



Ottawa Area ISD.
Learn. Serve. Lead.

 **Maner
Costerisan**

Grants Processing A-Z

Presenters

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Continuing Education Credit

- ▶ **Session: E 06- Grant Processing A-Z**
- ▶ **Reminder to all attendees to check the box on your Conference At-A-Glance to record your attendance for this session**

Let's Learn About Our Audience



Programmatic or Business Office?

School Level, District Level or ISD?

Grant Funded?

A fiscal agency that expends \$750,000 or more of federal funds during its fiscal year (July 1 – June 30) is required to prepare single audit.

▶ Fun Facts

- ▶ OAISD currently manage over 75 grants this fiscal year, ranging from \$1,500 to \$13.2M**
- ▶ OAISD transfer out to 40 subrecipients (Districts, CBO's & PSAs)**
- ▶ Federal oversight requires all staff supporting or using federal funds should be trained.**

Every transaction we make becomes a *historical record!*

- ▶ Audits can occur during the grant cycle and up to 7 years after closing! Know your Records Retention / Disposal Schedule
 - ▶ No ability to change records once the fiscal year is closed
 - ▶ Clean, clear copies
 - ▶ Timely manner
 - ▶ Documented accurately



Learning the Audience!

Have you been doing grants less than 1 year?

Less than 5 years?

More than 10 years?

Before you start applying for new grants...

- ▶ **Are you eligible?**
- ▶ **What is your mission? Strategies? Does the grant fit?**
- ▶ **Do you have the support of the Board & Administration?**
- ▶ **Diversify your funding sources**
- ▶ **Be realistic; capacity, recession, return on investment**
- ▶ **Collaborate & build relationships**



LOCAL



STATE



FEDERAL

- ▶ **Donations, Foundations, Community & Corporate**
- ▶ **Less restrictive, More flexibility**
- ▶ **Document all updates and changes from original application in the event of an audit**

- ▶ Often listed on State Aid, Egrams or in NexSys
- ▶ Do you know where to find grant codes other than in your award letter?
 - ▶ MDE 1022 Appendix-Definitions for Accounting Codes
- ▶ State policies can be more restrictive than Federal and Local can be more restrictive than State
 - ▶ Examples – Procurement and PARS as an Internal Control Policy

- ▶ Can be competitive in nature
- ▶ Request for Proposal (RFP)
- ▶ Notice of Funding Available (NOFA)
- ▶ Funding Opportunity Announcement (FOA)
- ▶ Found in systems such as NexSys, G5, Commonsplus, Megs+, grants.gov, ERA Commons
- ▶ Guidelines you must follow

- ▶ **GAN – Grant Adjustment Notice**
- ▶ **Award Letter – note ALN/CFDA**
- ▶ **Contract or Agreement**
- ▶ **Are you a sub-recipient, contractor or beneficiary?**

Know your grant period to include obligation and liquidation dates, grant code, suffix if needed & reporting guidelines.

- ▶ **Does your staff know if funded by a grant?**
 - ▶ Provide Spending Guidance
 - ▶ Communicate to team dates and budget, provide reminders
 - ▶ Out-of-State Travel is prior approval needed
 - ▶ Purchasing Cards – Tax Exempt
 - ▶ Tipping – Do you have procedures to follow?



You need to build a great network! Know your project consultants, directors, MDE contacts & resources.

Make sure Accounts Payable can Recognize Object Codes!

- ▶ 1000,2000,3000,4000,5000,6000,7000,8000's
 - ▶ 1000-2000's are only salary and benefits
 - ▶ Printing Services is a _____ not a supply
 - ▶ Supplies are a _____ not a purchased service
 - ▶ Subscription is a _____, know your new GASB #96 Reporting
 - ▶ Dues and Fees are a _____
 - ▶ Transfers are a _____

- ▶ **Are your financial procedures up-to-date?**
 - ▶ **Never include names, only positions**

Policies are a commitment to compliance with state & federal requirements.

Procedures have sufficient detail to guide staff which may include training, accountability, coordination & consequences if not in compliance.

- ▶ **Governmental Accounting Standards Board (GASB)**
- ▶ **The State School Aid Act of 1979**
 - ▶ <http://www.legislature.mi.gov/documents/mcl/pdf/mcl-act-94-of-1979.pdf>
- ▶ **OMB- Office of Management and Budget- UG (Uniform Guidance)**
 - ▶ <https://www.whitehouse.gov/omb>
- ▶ **1022- Michigan Public School Accounting Manual**
 - ▶ <https://www.michigan.gov/mde/Services/financial-management/state-aid/publications/michigan-public-school-accounting-manual>
- ▶ **MDE – Communications, Program Allocations, and Resources**
 - ▶ <https://michigan.gov>
- ▶ **MSBO – School Finance, Support Services & Resources**
 - ▶ <https://www.msbo.org>
- ▶ **IDEA – State Aid & IDEA Part B, Section 611 Allowable Costs**
 - ▶ https://www.michigan.gov/-/media/Project/Websites/mde/specialeducation/funding/StateAid_IDEA_PartB_Section611_Allowable_Costs.pdf?rev=4bfde1353ae14489ba395585223309f6

► New Day & Age

- Adobe, Google, Ready Sign, Skype, Teams & Zoom!
- COVID brought us remote work, and to a new level with better capabilities to work from anywhere!

Once printed now pdf's.

Paperless & Audit Benefits



► Remember Cost Principles

ALLOWABLE

Cost allowable within federal regulations / award?

ALLOCABLE

Does the expense benefit the award, is the base for allocating reasonable? Supplement vs. Supplant

REASONABLE

What a prudent person would find reasonable.

CONSISTANT

In like circumstance expenses are treated uniformly.

- Ensure expenses in your grant application make sense and consistent with proposal
- Demonstrate funds will be used wisely
- Restrictions on equipment? Walk-able items? Know your policies, who tracks this?

- ▶ **Documentation is Key – Can you provide detailed expenses?**
- ▶ **Do not included resources currently federally funded**
- ▶ **Volunteer Rates – Great resource for documenting meeting attendance & time**
 - ▶ <https://independentsector.org/resource/value-of-volunteer-time/>
- ▶ **Don't make it tough on yourself!**

- ▶ **Competitive Bid Threshold- Out yearly round October and watch board polices/procedures ensure limits match or statement to reference State Threshold.**

- ▶ [https://www.michigan.gov/-/media/Project/Websites/mde/2021/10/07/Competitive Bid Threshold FY 2022.pdf?rev=84bbde9da1c342b783d3d2f5eaa12811](https://www.michigan.gov/-/media/Project/Websites/mde/2021/10/07/Competitive_Bid_Threshold_FY_2022.pdf?rev=84bbde9da1c342b783d3d2f5eaa12811)

- ▶ **Procedure for checking Debarments – Exclusions on Sam.gov**
- ▶ **No indirect over \$25,000 (more to come!)**
- ▶ **Signed by all parties**
- ▶ **Dates correctly reflect grant period**

- ▶ MDE publishes R0418 Rate Summary Report annually
- ▶ Includes your district Restricted and Unrestricted Rate
- ▶ Allowable in the grant
- ▶ De Minimis maybe used by any non-federal entity, 10% maximum that has never received a negotiated indirect cost rate
- ▶ Any funds flowing through a district to another educational entity should be excluded from rate calculation
- ▶ \$25,000 Max Rule

“Indirect rates should only be applied by the district to the first \$25,000 of any contract or subgrant related to a federal grant”

Before putting staff into a Federal Grant

Know who is Medicaid Billing

- ▶ Know the financial impacts
- ▶ Select different staff if needed
- ▶ No supplanting

- ▶ Know your grant, read the important information and assurances if available. Do you need signed copies by sub-recipients?
- ▶ Contracts and Applications often detail reporting requirements, make sure to request copies for all grants
- ▶ Monthly FSR? Quarterly? Interim? IER? Annual? FER?
- ▶ Make sure you have a calendar with all reporting deadlines
- ▶ Be prepared to work with your team to compile meet reporting requirements
- ▶ Many grants provide webinars or recorded guidance
- ▶ Don't struggle, ask for guidance! Network, SBO's, MDE or Grantor!

- ▶ Ensure bi-annual
- ▶ Certification dates align with bi-annual
- ▶ Allocations correct
- ▶ One objective – is function and object code the same if split funded?
- ▶ Signed dates after certification period!



- ▶ **Bi weekly, multi-objectives**
- ▶ **Dates aligned**
- ▶ **Consistent in reporting hours or days**
- ▶ **Signed by all parties**
- ▶ **No changes to Forms if in procedures,
example month at a time**

Certification that employee worked on a single federal award or cost objective. Must be prepared at least semi-annually, signed & dated.

Ottawa Area ISD
Federal Program Semi-Annual Certification

Time-and-Effort Certification

Staff Name: [Click or tap here to enter text.](#)

Position: [Click or tap here to enter text.](#)

School/Site: [Click or tap here to enter text.](#)

School Year: [Click or tap here to enter text.](#)

Certification Period: [Click or tap here to enter text.](#)

Program or Cost Objective	Distribution of Time
ECSN- ALN/CFDA # 93.575	100%
State or Local	0%
TOTAL	100%

I certify that I performed work consistent with the attached schedule and as distributed in the above percentages during the Certification Period.

Employee Signature

[Click or tap here to enter text.](#)
Date

I certify that I have firsthand knowledge that the above employee performed work consistent with the attached schedule and as distributed in the above percentages during the Certification Period.

Supervisor Signature

[Click or tap here to enter text.](#)
Date

- ▶ **Cash Management now NexSys**
 - ▶ Ensure grant review completed
 - ▶ Purchase order and contracts completed
 - ▶ All expenses paid out – no pending AP or Accruals
 - ▶ Do you need to do indirect entries?

- ▶ If required, once all funds are fully expended for a grant you must submit a FER (Part of Compliance and Reporting)
- ▶ Run audits, watch grant period and dates
 - ▶ Reclass unallowable costs, check payroll and A/P transactions for accuracy
- ▶ Function Codes and Object Codes
 - ▶ Avoid misclassified costs

- ▶ Be sure your federal policy and procedures are updated.
- ▶ Becoming familiar with the Michigan School District Audit guide.
- ▶ Monitor the Alerts that MDE puts out.
- ▶ Having separate account numbers for different grant years.
- ▶ Reconciling PAR reports to the general ledger.
- ▶ Properly identify funding as federal. Function code 4xx.
- ▶ Documentation of review and approval.
- ▶ Verifying expenses agrees to the revenue as well as the grant award amount.

- ▶ Start Early
- ▶ All Award Letters available
- ▶ Certifications or PARS on file, dates and allocations correct?
- ▶ SEFA preparation (done at local or by auditing firm)
- ▶ Federal Award Reconciliation completed for Transfers (ISD)
- ▶ Transfers completed
- ▶ Applications and budgets available
- ▶ Grant schedule?
- ▶ Contracts signed, dated and available
- ▶ HR and Payroll available for audit window



- ▶ **Time and Effort Documentation**
- ▶ **Certifications and Professional Licenses**
- ▶ **Evidence of Criminal Background Checks**
- ▶ **Employee Contracts**
- ▶ **Contracts – on file, dated within grant period and signed**
- ▶ **Prorate subscriptions**
- ▶ **Inventory Requirements with Policy/Procedure**
- ▶ **Title IA needs Carryover Waiver if greater than 15% of allocation**



Contacts

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