2013-2014 AmeriCorps Program Financial Management Information

February 21, 2014

Mobilizing Nebraskans to strengthen their communities through volunteering, collaboration, and national service programs

GRANT BUDGET MONITORING

- Direct costs should be tied to specific grant activities
- Review the budget at least once a month
- When monitoring your grant budget focus on:
  - Total grant award amount – Do not overspend
  - Percentage of grant year elapsed
  - Total amount of grant expenditures to date
  - Total amount of matching funds & percentage to date
- Monitor budget for overspending on budget line items
- Request budget change if necessary

SPEND GRANT FUNDS

- Use Federal cost principles in determining whether or not a program cost is allowable if you are uncertain

- Link costs to program activities to demonstrate accountability and results

- Keep an eye on your percentage variance of funds awarded that have been expended compared with the percentage of grant year elapsed

- Ensure there is documentation for every expenditure and matching fund amount included in your financial reports

ON-SITE VISITS/DESK AUDITS

Risk Based Monitoring – Determines appropriate level of program monitoring

Desk Audits

- Not as intensive as on-site visits
- Can address emerging issues/concerns
- Monitoring tool for low to medium risk subgrantees
- Spot check to ensure proper expenditure/ match documentation
- Feedback letter sent within 30 days

ON-SITE VISITS/DESK AUDITS

On Site Visits

- Comprehensive monitoring for new or medium to high risk subgrantees
- Assesses program fiscal compliance through Fiscal Director Interview and fiscal source documentation sampling
- Internal Control Assessment ensures that proper financial management of the grant program is being carried out.
- Exit Interview – Immediate feedback
- Feedback letter will follow visit within 30 days

HOUSEKEEPING THINGS…

- Please meet all reporting deadlines.
- When requests are made from staff for information or action, please respond to that request within a reasonable amount of time. Don't make us send a second request.
- Any questions, technical assistance or additional information you need to manage your programs well, please don't hesitate to contact any of the staff.

FEDERAL GRANT MANAGEMENT REFORM OVERVIEW

Why Grant Reform?

- Eliminate duplicate & conflicting guidance
- Change focus to performance instead of compliance for accountability
- Encourage efficient use of information technology & shared services
- Provide for consistent and transparent treatment of costs
- Strengthen oversight of programs
- Target audit requirements on the risk of fraud, waste and abuse.

FEDERAL GRANT MANAGEMENT REFORM OVERVIEW

What are the changes?

- Combines eight previously separate OMB circulars into one uniform guidance document

- Promotes of innovative program designs that improve cost effectiveness and encourage collaboration across programs (Ex: Fixed Grant Awards)

FEDERAL GRANT MANAGEMENT REFORM OVERVIEW

- Computing devices can be classified as supplies

- Grant recipients procurement procedures avoid duplicative purchases and encourage collaboration in sharing goods and services across programs

FEDERAL GRANT MANAGEMENT REFORM OVERVIEW

- Administrative costs may be treated as direct costs

- One-time extension of negotiated indirect cost rates up to four years subject to approval of federal agency

- Establishment of minimum indirect cost rate of 10% up to four years

FEDERAL GRANT MANAGEMENT REFORM OVERVIEW

- Prohibit the earning or keeping of profit resulting from federal financial assistance unless specific to grant award conditions

- Explicit language ensuring that the grantee is aware of potential penalties under the False Claims Act

FEDERAL GRANT MANAGEMENT REFORM OVERVIEW

- A-133 Audit threshold increased to $750,000

- Location of Regulation Citations: 2CFR, Chapter II, Part 200
  - Subpart A: Acronyms & Definitions
  - Subpart B: General Provisions for all grants
  - Subpart C: Pre-Award Requirements
  - Subpart D: Post-Award Requirements

FEDERAL GRANT MANAGEMENT REFORM OVERVIEW

- Subpart E: Cost Principles
- Subpart F: Audit
- Appendices I-XI

When does this new guidance go into effect? December 26, 2014

Where can I find the new guidance?
   Go to: https://cfo.gov/cofar/