



Fiscal Management, Part 1b

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Hello Again

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Housekeeping

- Please don't put on hold
- Mute phone to minimize background noise
 - Everyone muted at start
- Ask questions or make comments by
 - Using the chat box
 - Raising your “hand”
- Files to download
- Parking Lot
- Learning can be fun



Learning Objectives

- Navigate match using your budget
- Identify difference between Federal and local share
- Understand requirements for appropriate documentation for in-kind (time & cash) match
- Awareness of frequently found financial issues for AmeriCorps programs



Match Requirements



Minimum matching amount the law requires a grantee to provide



Minimum matching amount established by CNCS regulations that may be higher than the statutory requirement



Amount of match grantee provides based on budget, budget narrative, and program narrative contained in grant application; may be greater than statutory or regulatory required match

Project Costs

The total allowable budget or expenditures incurred to operate the program and accomplish its objectives is divided into 2 sections



Federal Share

Portion of budget or expenditures paid for with Federal funds (CNCS)



Grantee Share
aka: match

Portion of total expenditures not paid for with CNCS funds

Generating Match

Cash Contributions

- Funded Org. Expenses
- Donations
- Local government funding
- State appropriations
- Foundation grants or corporate contributions
- Can be
 - Cash, Check, EFT, Credit Card, Payroll deduction

In-Kind Contributions

- Value of donated goods and services (from non-federal 3rd parties)



- Can be
 - Real property, equipment, supplies, services & other expendable property



In-Kind Match

(from non-federal 3rd parties)

Time



- Professional Services
 - Organization/Business donates services
 - Consultant provides training pro-bono
- Expertise
 - Skilled volunteer assists with an evaluation of AmeriCorps program

Stuff

- Reams of paper
- Meeting space
- Project supplies
- Workspace at placement sites for members





Match Source

Source of Funds

Section	Match Description	Amount	Type	Source
Source of Funds	School administrators - Principals: 6 persons at \$70,000 x 6% usage	25,200	In Kind	State/Local
	School teachers: 6 schools, 7 teachers per school each at 5% usage	84,000	In Kind	State/Local
	LearningWorks van use 8 days at \$148.20 per day	1,186	Cash	Private
	Internet, telephone and other utilities: \$86.41 per member per year x 206 members	17,800	In Kind	State/Local
	Classroom space at 6 SIG school sites \$10,685 per site	64,110	In Kind	State/Local
	Office space at 6 SIG school sites \$5,180 per site per year	31,080	In Kind	State/Local
	Indirect Grantee Match	91,207	Cash	Private
Total Source of Funds		314,583		



Grantee Share or Matching Funds

- Reasonable, allowable, allocable, and necessary for the performance of the award
- In accordance with grant legislation, provisions, cost principles, organization's policies and procedures, Generally Accepted Accounting Principles (GAAP)
- Adequately documented
- Verifiable from the grantee's records
- Given consistent treatment

Exception: Volunteer Match



- Do not count as match –
The value of direct community services performed by volunteers



- May count as match -
Services such as accounting, training of staff or other volunteers, and other professional services



Consistent – **What Does it Mean?**

Grantees must be consistent in assigning costs

- Regardless of the source of funding, i.e., federally or non-federally sponsored activities, and
- Following written cost allocation plan, as applicable
- Consistent with that paid for similar work in the organization's other activities
- Distributed to awards and other activities in a consistent pattern
- The organization must follow a consistent, equitable procedure
- Charges must be consistent with those normally allowed in like circumstances in the organization's non-federally sponsored activities



Grantee Share or Matching Funds

- Other federal awards cannot be used as match unless authorized by the awarding agency's legislation and also allowed by the Corporation
- AmeriCorps Funding cannot be included as match on any other federally-funded programs, unless specifically permitted by the Corporation

Pop Quiz



Pine Tree Center is a new, non-profit 501(c)(3) organization located in the state of Missouri. The organization recently received an AmeriCorps grant. The organization also has a grant from the U.S. Department of Education for its education research program.

For each scenario, determine if:

- Appropriate as Match
- Cash Contribution or In-Kind

Question #1

A longtime volunteer has a family member who works for Geek Squad as a computer technician. The technician wants to “give back” and volunteers 2 hours every week for 8 weeks to update the computer systems and software, and fix e-mail problems. This individual earns \$49 per hour at Geek Squad.



Scenario #2

A new volunteer in the program wants to donate 2 tickets to an upcoming Kansas City Chiefs football game to help the AmeriCorps program with its annual fundraiser. Each ticket has a face value of \$350. Since the team is expected to win this year's Super Bowl all games are sold out and the only way to get tickets is through ticket brokers who are selling them for \$700 each.



Scenario #3

- AAA Car Repair & Service provided coupons for a free oil change to all 5 Pine Tree Center employees and 45 AmeriCorps members. The value of each oil change is \$30.



Scenario #4

To purchase program supplies, the Pine Tree Center staff hosted a ice cream social. They generated \$2,500. The volunteers used the kitchen of a local church to make ice cream and peach pie. They received donations for all of the ingredients.







Valuing In-Kind Donations

- Consider what it would cost to obtain similar goods or services
- Value of donation which is based on Fair Market Value is decided by the donor
- Review donation letter or form to ensure the value is reasonable and compare with other estimates or bases for value



Documenting In-Kind Contributions

1. Document the basis for determining value of in-kind goods and services
2. Obtain written acknowledgement of the contribution including:
 - Name and signature of donor
 - Date of donation
 - Detailed description of item/service
 - Estimated value of contribution, how value was determined, who made the determination



Sample Form

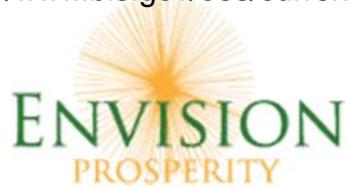
In-Kind Contribution Form							
<i>Contributor Information</i>							
Name of Business or Individual: Name of Primary Contact: Address: City: _____ State: _____ Zip Code: _____ Telephone: _____ E-mail: _____							
Description of Contributed Goods/Services: Date(s) Contributed: _____ Real or Estimated Value of Contribution: \$ _____ How was the value determined? _____ If other, please explain: _____ Who Made this Value Determination? _____ Is there a restriction on the use of the contribution? If yes, what are the restrictions? _____	Was this Contribution Obtained with or Supported by Federal funds? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, please provide the name of the Federal agency and the grant or contract number: _____ <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">Signature of Contributor _____</td> <td style="width: 50%; border: none;">Date Contributed _____</td> </tr> <tr> <td style="border: none; text-align: center;"> Thank you for your support!! </td> <td style="border: none;"></td> </tr> </table>			Signature of Contributor _____	Date Contributed _____	Thank you for your support!!	
Signature of Contributor _____	Date Contributed _____						
Thank you for your support!!							
<i>Office Use Only:</i>							
<i>Person Receiving Goods or Services on Behalf of Non-Profit Organization of My County:</i>							
<i>Printed Name</i>		<i>Position</i>					
<i>Signature</i>		<i>Date Received</i>					
<i>Accounting Use Only:</i>							
\$ _____	_____	_____	_____				
<i>Value Recorded</i>	<i>Date Entered</i>	<i>Account Number</i>	<i>Data Entry Person</i>				



Value of Volunteer Time

- National = \$23.56
- By State





Bureau of Labor Statistics

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Occupation code	Occupation title (click on the occupation title to view its profile)	Level	Employment	Employment RSE	Employment per 1,000 jobs	Location quotient	Median hourly wage	Mean hourly wage	Annual mean wage	Mean wage RSE
15-1151	Computer User Support Specialists	detail	1,920	6.1%	3.252	0.77	\$20.99	\$21.65	\$45,030	1.6%
15-1152	Computer Network	detail	840	12.0%	1.420	1.06	\$24.45	\$25.57	\$53,180	2.1%

map below or scroll down to the alphabetical list

OES DATA

OES CHARTS

OES MAPS

OES PUBLICATIONS

OES DATABASES

OES FAQs

CONTACT OES

SEARCH OES

OES TOPICS

RESPONDENTS

DOCUMENTATION

SPECIAL NOTICES

RELATED LINKS





Recording In-Kind Contributions

- Maintain adequate documentation to support amounts claimed as match
 - **Same standards used to document Federal share**
- Record donation and valuation of item in detail
- Enter into the general ledger as income and expenditure
- Failure to enter match contributions into general ledger requires formal explanatory policy & separate spreadsheet accountability of receipt and use



Why Record In-Kind in the General Ledger?

- **Statement of Financial Accounting Standards (SFAS #116) sets the standard**
 - Contributed services are recognized in financial statements if services received
 - Create or enhance non-financial assets, or
 - Require specialized skills, are provided by individuals possessing those skills, and would need to be purchased if not provided by donation.
- **Enter into General Ledger as income & expenditure**
 - **Example** - local paint store donates a professional paint sprayer with a fair market value of \$550.00
 - **\$550.00** – 5250 In-Kind Income Account (**credit**)
 - **\$550.00** – 7250 In-Kind Expense Account (**debit**)

Pop Quiz



How long must all AmeriCorps Program financial records be maintained?

Pine Tree Center



For each scenario, determine:

- Value (\$\$\$)
- Documentation needed

Question #1

A longtime volunteer has a family member who works for Geek Squad as a computer technician. The technician wants to “give back” and volunteers 2 hours every week for 8 weeks to update the computer systems and software, and fix e-mail problems. This individual earns \$49 per hour at Geek Squad.



Scenario #2

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Scenario #4

To purchase program supplies, the Pine Tree Center staff hosted a ice cream social. They generated \$2,500. The volunteers used the kitchen of a local church to make ice cream and peach pie. They received donations for all of the ingredients.





In Summary

- Familiarize ALL staff with cash and in-kind match documentation requirements
- Ensure supporting documentation relates directly to approved program funded by the CNCS grant
- Ensure costs are: reasonable, necessary, allocable, allowable, and adhere to grant guidelines
- Maintain proper records and adhere to required record retention policies

Pitfalls Related to Match

Common Findings:

- Inadequate documentation
- In-kind contributions not supported with after-the-fact documentation (promissory note is not acceptable)
- Other Federal agency funds used as match without authorization
- Match requirement not met





Pitfalls Related to Match

- Expense was not necessary to operate grant
- Expense was unreasonable or excessive
- Expense was inadequately supported to determine if it was allowable and allocable
- Expenses not included in the approved budget
- Expenses incurred outside of the grant award period

General Financial Findings

- Time sheet/attendance System
 - Lack of tracking fundraising and training time
 - Time recorded before/after start & end date
- Remote site placements
 - lack of detailed agreements that define expectations and roles of all parties
 - Financial contributions from partners





General Financial Findings

- Budgets and Reports
 - Missing documentation to support costs and match
 - Difference between financial reports and accounting records (don't track back or reconcile)
 - Costs not included or approved in budget
 - Costs not allocated appropriately

General Financial Findings

- **Budgets and Reports**

- Draw downs in excess of cash needs
- Missing or outdated policies & procedures
- Duplicative costs
- No periodic comparison of budgeted to actual expenditures
- Major variances between budgeted and actual expenditures

- **Questioned or Unallowable Costs**

- Missing or improper documentation
- Costs paid before or after grant period
- Non-compliance with applicable cost principles

General Financial Findings

- Expenditures
 - Not properly documented, recorded, or tracked
- Travel, Contractor, and Consultant Costs
 - Not justified or supported
 - Reimbursement inappropriate
- Segregation of Costs
 - Not segregated by grant or grant year

General Areas to Review

- **Key Site Visit Review Areas**
 - Member & Program Management-following contract, grant provisions and CFR's provision
 - Financial accounting system-Adequate, generally accepted principles
 - Award and regulatory requirements-Understanding, compliance with applicable laws and provisions
 - Policies and procedures–Written, adequate, followed
 - Internal controls and segregation of duties-Adequate, followed

General Areas to Review

- **Key Site Visit Review Areas**
 - **Personnel time and activities**-Appropriately documented and allocated
 - **Match (cash and in-kind)**-Appropriately documented, recorded, allowable reasonable, necessary, allocable
 - **Financial reports**-Internal and external; supported by accounting records, accurate, complete
 - **Source documentation**-Clear, retained, sufficient audit trail, support reimbursement requests (subgrantee reimbursement form, etc.)

