

FEDERAL GRANTS SUBRECIPIENT EDUCATION

2021

PART 1 OF 2



King County

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WELCOME!

King County's grant programs require all participants to complete a two-part educational program on award management.

Completion of both parts is required before your award agreement is finalized.



Today's Part 1 Education covers:

- * Roles & Responsibilities
 - * 2CFR200 Guidance
 - * CLFRF
 - * Risk Assessment
- Spending Federal Funds

Presenters:

- Laura Otanez
- Anna Wade, WOB
- Vanessa Brower, WOB
- Sheryl Petersen, KC
- Lynn McKiernan Ngari, KC

AGENDA TOPICS – PART 1

Purpose: Supported by best practices, real-life examples and application of the principals of grants management, the responsibility of stewarding a Federal grant award will be shared in a straightforward and clear presentation with reference and glossary material for use throughout the life of the grant and closeout period.

Part 1 Objectives:

Participants will learn about the distinct roles and responsibilities of the Federal Government, King County, subrecipients, and sub awardees in relationship to:

- Roles and Responsibilities
- 2CFR200 Guidance, CLFRF
- Risk Assessment
- Spending Federal Funds



Subrecipient Objectives Part 1





ROLES & RESPONSIBILITIES

- **Federal Government**
- **King County**
- **Subrecipient**

FEDERAL GOVERNMENT ROLE AND RESPONSIBILITIES

Appropriate
funding

refers to monies allocated by legislation, passed by Congress and signed by the President

Develop program
guidelines

goals and operation, eligible participants, intended outcomes, fiscal administration, reporting requirements

Audit King
County and
Subrecipients

examine records, systems, and other evidence to discover or verify desired information



FEDERAL GOVERNMENT ROLE AND RESPONSIBILITIES CONTINUED

- U.S. Department of Treasury
 - Coronavirus State and Local Fiscal Recovery Funding (SLFRF/CLFRF)
 - King County qualifies under CLFRF
- Interim Final Rule
- Treasury FAQs released
- Compliance and Reporting Guidance released
- Uniform Guidance - 2 CFR, Part 200

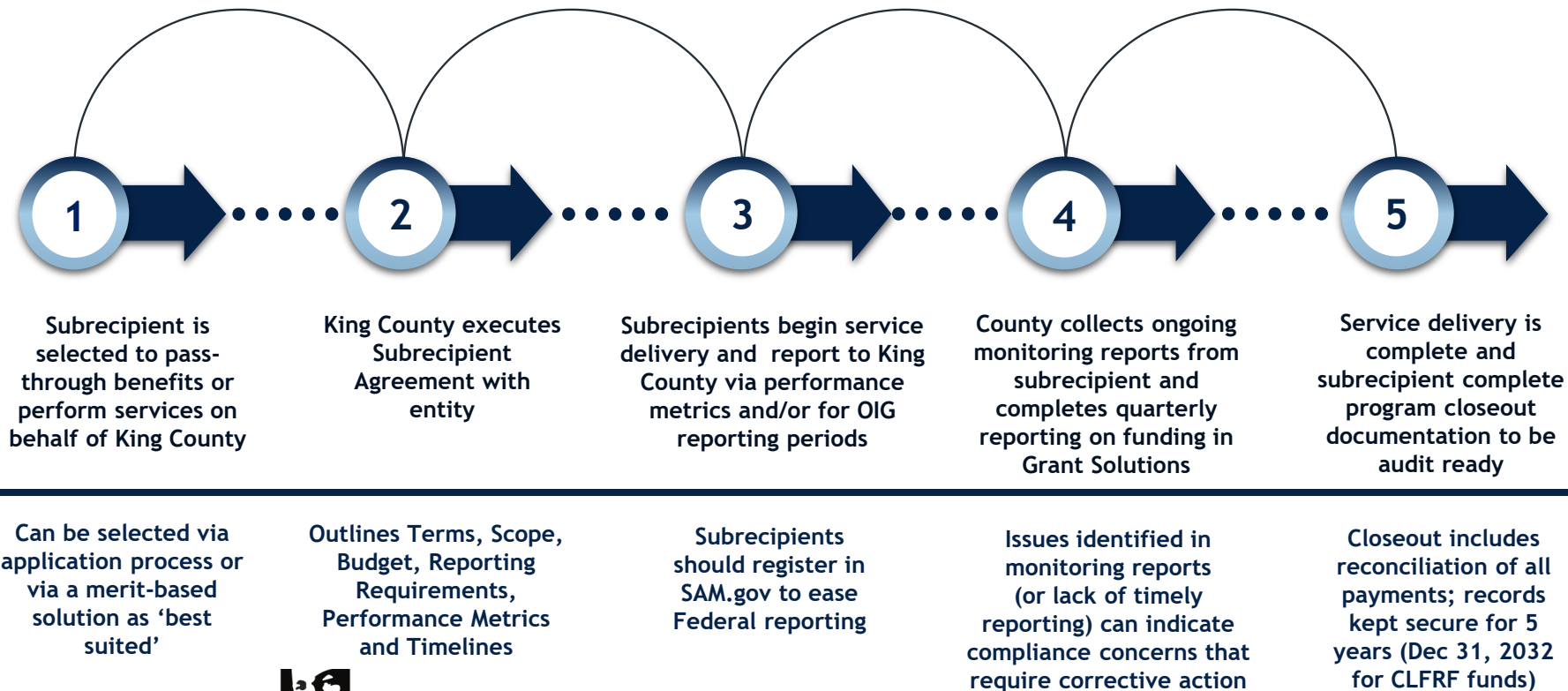


KING COUNTY ROLE AND RESPONSIBILITIES

- Appropriate Funding of Community/Local Programs
- Develop Programs
- Select Subrecipients
- Oversee Program Implementation
- Monitor Subrecipients and Contractors
- Provide Technical Assistance
- Report Performance and Financial Expenditures to Federal Government
- Maintain Records and Supports Audits



SUBRECIPIENT PROCESS OUTLINE



SUBRECIPIENT ROLE AND RESPONSIBILITIES

- ☐ Programmatic Decision Making, Acting on Behalf of King County
- ☐ Adherence to, and Knowledge of, Applicable Federal Program Requirements
- ☐ Use Federal Funds to Carry Out Program for a Public Purpose Specified in Authorizing Federal Statute
- ☐ Measure Performance Based on Program Objectives
- ☐ Manage Risk; Identify Low/Medium/High Risks in Project and Develop Contingency Plan for Risk Issues

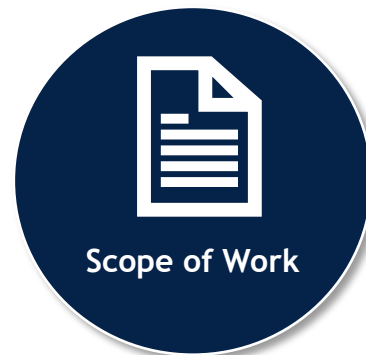


SUBRECIPIENT ROLE AND RESPONSIBILITIES

- ☐ Confirm Activities and Expenditures are Eligible within Scope of Work
- ☐ Complete Reporting, Financial Expenditures and Programmatic Outcomes
- ☐ Monitor Eligibility of Participating Client, Program Staff, or Sub Awardees.
- ☐ Monitor Contractors and Subaward Recipients including Federal Subrecipient Management And Monitoring
- ☐ Keep Complete and Compliant Records – Payroll Records, Invoices, Proof of Payment and Proof of Charge.
- ☐ Prepare for Audits



SUBRECIPIENT AGREEMENT OVERVIEW



When you are awarded a grant from King County, you will receive 4 primary documents to review and complete. These 4 documents outline your **SPECIFIC** required deliverables, requirements and documentation standards. It is **VERY** important to **READ** your documents entirely and **ASK** your program officer at King County to **EXPLAIN** and **CLARIFY** all 4 documents with your program and fiscal teams in detail at the beginning of your grant award project period.



COMPONENTS OF A SUBRECIPIENT AGREEMENT



- Purpose of Agreement
- Scope of Eligible Expenditures
- Period of Performance
- Recipient Responsibilities
- Record Keeping Requirements
- Repayment of Funds; Recoupment
- Conflict of Interest
- Governing Laws
- Indemnification

FEDERAL TERMS AND CONDITIONS



- Overall eligible and ineligible expenses
- Period of Performance
- Publications Attribution
- Uniform Guidance
- Determination of subrecipient vs. contractor
- Subrecipient roles and responsibilities
- Health and Human Services Provisions
- Government-Wide General Provisions
- Other Appropriation Provisions

CERTIFICATION



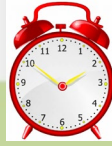
Confirms that subrecipient
understands and will abide by
Federal Terms and Conditions

SCOPE OF WORK AND BUDGET



- Program specific
- Allowed uses
- Eligible Activities and Expenditures
- Timeline and Period of Performance
- Grant Documentation and Reporting Requirements
- Budget





Check Your Knowledge



ROLE AND RESPONSIBILITIES - KNOWLEDGE CHECK

Which of the following are NOT the responsibilities of the subrecipient?

- a) Confirm activities and expenditures are eligible within Scope of Work
- b) Keep complete and compliant records
- c) Complete regular reporting
- d) Designing risk-monitoring for themselves

ROLE AND RESPONSIBILITIES - KNOWLEDGE CHECK

Which of the following are NOT the responsibilities of the subrecipient?

- a) Confirm activities and expenditures are eligible within Scope of Work
- b) Keep complete and compliant records
- c) Complete regular reporting
- d) Designing risk-monitoring for themselves

Correct Answer: **d)** Designing risk-monitoring for themselves.

This is the responsibility of the County to determine the risk of granting funds to the subrecipient. The subrecipient is required to monitor the eligibility of passthrough beneficiaries and for ensuring they have proper controls in place for any funds they disburse.



ROLE AND RESPONSIBILITIES - KNOWLEDGE CHECK

True or False:

It is okay to change the scope of work of a project as long as you believe the change aligns with the goals of the grant program?

ROLE AND RESPONSIBILITIES - KNOWLEDGE CHECK

True or False:

It is okay to change the scope of work of a project as long as you believe the change aligns with the goals of the grant program

Correct Answer: **False**

It is important to ensure that you stay within the scope of work. Any changes to your scope of work needs to be approved by the County prior to conducting any unauthorized activities to ensure it is aligned with the program and complies with Federal requirements.



ROLE AND RESPONSIBILITIES - KNOWLEDGE CHECK

True or False:

It is the County's responsibility alone to understand the Code of Federal Regulations (CFR).

ROLE AND RESPONSIBILITIES - KNOWLEDGE CHECK

True or False:

It is the County's responsibility alone to understand the Code of Federal Regulations (CFR).

Correct Answer: **False**

It is necessary for all parties utilizing Federal funds to be in compliance with the Code of Federal Regulations. Of particular importance are 2 C.F.R §200, including 2 C.F.R. §200.303 regarding internal controls, 2 C.F.R. § §200.331-200.332 regarding subrecipient monitoring, 2 C.F.R. Subpart F regarding audit requirements, and 2 C.F.R. § 200.425 audit services.



ROLE AND RESPONSIBILITIES - KNOWLEDGE CHECK

What is the correct subrecipient process:

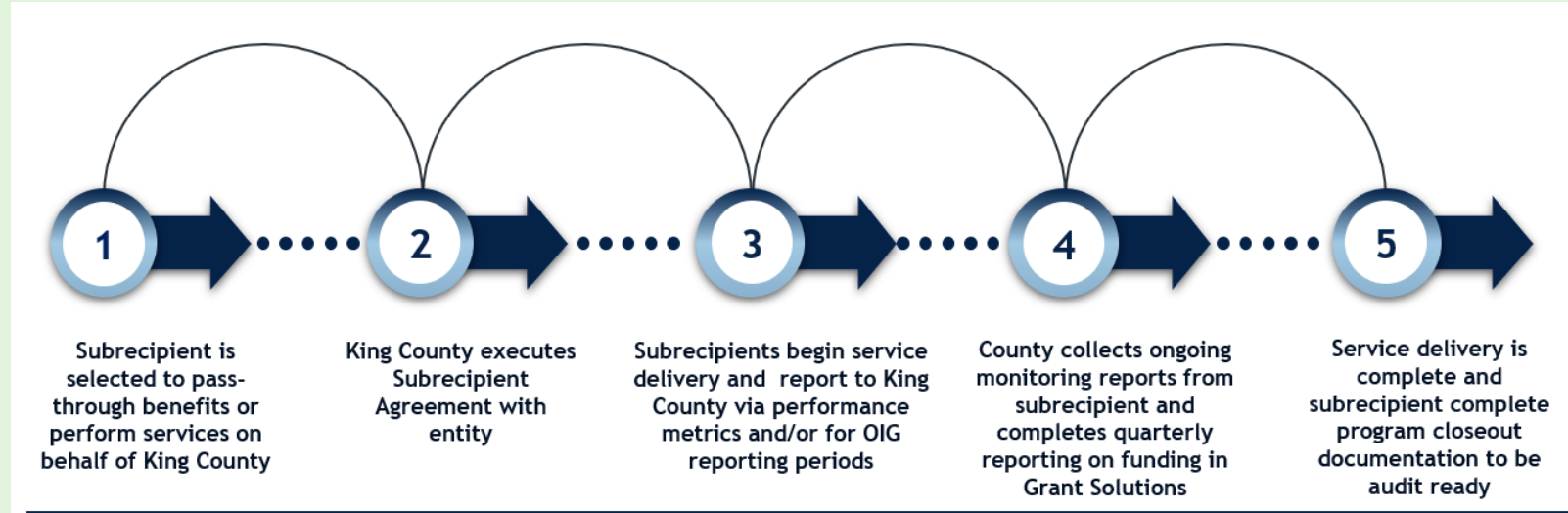
- a) Subrecipient is selected as passthrough – subrecipient begins service delivery – King County executes subrecipient agreement – county collects monitoring and reporting forms – subrecipient submits final report to Federal government on use of funds
- b) King County executes the agreement with the subrecipient - county begins monitoring the subrecipient - county executes the contract with the subrecipient – service delivery is complete and program closeout documentation is completed
- c) Subrecipient is selected to pass -through benefits or perform services – county executes subrecipient agreement with entity – subrecipient begins service delivery – county collects ongoing monitoring reports – service delivery is complete and subrecipient complete program closeout
- d) Contract is signed – monitoring begins – once complete, the closeout process begins



ROLE AND RESPONSIBILITIES - KNOWLEDGE CHECK

What is the correct subrecipient process:

Correct Answer: **c)** Subrecipient is selected to pass-through benefits or perform services – county executes subrecipient agreement with entity – subrecipient begins service delivery – county collects ongoing monitoring reports – service delivery is complete and subrecipient complete program closeout



LET'S TAKE A CLOSER LOOK....

- **Unmet Need Consideration**
- **Duplication of Benefits (DOB)**



TAKE A CLOSER LOOK: UNMET NEED CONSIDERATION

Unmet need, the potential award, and the total assistance received or to be received, may **exclude** assistance that was:

- Provided for a different purpose than for the program from which the applicant seeks assistance
- Used for a different, eligible purpose within the same program
- Not available to the applicant
- A private loan
- Any other asset or line of credit available to the applicant

**MAKING SURE YOU HAVE A SYSTEM IN PLACE
TO ASSESS UNMET NEED FOR YOUR
APPLICANTS IS ONE OF MANY REQUIRED
STEPS IN YOUR AGREEMENT DOCUMENTS!**



TAKE A CLOSER LOOK: DUPLICATION OF BENEFITS (DOB)

Duplication of benefits (DOB) occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance.



MAKING SURE YOU HAVE A SYSTEM IN PLACE TO PREVENT DUPLICATION OF BENEFITS IS ONE OF MANY REQUIRED STEPS IN YOUR AGREEMENT DOCUMENTS!



TAKE A CLOSER LOOK: DUPLICATION OF BENEFITS

AWARD FOR RENTAL ASSISTANCE

Scenario: A family that has suffered job loss due to the economic impact of the coronavirus pandemic. The family seeks rental assistance under a King County Housing program for 3 months of arrears payments and 2 months of current/future rent.



TAKE A CLOSER LOOK: DUPLICATION OF BENEFITS

Step 1: Assess Need

Monthly Rent = \$1,000

Potential Total Need: $\$1,000 * 5 \text{ months} = \$5,000$

Step 2: Determine Assistance

In the application, the applicant was asked to report if they are receiving or expecting to receive any additional or similar assistance. The applicant reported that a local faith-based organization provided \$200/month for the past three months, but that aid is no longer available. The family certified that it has not applied for assistance from any other source.



TAKE A CLOSER LOOK: DUPLICATION OF BENEFITS

Step 3: Calculate Unmet Need

Total Need = \$5,000

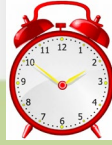
Other Assistance = \$600 (\$200/month for three months)

Actual Unmet Need (Maximum Award) = **\$4,400** (\$5,000- \$600)

Step 4: Document the Analysis

Maintain documentation of calculation and justification to confirm amount of unmet need.





Check Your Knowledge



UNMET NEEDS - KNOWLEDGE CHECK

Which of the following may be excluded from unmet need considerations?

- a) A private loan
- b) Funds provided for a different purpose than for the program from which the Applicant seeks assistance
- c) Assets or lines of credit available to the applicant
- d) All of the above can be excluded

UNMET NEEDS - KNOWLEDGE CHECK

Which of the following may be excluded from unmet need considerations?

- a) A private loan
- b) Funds provided for a different purpose than for the program from which the Applicant seeks assistance
- c) Assets or lines of credit available to the applicant
- d) All of the above can be excluded

Correct Answer: d) All of the above can be excluded

DUPLICATION OF BENEFITS - KNOWLEDGE CHECK

True or False:

It is okay to utilize multiple funding streams for the same expense.

DUPLICATION OF BENEFITS - KNOWLEDGE CHECK

True or False:

It is okay to utilize multiple funding streams for the same expense.

Correct Answer: False

This is a duplication of benefits, which occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance.

DUPLICATION OF BENEFITS - KNOWLEDGE CHECK

Whose responsibility is it to ensure there is not a duplication of benefits?

- a) The County
- b) The subrecipient
- c) Both the county and subrecipient
- d) None of the above, it is the responsibility of the funder to have policies in place to ensure there is not a duplication of benefits.



DUPLICATION OF BENEFITS - KNOWLEDGE CHECK

Whose responsibility is it to ensure there is not a duplication of benefits?

- a) The County
- b) The subrecipient
- c) Both the county and subrecipient
- d) None of the above, it is the responsibility of the funder to have policies in place to ensure there is not a duplication of benefits.

Correct Answer: **c)** Both the county and subrecipient. All parties accepting funds need to ensure they have proper policies, procedures, and controls in place to ensure there is not a duplication of benefits.



DUPLICATION OF BENEFITS - KNOWLEDGE CHECK

What are the steps in determining duplication of benefits?

- a) Assess Need – Determine Assistance – Calculate Unmet Need – Document Analysis
- b) Assess Need – Calculate Unmet Need – Document Analysis – Determine Assistance
- c) Document Analysis – Calculate Unmet Need – Assess Need – Determine Assistance
- d) Calculate Unmet Need – Assess Need- Determine Assistance – Document Analysis



DUPLICATION OF BENEFITS - KNOWLEDGE CHECK

What are the steps in determining duplication of benefits?

- a) Assess Need – Determine Assistance – Calculate Unmet Need – Document Analysis
- b) Assess Need – Calculate Unmet Need – Document Analysis – Determine Assistance
- c) Document Analysis – Calculate Unmet Need – Assess Need – Determine Assistance
- d) Calculate Unmet Need – Assess Need- Determine Assistance – Document Analysis

Correct Answer **a)**

Step 1: Assess Need

Step 2: Determine Assistance

Step 3: Calculate Unmet Need

Step 4: Document the Analysis



2CFR200 GUIDANCE CLFRF - Coronavirus Local Fiscal Recovery Funds

FEDERAL GRANT GUIDANCE – UNIFORM GUIDANCE (UG)

- All grants must be executed in compliance with Uniform Guidance.
- Uniform Guidance is Federal guidance for managing Federal awards.
- Uniform Guidance is the same for all Federal grants.
- Let's clarify:
 - There ARE also regulations specific to each Federal grant type that are layered on top of the Uniform Guidance.
 - So, when managing a Federal grant, you want to be aware of both Uniform Guidance (same for all Federal grants) and regulations specific to the award you received.
 - Your program officer at King County will help you with this and your award agreement will contain all your specific required information.



CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS (CLFRF) FEDERAL PRIORITY REQUIREMENTS OVERVIEW

- Includes costs incurred March 3, 2021 through December 31, 2024, and costs should be expended by December 31, 2026 or a shorter alternate time frame as defined in your award agreement.
- Record retention is six years after all funds expended or returned to Treasury. For purposes of Subrecipient Agreements, consistent with State and Federal requirements, the record retention period for CLFRF ends December 31, 2032.
- Within this timeframe, contracts and agreements will define your individual periods of performance, which will likely be shorter in order for King County to meet its responsibilities to the Federal government.



CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS (CLFRF) FEDERAL PRIORITY REQUIREMENTS OVERVIEW

- May include direct or indirect administrative costs.
 - Subrecipients must have a negotiated indirect cost rate in order to charge indirectly to a Federal Grant.
 - If you do not have a Federally approved negotiated indirect cost rate, you may charge the 10% de minimus indirect rate, as defined in Uniform Guidance
- Public attestation requirement; “This project is being/was supported, in whole or in part, by Federal award number SLFRP0152 (KC FAIN #), awarded to King County by the U.S. Department of the Treasury”



CLFRF FEDERAL PRIORITY REQUIREMENTS - SAM REGISTRATION

Must have a SAM registration System for Award Management if

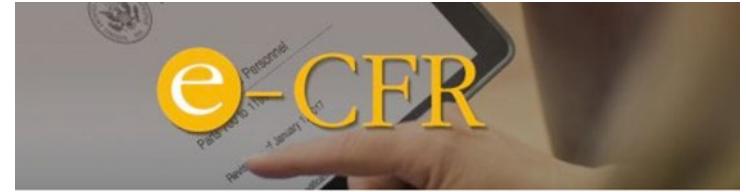
- You receive \$30,000 or more of any Federal funding as defined in 2 CFR Part 25
- Exceptions 2 CFR Part 25.110
None of the requirements in this part apply to an individual who applies for or receives Federal financial assistance as a natural person (i.e., unrelated to any business or nonprofit organization he or she may own or operate in his or her name).

To set up an account/entity registration go to SAM.gov, a DUNS number will be needed to register



CLFRF FEDERAL PRIORITY REQUIREMENTS - DEBARMENT

- Specific Treasury Terms and Conditions
31 C.F.R.19 Suspension and Debarment, in response to OMB Governmentwide guidance 2 C.F.R.180 .
- Debarment or suspension occurs when a Federal agency takes action to exclude a person under the procurement/non-procurement debarment suspension system, the agency enters the excluded persons information into EPLS.
- Check SAM.gov “Exclusions” and “Sanctions List Search” at sanctionssearch.ofac.treas.gov



Electronic Code of Federal Regulations



The Official U.S. Government System for:

Contract Opportunities

(was fbo.gov)

Contract Data

(Reports ONLY from fpds.gov)

Wage Determinations

(was wdol.gov)

Assistance Listings

(was cfd.a.gov)

Entity Registration

Including Disaster Response Registry

Entity Reporting

SCR and Bio-Preferred Reporting

Exclusions



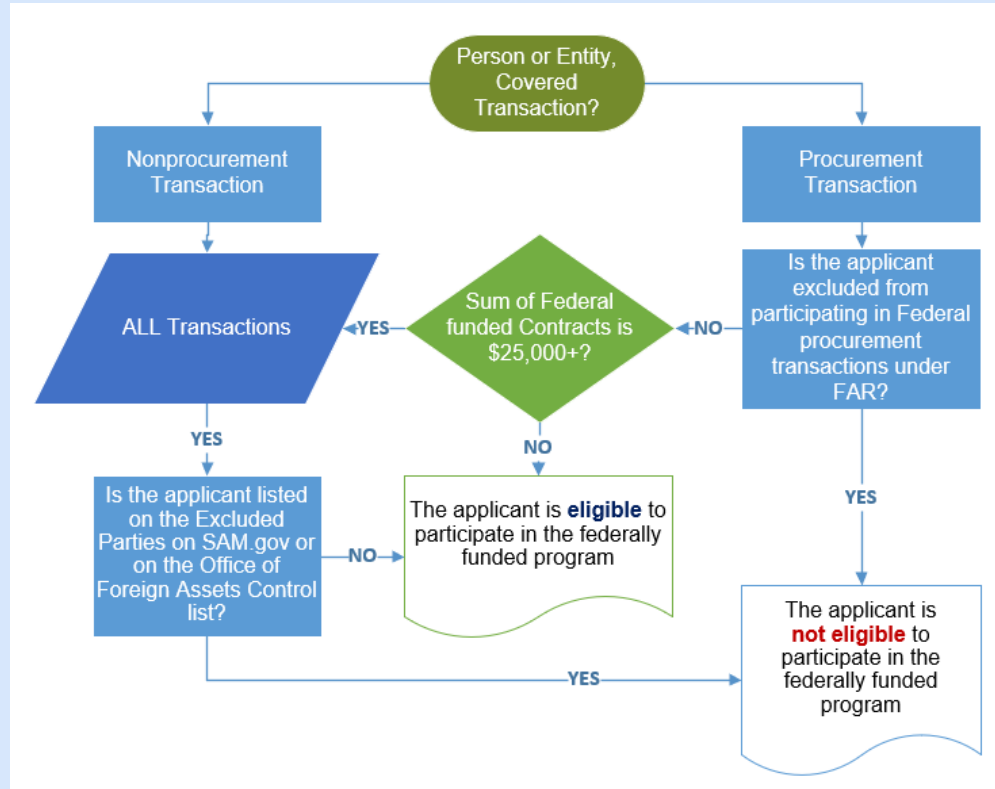
O F A C

Office of Foreign Assets Control

Sanctions List Search



TAKE A CLOSER LOOK: CORONAVIRUS LOCAL FISCAL RECOVERY (CLFR) SUSPENSION AND DEBARMENT



**DEBARMENT
VERIFICATION
IS REQUIRED
FOR EVERY
AGREEMENT
DOLLAR
EXPENDED!**





Risk Assessment

PRE-AWARD RISK ASSESSMENT QUESTIONNAIRE

Uniform Guidance requires the pass-through entity to evaluate a subrecipient's risk of non-compliance with Federal statutes, regulations, and the terms and conditions of the subaward in order to determine the appropriate extent of monitoring.

This evaluation of risk may include consideration of such factors as the following:

- The subrecipient's prior experience with the same or similar subawards;
- The results of previous audits
- Whether the subrecipient has new and/or changes in key personnel or new or substantially changed systems
- The extent and results of Federal awarding agency monitoring



UNDERSTANDING RISK

Potential indicators of a higher risk subrecipient include:

- Recent audit findings – OIG, State, King County, Single Audit, etc.
- Inadequate response to a financial questionnaire
- History of noncompliance
- Failure to previously meet performance goals and expected outcomes
- Prior failure to use funds for their authorized purposes
- New subrecipient or turnover at entity
- Award size relative to subrecipient's project and program portfolio.



Spending Federal Funds

ALL RECIPIENTS RECEIVING FEDERAL FUNDS MUST:

Receive funding to support entities' work

- Use funds only on approved activities and the intended purposes of the grant program
- Ensure employees are fully aware and regularly reminded of applicable laws, regulations, policies, and codes of conduct

Manage funds in compliance with Federal rules and regulations

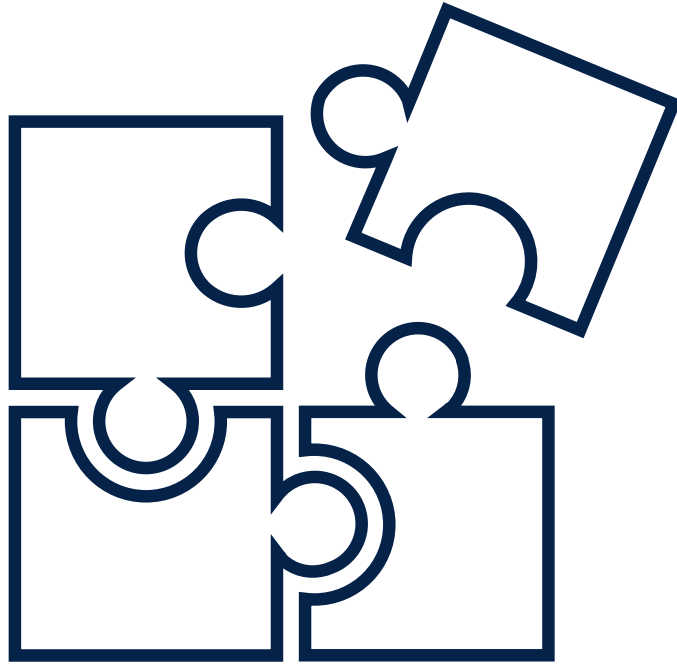
- Show outcomes in specific and measurable results through evidence-based approaches
- Abide by legal obligations (performance reporting, financial reporting requirements, audit, cost-sharing/matching, record-keeping)

Receive technical assistance

- Receive education (as needed or recommended), apply learnings appropriately, implement knowledge gained in order to improve or enhance program implementation



WHO IS AFFECTED IN THE RECIPIENT ORGANIZATION?



ALL EMPLOYEES AT ALL ORGANIZATIONS that have roles and responsibilities in implementing Federal and/or state grant programs are required to comply with grant requirements.

The regulations that the recipient must follow are **passed down** to the subrecipient and to the sub awardee. Each layer is **responsible** for upholding the same Federal regulations.



INTERNAL CONTROLS

Internal Controls is a process implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories as noted in Uniform Guidance:

- Effectiveness and efficiency of operations
- Reliability of reporting for internal/external use
- Compliance with applicable laws and regulations



INTERNAL CONTROLS



Subrecipients must establish and maintain effective Internal Controls that:

- Comply with Federal statutes, regulations, and grant terms and conditions
- Evaluate and monitor to ensure compliance
- Take prompt action when instances of noncompliance are identified
- Safeguard protected personally identifiable information (PII) and personally identifiable information (PII) and other sensitive data



INTERNAL CONTROLS EXAMPLES

- Separation of duties, second set of eyes, approval procedures
- Document, document, document
- Justification for expenditures
- Record keeping
- Memorandums of Understanding
- Monitoring
- Safeguards against loss, inventory guidelines
- Standard operating procedures (SOP's)
- Accounting procedures/manuals
- Separate grant codes, separate accounts



SUCCESSFUL POLICY AND INTERNAL CONTROLS

- Ensure policies and procedures are understood, enforced and used.
- Communicate new policies and procedures to board members, staff, and subrecipients through education.



FINANCIAL MANAGEMENT PROCESS

Subrecipients should have effective financial management systems in place. Effective financial management techniques include:

- Clear delineation of roles and responsibilities
- Clearly written policies and procedures
- Effective education programs
- Strong internal controls
- Effective oversight
- Effective communication and information sharing



FINANCIAL MANAGEMENT PROCESS - CONTINUED

- Financial systems that provide reliable and current information have:
 - Accounting controls
 - Accurate and timely reports
 - Budget controls
 - Asset management
 - Record retention/access controls



STAFFING REQUIREMENTS



- Subrecipient must have qualified employees for all the necessary functions associated with the proposed activity and ensure that there is adequate employee time available.
- Subrecipient must develop internal controls to address employee capacity and identify a plan to fill any gaps.
 - Ensure the plan describes the subrecipients existing employee positions and qualifications, its capacity to carry out this activity, and state whether the agency has a personnel policy manual with an affirmative action plan and grievance procedure.



ACCOUNTING RECORDS

- Carefully review financial requirements specified in grants agreements.
- Establish individual, separate grant codes for grants in the agency's financial system. Be able to clearly identify grant funds and how they are utilized.
- GAAP accounting is the standard for good financial management.
- Failure to maintain adequate documentation for Federal funds is a serious regulatory compliance issue.



ALL SUBRECIPIENT AGREEMENT EXHIBITS

- Add language for federal reporting & contract requirements
- Invoicing requirements: "submit monthly, within 15 days after month end."
 - Explain purpose of invoice source documentation:
 - Ensures expenditures meet contractual/programmatic requirements
 - Determine if expenditures are allowable, properly allocated to the funding source
- Monitoring requirements
 - Monthly desk monitoring of required documentation
 - Fiscal site visit (annually)
 - Program site visit (annually/quarterly)
 - Audit follow ups, as required (financial statement or single audit corrective action plan)



INVOICES...

DOCUMENTS MUST MEET REQUIREMENTS – FEDERAL, STATE, LOCAL, ETC.

Time and Effort:

- Payroll Register
- Current salary by employee, effective date (updated w/salary changes)
- Timesheet signed/dated by employee and supervisor
- Documentation should show all hours worked on Federally funded project + other programs
- General Ledger Report



INVOICES...

DOCUMENTS MUST MEET REQUIREMENTS – FEDERAL, STATE, LOCAL, ETC.

Operating Expense/Direct Costs

- Invoices/receipts
- Journal vouchers, if applicable (adjustments, allocations, etc.)
- Ties to general ledger



SOURCE DOCUMENTATION

- Clearly demonstrate that each program activity for which the agency is seeking funds is for the intended purposes
- Be as specific and detailed as possible
- Justify any changes submitted
- Proof of Charge/Proof of Payment/Proof of Performance



BUDGET CONTROLS

- King County is under no obligation to reimburse a subrecipient for disallowed or unsubstantiated expenditures.
- Regularly compare project expenses with the approved project budget lines. If changes are made, an amendment must be requested.
 - Be prepared to project outputs and outcomes to budget outlays.
- Forecast project expenses accurately.
- Submit reimbursement requests monthly in order to ensure documentation of funds committed to date are allowable.



BUDGET CONTROLS - CONTINUED

- Have an accounting system which records income and expenditure. Regularly compare actual expenditures with program budget.
 - Calculate and account for variances.
 - Clearly understand and explain reasons for variances in budget.



CASH MANAGEMENT



- Submit appropriate and accurate information in your reimbursement requests
- Maintain adequate financial record-keeping systems to monitor cash on hand for your project



LET'S TAKE A CLOSER LOOK....



➤ Gift Cards



GIFT CARDS

Best Practices:

- Case manager (CM) connects with client(s) to identify appropriate documentation needed to ensure program compliance.
- Grantee initiates business with a vendor to order gift cards. One staff person will be responsible for processing the orders and delivering items to clients.
- When/after client receives items, CM asks a client to sign a “Gift Card Service” form that stated that he/she received the items with a gift card serial number. CM should attach the receipts with the “gift card service” form and ask client to sign or initial each page of the receipts.



GIFT CARDS



Required Documentation:

- Receipt for purchase of gift cards including serial numbers and client verification of receiving gift cards or services/products
- Listing of beneficiary recipients including personal identifiers such as, SSN, driver's license, contact information for each serial number
- Documented evidence of need
- Written requirements to be eligible for the award



GIFT CARDS



Things to Avoid:

- Handing out gift cards without tracking recipients or need
- Giving gift card to clients without restrictions of what clients can and can't purchase



LET'S TAKE A CLOSER LOOK....

➤ Timesheets and Payroll



TIMESHEETS AND PAYROLL

Best Practices:

- Create a timesheet and ask employees to sign in and out daily.
- Set a deadline when employee should submit their timesheet to the supervisor every week.
- Require the supervisor to review and approve timesheet before it is sent to payroll to cut checks.
- Do not process timesheets without supervisor's approval.



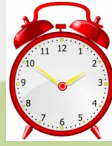
TIMESHEETS AND PAYROLL



Things to Avoid:

- Presenting a copy of an employee's canceled check with no backup
- Paying payroll with cash





Check Your Knowledge



SPENDING FEDERAL FUNDS- KNOWLEDGE CHECK

Which of the following is NOT an example of internal controls?

- a) Documenting activities
- b) Keeping all grant information in the same place
- c) Monitoring
- d) Record keeping

SPENDING FEDERAL FUNDS- KNOWLEDGE CHECK

Which of the following is NOT an example of internal controls?

- a) Documenting activities
- b) Keeping all grant information in the same place
- c) Monitoring
- d) Record keeping

Correct Answer: **b)** There needs to be separate grant codes and separate accounts.

SPENDING FEDERAL FUNDS- KNOWLEDGE CHECK

Which of the following are included in effective financial management processes?

- a) Effective education programs
- b) Effective oversight
- c) Written policies and procedures
- d) Communication and information sharing
- e) All of the above

SPENDING FEDERAL FUNDS- KNOWLEDGE CHECK

Which of the following are included in effective financial management processes?

- a) Effective education programs
- b) Effective oversight
- c) Written policies and procedures
- d) Communication and information sharing
- e) All of the above

Correct Answer: **e)** All of the above

THANK YOU!

ADDITIONAL RESOURCES
(CLICK TO DOWNLOAD)
ALL REMAINING SLIDES & MORE
WILL BE IN DOWNLOAD, NOT IN
PRESENTATION.

FEDERAL GRANT GUIDANCE – UNIFORM GUIDANCE

- **All grants must be executed in compliance with Uniform Guidance, 2 C.F.R. §200**
- Specific Federal Terms of Interest (not an exhaustive list):
- 2 C.F.R. §200 – specifically §200.303 including regarding internal controls
- 2 C.F.R. §200.331, 2 C.F.R. §200.332, and 2 C.F.R. §200.333 regarding subrecipient monitoring and management
- 2 C.F.R. Subpart F regarding audit requirements
- 2 C.F.R. §200.425 regarding audit services



Electronic Code of Federal Regulations



CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS (CLFRF) FEDERAL PRIORITY REQUIREMENTS OVERVIEW

- Includes costs incurred March 3, 2021 through December 31, 2024, and costs should be expended by December 31, 2026 or a shorter alternate time frame as defined in your award agreement.
- Record retention is five years after all funds expended or returned to Treasury. For purposes of Subrecipient Agreements, consistent with State and Federal requirements, the record retention period for CLFRF ends December 31, 2032

CORONAVIRUS LOCAL FISCAL RECOVERY FUNDS (CLFRF) FEDERAL PRIORITY REQUIREMENTS OVERVIEW

- May include direct or indirect administrative costs.
 - Subrecipients must have a negotiated indirect cost rate in order to charge indirectly to a Federal Grant.
 - If you do not have a Federally approved negotiated indirect cost rate, you may charge the 10% de minimus indirect rate
- Public attestation requirement; “This project is being/was supported, in whole or in part, by Federal award number SLFRP0152 (KC FAIN #), awarded to King County by the U.S. Department of the Treasury”



CLFRF FEDERAL PRIORITY REQUIREMENTS - SAM REGISTRATION

Must have a SAM registration – universal identifier and System for Award Management, Part 25.300, Part 25.410

- Exceptions, 25.110
- To set up SAM.gov account/entity registration, click [here](#).

CLFRF FEDERAL PRIORITY REQUIREMENTS - DEBARMENT

- Specific Treasury Terms and Conditions, 2 C.F.R.180 and 31 C.F.R.19
- OMB Guidelines to Agencies on Governmentwide Suspension and Debarment.
- Award is subject to 2 C.F.R. 180 and 31 C.F.R. Part 19
- Part 19, check the Excluded Parties List (EPLS) to determine whether a person is excluded.
- When a Federal agency takes action to exclude a person under the procurement/non-procurement debarment suspension system, the agency enters the excluded persons information into EPLS.
- Check SAM.gov or “Sanctions List Search” at sanctionssearch.ofac.treas.gov



CLFRF FEDERAL PRIORITY REQUIREMENTS - TRANSPARENCY

- Specific Treasury Terms and Conditions, 2 C.F.R. 170
- Reporting Subaward and Executive Compensation Information
- Federal Funding Accountability and Transparency Act (FFATA) (170.230)
 - Increased reporting threshold to \$30,000.
 - Exceptions (170.110)

CLFRF ADDITIONAL FEDERAL REQUIREMENTS - OTHER 2 C.F.R. 200

2 C.F.R. Part 200

- Subpart A, Acronyms and Definitions
- Subpart B, General Provisions
- Subpart C, Pre-Federal Award Requirements and Contents of Federal Awards
- Subpart D, Post-Federal Award Requirements
- Subpart E, Cost Principles
- Subpart F, Audit Requirements



CLFRF ADDITIONAL FEDERAL REQUIREMENTS - NOT IN 2 C.F.R.

Title VI of the Civil Rights Act of 1964 (42U.S.C. §§2000d et seq.)

- Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving Federal financial assistance

Executive Order 13166, *"Improving Access to Services for Persons with Limited English Proficiency,"*

Limited English Proficiency (LEP Guidance 70 FR 6067)

The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42U.S.C. §§3601 et seq.)



CLFRF ADDITIONAL FEDERAL REQUIREMENTS - NOT IN 2 C.F.R.

- Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328), which limit certain political activities of state or local government employees whose principal employment is in connection with an activity financed in whole or in part by this Federal assistance.
- Protections for Whistleblowers (41 U.S.C. § 4712)
- Generally applicable Federal environmental laws and regulations.
- Texting while driving Executive Order 13513, 74 F.R. 51225 (10/6/09)
- Lobbying restrictions 31 C.F.R. Part 21
- Seat Belts Executive Order 13043, 62 F.R. 19217 (4/18/97)



CLFRF ADDITIONAL FEDERAL REQUIREMENTS - NOT IN 2 C.F.R.

- Section 504 of the Rehabilitation Act of 1973, as amended (29U.S.C.§794);
- The Age Discrimination Act of 1975, as amended (42 basis U.S.C.§§6101 et seq.),
 - and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibits discrimination based on age in programs or activities receiving Federal financial assistance;
- Title II of the Americans with Disabilities Act of 1990, as amended (42U.S.C.§§12101 et seq;
- Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42U.S.C.§§4601-4655) and implementing regulations.



CLFRF ADDITIONAL FEDERAL REQUIREMENTS - USEFUL LINKS

- eCFR.gov, <https://ecfr.federalregister.gov>
 - Federal regulation text in searchable platforms
- Sam.gov, <https://sam.gov/content/home>
 - Assistance listing Federal requirements and waivers
 - Exclusion search
 - Entity search, registration, and re-registration
- OFAC “Sanctions List Search”, <https://sanctionssearch.ofac.treas.gov/>
- USA Spending.gov, <https://www.usaspending.gov/search/>
 - Federal Assistance Identification Number (FAIN) Look Up.



GLOSSARY

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Federal Approved Indirect Cost Rate - a rate approved by the Federal agency that awards the most funds to the requesting entity, in response to a financial proposal submitted by the agency. This rate is then applied to some or all of the entity's direct costs and paid by the funding agency.

Indirect Costs - those costs incurred for a common or joint purpose benefitting more than one project or program and not readily assignable to any one cost objective. De Minimis - 10%.

De Minimis Indirect Cost Rate - a rate of 10% applied to certain direct costs that are paid by the funding agency.



GLOSSARY, CONTINUED

Pass-Through Entity - a non-Federal entity that receives Federal grant funds and grants some of those funds to another organization.

SAM.gov- the System for Award Management website, which houses registrations for organizations and businesses receiving Federal funds. All subrecipients are now required to have an active registration on SAM.gov. The Federal funding agencies use SAM.gov to designate whether entities are excluded from receiving Federal funds.

Subaward - the grant agreement and partnership between a pass-through entity and subrecipient.

Subrecipient - an entity that receives Federal grant funds from a pass-through entity.

