



Grants Management

Knowing the Basics Will Help SEAs
and LEAs Prevent Audit and
Monitoring Findings

2015 Annual State Coordinators Meeting
McKinney-Vento Education for Homeless Children and Youth
Alexandria, VA
March 5, 2015

Earin M. Martin, Ed.D.
Grants Management 101, LLC

Today's Agenda

- Responsibilities of the Local Program Manager and Business Office
- Managing the Grant – SEA Level and LEA Level
 - Administrative Requirements
 - Fiscal Requirements
 - Program Implementation
 - Supplement, Not Supplant and MOE
 - Subrecipient Monitoring
- Questions ?????

*Compliance Handbook for McKinney-Vento
Education for Homeless Children and Youth
Subgrantees – Texas*

2nd Edition, 2014

Earin M. Martin, Ed.D.

McKinney-Vento (TEXSHEP) Grantee Handbook

<http://www.utdanacenter.org/theo/texshep/index.php>

Compliance Handbook

The first 3 parts apply to any federal program, not just McKinney-Vento:

❖ *Introduction*

❖ *Part I – Uniform Administrative Requirements Applicable to All Federal Education Grants*

❖ *Part II – Fiscal Requirements Applicable to All Federal Education Grants*

I encourage you to read the *Introduction* – sets the stage for proper grants management

Local Program Manager Responsibilities

Pages 8-10 of the *McKinney-Vento Compliance Handbook*

Program Manager and homeless liaison may or may not be same person

1. Coordinate with local Business/Accounting Office re: proper assignment/coding of budgeted items
2. Serve as primary contact with SEA
3. Share copies of approved application with LEA Business Office and other program personnel
4. Coordinate with other state/federal program personnel to maximize effectiveness of grant
5. Identify and coordinate resources needed
6. Provide opportunities for parents, teachers, and other parties to participate in planning, operation of grant program (GEPA)

Local Program Manager Responsibilities Cont'd.

7. Make application, evaluation, program plan, or report related to grant readily available to parents and public (GEPA)
8. Acquire and disseminate significant information derived from education research, demonstrations, and similar projects to teachers and administrators participating in the grant (GEPA)
9. Review each page in grant application for changes made during negotiation

Local Program Manager Responsibilities Cont'd.

10. Spend grant funds only for items approved in application and for items that are:
 - Allowable under federal cost principles (OMB Circular A-87; 2 CFR Part 200, Subpart E)
 - Reasonable in cost and necessary to carry out grant program
 - Documented with appropriate supporting documentation (receipts, invoices, travel vouchers, etc.)
 - Obligated between the beginning and ending dates of the grant
 - Benefit one or more homeless students during the grant period

Local Program Manager Responsibilities Cont'd.

11. If purchasing equipment, ensure budgeted in approved application, used only for authorized purposes, properly numbered, tagged, and inventoried
12. Plan, implement, and complete activities according to approved timeline
13. Monitor program activities daily
14. Monitor the approved budget closely to determine need for amendment
15. Prepare and submit required program reports
16. Coordinate with local Business/Accounting Office to ensure expenditure reports are submitted timely and that eligible costs are being charged to the grant (**periodically review the general ledger and payroll ledger**)
17. Report regularly and frequently to local senior administrators on status of implementation, operations, successes, barriers to success

Local Business/Accounting Office Responsibilities

Pages 10-11 of the *Compliance Handbook*

1. Maintain official audit records of grant expenditures and expenditure reports, including supporting documentation
2. Collect and maintain time-and-effort reports from grant-funded personnel and ensure payroll costs reflect these records
3. Complete and submit expenditure reports
4. Compare actual expenditures to budgeted expenditures [34 CFR 80.20(b)(4); 2 CFR 200.302(b)(5)]

Local Business/Accounting Office Responsibilities Cont'd.

5. Ensure LEA complies with any mandatory accounting requirements established by state
6. Ensure grant funds are expended only for items that are:
 - Allowable under federal cost principles
 - Reasonable in cost based on current market value
 - Documented with appropriate supporting documentation (invoices, receipts, travel vouchers, etc.)
 - Properly coded, classified, and recorded in LEA's accounting system
 - Obligated between the beginning and ending dates of the grant

Local Business/Accounting Office Responsibilities Cont'd.

7. If equipment was purchased, ensure it is approved in grant application, used for authorized purposes, properly numbered, tagged, and inventoried
8. Ensure policies, procedures, and internal controls are established to ensure compliance; monitor employee's adherence to policies
9. Regularly and frequently report to Program Manager and senior administrators on status of grant expenditures – share general ledger and payroll ledger with Program Manager

Managing the Grant

3 Types of Grant Requirements:

- **Administrative** (derived from uniform administrative grant guidance and other laws, regulations, and governing documents)
- **Fiscal** (some are derived from administrative requirements; others from state-mandated accounting requirements)
- **Program** (derived from authorizing program statute, any regulations, and guidelines)

Establish mindset and environment of compliance and accountability – Top Down

Develop policies, procedures, and systems that establish compliance with these requirements in an ethical environment.

Making Sense of Uniform Grant Administrative Requirements



Sources of Administrative Requirements

- U.S. Constitution
- Federal Civil Rights laws and implementing regulations
- Federal statutes, such as *General Education Provisions Act (GEPA)*, *Gun-Free Schools Act*, and *FFATA (Federal Funding Accountability and Transparency Act)* and implementing regulations
- Executive Orders, such as EO 12372 (Intergovernmental Review of Federal Programs) and EO 12549 (Debarment and Suspension)
- OMB Circulars A-102 and A-110, uniform administrative requirements (now in 2 CFR Part 200)
- EDGAR (regulations - the USDE's unofficial compilation of administrative requirements for grants)

All binding on grantees/subgrantees – take full force and effect of law

GEPA

General Education Provisions Act – establishes general requirements and conditions for operating and administering federal education grants – applies to all federal education grants unless otherwise specified

- Forward Funding (July – September)
- 12-Month Carryover Period (Tydings Amendment)
- Equitable Access and Participation (Section 427) – identify and eliminate barriers to equitable participation
- Parent involvement in federal programs
- State agency monitoring and enforcement
- *General Application of Assurances* for SEAs and LEAs – includes participation by parents and public in planning and operation of programs; availability of information to public; and sharing information on promising educational practices
- FERPA – *Family Educational Rights and Privacy Act* - protects the rights of students and parents with regard to the educational records of students
- PPRA – *Protection of Pupil Rights Amendment* – requires written policy developed in consultation with parents that permits parents to review surveys and instructional materials
- Authority to withhold funds and take other enforcement actions for noncompliance
- Authority to recover disallowed costs – 5-year statute of limitations

Often amended by various acts relating to education

http://uscode.regstoday.com/20USC_CHAPTER31.aspx

(Refer to Pages 25-35 of *McKinney-Vento Compliance Handbook* for more detail)

EDGAR

Education Department General Administrative Regulations – currently different parts apply to different types of grantees

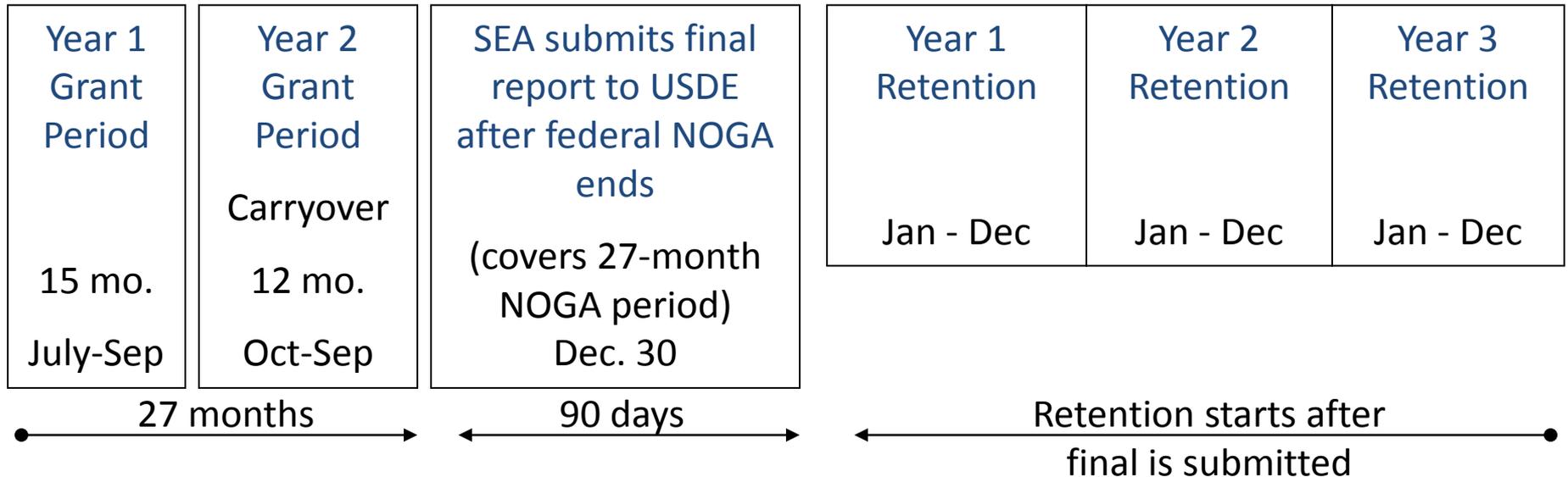
- Financial management standards – accounting system and records
- Purchasing (procurement) and contracting requirements
- Copyright – USDE reserves royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use works developed under a grant
- Managing and disposing of equipment
- Construction/major remodeling – usually not allowed
- Reporting
- Retention of records – 3 years from date final expenditure report is submitted to grantor agency ending date of grant (for SEAs, 90 days after 27-month federal award ends – see next slide)

USDE adopted new uniform grant guidance in 2 CFR Part 200 as 2 CFR Part 3474 with a couple of minor exceptions; will result in new EDGAR

Retention Period of Grant Records for SEAs

(34 CFR 80.42; 2 CFR 200.333)

Typical 27-Month Federal NOGA



Must retain records longer if have open audit or investigation

Civil Rights and Prohibition of Discrimination

Subject	Statute	Regulation
Prohibits discrimination on the basis of race, color, or national origin	Title VI of the Civil Rights Act of 1964 (45 USC §§ 2000d-2000d-4)	34 CFR Part 100
Prohibits discrimination on the basis of sex	Title IX of the Education Amendments of 1972 (20 USC §§ 1681-1683)	34 CFR Part 106
Prohibits discrimination on the basis of handicap	Section 504 of the Rehabilitation Act of 1973 (29 USC § 794)	34 CFR Part 104
Prohibits discrimination on the basis of age	The Age Discrimination Act (42 USC §§ 6101 et seq.)	34 CFR Part 110

(Refer to pages 47-55 of the *Compliance Handbook* for more detail.)

Lobbying

- Prohibited with federal funds – if grant > \$100,000, must sign certification that federal funds are not used to lobby (*Lobbying Certification*)
- Must disclose in application if use other funds for lobbying (*Disclosure of Lobbying*)
- Must include same certification and disclosure in all subcontracts/subgrants > \$100,000
- Advised not to pay membership in organization with federal funds if organization cannot show it does not spend < 20% of its time or membership funds lobbying (based on legal interpretation that applies definition of lobbyist as someone who spends 20% or more time lobbying – *Lobbying Disclosure Act of 1995*)
- Severe civil penalties for using federal funds to lobby

(Refer to pages 62-64 of *Compliance Handbook* for more details.)

Debarment and Suspension

- *Suspension* is temporary status pending investigation - usually occurs prior to debarment
- Cannot subcontract/subgrant with any person or entity that is debarred or suspended from receiving federal funds
- Must sign certification for all federal grants that neither you nor your entity are debarred from doing business with the federal government
- Must include same certification or check national excluded parties list before subcontracting/subgranting \geq \$25,000
- Failure to comply = disallowed costs, stop work order, termination, debarment or suspension

(Refer to pages 64-68 of *Compliance Handbook* for more details.)

Getting Your Fiscal House in Order



Federal NOGA Period for SEAs

(For the Majority of Federal Programs, especially where funds are allocated to states on a formula basis)

Forward Funding

Federal Fiscal Year

Carryover Year

(Tydings
Amendment)

July, August, Sept.
3 months

Oct. through Sept.
12 months

Oct. through Sept.
12 months

27 Months Total

One Federal NOGA can be spread out across 4 state fiscal years

Example-Texas

July & Aug.

1

Sept. – Aug.

2

Sept. – Aug.

3

Sept.

4

Obligation – A Commitment to Pay

- No obligations prior to beginning date or after ending date of NOGA
- All goods and services must be received during *grant period* and must substantially benefit grant population - generally at least 30 days prior to ending date of grant
- *Grant Period* – begins on the “beginning date” on the NOGA and ends on the “ending date” on the NOGA
- Obligations are “encumbered” (set aside/reserved) in the accounting system so you don’t over-obligate

When Does An *Obligation* Occur?

Type of Expenditure	When the Obligation Occurs
Services by an employee	When the services are performed
Services by a contractor	The date of a binding written commitment, such as a contract or other written agreement, to obtain services from the contractor
Utility services	When the utility services are actually provided
Travel	<ul style="list-style-type: none">• for hotel lodging, meals, and mileage, when the travel actually occurs• for the purchase of a plane ticket, when the ticket is actually purchased• for registration fees associated with travel, at the time payment of the fee is due and paid
Rental or lease of property	When the property is actually used or occupied
Real or personal property (including purchase of supplies and equipment)	The date of a binding written commitment, such as a purchase order, invoice, or receipt, to acquire the property

Liquidation of Obligations

- Once the goods and services pertaining to a particular obligation and corresponding invoices are received, the obligation is “liquidated” in the accounting system by making the final payment.
- Obligations incurred under award must be liquidated to coincide with submission of the final expenditure report.
- The final expenditure report includes expenditures for goods and services *actually received before or by the ending date of the grant*. (Cannot pay for goods/services received after the ending date of the grant. Didn't benefit current grant period.)
- The Business/Accounting office prepares and submits expenditure reports – they need all receipts, invoices, contracts, travel vouchers, etc.

“Eligible” Costs

In addition to meeting the requirements for a legitimate “obligation”

- For a cost to be *eligible* to be charged to a grant, it must be
 - *reasonable* in cost
 - *allowable* under the federal cost principles and the authorizing program statute
 - *allocable* (assignable or chargeable) to the grant *in accordance with relative benefits received by the grant*
- Must be *necessary*. “*Necessary*” means it is *vital* or *required* in order to meet the objectives of the grant or for the grant to be successful.

Necessary Cost

- ***Not*** “nice to have.”
- If you catch yourself or someone else saying, “It would be *nice to have* ...”, then most likely it is *not necessary* to accomplish the objectives of the program in that it is not vital or required. The cost could be disallowed by an auditor or monitor. - **frequent audit exceptions**

Reasonable Costs

- Prudent use of funds
- Applied sound business practices, arms-length bargaining (unrelated third party), rules, regulations, conditions
- Necessary to carry out objectives
- Comparable to current fair market value
- Followed established practices to ensure costs not unjustifiably increased

Allocable Costs

- Assignable or chargeable to the grant *in accordance with relative benefits received by the grant during the grant period*
– frequent audit exceptions
- Must demonstrate how a particular cost benefits the specific population being served in the grant (ex: homeless students)
– frequent audit exceptions
- If cost benefits 1 grant program, entire cost can be charged to that single grant program.
- If cost benefits more than 1 grant program, cost must be allocated among the grant programs (i.e., split-funded) in accordance with the *relative benefits* received by each program.

Allowable Costs

Cost must be:

- ✓ *reasonable* in cost (as described above)
- ✓ *necessary* to accomplish the objectives of the grant program
- ✓ appropriate under the authorizing program statute
- ✓ *allocable* to the grant based on the relative benefits received (as described above) – **frequent audit exceptions**
- ✓ authorized or not prohibited under state or local laws or regulations
- ✓ consistent with policies, regulations, and procedures that apply to all activities, including other grants and state and local activities
- ✓ treated consistently as either a *direct* cost or an *indirect* cost
- ✓ determined in accordance with GAAP

Allowable Costs (cont'd)

- ✓ not used to meet cost sharing or matching requirements of another grant (unless specifically permitted in the other program statute or regulations)
- ✓ consistent with the terms and conditions of the grant award
- ✓ **adequately documented with appropriate original source supporting documentation – frequent audit exceptions – especially credit card purchases**
- ✓ the net of any applicable credits such as rebates or discounts
- ✓ allowable under the federal cost principles
- ✓ in most cases, supplemental to the core foundation program of the school and to other activities normally conducted by the school (i.e., **supplement, not supplant**)
- ✓ if the school is a Title I schoolwide program, the grant program must be included in the schoolwide plan, the school must have conducted a comprehensive needs assessment, and the plan must contain the required components specified in statute (see Title I, Part A, §1114[b]). **frequent audit exceptions**

Federal Cost Principles

Type of Entity	Applicable Cost Principles
<ul style="list-style-type: none">• LEAs (School districts, open-enrollment charter schools, intermediate education agencies)• State agencies• Local governments	<i>OMB Circular A-87</i> Codified in <i>2 CFR Part 225</i>
Colleges and universities (IHEs)	<i>OMB Circular A-21</i> Codified in <i>2 CFR Part 220</i>
Nonprofit organizations	<i>OMB Circular A-122</i> Codified in <i>2 CFR Part 230</i>

Important Note: Effective Dec. 26, 2014, new uniform grant guidance *2 CFR Part 200*, Subpart E, which creates a single set of federal cost principles – finish out the current grant period under the old rules – comply with new guidance as of July 1, 2015 for formula grants

Accounting for Grant Funds

- LEAs must record and account for funds in accordance with any state-mandated accounting requirements for school districts
- Must coincide with *financial management standards* established in federal regulation (2 CFR 200.302)
 - Identify federal awards received and expended
 - Provide for accurate, current, and complete reports
 - Records must identify the funding source and use of funds:
 - Federal awards/authorizations to spend
 - Obligations and unobligated balances
 - Assets, expenditures, income (payments received) and interest earned
 - Supported by source documentation
 - Trace funds to demonstrate proper use/allowability
 - **Compare budget to actual expenditures - frequent audit exceptions**

Accounting for Grant Funds (cont'd)

- Effective control and accountability over all funds, property, and other assets
- Cash management – **written procedures - frequent audit exceptions**
- **Written procedures** for determining *allowability* of costs – **new - frequent audit exceptions**
- **Internal Controls** to prevent fraud, abuse, and waste - **frequent audit exceptions** (2 CFR 200.303)
- Business/Accounting Office can help with budget codes and purchasing procedures
- Highly recommend State Coordinator/Program Manager approve all purchase requests prior to obligating/expending grant funds- monitor budget and expenditures closely
- **Original source documentation** – IMPORTANT!!!!
- **How the expenditure benefits the grant program** - IMPORTANT!!!

Grant Payments (SEAs and LEAs)

- **Written procedures: (2 CFR 200.305) – frequent audit exceptions**
 - Payment limited to minimum amount needed
 - Timed with actual immediate cash needs
 - Minimize time between receiving payment and disbursing funds to as close as possible = should usually pay out funds within 3 days of receiving payment (think of it as “cash-as-needed” rather than an “advance”)
 - Must have financial management system that meets standards for fund control and accountability
 - **New certification required for expenditure reports** – 2 CFR 200.415(a) – certification must read exactly as stated
- Depository bank account
- Excess cash on hand causes audit exception – earns interest – may retain up to \$500 per year
- SEAs have the authority to “reimburse” high-risk grantees

Misc. Fiscal Requirements

- Matching/cost sharing – cost must be allowable under grant; usually another federal grant can't be used as matching/cost share
- Time-and-Effort [personnel activity reports (PARS)] - **frequent audit exceptions**
- Use and disposal of equipment
- Program income
- Expenditure reports – make sure Business/Accounting Office files on time
- Audits
 - Annual independent audit (cannot be paid with grant funds)
 - Also Single Audit if spend \geq \$500,000 all federal grants added together (threshold raised to \$750,000 in 2 CFR 200.501- effective for FY beginning after Dec. 26, 2014)

Time-and-Effort - **NEW**

New 2 CFR 200.430 – Compensation for Personal Services

(i) *Standards for Documentation of Personnel Expenses*

Charges for salaries and wages must be based on records that accurately reflect the work performed. Records must:

1. Be supported by a **system of internal control** which provides reasonable assurance that the charges are accurate, allowable, and properly allocated
2. Encompass both federally assisted and all other activities on an integrated basis as defined in **written policy**
3. Support distribution of an employee's salary or wages among specific activities or cost objectives if the employee works on:
 - More than one federal award
 - A federal award and non-federal award
 - An indirect cost activity and a direct cost activity
 - Two or more indirect cost activities which are allocated using different bases
 - An unallowable activity and an allowable direct or indirect cost activity

Time-and-Effort

New 2 CFR 200.430 – Compensation for Personal Services

- Semi-annual certification removed
- Personnel activity reports (i.e., time-and-effort) removed
- *Where records do not meet standards, the Federal government may require personnel activity reports, including prescribed certifications, or equivalent document that support the records*
- **Written compensation procedures** applied consistently
- **Written policy** for allowing employees to provide professional consulting or other services to other entities/organizations for outside pay - **new**
- **Auditors are gearing up for substantial audit exceptions for inadequate internal controls, lack of standards, and failure to consistently apply controls and standards**
- **Many SEAs and LEAs are choosing to continue semi-annual certifications for 100% and time-and-effort for less than 100%**

Supplement, Not Supplant



Supplement, Not Supplant

- For a cost to be allowable, it must be *supplemental*
- *Supplement, Not Supplant* language will be in the actual authorizing program statute or in an amendment to the statute
- Example:
 - A state or local educational agency may use funds only so as to supplement the funds that would, in the absence of such federal funds, be made available from non-federal sources, and in no case may funds be used so as to supplant funds from non-federal sources.

Supplement, Not Supplant

For *McKinney-Vento* – a type of S-N-S

- Grantees must use funds to *expand or improve services* provided as part of a school's regular academic program.
- Funds must not be used to replace services provided under the regular academic program.

What does Supplement, Not Supplant Mean?

- *Supplement* – to add to; to enhance; to expand; to increase; to extend; to create something new
- *Supplant* – to take the place of; to replace by something else

What does Supplement, Not Supplant Mean?

- An LEA must be able to operate its schools and its core foundation programs without any federal funds.
- Federal grant funds may be used only to supplement the educational programs generally offered with state and local funds.
- They may be used only to provide supplemental services that would not have been provided had the federal grant funds not been available.

What does Supplement, Not Supplant Mean?

- State or local funds which previously funded activities may not be diverted to another purpose simply because federal funds are now available to fund those activities.
- In other words, the use of federal funds may not result in a decrease in state or local funds for a particular activity, which, in the absence of the federal funds, would have been available to conduct the activity.

What does Supplement, Not Supplant Mean?

Federal funds must supplement or augment that which must be provided by state law or state board of education rule, or any activities which have been adopted as policy by a local school board of education to fund from non-federal sources.

What does Supplement, Not Supplant Mean?

If federal grant funds are used to *enhance or expand* a state mandate, SBOE rule, or local board policy:

The federal supplementary activities must be separately identified and clearly distinguishable from those activities identified as necessary for implementing a state mandate, SBOE rule, or local board policy as outlined in the implementation plan.

Ensuring Supplement, Not Supplant

- The state agency and the LEA assure in their applications for federal funds that they are using funds to supplement and not supplant.
- In many applications, applicants must describe how funds and activities are supplementary to current or previously funded activities.
- Penalties for supplanting are oftentimes very severe. All federal funds involved in a supplant violation would most likely have to be returned to the federal government.

Documenting Supplement, Not Supplant

- Recipients of federal grant funds must maintain documentation which clearly demonstrates the supplementary nature of the funds and activities.
- In most cases, it is both the level of funding and the activities that must be supplemental.

Exception:

- Title I Schoolwide projects – only the *level* of funding must be supplemental.

Am I Supplanting?

Ask yourself this question:

- If I didn't have federal funds available to conduct this activity/service, would I still conduct it with state or local funds anyway?
- If the answer to the question is yes, you are most likely supplanting because it is no longer a supplementary activity. You must be able to demonstrate that you could not conduct the activity if it weren't for the federal funds.
- The test to determine whether supplanting has occurred is whether the programs supported with federal funds would, in the absence of those federal funds, have been supported with state or local funds.
- May be able to rebut the presumption of supplanting if non-federal funds were not available – must provide evidence

(Refer to pages 109-112 in *Compliance Handbook* for more information.)

Maintenance of Effort (MOE)

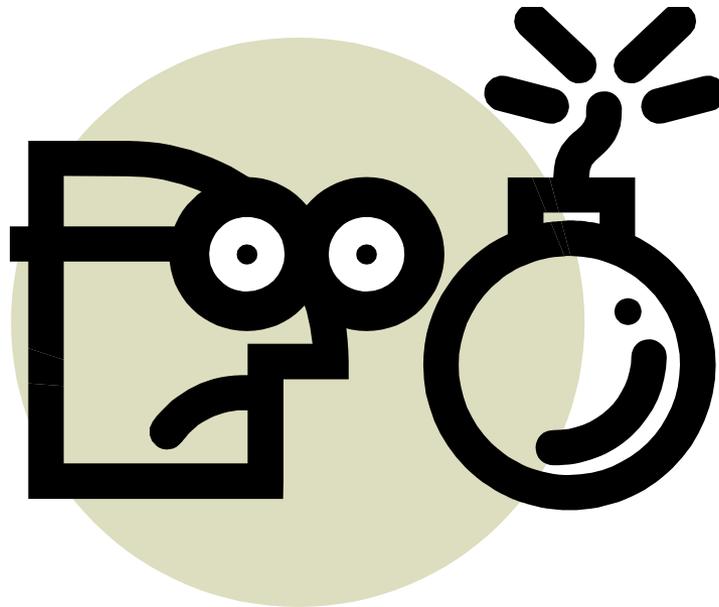
- One of the fiscal requirements that ensures that federal funds are used to provide services that are in addition to the regular services normally provided by an LEA – based on actual expenditures from state and local funds.
- MOE must be maintained each year by MV subgrantees, even during the multi-year grant period.

Example:

LEA meets MOE first year of competition, but fails to meet MOE 2nd year. LEA not eligible to receive MV funds in 2nd year. But if LEA meets MOE in 3rd year of grant, then LEA is eligible to receive funding in 3rd year.

See Pages 112-115 in *Compliance Handbook* for more information.

Avoiding the Pitfalls of Program Implementation (Share with your LEAs)



Start With Good Planning

- Conduct proper needs analysis
- Seek grants that address one or more needs identified in campus improvement plan
- Develop thorough, thoughtful plan
 - Address identified needs
 - Realistic goals, objectives, activities, timeline, budget
 - Staffing and supervision
 - Purchase of equipment/technology
 - Ongoing monitoring, correction, and evaluation
 - Reporting – financial and programmatic data
 - Reporting to management – Be accountable to someone
- Develop “sincere” grant application/proposal and be intimately familiar with it – amend when appropriate

Implementation

Prepare to implement when grant begins

- Qualified staff hired and trained
- Supplies, materials and equipment ordered
- Business office and Program Manager have copy of approved grant application
- Procedures for involving parents, teachers, students, and others in planning and design
- Stick to the written plan/approved application or amend; can improve but not do less
- **Adhere to the timeline – stay on track**

Program Requirements

- Review the *Program Guidelines* in the Request for Application/Proposal (RFA/RFP)
- Know the requirements in the authorizing program statute and of the awarding agency
- Know your own program/approved application
- Develop self-monitoring checklists and use them!
- Frequently monitor program, budget, and expenditures
- Comply

Other Topics of Interest from *Compliance Handbook*

- Consolidating Funds on a Title I Schoolwide Campus – pages 115-122 - **frequent audit exceptions**
- Procurement/Purchasing – pages 122-131
- Consultants – page 131
- Equipment – pages 132-135
- Cash Management and Interest Earned – pages 139-141
- Audits – pages 148-152
- Maintenance of Grant Records, Records Retention, and Access to Records – pages 152-158
- *Part III – MV Program Requirements* – integrates allowable costs with authorized activities
- Appendices, including Self-Monitoring Checklist and Time-and-Effort Scenarios
- *Introduction* to the Handbook

3rd Edition of *Compliance Handbook* that includes revisions as a result of the new uniform grant guidance in 2 CFR Part 200 will be available October 2015

FAQs

FREQUENTLY ASKED QUESTIONS

McKinney-Vento Education for Homeless Children and Youth TEXAS

A Companion to the *Compliance Handbook for McKinney-Vento Education for Homeless Children and Youth Subgrantees – Texas*

2nd Edition

Earin M. Martin, Ed.D.

- Approximately 190 FAQs – most questions and answers can be applied to any federal education program
- <http://www.utdanacenter.org/theo/texshep/index.php>

FAQs

Table of Contents

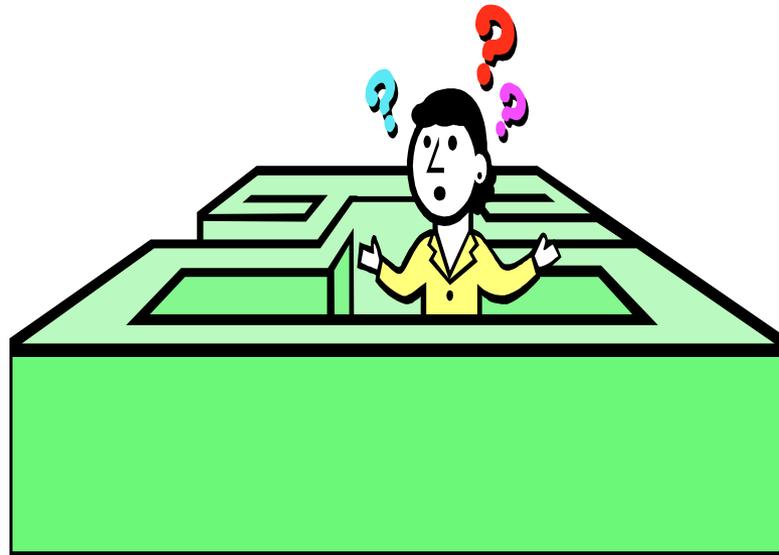
- A. Allowable/Unallowable Costs
 - A.1 General
 - A.2 Payroll Expenses
 - A.3 Time and Effort Reporting
 - A.4 Consultants/Contracted Services
 - A.5 Rent or Lease of Building Space
 - A.6 Supplies
 - A.7 Food Costs
 - A.8 Equipment
 - A.9 Employee Travel – **be sure to review this section!**
 - A.10 Student Transportation
 - A.11 Construction/Remodeling/Renovation
 - A.12 Program Income
 - A.13 Miscellaneous Costs
- B. Supplement, Not Supplant
- C. Maintenance of Effort (MOE)
- D. Obligations/Encumbrances
- E. Indirect Costs
- F. Using Title I, Part A Funds to Serve Homeless Students
- G. Amendments
- H. Administrative Requirements

Subrecipient Monitoring - **NEW**

- Subsection in new uniform grant guidance, 2 CFR 200.330-.331
- Differentiates between a subrecipient and a contractor [i.e., subrecipient = subaward; contractor (procurement of goods or services) = contract]
- SEAs must
 - Ensure every subaward/subgrant contains certain required information
 - Evaluate each subrecipient's risk of noncompliance for purposes of determining appropriate monitoring
 - Consider imposing specific subaward conditions for high-risk subgrantees
 - Monitor subrecipient by reviewing financial and programmatic reports; following up on deficiencies detected through audits, on-site reviews, and other means; issuing a management decision for audit findings; ensuring proper accountability and compliance with program requirements and achievement of performance goals



Questions????



Contact Information

Earin M. Martin, Ed.D., Consultant

Grants Management 101, LLC

Austin, TX and Port Aransas, TX

grantsmanagement101@gmail.com

512-284-0161

www.grantsmanagement101.com