reimbursements will only be paid for expenses incurred after July 1 AND a fully executed grant agreement is in place; no grant or matching funds may be committed or expended until library representatives and the State Librarian have signed the grant agreement.
• Grantees are expected to submit quarterly Reimbursement Request Forms with appropriate documentation of eligible grant and matching expenditures, beginning on (or before) October 15, January 15, and April 15.
• Grantees are expected to request a minimum of seventy-five percent (75%) of the award amount and provide documentation for seventy-five percent (75%) of the required match by April 15.
• All grant and matching funds must be spent by June 30.
• Final Reimbursement Requests are due by July 15.

APPLICATION AND REVIEW PROCESS
• An eligible library or organization may submit up to three applications, total, of EZ, Project or Special Grants.
• State Library Consultants are available to provide feedback throughout the application process and to review complete draft applications through February 15, 2019.
• To be eligible, all grant application documents must be received online by 11:59 PM on the due date.
• Only complete applications from eligible libraries will be considered.
  • an online Signature Page, with required signatures;
  • an application; and
  • a complete set of any supplemental information or documents, if applicable.
• All applicants will be notified in June; funded applicants will be listed on the State Library’s LSTA web page.

Project Grant applications require two steps:
Step #1 – Libraries interested in applying for a Project Grant must submit a Letter of Intent (LOI) Application describing the proposed project by November 1, 2018. The Letter of Intent is a preliminary step that allows the applicant to receive guidance from the State Library and LSTA Advisory Committee before submitting a full application. This process helps ensure that the project concept meets the guidelines and provides feedback to applicants that will help strengthen
the application. Only libraries with an approved Letter of Intent may apply for a Project Grant. State Library Consultants, State Library Senior Management, and the LSTA Advisory Committee review the Letter of Intent Applications. The LSTA Advisory Committee considers the applications, along with comments from other reviewers, and makes recommendations to the State Librarian regarding which LOIs should be approved to submit a full project grant application. The State Librarian will make final decisions.

Step #2 – Libraries approved to submit a full application will be notified in December and directed to the Project Grant Application which is due by February 28, 2019. Eligible applications will be reviewed and evaluated by State Library Consultants, State Library Senior Management, and the LSTA Advisory Committee according to the grant program criteria. The LSTA Advisory Committee considers the applications, along with comments from other reviewers, and makes recommendations to the State Librarian regarding funding. The State Librarian will make final funding decisions.

SELECTION CRITERIA
- Applications must be user-centered, not library-centered. A user-centered application will focus on delivering new programs and services that are based on the needs of the library’s target audience of current or potential users.
- Applications are to focus on a project as described on page 1.
- The application must provide clear, complete information in response to each number and letter of the Application Instructions and Application Form.
- Funds requested must be for reasonable, necessary, and allowable costs to achieve the project’s goals; the application should provide rationale to support how the proposed expenditures were determined and why each is needed to achieve the project goals.
- The number, type, and total dollar value of prior LSTA grants the library has received, or is presently involved in, may be a factor in selecting applications for funding.
- The applicant library’s management of prior LSTA grants (such as meeting specified deadlines, completing various reports, adhering to program requirements, etc.) may be a factor in selecting applications for funding.

REQUIRED REPORTS
Each LSTA grant award requires submission of an online progress reports to the State Library briefly describing current and anticipated project expenditures and project activities, as requested by the State Library.

Each LSTA grant award requires submission of an online final report to the State Library by August 31. The report will include a review of the project’s accomplishments, the outcomes/benefits for users, and information about how grant and matching funds were spent. Applicants are encouraged to review the 2017-2018 LSTA Final Report Form to develop an evaluation and reporting plan.

Planning Grant awardees will also submit a final copy of the written plan to the State Library with their Final Report; it will be kept on file in accordance with federal records retention requirements.

CIPA CERTIFICATION AND COMPLIANCE
Public libraries must be CIPA compliant if the project involves funds for any technology that will provide access to the Internet. One original of the Internet Safety Certification document must be provided after grant awards are made; do not send CIPA documents with the Grant Application. Information about CIPA Compliance is available at <http://files.nc.gov/dncr-statelibrary/LD/LSTA/cipa_certification.pdf>.

QUESTIONS?
Contact your liaison consultant or lsta@ncdcr.gov or 919-807-7428.
Section 2, APPLICATION INSTRUCTIONS

A. Complete and submit the 2019-2020 Letter of Intent (LOI) Application by November 1, 2018. Be familiar with and understand the General Information in Section 1; contact the State Library with any questions.

B. Use the Application Form in Section 3 to provide responses to the numbered items below.

C. Provide additional/supplemental information, as needed.

D. Complete and submit the LSTA Online Signature Page.

E. Email the signed LSTA Online Signature Page and the Application Form as one attachment to LSTA@ncdcr.gov by 11:59 PM on February 28, 2019.

1. PROJECT TITLE (20 character maximum)
   Use/modify response from Letter of Intent.
   Provide a title that briefly describes your project. This will distinguish between multiple applications from the same library and it will help others who may be interested in the project’s topic to quickly know what it’s about.

2. ABSTRACT
   Use/modify response from Letter of Intent.
   Clearly and concisely summarize the project in 90-160 words; use this same text for the LSTA Online Signature Page. Abstracts for all grant awards will be available online so write for a public audience and avoid acronyms, abbreviations, individual’s names, dollar amounts, etc.

3. LIBRARY USERS AND NEED (use a - b to identify each response separately)
   Use/modify response from Letter of Intent.
   a. Who are the current or potential library users this project will benefit?
   b. State the need and describe how the need was determined.

4. PROJECT DESCRIPTION (use a - e to identify each response separately)
   Use/modify response from Letter of Intent.
   Provide responses to each of the following that will cover the entire scope of the project.
   a. What do you want to do to solve or address the need stated above in #1? Include target numbers for what will be better or different for library users. For example: How many classes do you plan to offer? How many participants are expected to attend? How many additional computer hours will be available to library users? How many additional library users will be able to use the computers?
   b. Why was this solution selected? Why not something else?
   c. If this project is successful, what outcome(s) will result from this grant?
   d. A successful project may set an expectation that the library will continue to offer the program/service after the funding period has ended. How will the library sustain the programs/services offered through this grant for library users? How will the library replace/update hardware or equipment purchased for this project when it ages out?
   e. Provide the name any project partner(s), describe their contribution to the project, and explain their roles and responsibilities in the project.

5. EVALUATION (use a - b to identify each response separately)
   How will you measure and document the success of this project? Describe the methods that will be used to gather information and determine whether the library has achieved the project goals.
   a. Before and after data is important to accurately measure and report effectiveness. How will you document before and after “outputs”, or countable products (the number of workshops taught, the number of objects scanned, or the number of website views)?
   b. How will you determine whether the project reached or moved toward the project goals? How will you document the “outcomes”; the changes brought about, in part, because of the project in the target audience’s behavior, attitudes, skills, knowledge, status, or life condition?
6. **PREPARATION**  
**Use/modify response from Letter of Intent.**  
Describe the process used to plan the proposed project. Did the library have a planning grant? What organizations were represented in the planning? What key steps have been carried out in the planning process, including meetings held by the planning group, etc.? What partners, if any, are anticipated in this project?

7. **LENGTH OF PROJECT**  
**Use/modify response from Letter of Intent.**  
How many years are proposed for this project? If more than a single year, explain why implementing the project requires more than one year.

8. **PROJECT TIMELINE for this year of the project**  
**Use/modify response from Letter of Intent.**  
Complete a table that shows: the timeline of project actions/activities, expected completion dates, and who is responsible for that part. Identify the percentage of time each staff member will dedicate to the project. The timeline should have at least one entry for each month of the funding period and should be prepared in consultation with any partner(s). Include details such as planning meetings, training, testing, significant project targets and milestones, outreach to the potential audience(s), and evaluation activities. Be sure to allow for the local institutional approval process and grant program deadlines.

**Multi-year Projects**  
Provide a separate table for each year of the project.

9. **MATCHING FUNDS**  
**Use/modify response from Letter of Intent.**  

**a.** Identify the % of matching funds required: 25%, OR 10% if this project has a partner that will contribute specific deliverables to the project in a new or expanded way, as described in #4 (e). Required Matching Funds are calculated against the Total Project Cost (less IDC). To calculate the required match, select method #1 or #2:

1. Add all budgeted costs together obtain a Total. To determine the required match, divide the Total by 4 for 25% match or divide by 10 for a 10% match
2. Add all budgeted costs together obtain a Total. To determine the required match, multiply the Total by .25 for 25% match or multiply by .10 for a 10% match

**b.** Identify the source(s) of matching funds such as a partner, Friends group, foundation, local business, library budget, etc.

10. **BUDGET** - use the following Budget Categories (A-F and H) to identify and describe all LSTA and matching expenditures.

**A. Salaries/Wages/Benefits**  
Include all salaries, wages, and benefits paid to staff at the lead library that are directly contributing to the project; include position titles (but not names) and number of FTEs (full time equivalent) in description.

**B. Consultant Fees**  
All expenses related to acquiring the services of a consultant for a specific activity within the project are included in this category. Include all fees, travel, accommodations, and support services incurred and invoiced by the consultant.

**C. Travel, library staff**  
Travel costs must be related to the project activities and incurred by library staff of the lead library working on the project. Costs include airfare, ground transportation, accommodations, meals, etc.; include number of travelers and types of travel expenditures.

**D. Supplies/Materials**
Costs for consumable items necessary to carry out the project, such as print books, e-books, audiobooks, DVDs and/or technology or hardware such as computers, laptops, tablets, printers, e-readers, etc. with a per item cost under $5,000. Group items together by type or program, for example: Instead of listing each of these items on a separate row, group them together like this – Supplies for Learning Center (6 sets of books, easel, sand table, board games, manipulatives, puzzles, rug).

E. **Equipment that exceeds $5,000 per item**
Only nonexpendable, tangible property with a per item acquisition cost over $5,000 should be listed here. Note that each item requires written approval from the State Library prior to purchase and each item will be inventoried annually for the remainder of its useful life.

F. **Services**
Activities provided by a third-party contractor or vendor; provide the name of the service, the vendor, and the cost for each vendor.

G. **Subtotal**
Total the Matching Funds and LSTA Funds columns.

H. **Indirect Costs** may not be charged against Matching Funds or Cost Share in this program. Calculate the Indirect Costs based off the LSTA Funds subtotal in row G.
Select ONE of the following:  
- Option 1: The library chooses not to include Indirect Costs.  
- Option 2: The library chooses a rate not to exceed 10% of modified total Direct Costs AND declares it is eligible for the 10% rate; supporting documentation will be required with the Grant Agreement.  
- Option 3: The library has a rate of ____% that has been negotiated with a federal agency; supporting documentation will be required with the Grant Agreement.

**Budget Table**  
**Use/modify response from Letter of Intent.**  
Use the table below to prepare your budget. List all proposed grant and matching expenditures with a brief description for each item that will help reviewers understand how the money will be spent in support of the project. Add rows as needed. Attach quotes where appropriate.

**Multi-year Projects**  
Provide a separate table for each year of the project.

<table>
<thead>
<tr>
<th>Budget Category – see descriptions above</th>
<th>Quantity</th>
<th>Cost per Item</th>
<th>Matching Funds</th>
<th>LSTA Funds</th>
<th>Total Funds</th>
</tr>
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<tbody>
<tr>
<td>A  Salaries/Wages/Benefits</td>
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<tr>
<td>Use separate row(s) for each staff person</td>
<td>1</td>
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</table>

| B  Consultant Fees                        |          |              |                |            |             |
| Use separate row(s) for each consultant   | 1        |              |                |            |             |

| C  Travel, library staff only             |          |              |                |            |             |
| Use separate row(s) for each staff person| 1        |              |                |            |             |

| D  Supplies/Materials                     |          |              |                |            |             |
| Group items together by type or program   |          |              |                |            |             |
E  Equipment that exceeds $5,000 per item
List multiples of the same type on one row;
use separate row(s) for each different type.

F  Services
Use separate row(s) for each service provider 1

G  Subtotal

H  Indirect Costs (IDC): applicants must choose one, IDC may only be charged against LSTA Funds.
☐ The library chooses not to include Indirect Costs.
☐ The library chooses a rate not to exceed 10% of modified total Direct Costs AND declares it is eligible for the 10% rate.
☐ The library has a rate of _____ % that has been negotiated with a federal agency.

I  Total Funds Requested
Round up to nearest dollar; use this total to enter in Online Signature Page.

LSTA ONLINE SIGNATURE PAGE
A Project Manager, which may or may not be the library director, needs to be identified on the Signature Page. The Project Manager is the primary contact between the applicant library and the State Library for the life of the project. It is expected that when questions arise about expenditures, reimbursements, reporting, and anything else related to the grant, the Project Manager will be the State Library’s primary point of contact.

It may take a few days or a few weeks for your organization to obtain the required signatures so be sure to plan enough time for your local situation. Once the LSTA Online Signature Page has been submitted, the project manager will receive an email with a PDF file of the completed form. Print the emailed PDF file, obtain the required signatures in blue ink, scan the signed LSTA Online Signature Page and the Application Form (in that order) and email as one attachment to LSTA@ncdcr.gov. Include the library name and Project Title in the subject line.

ADDITIONAL QUESTIONS: PLANNING AND DIGITAL PROJECT GRANTS ONLY

PLANNING GRANTS
PL1. STAKEHOLDER INVOLVEMENT: Describe how the library proposes to involve the community in the planning efforts (e.g., current or potential library users, trustees, community residents, community leaders, local government officials, institution staff and administration, local IT staff).

PL2. CONSULTANT INFORMATION (use a - e to identify each response separately)
The following information is needed for the selected consultant(s).
  a. Consultant/consulting firm name and address;
  b. Describe the type of planning you wish to carry out and why this consultant was chosen for this project;
  c. Describe the consultant’s key responsibilities in the planning process;
  d. Attach budget information from the proposed consultant (2 page maximum) that shows how the costs for services were calculated including, but not limited to, projected hours/days to be worked, fees, travel expenses, and other project related expenditures; and
  e. Attach a brief resume (4 page maximum) that includes three organizations, with contact names, addresses, and telephone numbers, for which the consultant has performed similar planning activities during the past five years.
DIGITAL PROJECT GRANTS

Digital project applications must focus on topics important to the cultural heritage of North Carolina and improving access to the state’s special collections. The majority of materials that will form the basis of the proposed project must be owned by the applicant library and projects with content of broad significance / interest are strongly preferred. Prior to applying for this grant, prospective applicants should have:

- Reviewed information about planning a Digital Project;
- Identified the materials that will form the basis of the digital project;
- Surveyed other existing digital collections to determine whether the materials are already freely available online;
- Reviewed the physical condition of materials to be digitized to be sure that they can be handled and digitized without causing significant harm to the originals;
- Ensured that materials are arranged and described with adequate access points (finding aids, indices, catalog records, and/or inventories);
- Reviewed all documents related to the donation of the materials to ensure that the library has clear and undisputed ownership of the materials to be made available online;
- Reviewed the rights status of all materials to be digitized, to determine whether or not they are in copyright and, if in copyright, whether or not the library has permission to or is justified in sharing the items online**; and
- Surveyed existing technological capacity and identified areas of need for project completion and sustainability.

**North Carolina Digital Heritage Center staff can assist in making this assessment if needed.

D1. SCOPE, CONTENT, AND NEED

a. Succinctly describe the materials, including quantity, that you propose to digitize and make available.

b. How are materials to be included in the digital project currently arranged and described (finding aids, indices, catalog records, and/or inventories)? Attach a two-page sample.

c. How are these materials important to the cultural heritage of North Carolina? If the materials have statewide significance, please describe.

D2. RIGHTS AND PERMISSIONS: Describe the process the library, and/or any partners, have taken to determine the rights status of the materials to be included in the digital project, and the determinations made regarding the ability to digitize and share those items online. Be sure to mention any documentation obtained from rights holders, if applicable.

D3. DIGITIZATION

Describe the standards and best practices to be used for digitization. Digital Projects that include digitization of materials must, at a minimum, follow the standards and practices outlined in North Carolina’s Digitization Guidelines. Applicant libraries and all partners are required to provide Certification of Local Commitments (see Appendix A).

D4. ACCESS

What methods of digital access (cataloging, indexing, online mark-up, etc.) are you planning to use for your proposed project? Describe what kinds of metadata you will use and why. (At a minimum, this grant program requires 1) Dublin Core metadata at the collection level on the presentation web site and/or 2) MARC cataloging of library materials in a library online system with the appropriate linkage between the online version and the online catalog record via the MARC 856 field.)

D5. CAPACITY AND SUSTAINABILITY (use a - b to identify each response separately)

a. List the staff who will participate in the project and describe their expertise in the following areas: cultural heritage collections, including general management as well as traditional methods of preservation and access; digitization; web presentation; information technology support; and grant management.

b. Describe the information technology infrastructure and institutional support available to host, deliver, and maintain the digital product.

D6. OUTSOURCING (use a - c to identify each response separately)

If you are planning to outsource any portion of your project, include the following:
a. State exactly what services the vendor will be providing and your rationale for selecting these services (including justification of cost effectiveness).

b. Describe your selection criteria and how you chose your selected vendor.

c. Note any prior experience you have had with this vendor and describe any trial or demonstration you undertook during your planning process.

D7. PARTNER COMMITMENT LETTERS, if applicable (others respond with N/A)
Attach a letter from each partner institution (maximum length two pages per letter) that discusses the following:

a. The activities the partner institution has employed in their planning of this project;

b. Any prior experience the partner institution has in digital projects, digitization, and/or collaborative ventures;

c. The institution’s understanding of its role in and support of the proposed project - both during the project’s activities and for the long-term sustainability of the digital materials;

d. Whether this partner will digitize or encode any or all of its material on site at the partner institution’s location;
   • any additional work this partner will do for the project. For example, will this partner contribute to the development of any contextual material that will be used in the online presentation of the digital material? Is this institution serving in or providing any other role (e.g. team leader, partner meeting facilitator or host)?
   • ownership of any equipment purchased by the lead project agent using LSTA funds following the completion of the grant project; and
   • supervisory responsibility for any project staff hired.

D8. CERTIFICATION OF LOCAL COMMITMENTS, APPENDIX A
Attach one completed Appendix A with your application, plus one for each partner.
Each partner (including the lead library or single library applicant) that participates in an LSTA Project Grant for digitization must certify the following. To do so, the Director or CEO of each partner should initial to the right of each statement and sign below.

- The copyright of materials to be reproduced digitally or made available online by this grant program are a) in the public domain, b) held by the library or one or more of the grant project partners, c) used by the library or project partners with the written permission of the copyright holder for publication on the World Wide Web, or d) materials that will be used pursuant to fair use governed by the Copyright Act, 17 USC § 107 et seq. The entity holding copyright agrees to the publication of digital copies of their materials as specified in this document on the World Wide Web.

- All materials proposed for digital reproduction using funds from this grant are stored in appropriate preservation enclosures and are under stable environmental (humidity, light, and temperature) conditions.

- All materials proposed for digital reproduction using funds from this grant have appropriate forms of "traditional access": finding aids and/or library online catalog records or museum registrar records.

- All materials proposed for digital reproduction using funds from this grant will have master and access images created and stored in appropriate resolution, format, and storage media, as described in North Carolina’s Digitization Guidelines.

- All digital products created using funds from this grant will incorporate appropriate Dublin Core and MARC record forms of access.

- All archival finding aids made Web-accessible using funds from this grant will make use of Encoded Archival Description.

- Any digital products created through use of funds from this grant will be made accessible for the long-term over the internet.

- Any digital products created through use of funds from this grant will be maintained and migrated according to current standards and best practices in order to ensure sustainability.

Signature of Library Director or CEO                      Date
Section 3, APPLICATION FORM

A. Using the format below, start the application by copying/pasting the numbered items below into a new document and typing responses under each number and heading.

B. Use a size 12 font and single spacing.

C. Insert the institution/library name, Project Title, AND page numbers in the document footer.

1. PROJECT TITLE

2. ABSTRACT

3. LIBRARY USERS AND NEED
   a.
   b.

4. PROJECT DESCRIPTION
   a.
   b.
   c.
   d.
   e.

5. EVALUATION
   a.
   b.

6. PREPARATION

7. LENGTH OF PROJECT

8. PROJECT TIMELINE
   Insert a table.

9. MATCHING FUNDS
   a.
   b.

10. BUDGET TABLE
    Begin a new page; copy/paste the table from the instructions here, then complete it as directed.

ADDITIONAL QUESTIONS, if applicable (others respond with N/A)
PL1 AND PL2 for PLANNING GRANTS
D1 – D8 for DIGITAL PROJECT GRANTS
GRANT PROVISIONS

The following state and federal provisions apply to the LSTA grant program. Libraries awarded grants must agree to comply with these provisions.

1. Grant Agreement and Timing of Expenditures

Official notification of the grant award must be received from the State Library and a grant agreement (formal agreement between the grantee and the State Library) signed by both the representatives of the library and the State Librarian before any funds may be encumbered or expended for the project.

2. Allowable and Unallowable Costs

Grantees must carry out the grant project according to the approved grant proposal, and all federal funds must be expended solely for the purpose for which a grant was awarded.

The following costs are unallowable and may not be proposed as grant project costs: bad debts, contingencies, contributions and donations, entertainment, fines and penalties, under recovery of costs under grant agreements (excess costs from one grant agreement are not chargeable to another grant agreement).

3. Legal and Regulatory Compliance

Grantees must expend grant funds in accordance with all applicable local, state, and federal laws and regulations.

4. Budget Revisions and Programmatic Changes

Grantees must not deviate from the approved budget and plan for carrying out the grant project as contained in the approved grant application unless prior approval is obtained from the State Library.

5. Records Retention

Grantees must maintain adequate records to ensure complete reporting, and retain programmatic and financial records relating to the grant for a minimum of three years from the due date of the final grant report at the end of the Five Year Plan, or until all audit exceptions have been resolved, whichever is longer.

6. Free and Open Competition

Purchases made from grant funds must be carried out to ensure free and open competition to the extent possible. Libraries eligible to purchase under state contract may use this option for grant purchases.

7. Debarment & Suspension

Transactions for the purposes of this grant will not knowingly be made with parties who have been debarred or suspended from receiving Federal financial assistance under Federal programs and activities (Debarment and Suspension Certification). See Excluded Parties List System at https://www.sam.gov .

8. Equipment Purchases and Inventory

Equipment with a per unit price above $5,000 requires prior written approval from the State Library and will be inventoried annually for the remainder of its useful life. If fair market value at the time of surplus or disposal exceeds $5,000, disposal must be cleared with the State Library.

9. Publicizing & Acknowledging Funds

Grantees are required to credit IMLS/LSTA in all related publications and activities in conjunction with use of the grant funds. Grantees should publicize grant-supported activities in available and appropriate media. The following acknowledgement statement must be used when meeting these requirements:

“This publication/activity/program was supported by grant funds from the Institute of Museum and Library Services under the provisions of the federal Library Services and Technology Act as administered by the State Library of North Carolina, a division of the Department of Natural and Cultural Resources.”

Copies of any publications or materials produced under the grant must be submitted to the State Library. IMLS logos are available at http://www.imls.gov/recipients/imls_acknowledgement.aspx

10. Lobbying

Grantees are prohibited by federal law from using grant funds to pay costs associated with lobbying Congress or the public for purposes of influencing elections, legislation, or the award of any federal funds. Grantees receiving an award of over $100,000 must file a certification regarding lobbying.

11. Non-discrimination

All library services provided as a result of federal grant funds must be available without discrimination to all members of the community served. Participation may not be denied on the basis of race, color, national origin, handicap, age, or sex. Relevant legislation includes but is not limited to the following: Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d through 2000d-4); Title IX of the Education Amendments of 1972 (20 U.S.C. 1681-1683); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); The Age Discrimination Act (42 U.S.C. 6101 et. seq); 45 CFR 1110 - Nondiscrimination in federally assisted programs; 45 CFR 1170 - Nondiscrimination on the basis of handicap in federally assisted programs and activities; 45 CFR 1181 - Enforcement of nondiscrimination on the basis of handicap in programs or activities conducted by the Institute of Museum and Library Services.

12. Trafficking in Persons

Grantees must comply with 22 U.S.C. § 7104(g) which prohibits engaging in trafficking in persons, procuring a commercial sex act, or using forced labor.

13. Audit and Financial Reporting Requirements

LSTA grants must be audited in compliance with federal and state audit requirements for local governments and public authorities, institutions of higher education, and non-profit organizations. The following source documents outline the standards and requirements:

- United States Office of Management and Budget (OMB) 2 CFR 200, Subpart F - Audit Requirements
- North Carolina General Statute 143C-6-23 “State grant funds: administration; oversight and reporting requirements,” and the corresponding rules of North Carolina Administrative Code, Title 09, Chapter 03M, “Uniform Administration of State Grants.”

LEGAL REFERENCES:

- 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards [address grants and cooperative agreements pertaining to institutions of higher education, states, local governments, Indian tribes, and nonprofit organizations]
- 2 CFR Part 3185 - Nonprocurement debarment and suspension
- 2 CFR 3186 - Requirements for drug-free workplace