

CREATING & UTILIZING A GRANT ACCOUNTING HANDBOOK WITH SERVICE AND ACCOUNTABILITY

Presented By: Rodney O. Jackson, M.B.A, C.S.F.O., C.S.B.A. G.M.C.



Introduction - Rodney O. Jackson

Executive Director Financial Accounting and Benefits Services

B.S. in Accounting and M.B.A. both from University of Kentucky

Serve as Finance Officer and Treasurer

30 years of Accounting Experience including over 26 years of School Finance

Over 28 years in Grants Management Experience

Certifications include:

- Certified Grants Management 2002
- Certified School Financial Manager 2005
- Certified School Financial Officer 2016
- Certified Finance Officer of State of KY 2017
- Certified School Business Administrator 2022

FCPS manages over \$800 Million in revenue including \$45 million in Grants

KASBO Past President, 2020-2021

KASBO Board Member

SASBO Emerging Leader

KASA Executive Board Member (Representing all finance and operational staff)





GRANTS MONITORING

Grants Monitoring must provide reasonable assurance that:

1. Federal grant funds are expended in ways that meet provision of pertinent statutes, regulation, agency administrative requirements, relevant OMB circulars and the terms of the award notice.
2. Adequate Progress is being made toward achieving the Sub-award projects goals and objectives.



Audit Compliance Matrix

Requirement	A	B	C	E	F	G	H	I	J	L	M	N
Program Number	Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment Real Property Management	Matching, Level of Effort, Earmarking	Period of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions

BUSINESS MANAGEMENT SYSTEMS AND GRANT CAPABILITY

- ❑ FINANCIAL MANAGEMENT 200.302 (a), .303
- ❑ PROCUREMENT MGMT. & STDs 200.317 (a), .303
- ❑ PROPERTY MGMT. & STDs 200.311, 313(b), (d), .303
- ❑ PERSONNEL MGMT. (HRM) 200.430(a)(1), .303
- ❑ TRAVEL POLICY & PROCEDURES 200.475(a), .303
- ❑ PROGRAM/PROJECT MGMT. (PMP) 200.301, .329 (a) (b), .303



SOURCE DOCUMENTATION

- ▶ WRITTEN PROCEDURES THAT IDENTIFY THE TYPE OF ACCOUNTING RECORDS USED TO SUPPORT COSTS CHARGED TO THE PROJECT, I.E. TIME AND ATTENDANCE REPORTS, INVOICES, VOUCHER CHECKS, CONTRACTS & ETC.





Users' Reference Guide

Financial Accounting and Benefits Services



2CFR200

This Grant Accounting Handbook is a source of applicable grant administration requirements to help all stakeholders manage their grants in conjunction with the provisions of the Office of Management and Budget (OMB) Uniform Guidance under Grants Super circular 2CFR200. Our intent is for the Handbook to serve as a reference for financial management and grant administration to enhance your understanding of the policies and requirements governing Federal financial assistance.





Subpart A	• Acronyms & Definitions
Subpart B	• General Provisions (Section 200.1xx)
Subpart C	• Pre-Award Requirements (Section 200.2xx)
Subpart D	• Post Award Requirements (Section 200.3xx)
Subpart E	• Cost Principles (Section 200.4xx)
Subpart F	• Audit Requirements Section (200.5xx)

**THE SUPER-CIRCULAR,
2 CFR PART 200 UNIFORM GUIDANCE OVERVIEW**



Who are the main staff contacts for assistance?

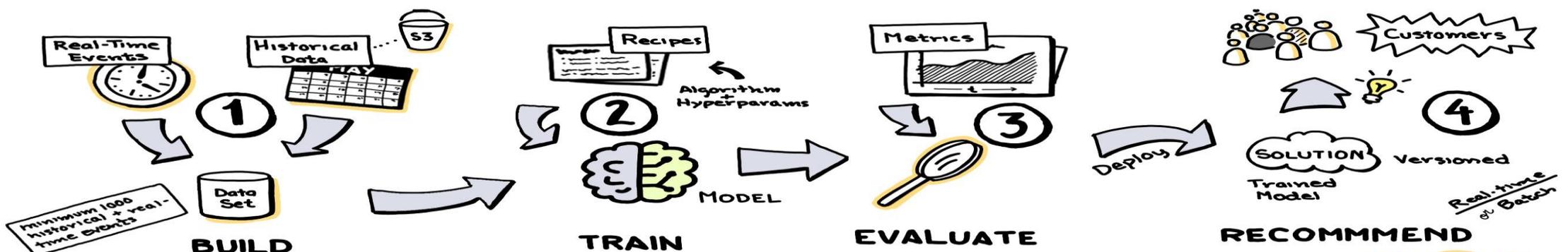
- Finance & Grant Accounting
- Grant Writing
- Budget
- Payroll
- Accounts Payable
- Human Resources



Table of Contents

5	INTRODUCTION
6-11	GRANT CYCLE
12-13	GRANT APPLICATIONS
14-17	CONTRACTS
18-20	BOARD AGENDA
21-23	BUDGET SETUP
24-25	INDIRECT COST
26-32	BUDGET REVISIONS
33-36	HUMAN RESOURCES
37-40	PAYROLL
41-44	TIME AND EFFORT REPORTING
45-46	ACCOUNTS PAYABLE
47-58	PURCHASING
59-67	FIXED ASSETS & PROCEDURES
68-69	PROCEDURES FOR PAYMENT RELATED TRAVEL
70-71	IN KIND MATCH/TIME AND EFFORT
72-73	REVENUE
74-77	GRANT CLOSE OUT
78-80	GLOSSARY

PERSONALIZE WITH AN OPENING MESSAGE



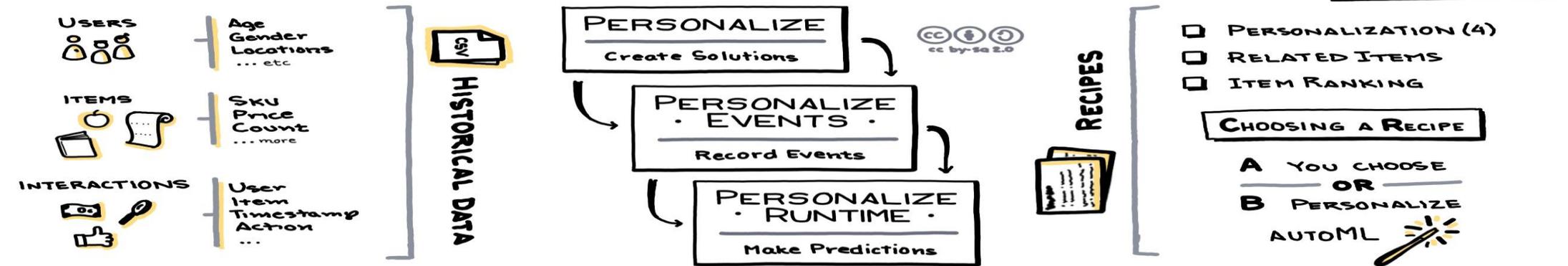
MACHINE LEARNING

AMAZON @awsgeek

PERSONALIZE

REAL-TIME RECOMMENDATIONS

- Personalized
- Search Results
- Notifications
- Lists

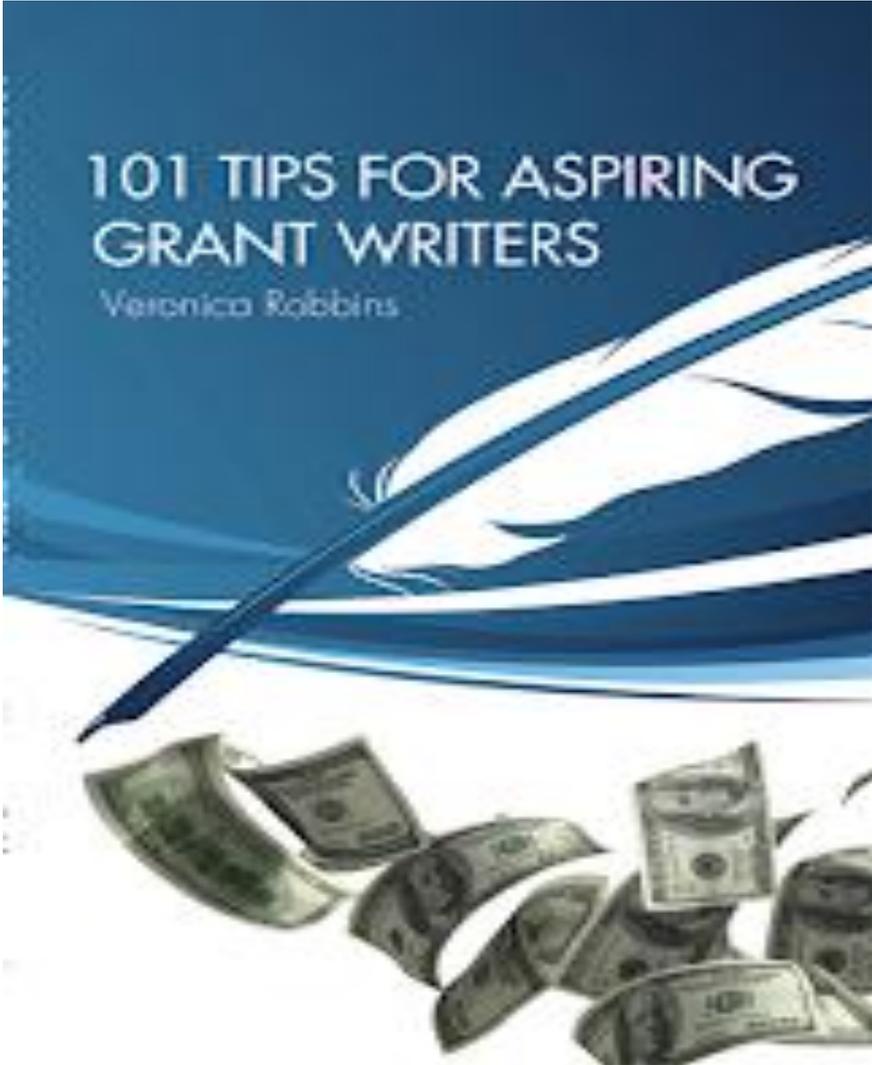


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INTRODUCTION

- 1) INITIATION (PRE-AWARD PHASE)
- 2) IMPLEMENTATION (POST AWARD PHASE)
- 3) CLOSEOUT (END OF GRANT PHASE)





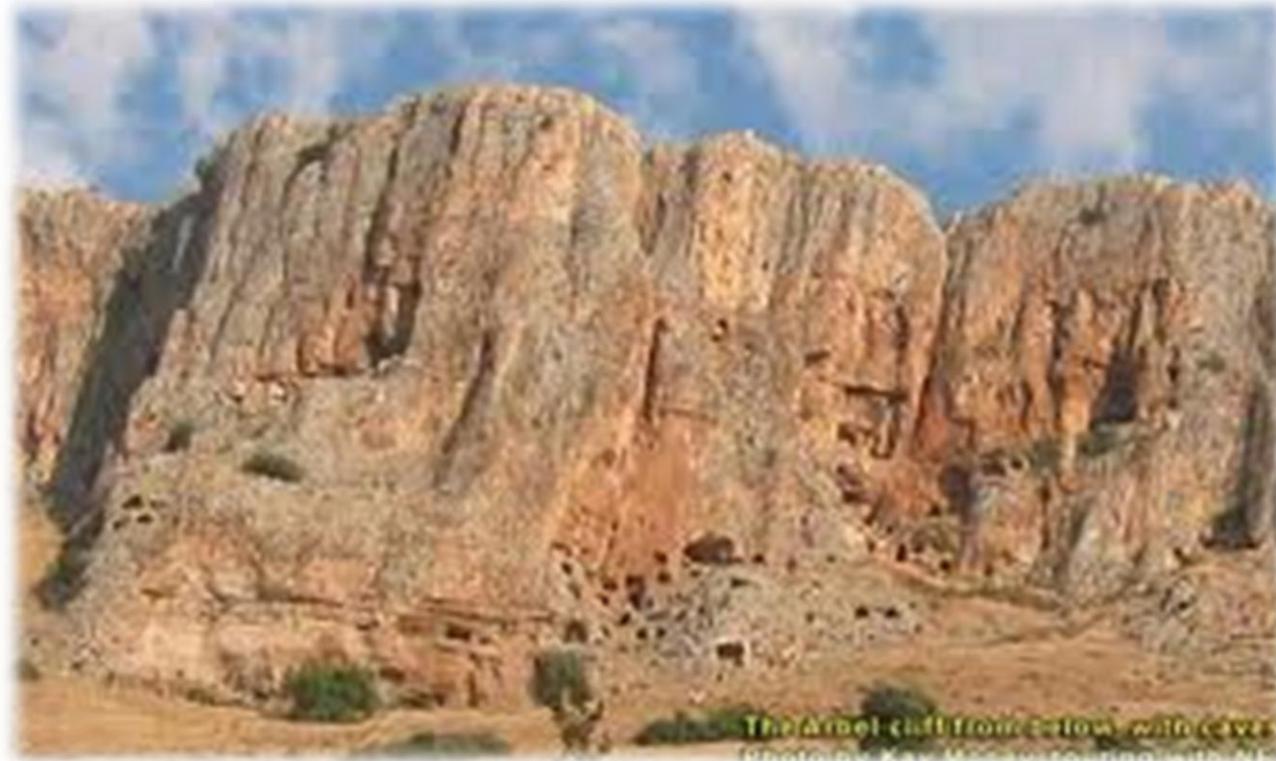
Grant Cycle: 2CFR 200.211, 301, 302 and 309

In accordance with policies and procedures, the Superintendent and appropriate administrative staff shall be responsible for developing and enforcing grant procedures for the operation of the district.

The Uniform Guidance, 2 CFR Part 200 establishes rules and regulations about federal grants from the Office of Management and Budget (OMB). The guidance is used with federal agencies to help develop policies for grants and agreements. Grants are an award of financial assistance intended to stimulate or support public purpose.

There are three phases of a grant: pre-award, post-award, and end of the grant (grant closing). Each phase will be discussed based upon Fayette County Public Schools' policies, procedures and the OMB. PERIOD OF PERFORMANCE The Period of Performance as defined in 2CFR200 means the time interval between the start and end date of a grant award. The period of performance must be consistent with 2CFR200.211(b)(5) does not commit the funding agency to award beyond the currently approved budget period

(200.309) PERIOD OF PERFORMANCE





Administrative Requirements:

Uniform Guidance Subpart D, Subsection 200.309

Where a funding period is specified, a recipient **may charge to the grant only allowable costs resulting from obligations incurred during the funding period** and any pre-award costs authorized by the Federal awarding agency.

- NOTE: This means that if a grant ends June 30th all services or goods purchased must be received prior to this date. If not is not an allowable expense REGARDLESS if it is encumbered.



Pre-Award Phase

1. Proposal Development

Role of Grants Programming may include the following: answering questions, creation of narrative and budget templates, program narrative, budget and evaluation. (*if required)

2. Proposal Review

Grants Program reviews the proposal prior to submission. (*if required)

3. Signature Secured

All proposals that require a signature must be forwarded to Executive Director of Financial Accounting & Benefits Services (FABS), Rodney Jackson (*if required)

4. Grant Submission

Grants Programming or Grant Seeker submits proposal to issuing entity. (*if required)

5. Signature Secured

All proposals that require a signature must be forwarded to Executive Director of Financial Accounting & Benefits Services (FABS), Rodney Jackson.

6. Grant Submission

Grants Programming or Grant Seeker submits proposal to issuing entity.

7. Grant Award Notification

All award letters/contracts are sent to Executive Director of Financial Accounting and Benefits Services. After all applicable signatures are obtained, routed to Grants Accounting. Grants Programming & BFP are notified of awards/non-award status when received.

8. Transition to Post Award Process

All NEW grant awards are forwarded to Executive Director of Financial Accounting and Benefit Services.



Post-Award Phase

1. Notification

District office or school receive notification of grant award or denial. All Grant notifications are sent to Grants Programming. All NEW grant awards are then forwarded to FABS.

2. Readiness

Grants Programming

- Review documents for grant expectations.
- Schedules operational plan meeting with Program manager, BFP, and Grant

Accounting

- Ensures that FABS & Budget & Financial Planning (BFP) have a copy of Award Letter.
- Notifies Personnel Committee of position requests.
- Completed Budget setup forms or sends to grantee for completion as appropriate & submits to BFP.
- Designates Grant Steward/Manager & ERP approval workflow and communications to

BFP & FABS.

- Assists the Program Manager with budget & approves the budget assuring compliance with the funding matrix.
- Confirms GMAP approval if applicable

BFP

- Reviews Budget Setup form & ensures the amount matches Award Letter.
- Creates Project in Project Manager
- Creates org/object/project codes and enters grant budget.
- Ensures that new positions have been submitted and approved by the FCPS

Personnel Committee

- Sets up Workflow in ERP for new positions.
- Notifies Grants Programming when Budget is set up in ERP

FABS- Grants Accounting

- Reviews grant agreement/contract for program reporting requirements
- Reviews and ensures that the budget is set up according to proposed budget/ spending plan before submission to Financial & Planning Dept.
- Sets up expense approval workflow.



Program Implementation

1. Grants Programming

- Periodically reviews all charges & monthly utilization reports to assure meet criteria of initiative
- Conducts scheduled and unscheduled implementation and impact visits.
- Monitor Program impact & effectiveness
- Tracks & manages resources & records for FTEs, Time & Effort Logs, equipment, software, & learning resources.

2. FABS- Grants Accounting

- Conducts periodic planned and unplanned site visits to ensure compliance and proper spending
- Processes monthly and quarterly financial and programmatic reports and recipient correspondence
- Reviews reports for any discrepancies related to the funding matrix
- Monitors spending of all grants and provides reports when requested.
- Consults with & assists Budget Manager as needed
- Prepares & maintains grants folder
- Plans and prepares for the annual audit to comply with 2CFR200 OMB Circular
- Addresses concerns and questions concerning the budget
- Submits federal cash reports and other reports for the reimbursement
- Processes all journal entries
- Verifies all grant revenue is received & contact awarding agency for delayed payments

Grant Close- Out

1. Grants Programming

- Notified by Grants Accounting of grant's end date
- Conducts closeout meeting with Grant Manager & archives digital records

2. FABS- Grants Accounting

- Generates final financial report for submission and reimbursement payment.
- Ensures all cost sharing has occurred and is documented
- Ensures all time & effort logs have been signed and returned
- Reviews indirect costs through life of award and make corrections
- Assists all parties with closeout procedure related to personnel costs, purchase orders, & vendor invoices.



Grant Close- Out

2. FABS- Grants Accounting

- Ensures all outstanding purchase orders are processed and closed within 90/120 days depending on terms of grant
- Working with BFP, makes note of status of staff on the grant as continuing, moving or discontinuing.
- Identifies cost overruns and makes necessary adjustments
- Returns or carryover any unused advance funds as appropriate
- Informs BFP when to close grant
- Plans and prepares the audit duties.

3. BFP

- Working with Grants Accounting, makes note of status of staff on the grant as continuing, moving or discontinuing.
- Closes or deactivates the grant as directed by FABS



2 CFR 200.201 and 327

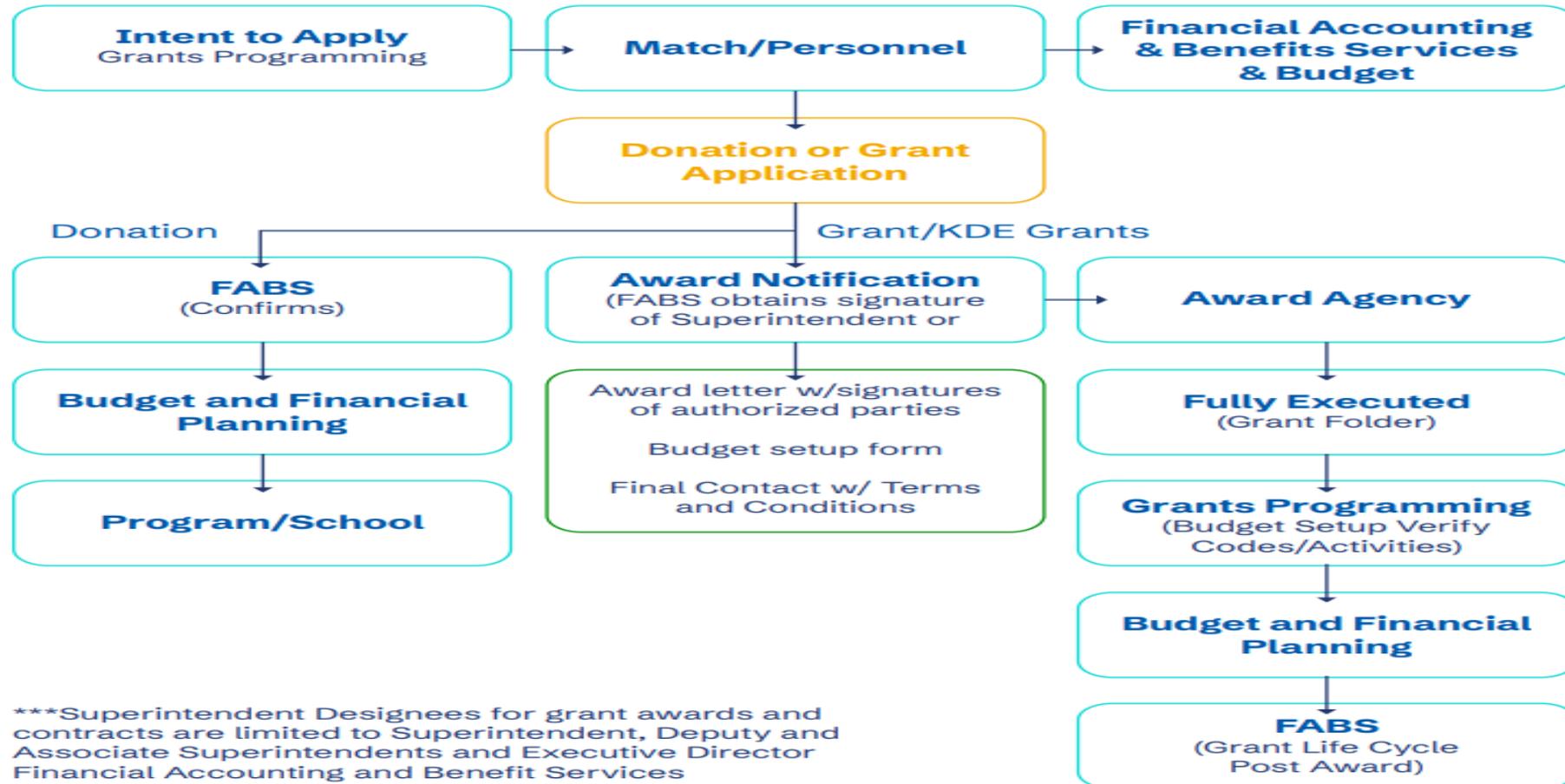
(NOTICE GRANT AWARD/CONTRACT)

Terms and conditions
Financial report
requirements and dates
Reimbursement
guidelines
Period of Performance
Assistance Listing #
(formerly CFDA #)
Contact persons





Contracts 2 CFR 200.201 and 327



***Superintendent Designees for grant awards and contracts are limited to Superintendent, Deputy and Associate Superintendents and Executive Director Financial Accounting and Benefit Services



Contract Checklist

Grant Award Number

Project Information

Recipient Name

Contact Information

Award Dates

CFDA Number

Performance Start/ End Date

Indirect Cost Rate

Funds/Budget Information

General Terms and Conditions

Cost Sharing/Matching Requirements

Program Provisions/Performance Goals

Authorized Signatures



Prior Approvals 2 CFR 200.308(b)(f) and 407

Prior Approval – Uniform Guidance subpart D Subsection 200.308(b) (formerly A-102.30(a)(c)(1)(iii)); Subpart E Subsection 200.407

Prior approvals are necessary when one of the following occur.

- » Change in scope
- » Change in key personnel
- » Absence for more than 25% reduction
- » The need for additional federal funding
- » Transfer of amounts budgeted in indirect to direct to absorb increases in direct costs or vice versa
- » The inclusion of costs that require prior approval under cost principles unless waived by the federal awarding agency
- » The transfer of funds allotted for training (direct payment to trainees)
- » The transfer or contracting out of any work under an award, unless such transfers were approved as part of the budget (this does not apply to the purchases of supplies, materials, equipment, or general support services)
- » Special or usual costs

NOTE: FOR YOUR PROTECTION GET ALL PRIOR APPROVALS IN WRITTEN DOCUMENTATION FORM. WRITTEN PRIOR APPROVAL'S ALSO INCLUDE EMAILS.



Board Agenda 2 CFR 200.301,302 (a), .303

All grant/awards received by the District must be accepted and approved by the Fayette County Board.

This requires preparation of an agenda item that is submitted to the Board for approval at its regularly scheduled meetings. The Board agenda item should have the following information:

- (1.) Background
- (2.) Cost
- (3.) Funding Source
- (4.) Recommendation
- (5.) Rationale
- (6) Policy Reference





Budget Setup

2 CFR 200.308

Budgets are established based on the type of grant/award. Once FCPS receives the grant award, a budget needs to be set up. An approved budget from the funding agency *must be* given an account number for each line item in MUNIS.

Account numbers are made up of three components; organization (ORG) number, object number, and project number.

An org and object are always required. For grants and awards a project number is also required.

Create Working Budget For Family



BUDGET COMPONENTS TO CONSIDER

- Coding with orgs, objects & projects
- Budget Worksheet
- Indirect Cost
- Budget amendments & transfers
- How to run YTD & MTD Reports





Budget Set-up ² CFR 200.308



Budget Coding

Budgets are established based on type of grant/award. Once FCPS receives the grant award, a budget needs to be set up. An approved budget from the funding agency *must be given* an account number for each line item in MUNIS. Account numbers are made up of three components: organization (ORG) number, object number, and project number. An org, object and project code are always required for grants.

The ORG number is seven digits. For example, 0051118.

The first three digits represent the location (000 District wide, 001 Central Office, and 002-899 are school numbers assigned by the state).

The fourth digit represents the fund.

1 = General Fund

2 = Special Revenue fund

The last 3 digits represent the type of activity (118 is regular instruction). Thus, an ORG number 0051118 reads as:

005 for Arlington Elementary

1 for general fund

118 for regular instruction.

The expenditure object codes are four digits.

0338 = Registration Fees

0580 = Travel

0444 = Copier Rental

0610 = General Supplies

0735 = Technology Software over \$5,000 per unit

0891 = Diplomas & Graduation Expenses



Project codes are usually four to five digits and are assigned by the awarding agency or the Financial Planning & Budget Office.

120X = ESS

135X = Preschool

140X = Professional Development

310X = Title I

401X = Title II

****X indicates changing characters to represent years**

I = 2022, J = 2023, K = 2024, L = 2025, M = 2026, N = 2027, O = 2028,

P = 2029, Q = 2030, R = 2031, S = 2032, T = 2033, U = 2033, V = 2034,

W = 2035, X = 2036, Y = 2037, Z = 2038



Indirect Cost

2 CFR 200.414

Many district services, which are not paid for by direct costs from the funding agency, are provided in order for a grant project to operate. Charging indirect cost to each federal grant covers these costs.

This charge is in the form of a percentage that is calculated annually by the Finance Division of the Kentucky Department of Education and is charged on all expenses except equipment.

WHEN PREPARING THE BUDGET FOR APPLICATION OF FUNDS FOR A GRANT, INDIRECT COSTS MUST INCLUDED AT THE CURRENT CERTIFIED RATE, UNLESS PROHIBITED BY THE FUNDING AGENCY.

The account code number for indirect costs is 0913.





Key Sections – Subpart E

200.414 Indirect Costs

- Federal acceptance of approved IDC rates
 - Federal awarding agency must accept approved negotiated IDC rates, unless otherwise required by federal statute, regulation, or when approved by agency head or delegate.
- The concept of indirect costs, also referred to as “overhead”, or “administrative expenses
- A lot of these indirect costs are hard to calculate--because they result from shared services such as the Accounting, Budgeting, Human Resources, Technology Support, maintenance, utility costs, administrative expenses, and depreciation for buildings and equipment--funders allow grantees/school districts to request indirect costs as a percentage of the overall request



Budget Revisions

2CFR 200.208 (a) &(b)

School or Department Name	For Month / Fiscal Year
---------------------------	-------------------------

Description of Transfer / Linkage to Plan	Additional Information
---	------------------------

Date approved by school council

+ Budget Increase Information			
Org. Code	Object Code	Project Code	Amount
TOTAL			\$0.00

- Budget Decrease Information			
Org. Code	Object Code	Project Code	Amount
TOTAL			\$0.00

Requested by:

Reviewed by:

(Date)

Department of Budget and Staffing Services

(Date)

Approved by:

Journal: Period:



ESTABLISHING POSITIONS & HIRING PERSONNEL 2CFR200.430(A)(1), .303



Establishing a new position with the District requires the following steps:

1. Contact the Appropriate Office to ensure funds are available for the position
2. Develop a job description (HR develops new job descriptions as needed)
3. Write a Board agenda item
4. Submit Board agenda item to Director/Chief of functional area
5. Director/Chief using proper protocols, will submit the agenda item for Board approval.



Fayette County Public Schools

Executive Summary Fayette County Public Schools Board Meeting Agenda Item

MEETING: Regular

DATE: 10/28/2024

TOPIC: Job Description – MSAP Magnet Project Director

PREPARED BY: Jennifer Dyar

Recommended Action on: 10/28/2024
Action Item for Vote (REGULAR MEETING)

Superintendent Prior Approval: Yes

Recommendation/Motion: . A motion is in order to approve the position and job description for the MSAP Magnet Project Director.

Background/Rationale: The Project Director serves as an educational leader, supervisor, appraiser, and interpreter of MSAP grant programming and, over time, will focus on scaling-revising, and expanding magnet programming in FCPS. Is responsible for delegating responsibilities as needed to key personnel, including those funded by MSAP grant.

Strategic Priority:

- Student Achievement Unity, Belonging & Student Efficacy
- Highly Effective, Culturally Responsive Workforce
- Outreach & Engagement Organizational Health & Effectiveness

Data Considerations: Magnet grant and programming
Policy: 01.11 (General Powers and Duties of the Board)
Fiscal Impact: Grant funded - \$120,000



HIRING PROCEDURES



Grants and Payroll

For **regular payroll**, all employees whose regular salaries are to be paid from the grant/awards monies should have been set up with the proper accounting codes and school assignments through the Department of Human Resources. Once this process has taken place, the employee automatically comes into the payroll as it is generated each pay period.

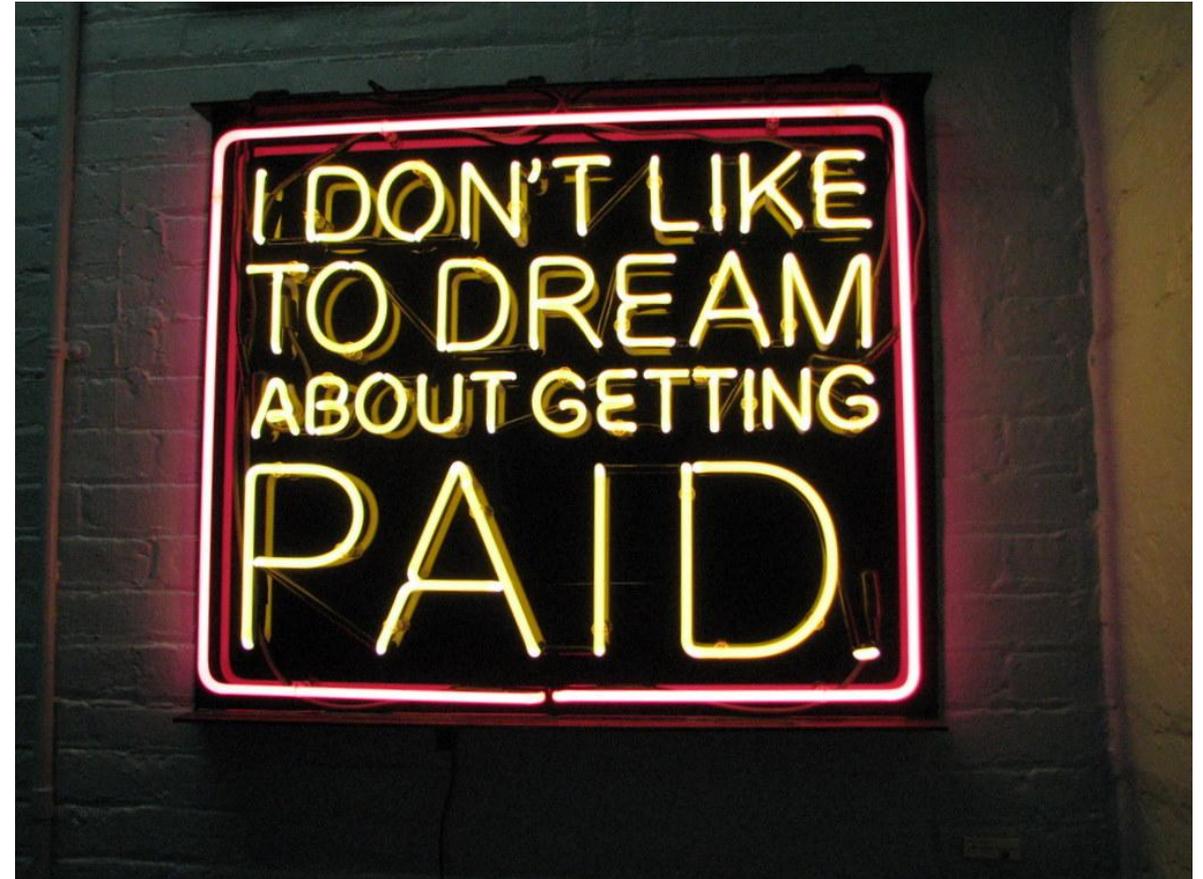
- Certified
- Classified
- Substitutes (salaried and hourly)
- Extra Service
- Stipends
- Extended Employment



GENERAL INFORMATION CONSIDERATIONS



1. Only district employees may be compensated through the payroll system.
Employees may only be compensated at Board approved rates for Extra Service duties. The rates should be obtained from the Department of Human Resources.
2. Holidays, leave time, etc. are not paid on Extra Service.
3. Forms for Extra Service submitted to payroll must be originals signed by the Project Director/Grant Budget manager and must contain all accounting codes, the employee's name, social security number, MUNIS number (if known), date of service, rate of pay found in district salary schedule), and total amount due
4. To be paid in a timely manner, requests for payment should follow the normal payroll cut off dates.
5. Stipend forms may be downloaded from the web page.
6. Hourly employees will be compensated at an overtime rate for work over 40 hours per week, within guidelines outlined in Board Policy.



COMPENSATION & TIME & EFFORT (200.430)



► Compensation includes:

- All remuneration, currently *or accrued* for services rendered during the award period
 - Not always wages and salaries – also includes fringe benefits
- Compensation must be
- Reasonable for services rendered
- Conforms to written policy consistently applied (as to not unfairly burden the federal government)
- Follows an appointment made in accordance with non-federal entity's policies / procedures / laws etc.
- Determined and supported



Compensation Documentation

Time & Effort Logs

- **40 hour week is not same as 100 percent effort**
- **Time and Effort reports-should be kept** and maintained regardless of if actual or just match **for 3 years**
- **Clerical hourly staff** do not have to complete time and effort logs, but do have to have **timesheets with appropriate signature documentation**
- **Timesheets for grant programs:** Any employee involved in multiple activities or cost objectives must have a detailed personnel activity report maintained. These timesheets and reports must be signed and must **at least be prepared monthly** and coincide with one or more pay periods.
- Under **the consistency rule**, Federal and Nonfederal programs should both be obligated to fill out such timesheets and/or activity reports.



Compensation Documentation

FAYETTE COUNTY BOARD OF EDUCATION GRANT TIMESHEET (Effort Log)

(Must be completed monthly)

FABS-GRANT ACCTG FORM-01 updated 7/1/21

TIME EFFORT LOGS

All salaried staff paid from a Grant Funding Source must fill out a time & effort log. The log must be signed by the employee and the budget manager on a monthly basis. The Budget Manager is responsible for keeping the time & effort logs on file for three years from the end of the grant period

Employee Name: Jane Doe
Position Title: Teacher
Employee Number: 123456

PAYROLL PERIOD	PROJECT NUMBER	PROJECT NAME	PERCENTAGE OF TIME
AUGUST 2021	5546D	ESSER II	50%
	N/A	GENERAL FUNDS	50%
TOTAL PERCENTAGE OF TIME (Must = 100% per pay period)			100 %

Is this employee in-kind or cash match?
 Yes No
 If so please complete the org, obj, & project numbers below utilized as match.
 Org _____
 Object _____
 Project (if applicable) _____

My signature certifies that the time and effort charged to this grant, accurately reflect the hours worked on this project.

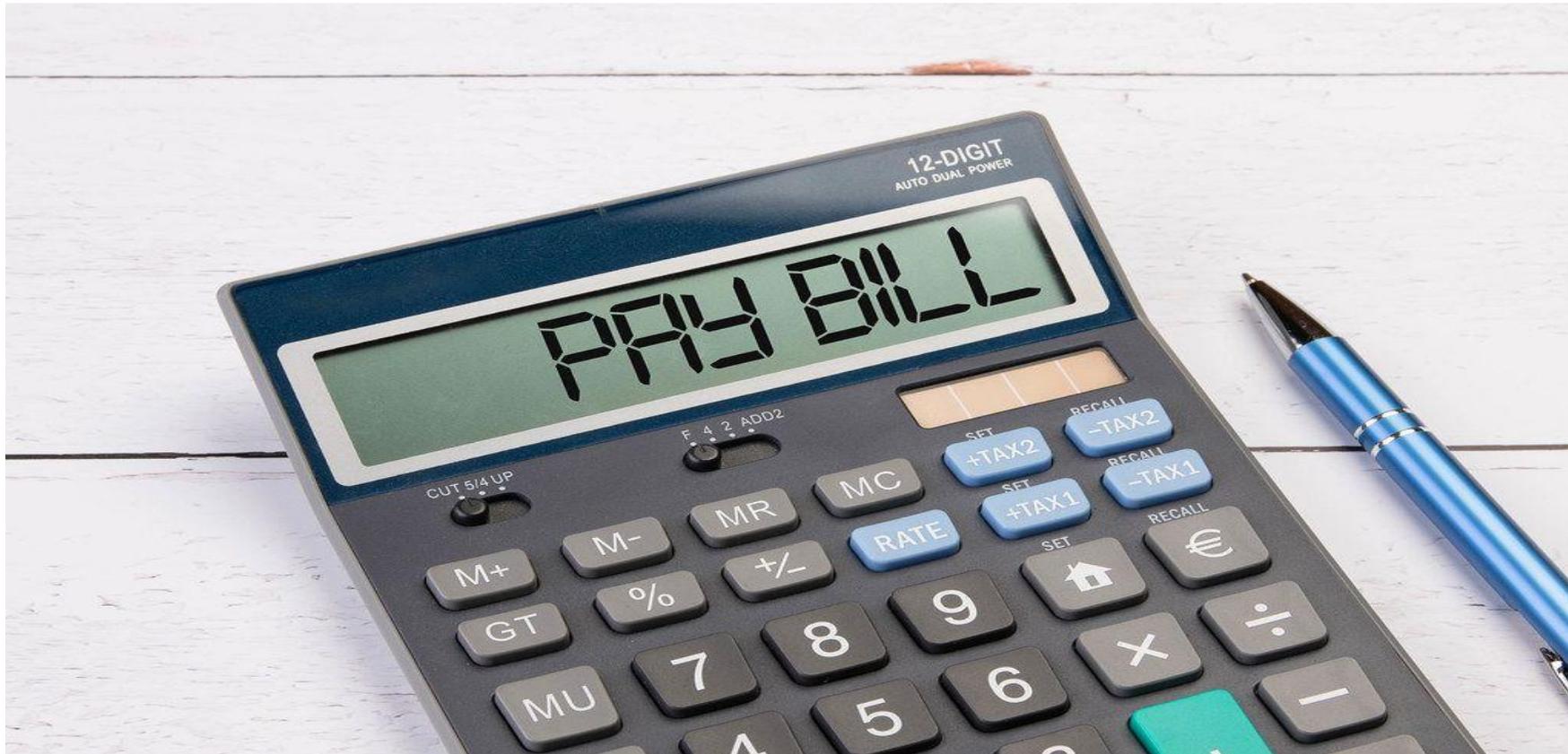
8/31/2021 ESSER Project Manager Jane Doe
Date Budget Manager Signature Employee Signature

NOTE: These timesheets are mandatory effective July 1, 2021 for all salaried payroll related to grants, the budget manager must keep copies of these timesheets on file at least 3 years from the close of the project.



Accounts Payable Procedures

2CFR200.302





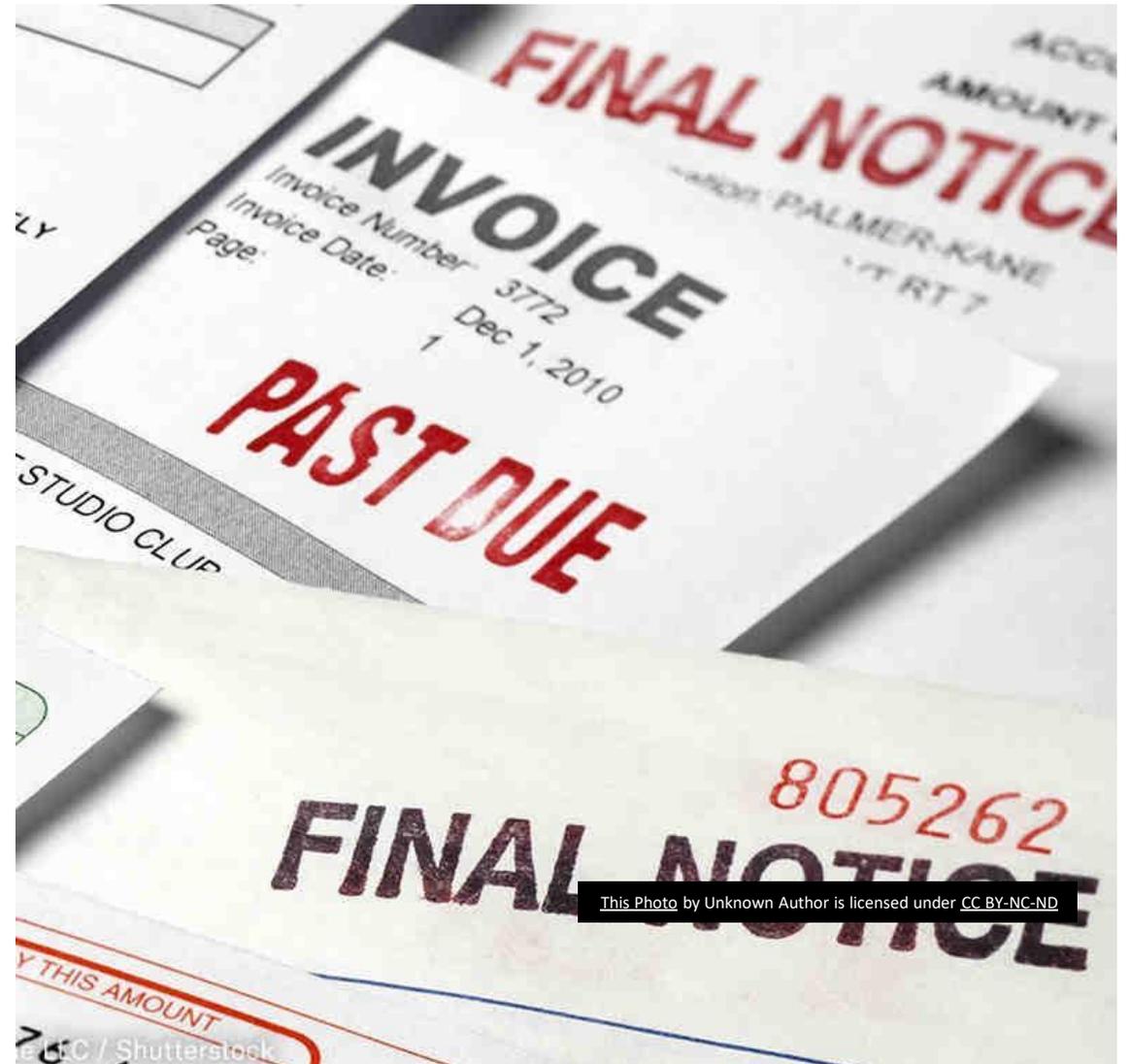
EXPENDITURE APPROVAL (ACCOUNTS PAYABLE)

The program director is responsible for signing all expenditure vouchers charged to the grant. These include all travel expenses, extra-services payroll expenses, materials, food, or any other miscellaneous expense items.

The director is also responsible for the on-line authorization Purchase Orders charged to the grant and processed through the online purchasing system OR P-cards

All expenses submitted for Travel and Professional Leave must be sent to the Grant Accounting Office all other Purchase Orders are to be sent to the Accounts Payable Office, along with original support documentation, for payment approval.

IMPORTANT NOTE: PURCHASE ORDERS MUST BE CREATED PRIOR TO THE INVOICE DATE. FAILURE TO COMPLY COULD RESULT IN AN AUDIT VIOLATION





PROFESSIONAL SERVICE CONTRACTS



Use of Consultants

Consultants are those individuals retained by the District via contract to provide services to the district or an individual school that current District staff is unable to provide.

The kinds of assistance sought from consultants may include, but are not necessarily limited to, services such as: conducting fact-finding studies, surveys, and research; providing counsel and/or training in areas requiring special expertise; and, assisting the District with policy development and/or program recommendations.

A man in a light blue suit and red tie is writing the word "Consulting" in red marker on a whiteboard. The whiteboard has a light gray grid pattern. The man is wearing glasses and is looking down at the whiteboard. The word "Consulting" is written in a large, cursive, red font. A red underline is drawn under the word, extending to the left and curving under the 'C'.

1. The qualifications held by the consultant, which offer proof of the individual's experience and expertise in the appropriate service area;
2. The specific measurable objectives to be accomplished;
3. The specific tasks to be performed;
4. The target dates for completion of tasks;
5. The method to be used to report results to the District and/or to deliver any "product," e.g., plans, recommendations, training, etc. and;
6. Total costs.
7. DEBARRED AND SUSPENDED



Purchasing

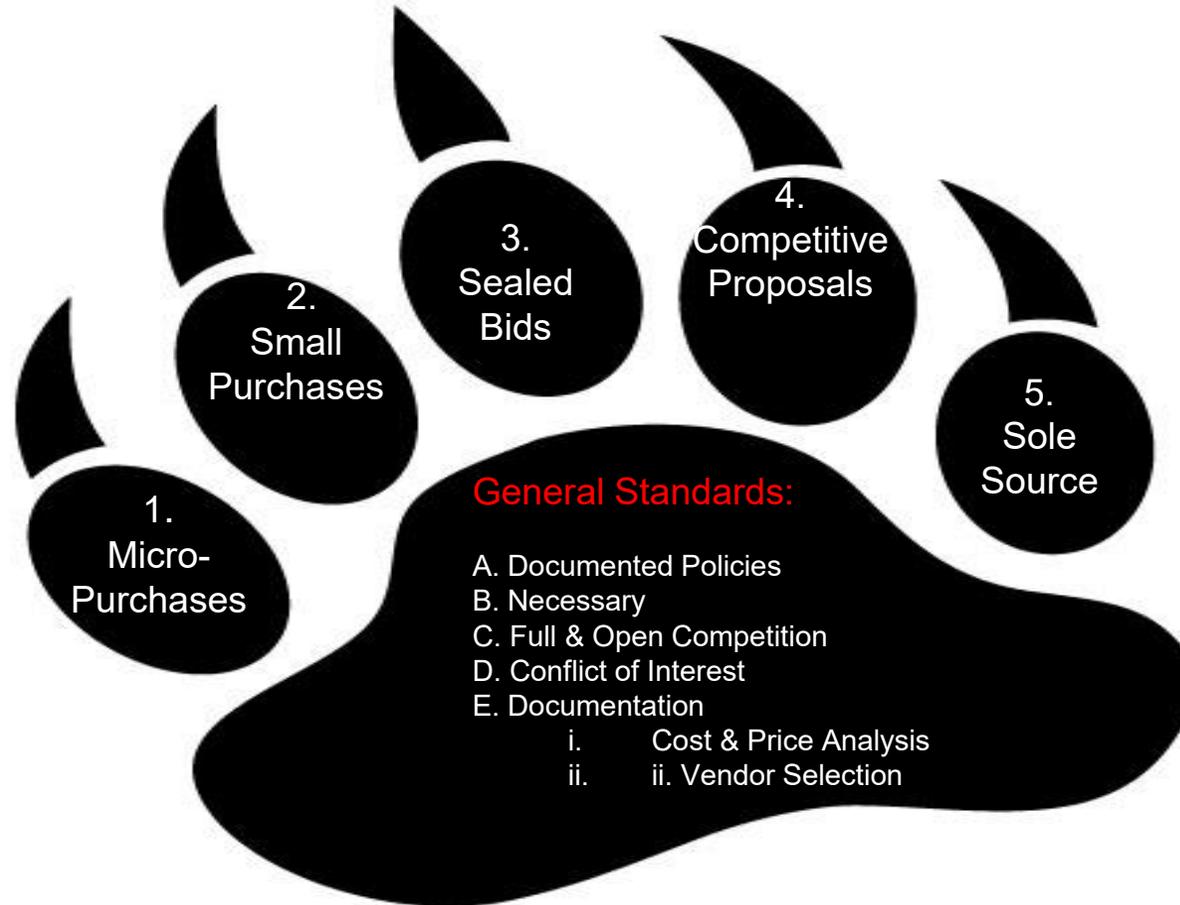
2CFR200.317-326

Oftentimes, it is necessary and required to procure goods and/or services in order to accomplish the goals of a grant program. Therefore, standards have been established to ensure that the **goods and/or services are obtained in a prudent manner and in compliance with the Federal regulations.**

NON-PERSONNEL EXPENDITURES

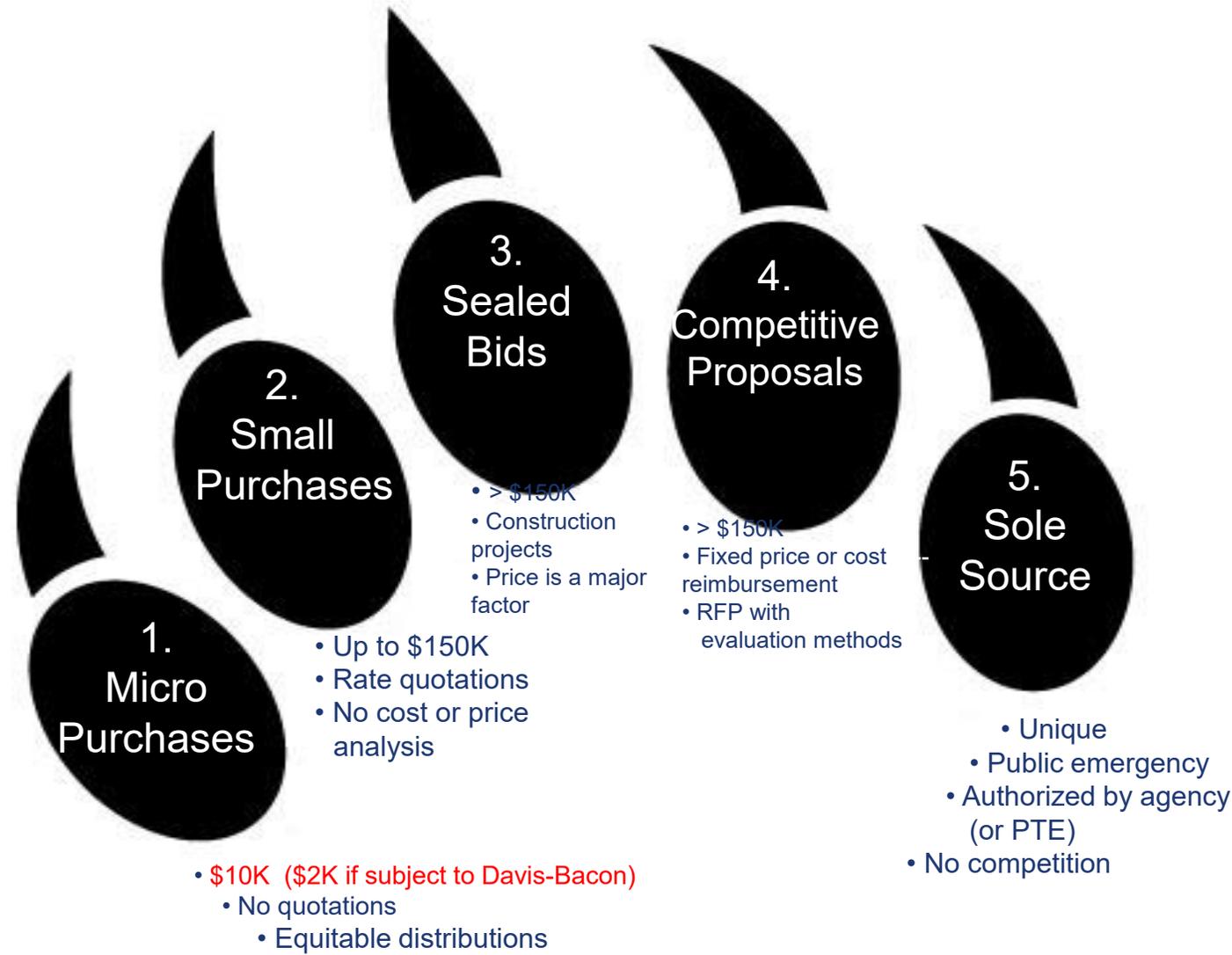
Non-personnel expenditures are made following the principles outlined in the purchasing manual located on the following pages. A purchase order must be generated *PRIOR* to obtaining goods or services.





Procurement “Claw” (Sections 200.317-326)





Procurement “Claw” (Section 200.320)





Allowable 2 CFR 200.403

- Necessary and reasonable
- Conforms to the cost principles and grant's terms and conditions
- Authorized or permitted by law or regulation
- Treated Consistently as a direct or indirect cost
- Adequately documented

Reasonable 2 CFR 200.404

- Reasonable costs are determined by the prudent person test (i.e. amount charged is not excessive and is within the bounds of common sense)

Allocable 2 CFR 200.405

- Chargeable and assignable to cost categories
- Incurred solely to advance the work under the sponsored agreement
- Necessary to the overall operation of the agreement
- Not charged to other Federal awards

*****Costs must be NECESSARY for proper and efficient performance and administration of the award (i.e. if it's a reasonable cost, if it's not necessary for the performance of the award, *it is not allowable.***

ALLOWABLE

- Necessary and reasonable
- Conforms to the cost principles and grant's terms and conditions
- Authorized or permitted by law or regulation
- Treated consistently as a direct or indirect cost
- Adequately documented

ALLOCABLE

- Chargeable and assignable to cost categories
- Incurred solely to advance the work under the sponsored agreement
- Necessary to the overall operation of the agreement
- Not charged to other Federal awards

REASONABLE

- Reasonable costs are determined by the prudent person test (i.e., amount charged is not excessive and is within the bounds of common sense)



Cost Principles

ALLOWABLE

- Necessary and reasonable
- Conforms to the cost principles and grant's terms and conditions
- Authorized or permitted by law or regulation
- Treated consistently as a direct or indirect cost
- Adequately documented

ALLOCABLE

- Chargeable and assignable to cost categories
- Incurred solely to advance the work under the sponsored agreement
- Necessary to the overall operation of the agreement
- Not charged to other Federal awards

REASONABLE

- Reasonable costs are determined by the prudent person test (i.e., amount charged is not excessive and is within the bounds of common sense)

Costs must be NECESSARY for proper and efficient performance and administration of the award (i.e., if it's a reasonable cost, if it's not necessary for the performance of the award, it is not allowable)



PURCHASING & PROCUREMENT CONSIDERATIONS

Model Procurement or Bid Law
Research bids, master agreements, cooperative contracts

Outside of price contracts rationale
Small purchases KRS 45A.385
Purchasing Cooperatives

Competitive Sealed bidding KRS 45A.365 &
Negotiation & KRS 45A.370

Noncompetitive Negotiation KRS 45A.380
Determination process

Requisitions prior to Purchase Order
P-Cards and Credit Cards Processes





▶ **Equipment 200.439**

- ▶ Tangible personal property including IT having a useful life *more than one year*
- ▶ Per unit cost is equal to federal level or higher (or if government sets a lower level – higher than that)
- ▶ Federal level is \$10,000
- ▶ General purpose equipment – office furniture, IT etc.
- ▶ Special purpose equipment – research / science only

▶ **Supplies 200.453**

- ▶ All else including IT less than \$10,000
 - ▶ MEANING – Smartphones, laptops, tablets etc. now expensed
 - ▶ No issue on useful life

Fixed Asset Policy And Procedures

2CFR 200.311 & 200.313 also 200.439 & 200.443



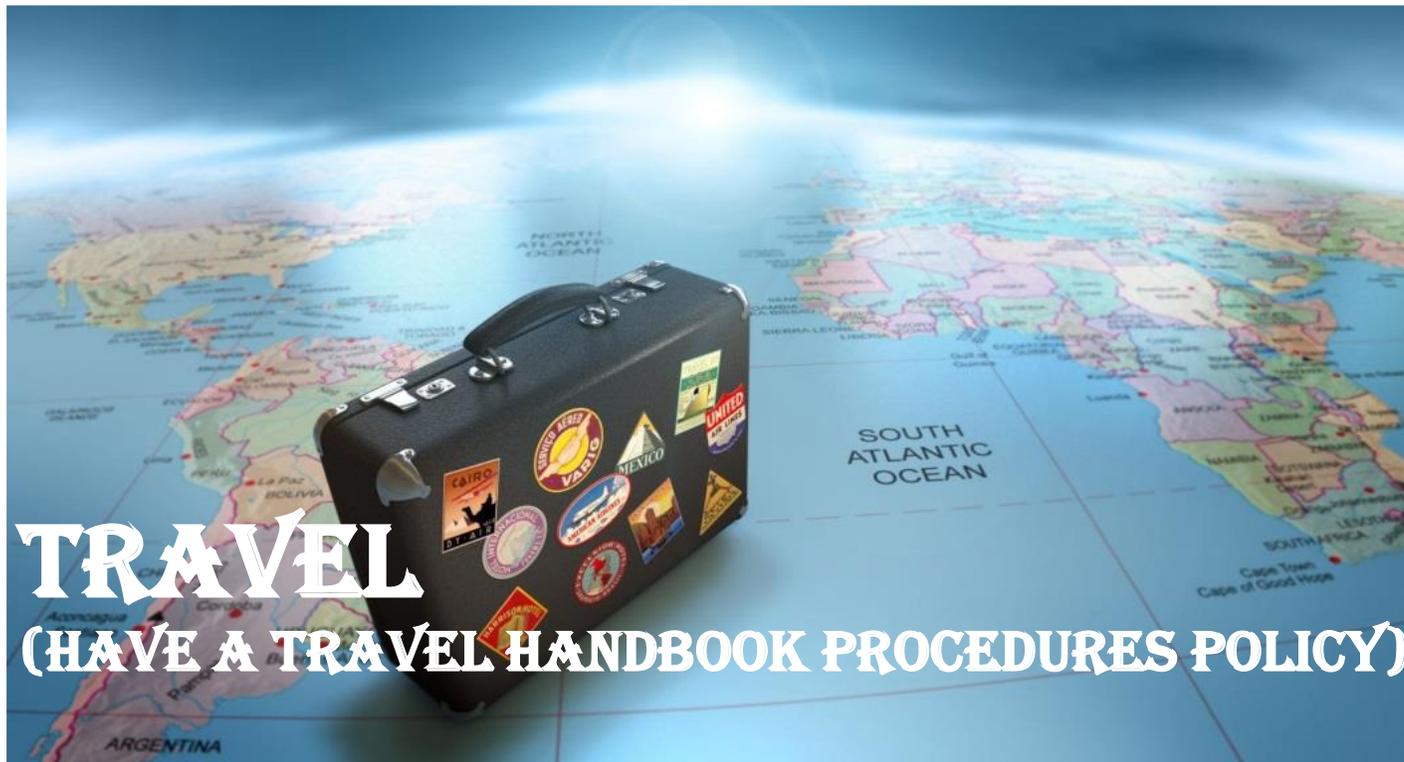


TRAVEL



Procedures For Payment Related to Travel

2 CFR 200.475 & 200.432 also 200.472-474



TRAVEL
(HAVE A TRAVEL HANDBOOK PROCEDURES POLICY)





In-Kind/Cash Match

2CFR200.306



Some grants require an "in-kind" match on the part of the grantee. This requirement is usually defined in the award documentation.

It is the responsibility of the program director to determine if there is an in-kind requirement on a grant and, if necessary, to obtain information or clarification from the grantor agency as to the nature of allowable in-kind items.

The program director is responsible for calculation and itemizing in-kind match amounts, and for maintaining supporting documentation for all in-kind items reported. In-kind reports, including the supporting documentation should be completed by the program director and submitted monthly to the Grant Accounting office.

If there is a District cash-match requirement, the program director will be required to get the approved funding authorization from the Budget Office on the actual amount and how the Grant Accounting Office will secure the funding from the General Fund.





Revenue

2CFR 200.302, 305, and 307



Each funding agency, whether local, state, or federal, has unique requirements for requesting the revenue to support a given grant.

The Grant Accounting office will follow the specific procedures established by the granting agency for securing these funds.

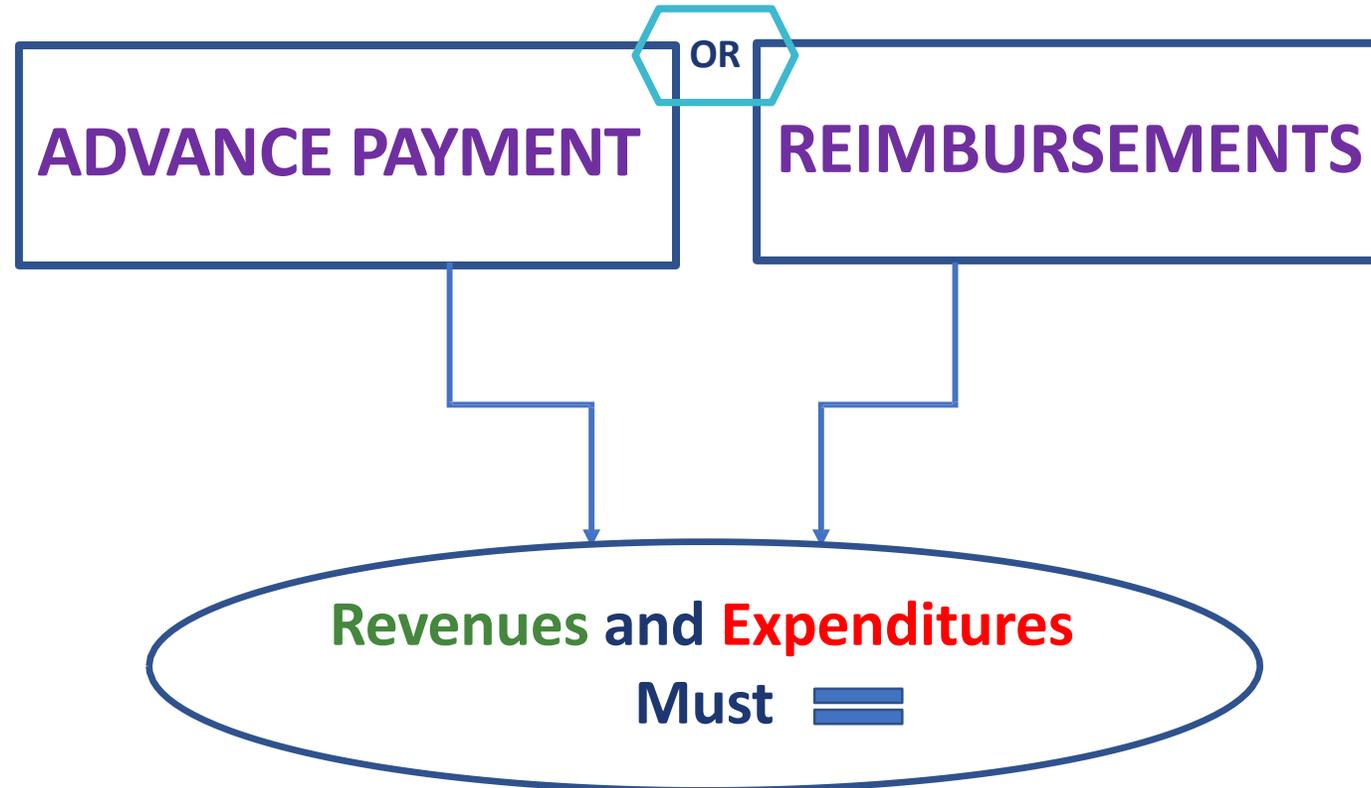


Federal Revenue Grant Drawdowns

- Reimbursement Basis for expenditures incurred
- Based on actual expenditures
- Variances due to minor changes in salaries will be offset the next drawdown period
- Limited to, at most, one drawdown per month
- We Do not draw down funds based on purchase orders (Actual expenditures only incurred)
- We have written procedures detailing the draw down process!



Regardless of the reimbursement method:



Revenues and Expenditures Must Equal



Spending Revenue (continued).....

Potential results of non-compliant spending

- Failure to spend “old” money before “new” presents possible audit comments and prevents timely reimbursement requests
 - Grant funds being forfeited.
 - Possible reduction in funding for the next year
 - Possible loss of award (not receiving funds at all).

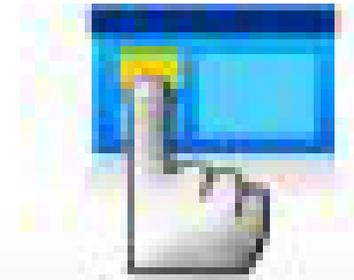


Grant Closeout Checklist & Audit

2 CFR 200.344 & 200.425

The Grant Closeout is the final stage in the life cycle of a grant. During the phase, the Grant Accounting Department ensures that all applicable administrative actions and required work of a grant have been completed by the grantee.

The grant closeout is a combined effort between the Grant Accounting Office, the Budget Managers, and the Grant Compliance Officer. The closeout process begins 90 days after the end of the grant-funding period.



Grant
Closeout



CLOSING OUT A GRANT OTHER CONSIDERATIONS

- Personnel: (don't leave staff on grant)
- Contract limitations & overages
- Final Financial Report (FFR 2CFR200.425)
- Outstanding Purchase Orders (90 days)
- Equipment over \$10,000
- Any unused advance money (return or carryover)
- Grant Closeout Checklist





Administrative Requirements:

CLOSEOUT – Uniform Guidance Subpart D, Subsection 200.343

IMPORTANT NOTE:

- Every final report must be adjusted to audit.
- Have 6 months to resolve audit findings.
- ❖ Final program and financial reports are submitted to the awarding agency
- ❖ The awarding agency review documents and notifies the District that closeout is complete or if additional information is needed.



GRANT CLOSEOUT CHECKLIST

GRANT CLOSEOUT CHECKLIST

One Month Prior to Award Expiration Date:

- » Determine if any additional purchases are required for the grant award. All goods and services must be received and completed by the end date of the award.
- » Limit the use of purchase orders to those items that can be received prior to the award expiration date.
- » Ensure all expenses posted to the award are allowable, reasonable, and allocable.
- » Correct any over-expenditure conditions that exist.
- » Master file grants sign off and file updated.

GRANT CLOSEOUT CHECKLIST

CONTINUED.....



0 to 30 Days After Expiration Date:

- » Grant team should complete and file program narrative reports, if applicable.
- » Ensure that expenditures are not overspent on the grant.
- » Ensure that all cost-sharing has occurred and been documented appropriately.
- » Ensure that all effort reports have been signed and returned.
- » Obtain and process all final vendor invoices directly related to goods and services charged to the grant.
- » Cancel all personnel costs assigned to a program.

30 to 90 Days After Award Expiration Date:

- » Grant closeout notification to appropriate stakeholders
- » Period of availability compliance
- » Assist all parties in the closeout process.
- » Identify and close all encumbrances or open obligations on the grant.
- » Close all outstanding purchase orders, if applicable.
- » Review indirect cost charges through life award and make any necessary corrections.
- » Document cost-sharing and verify that cost-sharing requirements has been met.
- » Identify any cost overruns and make any necessary adjustments.
- » Verify that the award budget has been spent appropriately.
- » Prepare final financial and program reports.
- » Return or carryover any unused advance money, appropriately.
- » Object Codes match funding matrix before being sent out.
- » Period of Availability compliance.



EXAMPLES

Assurances:
Budget Period:
Direct costs:
Encumbrance:
Equipment:
Fixed charges:
Grant Accountant:
Grant Period:
Grant Writer:
Indirect costs:
Matching Funds:
Obligation:
Pre-Award:
Post-Award

Program Income: Gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the award or incidentally.

Program Officer: The Program Officer oversees the application process and manages the program aspect of the project.

Single Audit: An organization wide audit in which an auditor reviews a sampling of programs and management practices to develop a picture of whether the organization as a whole is financially healthy and in compliance with grant and other legal requirements.

Supplies: All tangible personal property other than "equipment."

Supplant: To add to or increase

Supplement: To replace

SINGLE AUDIT



- REQUIRED BY SINGLE AUDIT ACT - AND IMPLEMENTED BY 2CFR200 Subpart F
- SINGLE AUDIT OPINIONS & REPORTS:
 - FINANCIAL
 - COMPLIANCE
 - INTERNAL CONTROL



CHANGES FOR ALL GRANTS RECEIVED AFTER OCTOBER 1, 2024

- ❖ 2CFR200.320 Procurement Changes formalized where micro-purchases increased from \$3,500 to \$10,000
- ❖ DUNS number phased out. Replaced by non-proprietary, SAM Generated Unique Entity ID (UEI) Number.
- ❖ Assistance Listing replaced CFDA# (Catalog Federal Domestic Assistance)
- ❖ Fixed Asset Threshold increase from \$5,000 to \$10,0000
- ❖ Go to www.beta.sam.gov (replacing www.cfda.gov)



CHANGES FOR ALL GRANTS RECEIVED AFTER OCTOBER 1, 2024

- ❖ Indirect Cost de minimus increased from 10% to 15%
- ❖ Single Audit Threshold increased from \$750,000 to \$1,000,000
- ❖ New deadline for audit closeout documentation is 120 days
- ❖ Cybersecurity internal controls are mandated without prescribing a specific framework



Moment of Clarity

I learned that.....

I realized that.....

I was pleased that.....

I was not aware of



Online Resources

▶ <https://www.govinfo.gov/content/pkg/CFR-2014-title2-vol1/pdf/CFR-2014-title2-vol1-part200.pdf>



ANY QUESTIONS?

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THANKS AND CONTRIBUTORS!

- **Rodney O. Jackson**-Director of Finance (Fayette County Public Schools)
- **Francie Wolfe-Bauman-Dysart** District
- **Jennifer Shields**-Auditor Heinfeld Meech
- **SASBO**
- **ASBO International**

*Thank
You*

The image features a classic Looney Tunes ending screen. It consists of a series of concentric circles in shades of red and black, creating a tunnel-like effect. In the center, the text "That's all Folks!" is written in a white, elegant cursive font. The text is positioned slightly to the left of the center, following the curve of the inner circles.

That's all Folks!



KASBO

L I N K . L E A R N . L E A D .

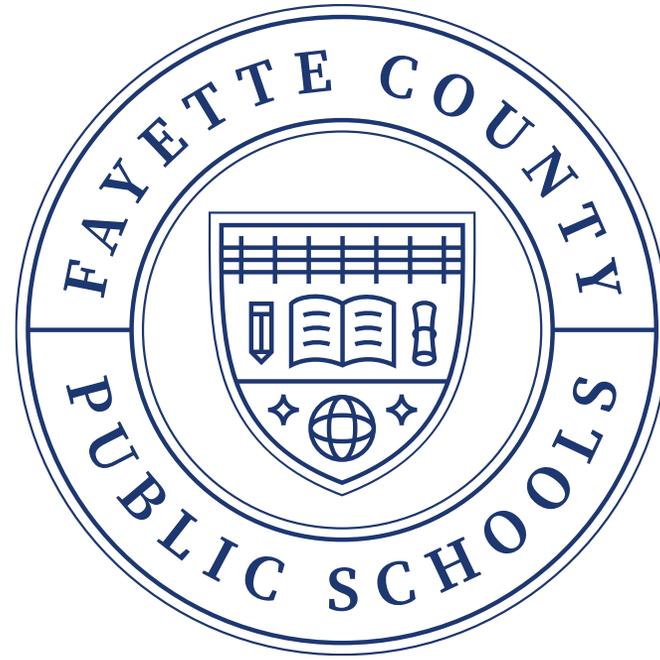
THE LEADING TRAINER IN SCHOOL FINANCE

EMAIL:

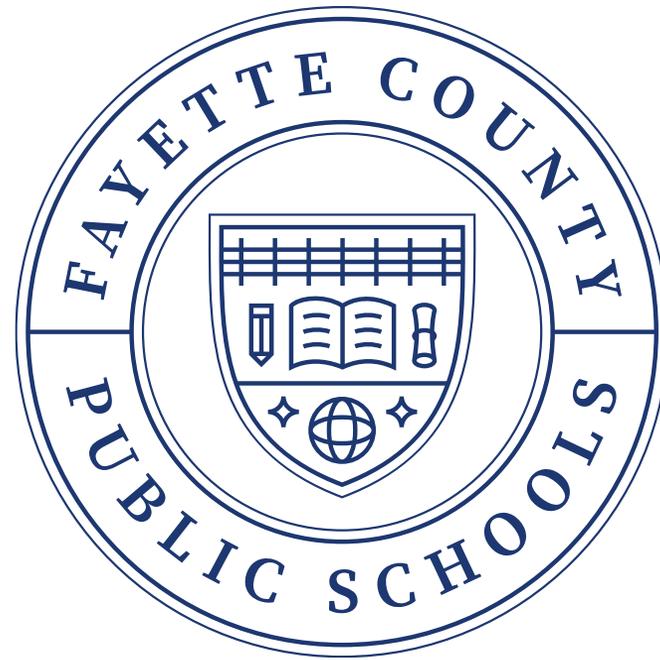
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Questions?



Thank you!