Fiscal Responsibilities of Non-LEAs

21st Century Community Learning Centers (CCLC) Grant

Anita Harris

(anita.harris@dpi.nc.gov, 919.807.3234)

Budget Form 208 – Undergoing Revision

21St CENTURY COMMUNITY LEARNING CENTERS				
Budget Form FPD 208 - Proposed Budget (Revised July 2017)				
Organization Name (enter in shaded cell below)	**Unit Number**	**Cohort Number**		
	XX	XX		
Project Period Beginning		XX/XX/XXXX		
End		XX/XX/XXXX		
Yearly Budget $				
Expenditure Categories	**Codes**	**School Year**	**Summer**	**Total**
Alt Progs Supprt & Dev Srvcs - Salary - Director/Supervisor	6300.110.113			$0.00
Alt Progs Supprt & Dev Srvcs - Salary - Finance Officer	6300.110.115			$0.00
Alt Progs Supprt & Dev Srvcs - Salary - Office Support	6300.110.151			$0.00
Alt Progs Supprt & Dev Srvcs - Longevity Pay	6300.110.184			$0.00
Alt Progs Supprt & Dev Srvcs - Overtime	6300.110.199			$0.00
Alt Progs Supprt & Dev Srvcs - Employer's Soc Sec - Regular	6300.110.211			$0.00
Alt Progs Supprt & Dev Srvcs - Employer's Retirement-Regular	6300.110.221			$0.00
Alt Progs Supprt & Dev Srvcs - Other Retirement-Regular	6300.110.229			$0.00
Alt Progs Supprt & Dev Srvcs - Employer's Hospitalization Cost	6300.110.231			$0.00
Alt Progs Supprt & Dev Srvcs - Employer's Workers' Comp Ins	6300.110.232			$0.00
Alt Progs Supprt & Dev Srvcs - Employer's Unemployment Ins.	6300.110.233			$0.00
Alt Progs Supprt & Dev Srvcs - Other Insurance Cost	6300.110.239			$0.00
Alternative Progs Support & Dev Services- Contracted Services (if working in administrative capacity)	6300.110.311			$0.00
Payments to Other Gov Units - Indirect Cost	8100.110.392			$0.00
Payments to Other Gov Units - Payments to Other Gov Units	8100.110.472			$0.00
Note Administrative costs are limited to 12% of the yearly budget; all codes above this line are considered administrative in function.	**Total**	$0.00	$0.00	$0.00
Extended Day/Year Instr - Site Director	5350.110.113			$0.00
Extended Day/Year Instr - Salary - Teacher	5350.110.121			$0.00

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Financial System in Use for Non-LEAs

- Expenditure Reporting and Cash Applications (ERaCA) for Education Centers
    - https://schools.nc.gov/eraca
    - Reimbursement basis
- ERaCA tracks the availability of allotted funds and ensures the dollar amounts of the organizations' requests are limited to available balance

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- A Non-LEA web-based application to request reimbursement of expenditures

- Documentation per request must provide a VERY clear audit trail

- Submit documentation per request to DPI

Distribution of Grant Funds & Reimbursement Process

- NCDPI School Business Section at NCDPI assigns a unique banking vendor number
- **_Prior to_** the NCDPI approval of the budget or release of funds, the non-LEA subgrantees must complete and submit a Vendor Electronic Payment Form
  - Cash Management Section registers the organizations' checking accounts with the Office of the State Controller
  - Once checking account is registered with the State and Budget Form 208 is approved in CCIP, first allotment installment released, the subgrantee organizations can begin submitting cash reimbursement requests

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Distribution of Grant Funds & Reimbursement Process

- Non-LEAs login to ERaCA with their NCID credentials

- Non-LEAs may submit one reimbursement request per week into ERaCA
  - Will generally receive the funds via direct deposit within ten (10) business days.

- Supporting documentation is required within seven (7) days of the cash request submission.

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Supporting Documentation (Copies)

- Reports from ERaCA which confirm date(s) of the reimbursement request and under which approved budget codes the expenditures and subsequent cash request have been posted

- Invoices indicating date paid, check number, and line item charged

- Payroll registers including employee job title, rate of pay, and pay period

- Paid receipts

- Bank statements indicating cancelled checks, images front/back

- Credit card statements

- Other documents as needed to match cash requests for the ERaCA submission

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Distribution of Grant Funds & Reimbursement Process

- Remember: Just because a cost is reimbursed does not automatically mean that cost is allowable! You must make certain all costs are allowable before you seek reimbursement – otherwise you risk the chance of the cost being unallowable.

- When a cost is determined to be unallowable you must pay it back with non-federal funds!
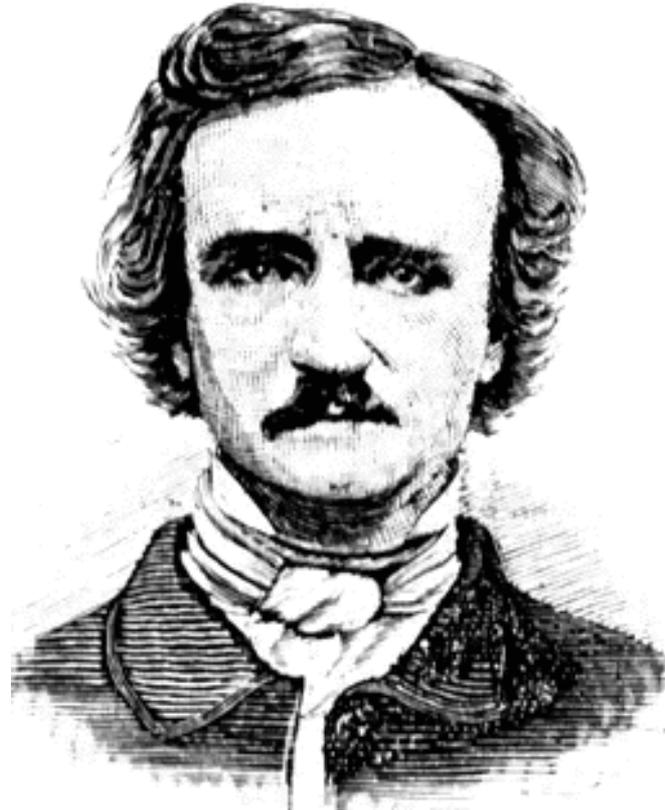
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Reimbursement vs. Cash Advance

- Cash Management Improvement Act (CMIA)
  - Three days between drawdown and payment
  - Interest starts to accrue
  - Over $100MM returned to Treasury.

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Education Department General Administrative Regulations (EDGAR)

Non-LEAs Fiscal Procedures Manual

- Organizational structure with job descriptions
  - Segregation of duties if small fiscal staff
  - Hierarchy for check signing, etc.
- Written policies
  - Procurement, including Conflict of Interest
  - Vendor payment
  - Inventory
  - Payroll time and distribution
  - ERaCA reimbursements
  - Records retention

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Conflict of Interest

- 2 CFR Part 200.318(c)(1)
  - No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when <u>the employee, officer, or agent, any member of his or her immediate family*, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein</u>, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

* G.S. 115C-12.2: "The term "immediate family member" means a spouse, parent, child, brother, sister, grandparent, or grandchild. The term includes the step, half, and in-law relationships."

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Allowable Expenditures

Expenditures are pre-approved in the fiscal year budget

- Personnel (salaries & wages, with proper documentation)
- Staff development and training
- Parent education
- Contracted services
- Computer or electronic equipment and software

- Transportation
- Educationally-related field trips
- Program rental space (1 year lease)
- Travel reimbursement (with restrictions)
- Classroom materials

This list is not all inclusive

Non-Allowable Expenditures

- Entertainment
- Alcohol
- Programs that operate or personnel who teach/work during the regular school day
- Activities held during the traditional school day
- Employees who are also contractors

- Building or renovation costs
- Purchase, repair, and maintenance of vehicles
- Other items outlined in EDGAR (old 34 CFR Part 80, now 2 CFR 200)
- Land Acquisition
- Costs for developing the proposal

This list is not all inclusive

Non-Allowable Expenditures - Examples

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Fiscal Monitoring

- Compliant
- Not Compliant

Fiscal Monitoring Instrument

- Fiscal Review
  - Do the program's financial management systems provide for effective control over and accountability for grant funds, property, and other assets and ensure they are used solely for authorized purposes?

- Procedures
  - Review the grantee procedures insuring all costs are reasonable and necessary, allocable, properly documented, consistent with grant programs, not used for cost-sharing, and legal under state and local law.

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Fiscal Monitoring Instrument (cont'd)

- Indirect Cost Rates
  - Calculated by NC DPI and communicated to subgrantees on an annual basis.
  - Has the subgrantee spent no more than the calculated indirect cost?

- Payroll
  - Are all employees involved in the project completing required payroll certification?
  - An employee of a non-profit organization must certify at least monthly coinciding with one or more pay periods the percentage of time he/she works on the activity.

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Fiscal Monitoring Instrument (cont'd)

- Budget
  - Has the grantee made changes to the budget that required prior approval before receiving such approval in writing?

- Equipment
  - Identify all equipment purchases made with funds. Property records must be maintained.
    - All technology expenses required pre-approval from NC DPI.
    - Is the location of equipment known? Ensure the equipment is in the noted location
  - Inventory purchased with grant funds must be conducted once every 1-2 years and reconciled with property records.

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General Guidelines

- Documentation should include account statements, check stub, requisition (if required), invoice. Appropriate approving signatures/initials and date should be on the documents.

- GL coding associated with the transaction should be readily available, should be matched to the budget.

- Guidelines allow student incentives with no intrinsic value < @$25. Expenses must be in the budget.

- Parental meetings that offered snacks and/or meals should be documented with copies of sign-in forms.

- Retain all documentation for at least 5 years

Time Sheet			
Employee:	Shirley Huxtable	Position:	Director/Teacher

Date	COST OBJECTIVE		TIME
9/30/2013	6300-110-113		1
9/30/2013	5350-110-131		3
9/30/2013	Non-grant		4
10/1/2013	6300-110-113		1
10/1/2013	5350-110-131		3
10/1/2013	Non-grant		4
	...		...
	Total Hours		40

Summary by Cost Objective	
Cost Objective	Hours
6300-110-113	5
5350-110-131	15
Non-grant	20
Total Hours	40

I hereby certify that the information contained in this Time and Effort Report accurately reflects actual time and effort distribution for the period reported.

Shirley Huxtable	10/7/2013
Employee's Signature	Date
Sammy Williams	10/9/2013
Supervisor's Signature and Title	Date

REMINDER
Allowable Costs

- All costs must be necessary for the performance or administration of the federal grant

- All costs must be properly documented

- Leases must be no longer than the length of the grant

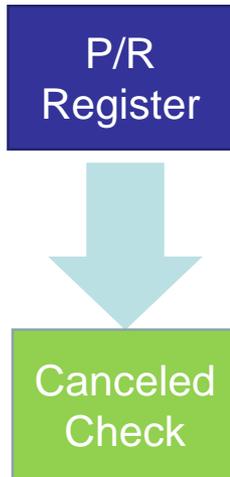- All costs must be allocable

Proof of Purchase (PoP)

- Canceled checks and bank statements
- Contracts
- Bills and invoices
- Time and attendance records
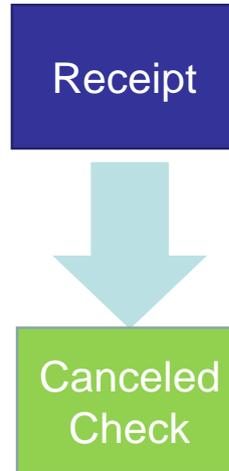 - Employees
  - Student
  - Meeting sign-in forms
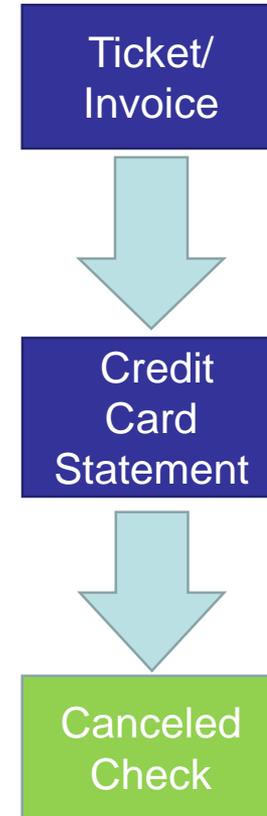
Proof of Purchase – Examples

Payroll

P/R Register

⬇

Canceled Check

Payment

Receipt

⬇

Canceled Check

Credit Card

Ticket/ Invoice

⬇

Credit Card Statement

⬇

Canceled Check

Receipts/Invoices should contain Director or Manager approval and date, with corresponding account code

Purchase a case of paper

- Fair market price
  - Log of telephone calls to local or web-based vendors with prices recorded

Purchase a case of paper

- Used a credit card
  - Ticket or Invoice -- PoP?

Purchase a case of paper

- Used a credit card
    - Ticket or Invoice -- POP? NO
    - Credit Card statement-pay with check -- POP?

Purchase a case of paper

- Used a credit card
  - Ticket or Invoice -- POP? NO
  - Credit Card statement-pay with check-- POP? NO
  - Canceled check or bank statement--YES

Purchase a case of paper

- Used a debit card
  - Ticket or Invoice-- POP? NO
  - Bank statement--YES

Common Sense Bookkeeping

When you buy something,

✓ make sure it is for the program,

✓ purchased at a fair market price,

✓ purchased in a fair manner, and

✓ know where it is located

And you can prove it!!

Common Sense Bookkeeping

✓ Document clearly to specify the
- ❑ what
- ❑ when
- ❑ why
- ❑ where
- ❑ how much

Common Sense Bookkeeping

✓ Document the who's

❑ Needed it

❑ Approved it

❑ Received it

❑ Paid for it

Common Sense Bookkeeping

✓ Compare actual expenditures to budget on a routine basis

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