Grant Management for Idaho CWMA's

Or

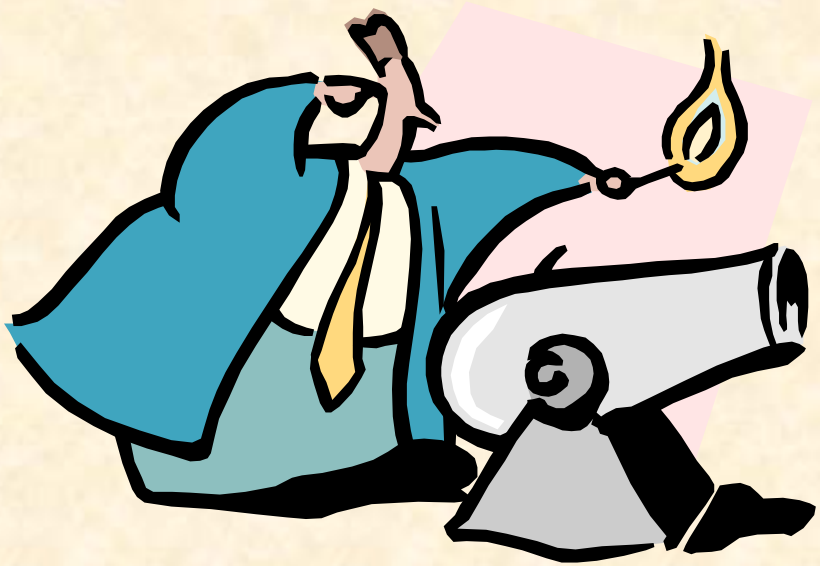
How to stay on track and keep the money flowing from the Forest Service to ISDA.

In addition to the rules and guidelines specific to ISDA, there are some basic rules that apply to all federal assistance. They are found in the Office of Management and Budget (OMB) Circulars.

For Non-Profit Organizations these are the circulars that apply:

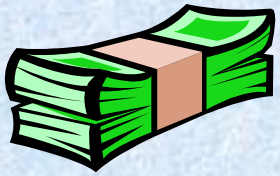
- Administrative Requirements (A-110) also found at 7 CFR 3019
- Cost Principles (A-122) also found at 7 CFR 3015
- Audit Requirements (A-133)

Administrative Requirements A110 or 7 CFR 3019



Financial Management

3019.21



- Accounting records that are supported by source documentation.
- Fiscal control must permit tracking funds to show funds are spent properly.
- Provide information necessary for required reporting.

Payment

3019.22

- May be made in advance or as a reimbursement. ISDA rules must be followed.
- Minimize time between transfer of funds and disbursement – don’t hold the cash!

Grant funds must be liquidated within 90 days after the expiration date. . .

. . .Or they will disappear.

Cost-sharing or Matching Requirements

3019.23

Matching requirements

- Are identified in the grant authority.
- May be accomplished with in-kind, contributed funds, or other (non-federal) grants.
- Cannot match federal to federal unless legislation allows.
- Must occur during the grant period.

In-kind contributions

- Includes volunteer time, and donated materials, equipment, and property.
- Rates & values are consistent with those for similar work and do not exceed fair-market values.
- May be referred to as a “soft” match since no funds change hands.

Contributed funds

- Real dollars spent to accomplish the project or program.
- Allowable costs may include employees time, supplies, materials, or equipment.
- Includes direct and indirect costs.

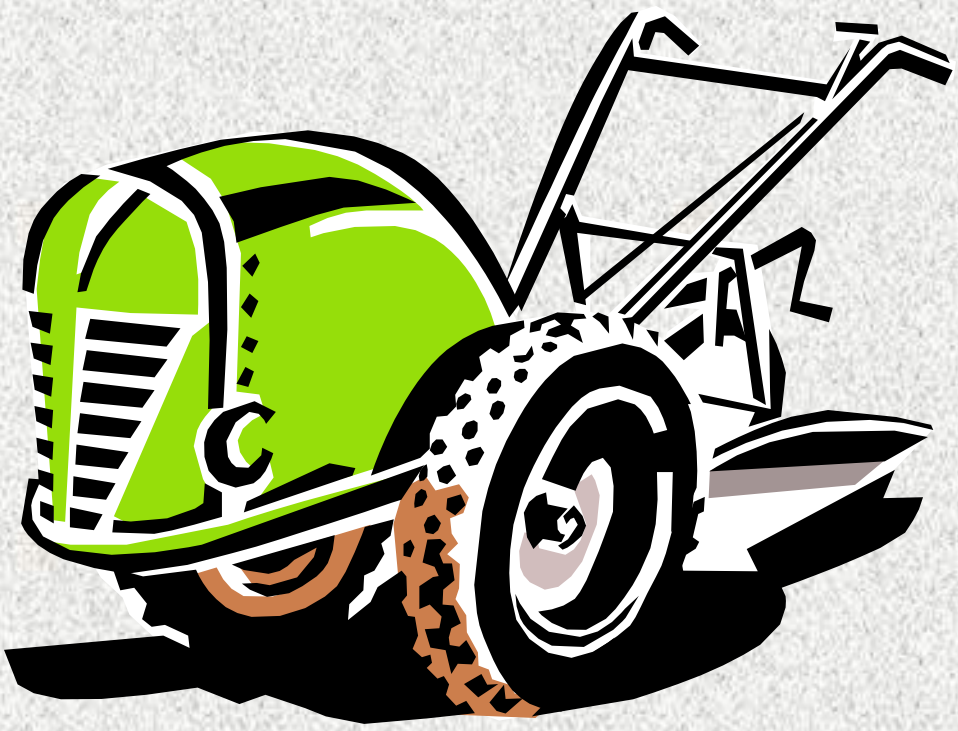
Changes

3019.25

Prior approval is required for:

- ✓ Additional funding.
- ✓ Changes in the scope of the project.
- ✓ Need for extension.
- ✓ Contracting or sub-granting if not identified in the original application.
- ✓ Transfers between budget categories if over 10% of the budget.

Equipment & Supplies



3019.34

3019.35

A general rule:

Equipment

- Valued at over $5,000 per item.

Supplies

- Valued at under $5,000 per item

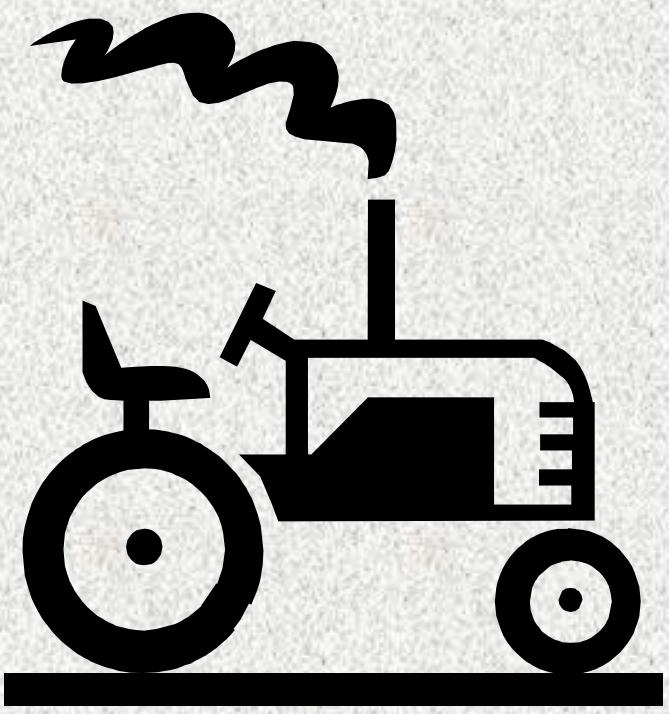
Equipment

- Non-expendable.
- Useful life of over one year.
- Depreciable.

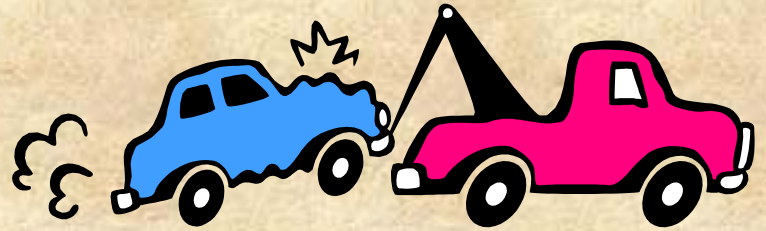
Think big and expensive!

Who Owns the Equipment?

Title rests with grantee subject to the conditions in section _.34.



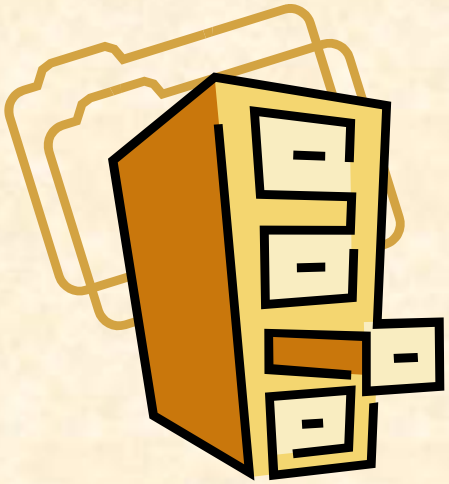
However . . .



The Federal-awarding agency <u>may</u> reserve the right to transfer the title of any equipment purchased with grant funds when the recipient no longer needs the equipment.

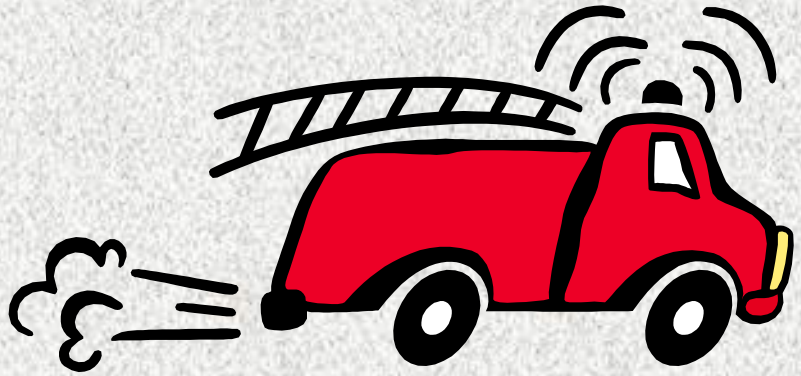
Basic recordkeeping requirements for equipment

- Maintain complete property records.
- Inventory property at least every 2 years.
- Establish a control system to insure adequate safeguards to prevent loss, damage, or theft.
- Maintain the equipment.



What happens to equipment at the end of the grant period?

Equipment can be used for the project or program for which it was originally acquired, whether or not the project or program continues to be supported by federal funds.



What do I do when I'm done using the equipment on my project?

There are two questions:

–Is it worth more than $5,000?

–Did the federal government retain the right to transfer the title?

If the value of the equipment is less than $5,000 and there is no “reserve” on the title, you may keep or dispose of the equipment in accordance with your property regulations.

Otherwise, you need to follow the rules in the Administrative Requirements.

You may end up using the equipment on a similar project, transferring it to another grantee, or selling it and sharing the proceeds with the government.

Procurement
&
Contracts

3019.40

Procurement procedures

- All recipients shall establish written procurement procedures following the guidelines in section _.44.
- Provide for free & open competition.

Contracts

Ensure all contracts include any clauses or provisions required by federal statutes, executive orders or implementing regulations.

Reports & Records

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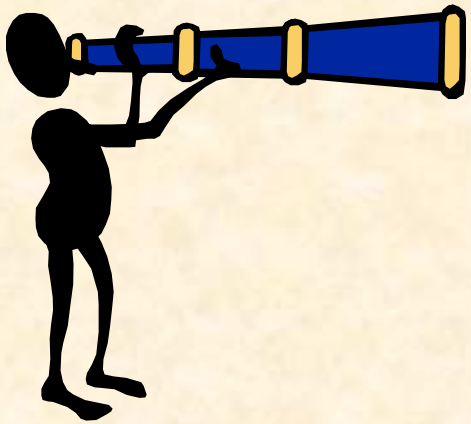


Monitoring by grantees

- Responsible for managing day-to-day operations.
- Must monitor grant and subgrant supported activities to ensure performance goals are met.

Performance Reports

3019.51

- Required annually at a minimum, due within 90 days from the end of the grant year. May be required as often as quarterly.
- Should contain a comparison of actual accomplishments to the objective established for the period, and any other pertinent information.

Financial Reporting

3019.52

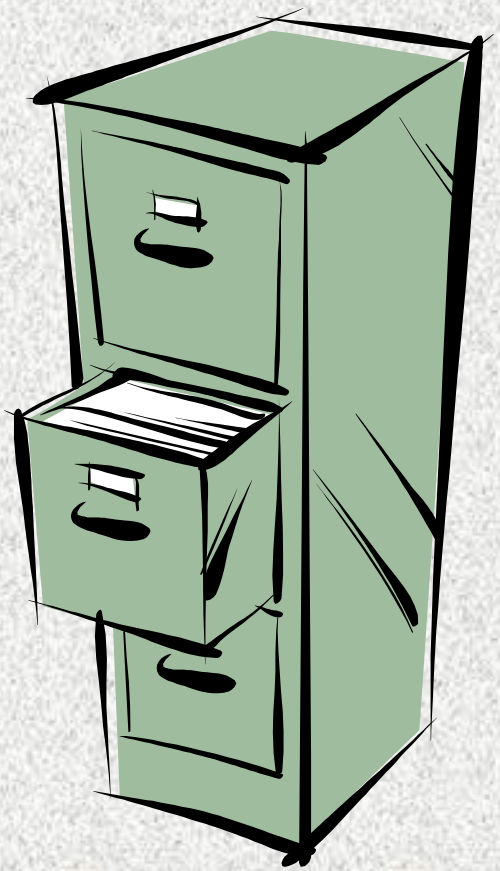
Financial Status Reports

- Report on Standard Form 269 or 269A.
- Due at least annually, within 90 days from the end of the grant year.
- May be requested no more often than quarterly.

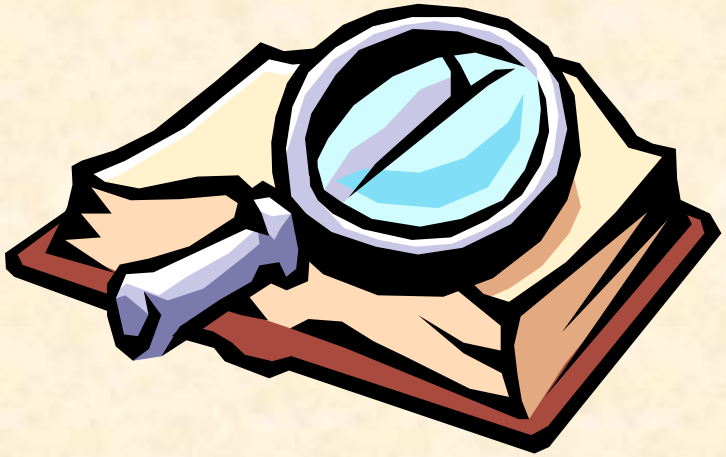
Record Retention

3019.53

- As a general rule, all records must be kept for three years.
- The awarding agency and the CG shall have the right of access to those records for the full retention period.
- FOIA does not apply to grantees files.



Cost Principles



OMB Circular A-122

For Non-Profit Organizations

There are three attachments to the Cost Principles, but we're only generally concerned with two:

- Attachment A contains definitions and general principles for determining allowability of costs.
- Attachment B contains selected items of cost and their allowability.

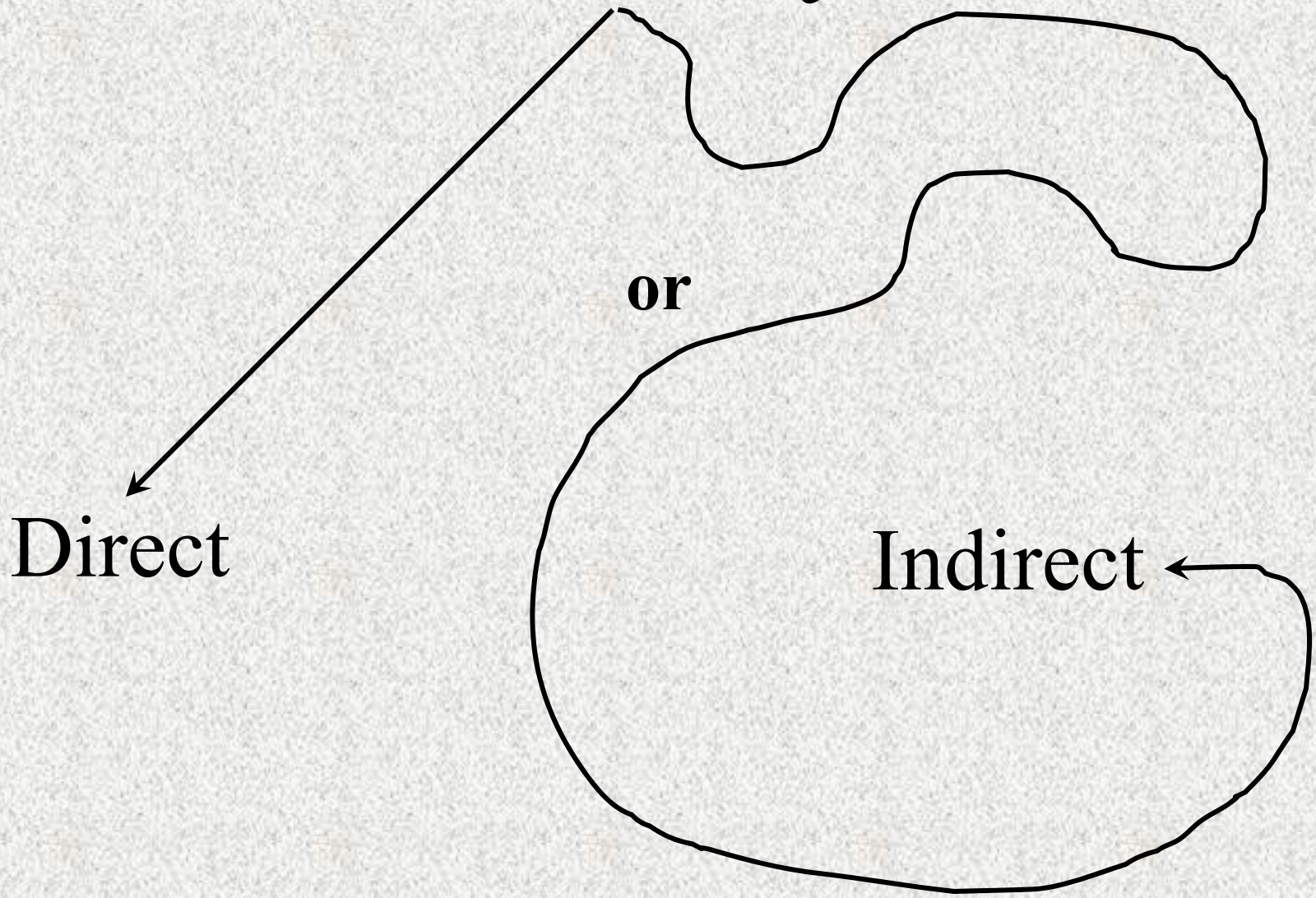
For example, if we want to know if we can spend grant funds on alcoholic beverages, we look in Attachment B to see if it’s allowable.

4. Alcoholic beverages.

Costs of alcoholic beverages are unallowable.

Caution: Most of the descriptions are not quite this succinct.

Costs may be



Direct costs may include:

- Employee compensation for time devoted specifically to the project.
- Cost of materials acquired specifically for the project.
- Equipment and real property.
- Travel expenses incurred specifically to carry out the award.

Indirect costs:

- Costs incurred for a common purpose benefiting more than one cost objective.
- Should be distributed on an equitable basis.
- Must be documented and may be adjusted as necessary.
- May be limited by program authority or legislation.

Indirect Cost Rates are addressed in:

Attachment A (Section D) of A-122

Allocation of Indirect Costs and Determination of Indirect Cost Rates

Questions?