

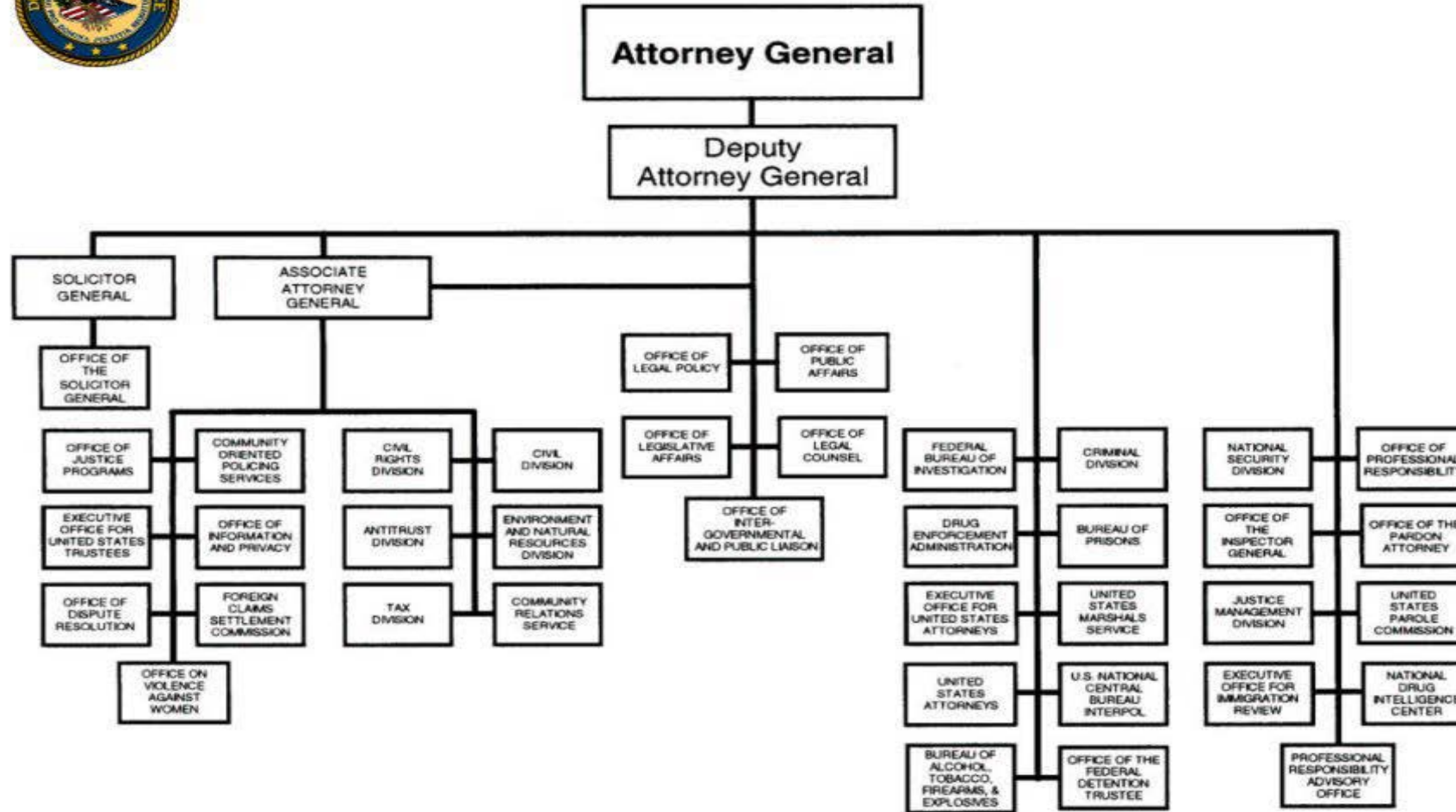
# Best Practices for Grant Management

CTAS Training  
December 3, 2019

# Overview and Structure



## U.S. DEPARTMENT OF JUSTICE



# FINANCIAL MANAGEMENT

Grantees should maintain a comprehensive Financial Management System to record and report the following:

- ▶ Receipt, Obligation and Expenditures of grant funds

Grantees (non-federal entities) are required to implement adequate internal controls to ensure full compliance with all grant award regulations.

# FINANCIAL MANAGEMENT

## Internal Controls and Segregation of Duties:

- ▶ Strong internal controls ensure effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations.
- ▶ Proper segregation of duties should ensure that no individual has the ability to either conceal or misdirect funds within the agency.

# TYPES OF COST

## *Identifying and Classifying Cost:*

- ▶ Allowable
- ▶ Unallowable
- ▶ Unsupported
- ▶ Unauthorized
- ▶ Unreasonable

## *The Code of Federal Regulations requires that standard cost be:*

- ▶ Allowable
- ▶ Necessary to the performance of the project
- ▶ Reasonable
- ▶ Allocable to the project

# AWARD TERMS AND CONDITIONS

Grantees should review and understand all special conditions on the award. Requirements may vary from program offices so its imperative that grantees are knowledgeable of program specific conditions:

- ▶ Agree to comply with all terms and conditions listed in the award
- ▶ Follow requirements in 2 CFR 200 and the DOJ Financial Guide
- ▶ Restrictions on lobbying
- ▶ Reporting of potential fraud, waste, abuse and similar misconduct
- ▶ All applicable reporting requirements

# AWARD TERMS AND CONDITIONS

## Financial Management Training:

- ▶ Comply with the training requirement for the Point of Contact (POC) and all Financial Points of Contact (FPOCs) within 120 days after the date the recipient accepts the award.
- ▶ The POC and all FPOC will be required to re-certify their compliance with the financial management training requirement every (3) three years.

# HIGH RISK DESIGNATION

Grantees should be aware of any special conditions regarding involving high risk status. Generally high risk designation signifies the following:

- ▶ History of unsatisfactory performance
- ▶ Financial instability
- ▶ Inadequate financial management system
- ▶ Have open Single Audit or Office of Inspector General (OIG) audit report recommendations
- ▶ Have not conformed terms and conditions of previous awards
- ▶ Significant non-compliance issues



# REPORTING REQUIREMENTS

## REPORT

FFR/SF- 425 and Progress Reports

Performance Measures

Other Reports (Conference Cost)

## SYSTEM

OJP/OVW: GMS

COPS Agency Portal

Performance Measurement Tool  
(PMT)

Grants Management System (GMS)

[OJPConferenceCostReporting@ojp.usdoj.gov](mailto:OJPConferenceCostReporting@ojp.usdoj.gov)

# FINANCIAL REPORTING REQUIREMENTS

## Federal Financial Report (SF-425)

- OJP/OVW Awards: Quarterly Federal Financial Reports (SF-425) are submitted through the Grants Management System (GMS) at: <https://grants.ojp.usdoj.gov>
- COPS Awards: Quarterly Federal Financial Reports (SF-425) are submitted through the COPS Agency Portal at: <https://portal.cops.usdoj.gov/>

# FINANCIAL REPORTING REQUIREMENTS

- The SF-425 quarterly report must be submitted no later than 30 days after the end of each calendar quarter
- Grant recipients must report expenditures not disbursements from the Federal Government utilizing the Federal Financial Report Form (SF-425)

# HELP WITH SF-425?

OJP: OCFO Customer Service Center

(800) 458-0786 or (202) 305-9988

Email: [ask.ocfo@usdoj.gov](mailto:ask.ocfo@usdoj.gov) Fax#: (202) 353-9279

OVW: GFMD Help Desk

(888) 514-8556 or Email: [ovw.gfmd@usdoj.gov](mailto:ovw.gfmd@usdoj.gov)

COPS: COPS Response Center

(800) 421-6770

Email: [AskCOPSRC@usdoj.gov](mailto:AskCOPSRC@usdoj.gov) Fax#: (202) 616-9004

# PROGRESS REPORTING REQUIREMENTS

The Grant Management System (GMS) allow grantees to report on grant progress through an online Categorical Assistance Progress Report or online Performance Report:

- ▶ Semi-annual reporting requirements
- ▶ Check special conditions of award document to determine due dates
- ▶ Delinquent Progress Reports will result in hold on grant funding

# HELP WITH PROGRESS REPORTS?

OJP: GMS Help Desk (888) 549-9901

OVW: GMS Help Desk (866) 655-1150

COPS: Response Center (800) 421-6770

- ▶ Contact Program Manager for questions regarding Reporting Requirements

# AUDIT REQUIREMENTS

- Recipients must comply with the requirements in OMB Uniform Guidance 2 CFR 200 Subpart F
- Thresholds: \$750K or more expended during the FY for 2 CFR 200 Subpart F audits requires Single Audit
- Audit Report: Due nine (9) months after end of the FY
- Submit form SF-SAC and Single Audit Report package online to Federal Audit Clearinghouse (FAC)

# SINGLE AUDIT

The Federal Audit Clearinghouse requires all grant recipients to submit form SF-SAC and the Single Audit Report package online utilizing the Internet Data Entry System (IDES).

➤ To use the online system:

<http://harvester.census.gov/fac/collect/ddeindex.html#>

Questions about submission can be addressed to:

Phone #: (800) 253-0696

Email: [govs.fac@census.gov](mailto:govs.fac@census.gov)



# SUBAWARD REPORTING and FFATA

- Requires prime recipients to report on first-tier sub awards of \$25K or more
- Data must be reported in FSRS the following month after the obligation is made.
  - Example: Awards made during October will have until November 30<sup>th</sup> to report
- Prime recipients must report FFATA (*Federal Funding Accountability and Transparency Act*) requirements in the (FFATA) Sub award Reporting System (FSRS)  
<https://www.fsrs.gov>

# GRANT MANAGEMENT TOOLS AND TIPS

There are many ways to organize your grant files:

- ▶ Maybe ask a question...how are your files organized?
  - ▶ Electronic, Paper?
  - ▶ Who has access to the files?
  - ▶ Discuss Lessons learned/Best Practices

# GRANT MANAGEMENT TOOLS AND TIPS

Why is it important to have organized Grant File?

- ▶ Before you do anything else, have a system in place to organize grant files.
- ▶ Types of records:
  - ▶ Electronic - emails and attachments, scanned documentation
  - ▶ Paper - Correspondence, documents, budget information, SF-425, grant awards, postal receipts, changes to grant awards and modification approvals, etc.
- ▶ Ways to Manage Grant Files
  - ▶ Three-ring binder
  - ▶ Email Tree
  - ▶ Computer

# GRANT MANAGEMENT TOOLS AND TIPS

- ▶ Three-Ring Binder (Cover Sheet should include the Award Number and the Start and End Date of the Award. If an extension is requested and approved, the cover sheet should be updated to reflect the new award end date.)
  - ▶ Table of Contents - DOJ Award #
    - ▶ TAB A - Application - Signed including budgetary worksheets
    - ▶ TAB B - Award Documents - Signed Award Document, Special Conditions, and if necessary, any modified award document that supersedes the original award. Approved award extensions should also be placed here.
    - ▶ TAB C - Financial Clearance Memorandum (FCM) and a copy of the application budget including disallowed costs or other changes to the application budget. Local financial accounting information that translates the budget categories from the FCM to the local Accounts and Sub-accounts. This will help you track award expenditures.
      - ▶ Modifications that are approved by DOJ that alter the original FCM should be placed here along with request for budget modification. Any supporting documentation for updating the local account system to reflect the movement of award funds from one budget category to another should also be placed here.
    - ▶ TAB D - Financial Reports SF-425
      - ▶ Q1 FY

# GRANT MANAGEMENT TOOLS AND TIPS

- ▶ TAB D - Financial Reports SF-425
  - ▶ Q1 FYXXXX
    - ▶ A copy of the SF-425
    - ▶ Copies of all receipts, purchase orders, payment information, receiving document, and payment documents for the quarter.
    - ▶ Copy of notification to inventory control that will provide an inventory control number and information on the inventory to minimally include date received, Make or Vendor, serial number, model, brief description, destination location and operational status, and other key information as required by the locality or otherwise required by Federal standards.
    - ▶ Copies of bid quotes, sole source justifications, contractor rate approvals, indirect cost rate information.

# GRANT MANAGEMENT TOOLS AND TIPS

- ▶ TAB D - Financial Reports SF-425
  - ▶ Q2 FYXXXX
  - ▶ Q3 FYXXXX
  - ▶ Q4 FYXXXX
  - ▶ Multiple Year Awards - Repeat sequence
  - ▶ Final SF-425 should be included in the final quarter.
- ▶ TAB E - Progress Reports
- ▶ TAB F - Other Correspondence & Documentation

# GRANT MANAGMENT TOOLS AND TIPS

- ▶ Email Tree and Computer Files
  - ▶ DOJ Agency Folder
    - ▶ Grant Award # Folder
      - ▶ Grant Documentation Folders named and divided in same format as binder.
        - ▶ Tab A - Application
        - ▶ Tab B - Award Documents
        - ▶ Tab C - Financial Clearance Memo
        - ▶ Tab D - SF-425 by Quarter
        - ▶ Tab E - Progress Reports
        - ▶ Tab F - Correspondence & Documentation

# GRANT MANAGEMENT TOOLS AND TIPS

## ▶ Additional Tools and Tips

- ▶ Review your Financial Clearance Memorandum with your application budget to identify any costs that were disallowed or reduced.
- ▶ When creating budget sub-accounts determine the cost categories from the Financial Clearance Memorandum in contrast to your agency's budget categories to enhance tracking expenditures more accurately.
- ▶ If your agency creates sub-accounts for grant awards, be sure to consider using the DOJ agency name and grant award number to be included on the sub-account to differentiate the ledger reports between multiple grant awards.
- ▶ For purchase orders, receipts, and other documentation related to grant award expenditures use a rubber stamp that includes your agency's sub-account and the grant award number to ensure accountability for expenditures.



# GRANT MANAGEMENT TOOLS AND TIPS

## ▶ Additional Tools and Tips

- ▶ Inventory Control is necessary to ensure that award purchases of equipment and other non-consumable items are accounted for during and after the award period.
- ▶ When grant award items are received by your agency, be sure to have the items properly recorded in your agency's inventory. Use a barcoding system if possible, or other acceptable method to uniquely gather information for items.
- ▶ Item Description, Make, Model, Serial Number, Vehicle Identification Number, When received, status (operable, upgraded, replaced, out of service, disposed), location of items, date removed from inventory.
- ▶ If you have no policy or procedure for inventory, create one and adhere to it. Your agency should determine the frequency of inventory (once a year, once every two years).

# GRANT ADJUSTMENTS

- ▶ When are grant adjustments necessary?
- ▶ How to prepare adjustments?

# CLOSEOUTS

Recipients have 90 days after the end date of the award to closeout:

## Cash Reconciliation

- ▶ Request reimbursement of funds to cover expenditures
- ▶ The Federal expenditures must be equal to or greater than the cash disbursements from the awarding agency
- ▶ Refund Excess Cash

## Drawdown of Funds

- ▶ Request final payment of eligible expenses
- ▶ Funds will be frozen after 90 days
- Prepare Final Reports (SF-425 and Progress Report)

# IMPORTANT CONTACTS

## OCFO Customer Service Center:

- ▶ (800) 458-0786
- ▶ Email: [ask.ocfo@usdoj.gov](mailto:ask.ocfo@usdoj.gov)

## OVW GFMD Help Desk:

- ▶ (888) 514-8556
- ▶ Email: [ovw.gfmd@usdoj.gov](mailto:ovw.gfmd@usdoj.gov)

## COPS Response Center

- ▶ (800) 421-6770
- ▶ Email: [AskCOPSRC@usdoj.gov](mailto:AskCOPSRC@usdoj.gov)