



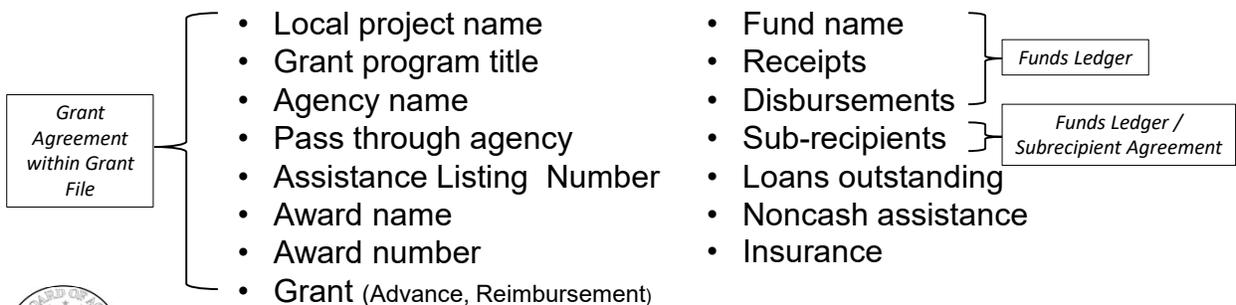
# Federal Awards

2023 Auditors Spring Quad

1

## Schedule of Expenditures of Federal Awards

- Completed within the Annual Financial Report
- Required to enter the following information:



2

## Financial Management

○ 2 CFR 200.302(b)

Data Collection Form

- Identifying all federal awards received → SEFA
- Disclosure of financial results of each Federal award ←

- Supporting Records → Claim, Invoices, Receipts, ACH

Local Policies

- Effective internal controls
- Comparison of budget & expenditures
- Written procedure for federal payment
- Written procedure for determining allowable costs



3

## Internal Controls

- Communication on what controls have been put into place and what documentation to look for
- County should provide written policies:
  - Allowable Cost Policy
  - Procurement Policy

*Local Policies / Management Decisions*



4

## Activities Allowed or Unallowed

- Unique to each federal program
- Found in federal statutes, regulations, and the terms and conditions of the award

Centered around the activity.

Examples: Child Support Enforcement (IV-D); Highway

1. Identify allowable activities
2. Determine if costs are for an allowable activity



5

## Allowable Costs / Cost Principles

- 2 CFR Part 200, Subpart E outlines the cost principles applicable to all federal awards (Includes both direct & indirect costs)

Centered around the cost and what was actually purchased.

Examples: Supplies, Salaries, Food, Vehicle, etc...

1. Identified as a direct or indirect cost
2. Cost determined allowable per the program
3. There is supporting documentation of the cost
4. Allowable cost policy was followed



6

## Documentation

---

- Allowable Activities & Allowable Costs are typically audited together
- Claims – Supporting documentation
- The Activity and the Cost should be determined allowable before the purchase is made and should follow the allowable cost policy.
- Documentation should be maintained of these determinations.



7

## Cash Management

---

- For Advance Awards – Test to verify time is minimized between drawing and disbursing
  - ✓ Written policy required
- Testing payments to subrecipients
- For Reimbursement Awards – Test to verify costs were paid prior to the date of reimbursement request.

Centered around the timing.

Centered around disbursement before reimbursement.



8

## Eligibility

- Unique to each federal program
- Found in federal statutes, regulations, and the terms and conditions of the award

Centered around Individual/Group than benefits.

1. Identify Eligibility Requirements
2. Determine Eligibility
3. Document test and results



9

## Equipment / Real Property Management

- 2 CFR 200 Subpart D – Property Standards
  - 200.311 Real Property
  - 200.313 Equipment

Centered around Inventory listing, Acquisition, & Disposal.

1. How it was purchased and used
2. Inventory listing with notation of Federal dollars used  
– CAPITAL ASSET LISTING
3. Disposition followed instructions from Federal Awarding Agency



10

## Matching, Level of Effort, Earmarking

- Unique to each federal program
- Found in federal statutes, regulations, and the terms and conditions of the award

Centered around Benchmarks.

1. Local dollars used to match with Federal dollars
2. Meeting standards of specified effort  
(Example: Level of Service)
3. Setting aside an amount for a specified activity



11

## Period of Performance

- The total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions, or budget periods.

Centered around time period to use funds.

1. Money was not used for purchases before start date
2. Money was not used for purchases past end date



12

## Procurement, Suspension & Debarment

- Meet procurement standards in 2 CFR 200.318 through 200.326
- Prohibited from contracting / sub-awarding to parties suspended or debarred.

Centered around Procurement purchases and vendors.

1. Written Procurement policy was followed
2. Federal and state laws were adhered to
3. No suspended or debarred parties  
(Documentation maintained to support)



13

## Program Income

- Gross income earned by a non-federal entity that is directly generated by a supported activity or earned as a result of the federal award during the period of performance.

Centered around money earned as a result of federal award.

1. Recorded and Reported properly
2. Used properly for allowable costs / activities



14

## Reporting

---

- Financial Reporting
- Performance Reporting
- Special Reporting

Centered around Required Reports.

1. Required Reports identified
2. Reports submitted timely and accurately
3. Records support calculations and amounts reported



15

## Subrecipient Monitoring

---

- 2 CFR 200.331: Defines Subrecipients and Contractors
- 2 CFR 200.332: Provides requirements for pass-thru entities to subrecipients

Centered around money passed through to Subrecipients.

1. Written Subrecipient Agreement in place  
(Monitoring activities are outlined in agreement)
2. Subrecipients are monitored for compliance



16

## Special Tests & Provisions

---

- Unique to each federal program
- Found in terms and conditions of the award

Centered around Specialized provisions included in the grant agreement and compliance supplement.

1. Provisions should be identified
2. Documentation maintained to support that county is in compliance with the provisions outlined



17

## Resources

---

- Compliance Supplement
  - [https://www.whitehouse.gov/wp-content/uploads/2022/05/2022-Compliance-Supplement PDF Rev 05.11.22.pdf](https://www.whitehouse.gov/wp-content/uploads/2022/05/2022-Compliance-Supplement%20PDF%20Rev%2005.11.22.pdf)
- Code of Federal Regulations – Title 2:
  - <https://www.ecfr.gov/current/title-2>



18

## Compliance Supplement

---

April 2022

Matrix of Compliance Requirements

Requirement	A	B	C	E	F	G	H	I	J	L	M	N
Program Number <b>20.500/20.507/20.525</b> <b>/20.526 (Federal Transit Cluster)</b>	Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment Real Property Management	Matching, Level of Effort, Earmarking	Period of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
	Y	Y	Y	N	N	N	Y	Y	N	N	Y	N



## Contact Us:

**Government Technical Assistance and Compliance  
Directors for Counties**

**Lori Rogers  
Ricci Hofherr  
Staci Byrns**

**Email: [Counties@sboa.in.gov](mailto:Counties@sboa.in.gov)  
Phone: (317) 232-2512**