

# Grant 101 Workshop Training - CGFOA

CERTIFIED PUBLIC ACCOUNTANTS  
& BUSINESS CONSULTANTS



# Agenda

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- Overview of the Uniform Guidance
- SEFA
- Compliance Requirements
- Recent Changes
- Procurement
- Internal Control



# Agenda (Continued)

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- Grant Closeout
- Common Pitfalls and Best Practices
- Resources



# Overview of the Uniform Guidance

# OMB Uniform Guidance

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- December 26, 2013 – *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* issued
- Codified into Title 2, Part 200 of the Code of Federal Regulations
- Supersedes Circular A-133 and other prior cost circulars
- Referred to as the “Uniform Guidance” or “UG”

# OMB Uniform Guidance

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- Uniform Guidance is contained in six subparts:
  - Subpart A, 200.XXX – Acronyms and Definitions
  - Subpart B, 200.1XX – General
  - Subpart C, 200.2XX – Pre-Federal Award Requirements
  - Subpart D, 200.3XX – Post-Federal Award Requirements
  - Subpart E, 200.1XX – Cost Principles
  - Subpart F, 200.5XX – Audit Requirements

# OMB Uniform Guidance

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- Terms defined by UG:
  - SEFA
    - Schedule of Expenditures of Federal Awards
  - Federal Awards
    - Defined by Uniform Guidance *“Federal financial assistance and federal cost-reimbursement contracts that the auditee receives directly from federal awarding agencies or indirectly from pass-through entities”*
  - Pass-through Entity
    - A non-federal entity that passes federal awards to another local government or non-profit for those recipients to manage the grant.

# Compliance Supplement

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- Issued each year by the Office of Management and Budget (OMB)
- Discusses any changes to grant requirements specifically identified by Federal awarding agencies or any general changes to grant compliance requirements.
- <https://www.whitehouse.gov/omb/office-federal-financial-management/>
- Highly recommend looking at this each year when issued

# Compliance Supplement

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- **Warning:** The compliance supplement will discuss items that are not applicable, not direct or material to certain grants.
- However, just because the compliance supplement discusses this, doesn't mean that compliance doesn't need to be followed by your entity
- Determinations of applicable compliance requirements are important for an auditor's tests, but the grant agreement is the ultimate guide to what the local government needs to do from a compliance perspective

# Schedule of Expenditures of Federal Awards (SEFA)

# SEFA

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- SEFA
  - Identify Clusters
  - Summarize Expenditures by Assistance Listing (AL) numbers and clusters
  - Identify whether grant was direct from Federal government or through a pass-through entity.
  - Identify if you received non-cash grant assistance
  - Subrecipient vs. Contractor Relationships
    - Direct and Indirect Recipients (discussed later)

# SEFA

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- General rule of thumb for SEFA inclusion of expenditures:
  - Underlying activity occurs
  - There is an award/terms of conditions
- Not necessarily tied to GAAP recognition of revenue

# SEFA Changes - § 200.510(b)

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- UG requires additional information on the SEFA:
  - Total amount provided to subrecipients from each program, if any.
  - Identification of grant award date
  - For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.
  - Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414 Indirect (F&A) costs.

# Why Does This Matter?

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- You may or may not be directly involved with the preparation of the SEFA.
- Due to the decentralized nature of certain governments, this could pose problems or miscommunication.
- If you have information related to a federal grant that needs to be reported on the SEFA, and it hasn't been communicated to your finance department, or those in charge of preparation of the SEFA, please send the information on to those divisions.

# Compliance Requirements

# Summary of the 12 Compliance Requirements

Under Uniform Guidance, there are 12 Compliance Requirements.

Note that if they apply, Davis-Bacon and other wage rate requirements are included as a special test, previously they were a separate compliance requirement.

## Compliance Requirements

A. Activities Allowed or Unallowed

B. Allowable Costs/Cost Principles

C. Cash Management

E. Eligibility

F. Equipment and Real Property Management

G. Matching, Level of Effort, Earmarking

H. Period of Performance

I. Procurement, Suspension, Debarment

J. Program Income

L. Reporting

M. Subrecipient Monitoring

N. Special Tests and Provisions

## A. Activities Allowed or Unallowed

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- Each federal program identifies certain activities that you are permitted to conduct with the federal funding, and certain activities that you are prohibited from performing
- Requirements vary from program to program (Check your grant agreements/amendments and the compliance supplement every year!)

## B. Allowable Costs / Cost Principles

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- Organizations must adhere to the appropriate OMB Uniform Guidance as it relates to allowable costs and cost principles (State & Local Governments in the case of local governments)
- Provides specific guidance on what type of costs may be charged to a federal program (i.e. salaries, travel, equipment, depreciation, etc.)

# Cost Principles – Subpart E

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- Indirect Cost Rates updates
- Time & Effort Reporting updates
- Replaces the old cost circulars: A-87, A-122, and A-21

# Factors Affecting Allowability of Costs:

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- Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

# Factors Affecting Allowability of Costs:

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- Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.
- Be adequately documented.
- Cost must be incurred during the approved budget period. The Federal awarding agency is authorized, at its discretion, to waive prior written approvals to carry forward unobligated balances to subsequent budget periods

# Generally Unallowed per Cost Principles

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- Alcoholic beverages
- Bad debts, losses on other federal awards or contracts
- Contributions & donations
- Fines, penalties, damages, and settlements
- Lobbying
- Goods or services for personal use
- Marketing & selling costs unallowable with few exceptions
- Cost of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable with few exceptions

# Indirect Costs

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- Only non-federal entities that receive direct federal funding can apply for Indirect Costs Rates
- All entities can utilize the 10% minimum flat rate
- Pass through entities:
  - Required to honor subrecipient's negotiated indirect cost rates
  - If subrecipient does not have a negotiated rate
    - Negotiate a rate with them
    - Provide minimum flat rate

# Time & Effort

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- UG allows greater flexibility in time & effort reporting
- Focuses on internal controls over time & effort reporting more than the methodology
- Personnel activity reports encouraged
- Can use 100% time reporting documents, or a reasonable method for allocation, such as timecards, or a sampling methodology.

## C. Cash Management

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- For programs operating on a reimbursement basis, programs must incur expenditures before requesting reimbursement
- For programs where funds are advanced, programs must minimize time between drawdown of funds and their expenditure
- Interest earned must be returned to government, unless otherwise indicated
- Requirements also apply to your subrecipients

## E. Eligibility

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- Highly dependent on the grant for compliance requirements. Most common for Human Services grants and grants that distribute benefits to the population of the local government.
- Follow guidance from granting agency and the Compliance Supplement in order to follow changes in what makes a client eligible and not eligible.
- If you're not sure, ask granting agency before issuing any benefits.

## F. Equipment and Real Property Management

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- Equipment and property purchased with federal funds (\$5,000 per item or greater) must be used for the purpose originally intended
- Equipment records must be maintained and an inventory conducted every two years
- Need awarding agency's permission to sell equipment or real property, and the agency may be entitled to a share of the proceeds

## G. Matching, Level of Effort, and Earmarking

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- Matching: Certain federal awards must be matched with a specified percentage of non-federal funds
- An organization may **NOT** use funds from one federal award program to fulfill the matching requirement for a different federal award program

## G. Matching, Level of Effort, and Earmarking

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- Level of Effort: Certain federal awards specify (a) a given level of service to be provided; (b) a given level of expenditures for specific activities; (c) that federal funds supplement and not supplant the use of non-federal funds
- Earmarking: Certain federal awards specify a minimum or maximum percentage of expenditures that must be spent for specific purposes

## H. Period of Performance

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- Certain federal awards specify a period during which federal awards may be used (usually the term of the grant contract)
- The organization may only use federal funds to pay for costs incurred during the period of performance specified by that federal award

# I. Procurement and Suspension and Debarment

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- Procurement: Organizations must adopt procurement procedures conforming to federal law. These requirements include obtaining competitive bids for purchases over certain thresholds. (Coming later in this presentation)

# I. Procurement and Suspension and Debarment

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- Suspension and Debarment: Organizations may **not** *contract* with or make *subawards* to entities that have been suspended or debarred from receiving federal funds by the federal government
  - Check this website for suspension and debarment before entering into a contract or a subaward:
    - <https://sam.gov/search/>

# Procurement and Indirect Costs

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- UG procurement standards do not apply to procurements made in indirect cost areas. They apply to procurements for goods and services that are directly charged to a Federal award.
- Example: UG procurement would not have to be followed when hiring a plumber to fix a broken pipe in the headquarters building

## J. Program Income

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- Generally not direct and material to many entities not running business-type activities with federal funds (like a transportation service).
- Track all income you make in relation to the program, including interest on advanced funds, unless the grant agreement says otherwise
- Let your finance department or management know, if they don't already.

## L. Reporting

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- Most federal awards programs require organizations to submit various financial or project status reports
- Additionally, there are several standard financial reporting forms that must be prepared for federal award programs, as applicable

# Standard Forms

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- SF-270: Request for Advance or Reimbursement
- SF-271: Outlay Report and Request for Reimbursement for Construction Programs
- SF-425: Federal Financial Report

## M. Subrecipient Monitoring

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- Pass-through entities must monitor their subrecipients in various ways
- Must identify federal awards to subrecipients at the time of the award, including CFDA number, award name, name of federal agency, and compliance requirements
- Determine that the subrecipient has provided a valid Dun and Bradstreet Data Universal Numbering System (DUNS) number as part of the subaward application or before award

## M. Subrecipient Monitoring

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- Must monitor subrecipient's use of the federal awards through reporting, site visits, regular contact, and other methods
- Must make sure that subrecipients with >\$750,000 in federal expenditures have a Single Audit performed. The pass-through entity should also obtain a copy of the report, review findings, and make sure the subrecipient takes action to resolve these findings

# Contractor vs. Subrecipient

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- Contractor replaces “vendor”
- Look at the substance of the award, not the titles
- It is the pass-through entities responsibility to make this determination

# Pass-through Entity Responsibility

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- Data to communicate to subrecipients
  - Subrecipient name
  - Subrecipient DUNS (Changing April 4, 2022)
  - Federal Award Identification Number (FAIN)
  - Federal Award Date
  - Subaward Period of Performance Start and End Date
  - Amount of Federal Awards Obligated by this Action
  - Total Federal Awards Obligated to Subrecipient
  - Total Amount of Federal Award
  - Federal Award Project Description

# Pass-through Entity Responsibility

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- Data to communicate to subrecipients
  - Federal Award Date
  - Name of Federal Awarding Agency
  - Name of Pass-through Entity
  - Contact Name for Awarding Official
  - CFDA Number and Name
  - Identification of Whether the Award is R&D
  - Indirect Costs Rate for the Award

# Pass-through Entity Responsibility

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- UG requires entities to perform risk assessment procedures over subrecipients to determine the appropriate level of subrecipient monitoring necessary

# Pass-through Entity Responsibility

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- Monitoring of subrecipient
  - Reviewing financial & programmatic reports
  - Ensuring timely & appropriate action taken to resolve deficiencies
  - Issuing management decisions on audit findings
  - Provide training
  - Perform on-site reviews as necessary
  - Arranging for AUP engagements
  - Verify subrecipient had a Single Audit, if required

## N. Special Tests and Provisions

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- Certain federal programs have additional tests or provisions that auditors must test for compliance.
- These special tests and provisions are identified in Parts 4 and 5 of the Compliance Supplement
- Special tests can also be included in your grant agreement. Look for special reporting requirements or other items that you might need to report to the federal government or your pass through entity.

# N. Special Tests - Davis Bacon Act (Wage Rate Requirements)

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- When federal awards are used for construction contracts > \$2,000, all laborers and mechanics employed by contractors and subcontractors must be paid prevailing wages determined by the Department of Labor
- The organization must obtain the certified payroll report from the contractor and subcontractor and verify compliance

# Recent Changes to the Uniform Guidance

# Recent Changes

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- Assistance Listing number (AL#) is the new name for CFDA number; number format is still the same.
- COVID-19 funded grants need to be reported as such on the SEFA. These could be COVID-19 specific grants, or they could be historic grants that have received additional funding through CARES, APRA, etc.
- On April 4, 2022, the federal government stopped using the DUNS Number to uniquely identify entities. Now, entities doing business with the federal government use the Unique Entity ID created in SAM.gov.

# Compliance Requirements

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- Uniform Guidance revisions were made to the code of federal regulations at 2 CFR Part 200 on August 13, 2020 and were effective on November 12, 2020
  - Changes were effective for federal awards made on or after 11/12/20
  - Areas of impact:
    - Period of performance
    - Procurement – discussed later
    - Reporting
    - Indirect costs

# Compliance Requirements

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- Status of UG changes
  - Federal agencies need to adopt the new UG in their agency regulations
    - Several key agencies have not adopted (DoD, HHS, Energy, Interior, Transportation)
    - Appendix II in the 2021 Supplement will identify which agencies have adopted
    - If not adopted, check the award's terms and conditions
    - [FAQs](#) issued on May 3, 2021

# FFATA Reporting

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- FFATA Reporting added to the 2021 Supplement
  - Applies to **all** major programs - not just COVID-19 programs
  - Required if the reporting compliance requirement is marked “Y” in Part 2 AND
  - The recipient makes **first-tier** subawards/subcontracts of \$25,000 or more (bumped to \$30,000 in the new UG) to report subaward data through the FFATA Subaward Reporting System
  - If you do not make first-tier subawards, FFATA reporting will not apply for that specific grant.

# New UG - Procurement

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- Increases the micro-purchase threshold from \$3,500 to \$10,000 and the simplified acquisition threshold from \$150,000 to \$250,000 to reflect changes implemented by the National Defense Authorization Act of 2018.
- Non-federal entity may increase the micro-purchase threshold up to \$50,000 (which is higher than noted above)
  - Must be documented and include the following:
    - Low-risk auditee status
    - Annual internal institutional risk assessment
    - For public institutions, a higher threshold consistent with State law
- If the new micro-purchase threshold has been adopted **but** the agency has not adopted the new UG, Part 3 will state that no finding is to be reported

# Procurement

# Procurement Requirements

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- The UG defines five methods of procurement to be used:
  - Micro purchases – less than \$10,000
  - Small purchases – \$10,000 to \$250,000 (the Simplified Acquisition Threshold)
  - Sealed bid purchases – Over \$250,000; preferred for construction
  - Note that these thresholds don't overwrite your procurement policy – if those thresholds are lower, use the method your procurement policy outlines

# Procurement Requirements

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- The UG defines five methods of procurement to be used:
  - Competitive proposal purchases – Over \$250,000; used when a sealed bid is not appropriate
  - Noncompetitive purchases – special circumstances applicable to all levels
- Note that dollar thresholds are subject to change periodically. Please be sure to check OMB guidance at least annually.

# Micro Purchases

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- Purchase orders may be awarded without soliciting competitive quotations if costs are considered reasonable by the entity
- To the extent possible, purchases must be distributed equitably among qualified suppliers



# Small Purchases

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- Price or rate quotations must be obtained from an adequate number of qualified sources
- The number of quotations obtained and the form of the quotations (e.g. writing, orally, price list on website, generated by online search engine) are up to the entity

# Sealed Bid Purchases

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- Bids are publicly solicited
- Firm, fixed price contract awarded to lowest responsible bidder
- Invitation for bids must be publicly solicited providing sufficient response time before the bid opening
- Invitation must include necessary specifications for the bidder to properly respond

# Sealed Bid Purchases

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- Bids are opened at the time and place prescribed in the invitation for bids
- Any and all bids may be rejected if there is a sound documented reason

# Conditions Necessary for Sealed Bid Purchases

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- Complete, adequate, and realistic specification or purchase description is available
- Two or more responsible bidders are willing and able to compete effectively for the business
- The procurement lends itself to a firm fixed price contract and the selection of a successful bidder can be made principally on the basis of price

# Competitive Proposal Purchases

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- Used when conditions are not appropriate for sealed bids
- Requests for proposals are publicized and identify evaluation factors
- Proposals solicited from an adequate number of qualified sources
- Must use written method for conducting technical evaluations of the proposals received

# Competitive Proposal Purchases

- Contracts awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered
- For architectural and engineering services, it is acceptable to evaluate competitors' qualifications, select the most qualified, and then negotiate a fair and reasonable price



# Noncompetitive purchases

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- Only permitted when one or more of the following circumstances apply:
  - The item is only available from a single source
  - Public exigency or emergency
  - Federal awarding agency or pass through entity authorizes noncompetitive proposals
  - After solicitation of a number of sources, competition is determined inadequate

# Procurement, Suspension and Debarment Checklist

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- Written procedures for procurement transactions (200.319)
- Written policy regarding grace period
- Verification of the requirements for suspension and debarment? (200.213) (2 CFR part 180)
  - Checking the listing available at <https://www.sam.gov/search/>
  - Collecting a certification from the entity, or
  - Adding a clause or condition to the covered transaction with the entity
- Verification should be performed over covered transactions equal to or exceeding \$25,000 (200.213) (2 CFR part 180)

# Procurement, Suspension and Debarment Checklist

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- Maintain written standards of conduct covering conflicts of interest (200.318)
- Maintain procurement history file (200.318)
- Perform cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold (200.323)
- Training on an annual basis to update key personnel regarding changes and updates to the Uniform Guidance

# Internal Control

# Internal Control

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- The UG explicitly requires that entities establish and maintain effective internal control that provides assurance that an entity is managing federal awards in compliance with federal statutes, regulations, and terms and conditions of federal awards



# 2 CFR 200.303

## U.S. CODE OF FEDERAL REGULATIONS

Regulations most recently checked for updates: Oct 10, 2016

[All Titles](#) > [Title 2](#) > [Chapter II](#) > [Part 200](#) > [Subpart D - Post Federal Award Requirements](#)

[View all text of Subpart D \[§ 200.300 - § 200.345\]](#)

### § 200.303 - Internal controls.

The non-Federal entity must:

- (a) 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. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (c) Evaluate and monitor the non-Federal entity's compliance with statutes, regulations and the terms and conditions of Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
- (e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75883, Dec. 19, 2014]

# Internal Control

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- The UG states that an entity's internal controls “should” be in compliance with:
  - *GAO's Standards for Internal Controls in the Federal Government (Green Book)*
  - *COSO's Internal Control Integrated Framework*
- COFAR's FAQ's clarify that “should” in this context means these frameworks are best practices, not a prescriptive requirement

# Components and Principles

- Both COSO and the Green Book break internal control down into 5 components and 17 principles:

<b>Components of Internal Control</b>	<b>Principles</b>
A. Control Environment	<ol style="list-style-type: none"><li>1. Demonstrate Commitment to Integrity and Ethical Values</li><li>2. Exercise Oversight Responsibility</li><li>3. Establish Structure, Responsibility and Authority</li><li>4. Demonstrate Commitment to Competence</li><li>5. Enforce Accountability</li></ol>
B. Risk Assessment	<ol style="list-style-type: none"><li>6. Define Objectives and Risk Tolerances</li><li>7. Identify, Analyze, and Respond to Risks</li><li>8. Assess Fraud Risk</li><li>9. Identify, Analyze, and Respond to Change</li></ol>
C. Control Activities	<ol style="list-style-type: none"><li>10. Design Control Activities</li><li>11. Design Activities for the Information System</li><li>12. Implement Control Activities</li></ol>
D. Information and Communication	<ol style="list-style-type: none"><li>13. Use Quality Information</li><li>14. Communicate Internally</li><li>15. Communicate Externally</li></ol>
E. Monitoring	<ol style="list-style-type: none"><li>16. Perform Monitoring Activities</li><li>17. Evaluate Issues and Remediate Deficiencies</li></ol>

# Internal Control

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- Entities should design internal control procedures over federal awards that address each component for each compliance requirement
- Internal control procedures should be formally **documented**, to ensure they are followed as designed and are easily auditable
- If it's not documented, it's not done. If it's not done, it could be a finding.

# Clarification of Control Activities

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- At a minimum, make sure that for each compliance requirement, transactions are reviewed and approved by someone besides the preparer or initiator
- That review should be formally documented (e.g. signed and dated, initials, checklist, or similar documentation)
- In control testing, we are not testing, for example, expenditure charged to a federal award was allowable

# Clarification of Control Activities

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- Controls don't need to be on an every item basis, they can be a higher level review processes or sample basis as well.
- Controls should be determined based on a risk assessment performed by grant personnel
  - The more risky the compliance requirement, the more frequent the control should operate
  - Frequency can also be dependent on the skill and experience of personnel. New grant personnel would have more review than seasoned grant personnel.

# Internal Control Checklist

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- Internal control over the identification of federal expenditures
- Internal control over preparation of the SEFA
- Internal control over each grant award
- Internal control over each compliance requirement for each grant

# Grant Closeout

# Grant Closeout

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- Closeout is a process that takes place prior to and after the expiration or termination of the project period for a discretionary grant or cooperative agreement. The grant agreement or notice of award provided in the last year of your grant will have information regarding closeout of the project.
- The purpose of closeout is to ensure:
  - Final reports are received and evaluated
  - Allowable costs are all determined
  - Amounts due to either the federal agency or to the recipient are determined, and payment arrangements are made

# Grant Closeout

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- As a grant recipient, an organization must meet several requirements before closing out a grant in the final budget period of the project. Preparation for closeout should begin three months prior to the end date of the grant in order to accurately forecast expenses and any adjusting entries that need to be made. Closeout reports must be submitted within 120 days of the end of the project period.
- Failure to submit timely and accurate final reports may affect future funding to the organization.

# Closeout Preparation

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- Beginning 90 days prior to the end of the project period you must:
  - Reconcile financial expenditures associated with the award
  - Liquidate all obligations incurred under the award
  - Submit any interim reports to the Federal government or to your pass through entity that you haven't performed yet
  - Return any funds due to back to those entities as a result of refunds, corrections, or audits

# Closeout Reporting

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- File any closeout reporting required by the Federal government or the pass-through entity, such as:
  - Final Federal Financial Report (SF-425)
  - Final Progress Report (FPR)
  - Tangible Personal Property Report (TPPR)
- Record Retention:
  - Your organization generally must retain financial and programmatic records, supporting documents, statistical records, and all other records that are required by the terms of an award, or may reasonably be considered pertinent to an award, for a period of three years (unless directed otherwise) from the date the final FFR is submitted.

# Common Pitfalls and Best Practices

# Common Pitfalls and Best Practices

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- Not having documented or in place internal control processes/narratives
  - Especially important in times of high turnover
- Not fully reading the grant agreement or compliance supplement before starting a new grant program. Document your reasoning behind things
- Not properly documenting split time & effort and payroll costs charged to a grant.

# Common Pitfalls and Best Practices

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- Email as documentation
  - Retention period might not be long enough to be considered appropriate documentation
- Monitoring of controls
  - Who's reviewing the control is happening as written and designed?
- Make sure you have separate project codes or coding for federal programs vs. other funding sources.

# Common Pitfalls and Best Practices

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- Controls can be peers, so long as they did not perform the actual process in the first place, and they have skills, knowledge and experience to review that compliance item.
- Moving expenditures from non-federal to federal or vice versa can be tricky and requires significant documentation over that journal entry or reallocation.

# Common Pitfalls and Best Practices

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- Always review the grant agreement and compliance supplement before making a judgement call on a grant decision.
- Call or notify your PTE or the federal program liaison.
- If you make a judgment call, document your reasoning.
- Document anything you do in relation to a federal program decision making processes or any controls processes, even if you think they might be redundant.

# Resources

# Single Audit Resources

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- Single Audit Compliance Supplement
  - Discussed earlier
- Code of Federal Regulations (CFR)
  - Available at [www.govregs.com](http://www.govregs.com)
  - Also can simply enter relevant CFR section into Google

# Single Audit Resources

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- AICPA Government Audit Quality Center (GAQC)
  - Available at:  
<http://www.aicpa.org/InterestAreas/GovernmentalAuditQuality/Pages/GAQC.aspx>