Grants Management
Professional Learning Community

Session 2
Financial Management Standards and Accounting Principles

Presented by: Colleen Fitzgerald
Director of Accounting Services
Session Topics

- Accounting Services Dept – What we Do
- New EDGAR - Education Department General Administrative Regulations
- Uniform Grants Guidance (UGG) or 2 C.F.R PART 200 – Uniform Administrative Req, Cost Principles, and Audits for Federal Awards
- State DEED Chart of Accounts (COA) integration with FNSBSD COA
- COA Website Resources
Accounting Services Department
What We Do:

- Payroll, Accounts Payable, Fixed Asset Tracking
- Provide assistance with MUNIS
- Assist with fiscal compliance issues
- Provide guidance on allowable expenditures
- Assist with budget revisions
- Prepare and submit periodic expenditure reimbursement reports to state and federal agencies
- Produce the Comprehensive Annual Financial Report and annual Single Audit Reports as required by State and Federal mandate
## From Circulars to the Uniform Grants Guidance (UGG) (for State and Local Governments)

<table>
<thead>
<tr>
<th>Prior to UGG</th>
<th>Starting 12/26/14*</th>
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<tbody>
<tr>
<td>Circular A-102 &quot;Grants and Cooperative Agreements to State and Local Governments&quot;</td>
<td>2 CFR Part 200, Subparts B, C, and D</td>
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<tr>
<td>Circular A-87, Cost Principles for State, Local and Indian Tribal Gov'ts</td>
<td>2 CFR Part 200, Subparts E</td>
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<td>Circular A-133, &quot;Audits of States, Local Gov'ts and Non-Profit Organizations</td>
<td>2 CFR Part 200, Subparts F</td>
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<td>EDGAR Parts 75 to 99</td>
<td>EDGAR Parts 75-79 and 81-99</td>
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<td>EDGAR Parts 74 and 80</td>
<td>Become part of Uniform Guidance</td>
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* (7/1/15 - FNSBSD Grants)
NEW EDGAR - Education Department
General Administrative Regulations

- Part 75 – Direct Grant Programs
- Part 76 – State Administered Programs
- Part 77 – Definitions that Apply to Dept Regulations
- Part 81 – The General Education Provisions Act
2 CFR Part 200 – Uniform Administrative Requirements, Cost Principals, and Audits for Federal Awards

- Subpart A – Definitions
- Subpart B – General Provisions
- Subpart C – Pre Award Requirements
- Subpart D – Post Award Requirements
- Subpart E – Cost Principles
- Subpart F – Audit Requirements
Subpart D - 200.302
Financial Management

• The Financial Management System must provide for the following:
  1. Identification of Awards
  2. Financial Reporting
  3. Accounting Records (Source Docs)
  4. Internal Control
  5. Budget Control
  6. Written Cash Management Procedures (New)
  7. Written Allowability Procedures (New)
Subpart D - 200.302
Financial Management

The financial management system of each non-federal entity must provide for the following:

1. Identification of Awards - for all Federal awards received and expended
   - The name of federal “program”
   - Identification must include:
     - CFDA title and number
     - Federal award I.D. #
     - Fiscal year of award
     - Federal agency
     - Name of Pass-through entity, if any
Subpart D - 200.302
Financial Management (cont.)

2. Financial Reporting
   - Accurate, current and complete disclosure of the financial results of each Federal award or program in accordance with 200.327 Financial Reporting and 200.328 Monitoring and Reporting Program Performance.

3. Accounting Records
   - Must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest.
   - Be supported by source documentation.
4. Internal Control

- Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal Award (200.303).
4. Internal Control (cont.)

- External auditors report on:
  - Our internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, and
  - Our compliance for each major program and a report on internal control over compliance.
Subpart D - 200.302
Financial Management (cont.)

5. Budget Control
   ➢ Comparison of expenditures with budget amounts for each federal award.

   ➢ Applies mostly to grantees that receive payment in advance of cash outlay.
   ➢ The District used the reimbursement method.
Subpart D - 200.302
Financial Management

7. Written Allowability Procedures (NEW)
   - Guide to Grants Management
   - Revision to Board Policy and Admin Regs.
   - Grants Management PLC Training Series
Subpart E - Cost Principles

Factors Affecting Allowability of Costs (200.403) – All Costs Must Be:

1. Necessary, Reasonable and Allocable
2. Conform with Federal law & grant terms
3. Consistent with state and local policies
4. Consistently treated (federal and non-federal)
5. In accordance with GAAP
6. Not included as match for other federal programs
7. Adequately documented.
DEED Chart of Accounts (COA) Integration with FNSBSD COA

- State COA Objective:
  - Establish uniform minimum chart of accounts statewide to improve financial data collection, reporting, transmission, accuracy and comparability.
- Required use by all Alaska school districts
- Required to use certain funds, functions, and objects.
- Our Munis long-account no. includes all required components of the State COA.
DEED Chart of Accounts (COA) Integration with FNSBSD COA

MUNIS Chart of Accounts Overview

Example: 180-35-10-1010-450-24500-35010

- Reporting Unit = 180 U. Park Elementary
- Fund = 35 Federal Programs Special Revenue Fund
- Function = 10 Instruction
- Program = 1010 Regular Instruction
- Budget Check = 450 Supplies, Materials & Media
- Object = 24500 Supplies
- Project = 35010 Title IA, Basic Program

The above number is known as a “Long Account”.

DEED Chart of Accounts (COA) Integration with FNSBSD COA

• State COA Required Elements:
  ➢ Fund – is a fiscal and accounting entity with a self-balancing set of accounts.
  ➢ Function – “provides for the reporting of financial information in a manner which is useful to school boards, superintendents, the DEED, the Legislature and to show compliance with laws and regulation.”
  ➢ Budget Check Code – the equivalent of the State “object” code which describes the service or commodity obtained as a result of a specific expenditure.
DEED Chart of Accounts (COA) Integration with FNSBSD COA

• Website Resources:
  ➢ Home > Technology > Business Information Systems > Munis > Munis Training Materials
  ➢ MUNIS Chart of Accounts Overview
  ➢ General Ledger Overview

• Munis Resources:
  ➢ Account Inquiry Program
Group Discussion

• What challenges do you have in monitoring your budgets and related grant expenditures?
• What are your pain points in using the Munis system?
• Are you able to find the resources you need on the District website.
• Who can you call with questions?
Reflection

• What was the most helpful part(s) of the training for you?

• What do you believe could be changed in the training to improve it?

• How do you intend to use the training in the future?

• Other Comments?