

AmeriCorps Fiscal Overview

Wednesday

3:15 – 4:45 p.m.

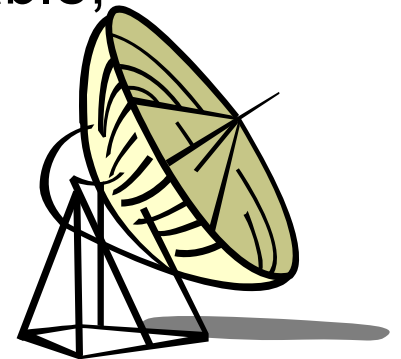
Session Objectives

- Participants will learn about the key fiscal and grant compliance issues to ensure accountability.



Items to Have on Radar

- Read and understand the award terms and provisions and revisit award requirements many things have changed over the past few years!
- Familiarize all staff with provisions, regulations and program policies and procedures.
- Ensure supporting documentation relates directly to program funded by the CNCS grant
- Establish documentation for expenditure requirements to ensure costs are allocable, allowable, necessary, and reasonable
- Ask questions and get approval as needed before acting



Nat'l & Community Svc. Act of 1990

Code of Fed. Regulations (CFR)

OMB Circulars (part of CFR)

State & Local Regulations

NOFO

Notice of Grant Award

Certifications and Assurances

Provisions

Revised Grant Guidelines

Effective May 11, 2004 and August 31, 2005

Federal Grant Guidelines	Universities	States, Local, Indian Tribal Governments	Non-Profits	Hospitals
Administrative Requirements	§ 45 CFR 2543 § 2 CFR 215 (formerly A-110)	§ 45 CFR 2541 OMB A-102	§ 45 CFR 2543 § 2 CFR 215 (formerly A-110)	§ 45 CFR 2543 § 2 CFR 215 (formerly A-110)
Cost Principles	§ 2 CFR 220 (formerly A-21)	§ 2 CFR 225 (formerly A-87)	§ 2 CFR 230 (formerly A-122)	§ 45 CFR 74 (HHS regulations)
Audit Requirements *	OMB A-133	OMB A-133	OMB A-133	OMB A-133

Notes:

CFR = Code of Federal Regulations

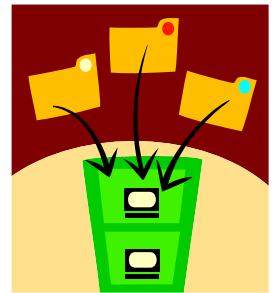
* = Organization is subject to A-133 if it expends more than \$500,000 of Federal funds in its fiscal year

Standards of Allowability

- Reasonable
- Necessary
- Allocable
- Authorized and legal
- Within cost limits
- Treated consistently
- Meets Cost Accounting Principles and Standards
- Not double charged
- Well documented

Cost Principles

- Used to determine the allowable costs incurred by organizations under grants or contracts.
- Principles are designed so that federal awards bear their fair share of the cost.
- Information about factors that affect allowability and information about reasonable, necessary, and allocable costs.
- There is a list of selected costs that are specifically addressed.



Cost Principles

Examples of costs described in Circular:

- Advertising and public relations costs
- Compensation for personal services
- Memberships, subscriptions, and professional activity costs
- Recruiting costs
- Rental costs
- Training and education costs
- Travel costs



Administrative Requirements

Examples of items addressed in Circulars

- Pre-award policies
- Special award conditions
- Purpose of financial and program management
- Standards for financial management systems
- Cost sharing or matching

Common *Issues or Pitfalls*

- Member eligibility
- National Service Criminal History Check
- Inappropriate time keeping for Members

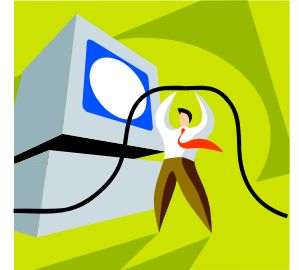
- Inappropriate time and activity records for staff time charged on grant
- Inadequate or no documentation for match
- Inappropriate in-kind donations documentation

- Incomplete or non-existent reconciliation of financial reports
- Inadequate financial systems and internal controls
- Lack of written policies and procedures

Documentation Objective

- All documentation should support:
 - What is the service or goods obtained
 - Why the transaction is allowable for the grant purposes
 - The value of the contribution
- Documentation should also ensure that costs:
 - Conform to grant/contract limitations
 - Are treated consistently
 - Determined in accordance with Generally Accepted Accounting Principles (GAAP)

Personnel Cost Documentation



- Time & Activity Documentation
- All salaries and wages charged to CNCS grants must be supported by signed time and attendance records except:
- State, local and Indian tribal governments must comply with OMB A-87
- Educational Institutions must comply with OMB A-21
- Time must be based on after-the-fact activity not on a predetermined basis or on the budgeted amount

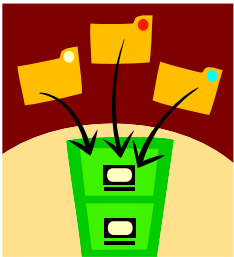
OMB A-87 Required Documentation

Activity reporting must:

- Reflect an after-the-fact distribution of each employee's actual activity**
- Account for the total activity of each employee**
- Be prepared at least monthly and coincide with one or more pay periods**
- Be signed by the employee and supervisor**

Documenting In-Kind Contributions

- Document the donor's basis for determining value of personal services, material, equipment, building, and land
- Obtain written acknowledgement from the donor to include:
 - ✓ Date and location of donation
 - ✓ Detailed description of item/service
 - ✓ Estimated value of contribution, how value was determined, who made the determination
 - ✓ Was the contribution obtained with Federal funds
 - ✓ Name and signature of donor



Keep a copy of the receipt in your files

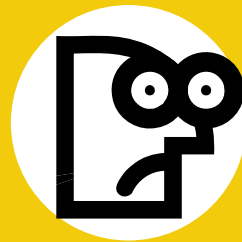
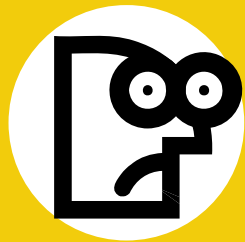
Valuing In-Kind Match



- Use Fair Market Price
- Consider what it would cost to obtain similar good or service
- Value of donation should be placed by the donor
- Review donor's letter or form to ensure the value is reasonable

Upcoming Sessions

- We will review budget issues and the new Single Match Requirement tomorrow morning
- We will discuss Member Management and compliance issue tomorrow afternoon.



It's QUESTION TIME!!