



Grants Management 101

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These items are a collaboration across several units at CDE and are not the focus of this training



These items are the focus of this training

Federal Grant Award Letter (GAL) - What does it look like?

State Agency Colorado Department of Education USDE Approved Indirect Cost Rate: 14.5% Period: 07/01/2022 – 06/30/2023	Action
Grantee	Award Information Type of Grant: Program Title: FAIN: CFDA #: State Grant Code: Federal Awarding Agency: Pass Through-Agency: Colorado Department of Education Authority: Research and Development Award: Local Match Amount:
Award Period Federal Funding Period: Performance Period (ending on Grant Expiration Date): Federal Award Date:	
Recipient Information FY21-22 Approved Restricted Indirect Cost Rate: Unique Entity Identifier: UEI Expiration Date:	
Grant Description Application as submitted for this RFA constitutes part of this agreement.	Grant Amount Current Award Amount: \$
Exhibits and Order of Precedence The following Exhibits and attachments are included with this Agreement: <ol style="list-style-type: none"> Exhibit A, Statement of Work. Exhibit B, Budget. Exhibit C, Federal Provisions. Exhibit D, PII Certification Exhibit E, Construction (if applicable) In the event of a conflict or inconsistency between this Agreement and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority: <ol style="list-style-type: none"> Exhibit C, Federal Provisions Exhibit E, Construction Exhibit E Colorado Special Provisions in section 18 of the terms and conditions of this Agreement. The provisions of the other sections of the main body of this Agreement. Exhibit A, Statement of Work. Exhibit D, PII Certification Exhibit B, Budget. 	
Regulations: CFR Part 200, EDGAR As Applicable, 2 CFR As Applicable Applicable Federal Attachments, Regulations and Requirements are required to be followed and adhered to and can be located at: http://www.cde.state.co.us/cdefisgrant/federalattachments	

- State Agency
- Action
- Grantee
- Award Period
- Recipient Information
- Award Information
- Grant Description
- Grant Amount
- Exhibits and Order of Precedence
- Regulations



Federal Grant Award Letter (GAL) - What does it mean?

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- **State Agency**
 - CDE indirect cost rate; this is not the rate your organization uses if you are claiming indirect costs. Your organization should have its own rate.
 - Initial or supplemental award (if the statement of work changes)
 - The 4-digit code and name of your organization as registered for your Unique Entity Identifier (UEI)
- **Award Period**
 - **Funding Period:**
 - Period of time in which funds can be expended or costs incurred.
 - **Performance Period:**
 - Total estimated award period.
 - May include more than one funding period.
 - Performance period does not commit funding beyond the current approved budget period.
- **Recipient Information:**
 - The approved indirect cost rate for your organization
 - Your organization's UEI
 - Expiration Date: Expiration of your registration on SAM.gov



Differences between Federal and State Grants

- Federal grants
 - Created and appropriated through an act of U.S. Congress
 - Codified in federal law
 - Governed by Uniform Grant Guidance (UGG)
 - 2 CFR 200
 - Education Department General Administrative Regulations (EDGAR)
 - Typically funded via reimbursement (funds provided after expenditures incurred)
- State grants
 - Created and appropriated through an act of state congress
 - Codified in Colorado Revised Statutes (C.R.S.)
 - Governed by state fiscal rules
 - Typically funded in advance (forward funded)



Title 2 – Code of Federal Regulations –Part 200 (link on Grant Resources slide)

- Provides and establishes uniform administrative requirements, cost principles, and audit requirements.
- **IN GENERAL:** if it does not appear as a rule in a specific piece of legislation, **CDE Fiscal rules defer to 2 CFR 200**

- ▼ **Title 2** Grants and Agreements
 - ▼ **Subtitle A** Office of Management and Budget Guidance for Grants and Agreements
 - ▼ **Chapter II** Office of Management and Budget Guidance
 - ▼ **Part 200** Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
 - 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

Navigating the Colorado Revised Statutes

- The Colorado Revised Statutes (C.R.S.) are the laws passed by the Colorado General Assembly. Every law is assigned an alphanumeric identifier you can use to look it up. See link at Grant Resources slide at the end.
- The C.R.S. can be found on the Colorado General Assembly via LexisNexis in publication or online.

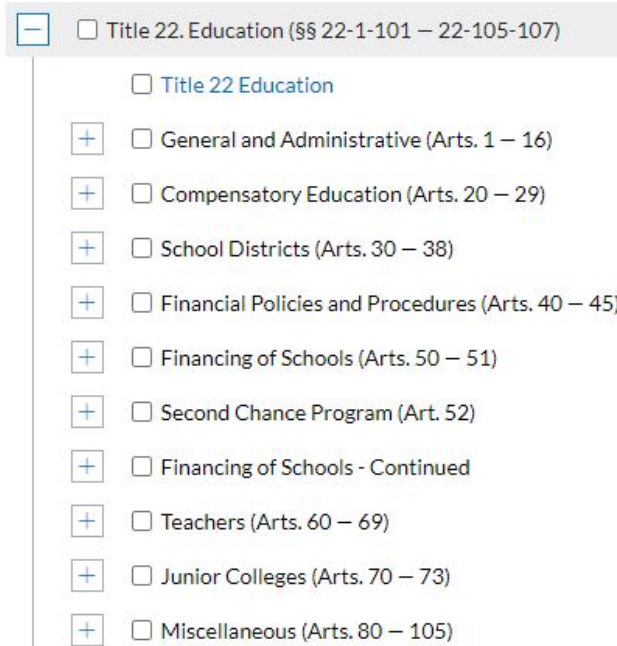


Chart of Accounts (COA) Chart Fields



Appendix A: Required Reporting Levels

Expenditures, Revenues & Balance Sheet Transactions

	Fund	Location	SRE	Program	Object / Source	Job	Grant / Project
Expenditures	XX	XXX	00	XXXX	XXXX	XXX	XXXX
Revenues	XX	000	00	0000	XXXX	000	XXXX
Balance Sheet	XX	000	00	0000	XXXX	000	XXXX

See [CDE Chart of Accounts](#) - *Appendix A: Required Reporting Levels* for a detailed listing of all the required codes (the “bold” codes).

See [CDE Chart of Accounts](#) - *Appendix N: Rolling to the Bold* for a discussion on the roll to the bold concept.

Chart of Accounts – Project Codes



Project Codes:

- 0001 - 2999 - Local Project/Grant Codes

Grant Codes:

- 3000's State Grants
- 4000's - 9000's Federal Grants

OR

0000

§ 200.302(b)1 Financial management.

(1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the Assistance Listings title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

Note: Must be assigned by CDE even if the federal funding is from a different entity

https://www.cde.state.co.us/cdefinance/coa_grantcodes_fy2024



Note, this slide is mostly informational but the best practices noted in slides below are applicable to the Local/Private projects as well

- **Local/Private Project Codes:**
- 0XXX-2XXX – Local, Intermediate (neither state nor federal)
- Assigned by the district for local use.
- Example – Private Grants
- FPP Committee Recommendation (potential changes)
 - District Programs – 0
 - Donations – 1
 - Local, Private, Intermediate – 2



- **State Grant Codes:**
- Source code 3000 represents state funding sources
 - CDE funding is assigned grant codes ranging from 3000 – 3949
- Use source code 3010 for funding your organization receives from other State agencies (other than CDE)
 - Grant codes 3950 - 3999 are assigned by District for grants received outside of CDE

Chart of Accounts – Project Codes

- Federal Project Codes

- 4000 or higher
- They are attached to the Assisted Listing Number (ALN) formerly known as the Catalog of Domestic Assistance (CFDA)
 - The ALN is a five-digit code. The first two digits represent the federal agency and last three indicate type of award.

84.010 Title I Grants to Local Educational Agencies

To help local educational agencies (LEAs) improve teaching and learning in high-poverty schools in particular for children failing, or most at-risk of...

Dept / Ind Agency: EDUCATION, DEPARTMENT OF
 Subtier: OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

+ History

Assistance Listing

Is Funded
 Yes

Last Updated Date
 Jul 30, 2023

Type of Assistance
 A-Formula Grants

Grant or Contract Title	Assistance Listing Number	Grant/Project
Programs Operated by Schools. Formula Grant		
Every Student Succeeds Act (ESSA), Title I, Part D: Delinquent (LEA-Subpart 2, Title I-D)	84.010	7010
Every Student Succeeds Act (ESSA), Title I, Part A: Improving Basic Programs Operated by Schools Distinguished Schools Award Program	84.010	8010
Every Student Succeeds Act (ESSA), Title I, Part A: Improving Basic Programs Operated by Schools. Competitive Grant: School Improvement: Reallocation of unused Title I funds per CDE State Plan. Included here is the Title I Reallocated Supplemental Summer School Distribution: Turnaround Grant	84.010	5010

<https://sam.gov/content/assistance-listings> <https://www.cde.state.co.us/cdefinance/sfcoa>





- Funds
 - Fund 10 or Fund 22
 - There should not be a fund balance on grants
- Balance Sheet Accounts
 - 8142 – Grants Accounts Receivable
 - 7482 – Grants Deferred Revenue
- Revenue Source Codes
 - Local/Private: 1900, 1920 or 1990
 - State: 3000-3999 (3000 from CDE)
 - Federal: 4000-4999 (4000 from CDE)

Best Practices



- Communication
- Current grant list with project codes
- Spend Down Tracking Sheet
- Overall Grant Tracking - Virtual or Hard Copy
- Budget to Actual Spreadsheet
- Indirects
- Request for Funds

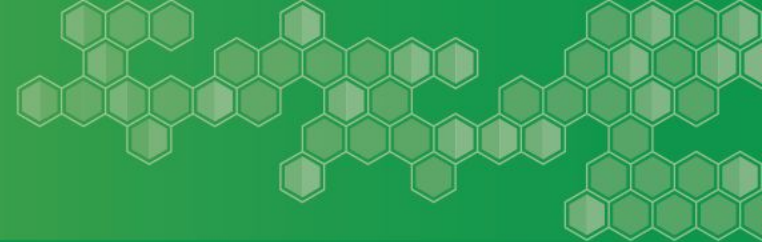
Best Practices – Communication

- Program and Fiscal in communication through the lifecycle of the grant
 - Many issues noted during the life of the grant start with a lack of communication across units
- Funder contacts (CDE – Grant Project Code List)

Topics

- Sustainability
- What is the specific impact of adding FTE versus extra hours?

Best Practices – Grant List



- Name of Grant
- Performance Period
- Project Code
- Type of Grant (not everyone knows project codes)
- Last day to request funds
- What grant has indirect (not on state grants)
- Grant Contacts (funder, program person, fiscal)

Best Practices – Spend Down

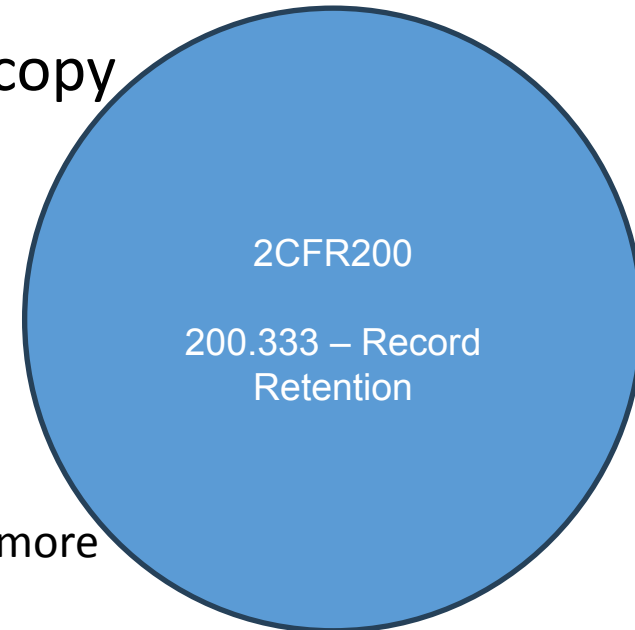


- Why is spending down grant dollars important?
 - A lack of spend down can indicate issues with the grant project.
 - Failure to spend down a grant can result in less funding for the future.
- Best Practice – quarterly spend down analysis
 - Being able to explain where the project is or reasons for not being on target.

Name of Grant	Project Code	Allocation	Carryover	Total Amount	Expenditures as of 9/30	Remaining Balance as of 9/30	Percentage Spent as of 09/30	Percentage Remaining as of 09/30
Title I	4010	\$ 100,000.00	\$ 10,000.00	\$ 110,000.00	\$ 33,000.00	\$ 77,000.00	30%	70%
EASI	5010	\$ 30,000.00	\$ 5,000.00	\$ 35,000.00	\$ 2,200.00	\$ 32,800.00	6%	94%



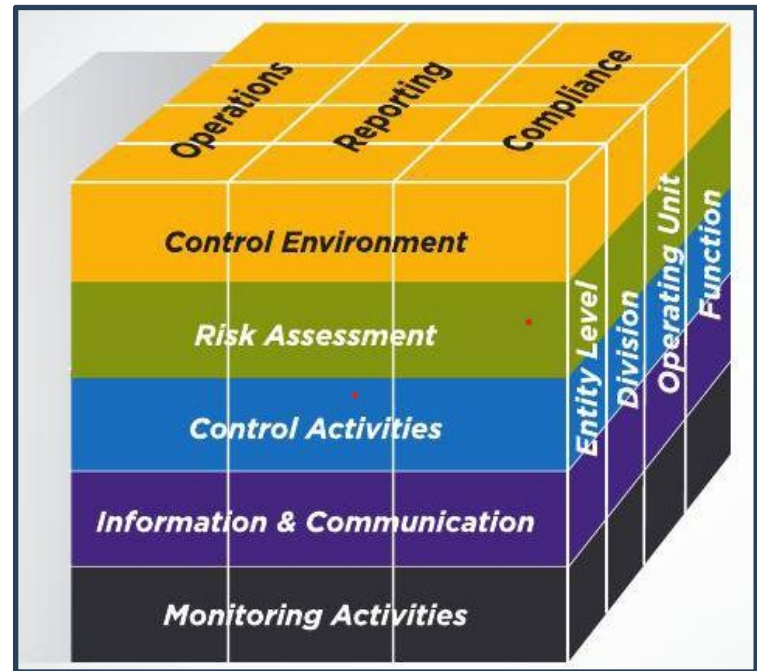
- Electronic folders (preferred) or hard copy binder for each grant
 - Award letter
 - Terms and Conditions
 - Budget to Actual Spreadsheet
 - General Ledger
 - Payroll Ledger
 - Source Documentation (Hard copy or virtual)
 - Maintain the records as required (discussed in more detail later in the slides)



Note, many of these documents get requested during monitoring, auditing or other reviews. Electronic documents are much easier to manage.

Best Practices - Source Documentation

- Time and effort (must meet criteria at 200.430(i))
 - Requirements triggered once federal funds used for compensation to any degree
- Personnel Contracts
- Extra Pay Timesheets
- Stipend Memos
- Purchase Orders
- Contracts
- Pcard Statements
- Travel Reimbursement Forms
 - For indicating the purpose for travel
 - Per Diem Rates
 - Hotel Confirmations
 - MapQuest or Google Maps for Mileage
 - Uber Receipts
 - Car Rental Receipts



- Set up a grant cost tracking spreadsheet
 - Track Original Budget and any Revisions (*may or not be in GL system*)
 - look for variances 10% or more per object code (may require a Post Award Revision - PAR)
 - Basic Information
 - Include full account codes (*names of staff*) (*payroll ledger*)
 - Track expenses by object by month
 - Track when revenue is received
 - Source documentation
- Reconcile Monthly or Quarterly to general ledger
- This is a common Recommendation during monitoring due to the issues noted during review



- Booking Indirects – [Appendix G](#) in the chart of accounts
 - Expenditure/Revenue Method
 - Abatement Method

As with Indirect Costs, the district may choose to account for Overhead Costs using either the Revenue/Expenditure Method or the Abatement Method, except the object will be 0868 instead of 0869 and the source will be 1971 instead of 1972.

- Use object code 0868 with non-federal grant/project codes
- Use object code 0869 is with federal grant/project codes

OPTION 1. The Expenditure/Revenue Method.

Assume indirect costs are being charged to the Title I program.

Fund	Location	SRE	Program	Object/ Source	Job Class	Grant/ Project	Amount	Description
22	XXX	00	XXXX	869	000	4010	500.00	Expenditure in the Designated-Purpose Grants Fund
10	000	00	0000	1972	000	0000	500.00	Revenue in the General Fund

OPTION 2. The Abatement Method.

Assume indirect costs are being charged to the Title I program.

Fund	Location	SRE	Program	Object/ Source	Job Class	Grant/ Project	Amount	Description
22	XXX	00	XXXX	0869	000	4010	500.00	Expenditure in the Designated-Purpose Grants Fund
10	XXX	00	XXXX	0869	000	0000	-500.00	Abatement in the General Fund

Note: With the Abatement Method, the district's internal charge/reimbursement accounts net to zero; however, with the Revenue/Expenditure Method, the district's internal charge/reimbursement accounts do not net to zero, but the total expenditures (0868/0869) should equal the total revenues (1971/1972).



- Indirects can only be taken up to the first \$25,000 by vendor in aggregate total.
- Indirects cannot be calculated on capital assets.
- Indirect costs are directly related to direct costs
 - Do not submit RFF for indirect without having related direct costs
- Find your LEA's rate on the [CDE Indirect Cost](#) website (broken out by FY)
 - Restricted vs Unrestricted
- [Office Hours](#) training from September 23, 2021

Best Practices - Request for Funds

- Request for Funds should be done monthly, at minimum they are required to be done quarterly per the terms and conditions in the GAL.
- There are various trainings and where to request funds at the link below.
- Failure to draw funds down per the terms and conditions can risk your award.

<https://www.cde.state.co.us/cdefisgrant/requestforfundsforms>

Formsite RFF Resources

- [Request for Funds Process Overview](#)
- [Formsite Navigation - Request for Funds](#) (how to access & complete the electronic RFFs)
- [Authorized Representative Designation Form](#)
- [Formsite RFF Process Tutorial](#)
- [EASI RFF Process Tutorial Video](#)
- [EASI RFF Required Support Documentation](#)
- [EASI RFF Process PPT](#)
- If you would like a copy of the training webinar sent to you, please e-mail mueller_p@cde.state.co.us.





Compliance - Can I Use Federal Funds?

Is it Allowable (200.403)?

- Necessary and reasonable for the performance of the award
- Conform to specific exclusions or limitations (award specific as well)
- Consistent treatment in process (federal and nonfederal) and application (direct or indirect)
- Conform to GASB
- Not used as cost for another federal award (no double dipping)
- Adequately documented
- Incurred during approved budget period (obligation)



Allowable = reasonable + necessary + allocable

Reasonable (200.404)

Would a prudent person consider the cost and nature of the item to be ordinary and necessary?

Necessary

Required for the proper performance of the award

Allocable (200.405)

Cost assignable in accordance with relative benefit received

Compliance - Documented Process

- Federal fiscal compliance is based mainly on the requirements outlined in the Uniform Grant Guidance (UGG)
 - Fiscal compliance is generally consistent across all federal funds
 - Fiscally compliant procedures under one federal award are typically compliant under most federal awards
- Start with documenting how it works at your LEA
 - Handbook for the recently employed
 - Satisfy the *Must's* and *Should's* on the next few slides
- Monitors and auditors look to how things are done as part of the review
 - CDE fiscal monitoring will look at process around four main areas of activity: time and effort, procurement, capital property & equipment, and construction



Compliance - Must Be Documented vs Should Be Documented

- Must (required in UGG)
 - Time and effort (200.430(a) and 2019 Cost Allocation Guide)
 - Employee benefits (200.431)
 - Procurement (200.318-320)
 - Equipment management (200.313(d))
 - Allowability (200.302(b)(7) and 200.403)
 - Cash management (200.302(b)(6) and 200.305)
 - Travel (200.475(a))
 - Conflicts of interest (200.318(c))
- Should (best practice)
 - Record retention (200.334)
 - Internal monitoring (e.g., risk assessments, sub-recipient review, etc.)
 - Program specific requirements (e.g., eligibility, matching, etc.)



Compliance - What Needs to Be Documented?

How does the process work? What are the steps from start to finish to accomplish a task?
Most likely a combination of policy and procedure.

Policy

A guiding principle used to set direction in an organization.

- Changes infrequently
- States generally who, what, when, or why
- Is broad and general

Procedure

A series of steps to be followed as a consistent and repetitive approach to accomplish a result.

- Continuously changes and improves
- States specifically who, what, when, and how
 - CDE recommends using titles rather than names when documenting the “Who”
- Offers a detailed description of activities



Compliance - Creating or Refining Policies and Procedures

- To ensure compliance with the federal rules around documenting internal processes, CDE recommends LEAs begin by documenting their current process at a level of detail that would describe all the steps needed from start to finish to accomplish a task (e.g. – make a purchase, document time and effort, receive and track capital assets, etc.). Once developed, an LEA should then identify what internal controls or compliance requirements may be missing and adjust the process and/or procedure accordingly.
- An LEA should develop their process to ensure it works at their entity and may choose to have more controls or be more restrictive than the federal guidance. However, an LEA must follow their internal process, so they should avoid adding steps to a process unless they are prepared to follow them.
- To help facilitate this internal process documentation, CDE has compiled some [rules and guidance](#) an LEA should incorporate. An LEA will need to determine how best to fit these required elements into their documented processes.



Compliance - Overall Financial Management

Documented Processes + Proper Allowability Considerations = Compliant Financial Management (200.302)

- Financial systems sufficient to show expenditures used in accordance with UGG and the award
- Awards identified in accounting system to a level showing, at a minimum; ALN number and title, Federal award number and year, name of Federal agency, and name of pass-thru entity (accomplished through the proper use of the CDE Chart of Accounts)
- Effective control and accountability over all expenditures posted to the award
- Ability to show comparison of budgeted expenditures to actual
- Adequate source documentation
- Follow established and documented process



Compliance - Common Issues Related to Allowable Costs

- Food - very [specific scenarios](#) in which ED sees food as an allowable use of federal funds
- Taxes - make use of available tax exemptions (200.470)
- Personal benefit - be careful with perceived benefits (e.g., incentives/gifts)
- Conflict with internal policies (e.g., travel normally charged to non federal funds?)

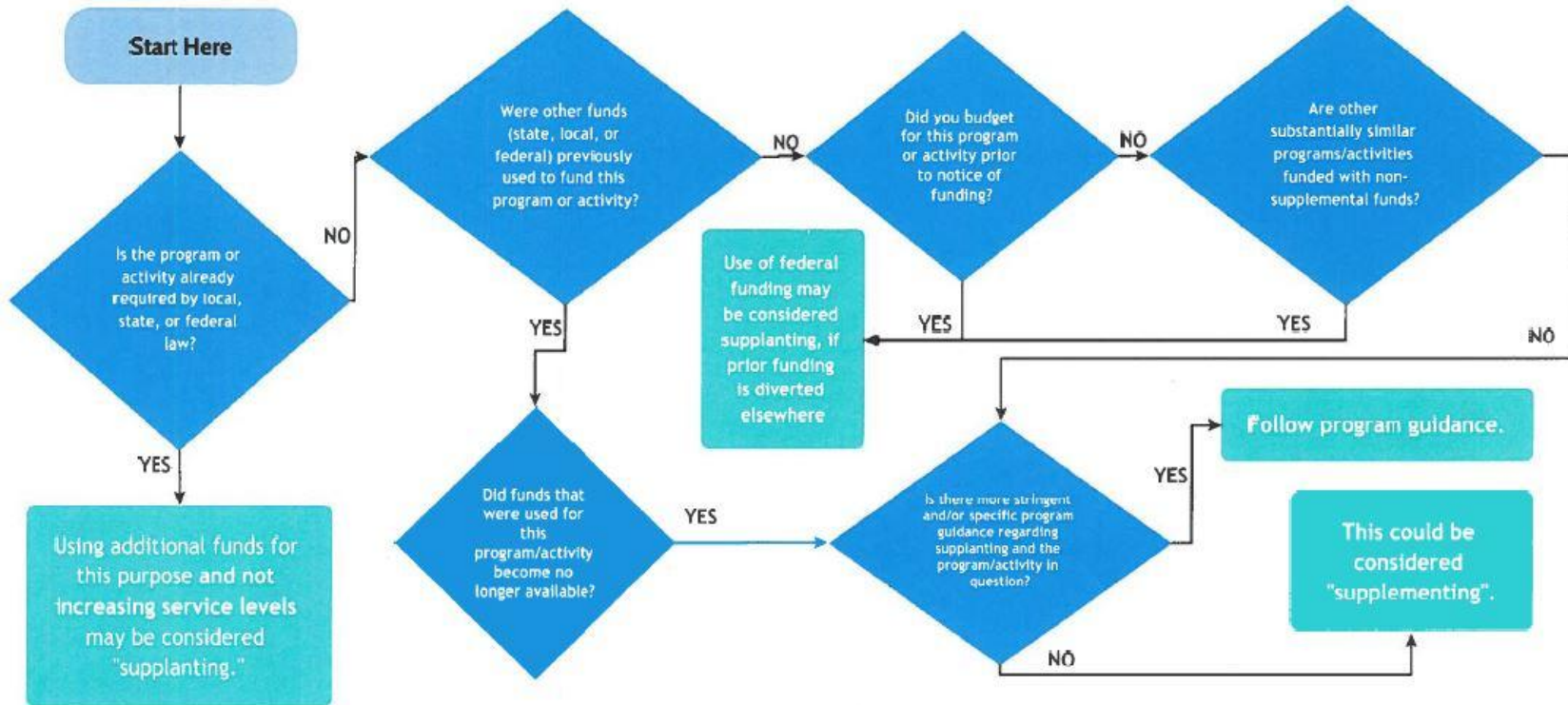
Supplement, Not Supplant

Why does this topic matter?

Federal regulation for stimulus and supplemental funding, generally, state that funds must be used to supplement, not supplant. As such, it is vital to consider this topic when making decisions about funding uses.

What is the purpose of this flowchart?

This resource is intended to help users work through this topic when making decision about funding uses. Users are also encouraged to document the decision-making process and work with federal partners to ensure this topic is being considered appropriately.





- Are there any questions?





- Chart of Accounts: <http://www.cde.state.co.us/cdefinance/sfcoa>
- Grant Fiscal: <https://www.cde.state.co.us/cdefisgrant>
- Indirect Rates: <https://www.cde.state.co.us/cdefinance/icrc>
- Request for Funds: <https://www.cde.state.co.us/cdefisgrant/requestforfundsforms>
- Federal Regulation 2CFR200:
<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1>
- Related School Finance Trainings:
<http://www.cde.state.co.us/cdefinance/upcomingschoolfinancetownhallsandtrainings>
- Management Concepts: <https://www.managementconcepts.com/>
- Colorado Revised Statutes:
<https://leg.colorado.gov/agencies/office-legislative-legal-services/colorado-revised-statutes>
- Colorado Office of the State Controller Fiscal Rules:
<https://osc.colorado.gov/financial-operations/fiscal-rules-procedures/fiscal-rules>
- CDE Grants Fiscal Resources:
<https://www.cde.state.co.us/cdefisgrant/webinarstrainingsguidance>

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