



United States Department of Justice

# Office on Violence Against Women

*Working Together to End the Violence*

## ***Presentation by the Grants Financial Management Division***

### ***New Grantee Orientation: FY 2023 Strengthening Culturally Specific Campus' Approaches to Address Domestic Violence, Dating Violence, Sexual Assault and Stalking Initiative***

**OVW**

***May 2024***

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# **Welcome and Introductions**

# Welcome and Introductions

## Grants Financial Management Division

**We assist OVW program division and grantees throughout the entire grant life cycle. Including -**

- Pre-award risk assessments
- Review and approve award budgets
- TA and Training
- Grant Award Modifications – review and approval
- Conference Cost Request – review and approval
- Develop financial grants administration policy for OVW
- OIG Audit Resolution
- Closeout of awards

# Welcome and Introductions

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## How to contact us --

### **OVW GFMD Helpdesk:**

(888) 514-8556

[OVW.GFMD@usdoj.gov](mailto:OVW.GFMD@usdoj.gov)

### **OVW JustGrants Helpdesk:**

(866) 655-4482

[OVW.JustGrantsSupport@usdoj.gov](mailto:OVW.JustGrantsSupport@usdoj.gov)

### **ASAP Helpdesk:**

(855) 868-0151 (option 2, then option 3)

[ASAPHelpdesk@fiscal.treasury.gov](mailto:ASAPHelpdesk@fiscal.treasury.gov)

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# **Administrative Requirements**

# Administrative Requirements

## Follow all Federal Regulations:

- Uniform Administrative Requirements, Cost Principles, and Audit Requirements
  - 2 CFR Part 200
- DOJ Financial Guide
- Program Solicitation

# Administrative Requirements

## Standards for costs:

- Allowable
- Reasonable
- Necessary and allocable
- Claimed against only one award
- Permissible under State & Federal laws and regulations
- Treated consistently between Federal and non-Federal funds
- Cannot shift costs to:
  - Overcome funding deficiencies
  - Avoid restrictions or award terms

# Administrative Requirements

## OIG Audit, Single Audit, and Financial Monitoring

### Reviews may include:

- Review and assess entire operation of entity
- Review written accounting and organizational policies and procedures
- Compare approved budget vs. actual costs
- Determine excess cash on hand



# Administrative Requirements

## Most Common Findings:

- Lack of documentation – missing or incomplete invoices, contracts, receipts, etc.
- Inadequate or no timesheets
- Expenditures on FFR don't match amounts in records
- No documented (or inadequate) policies or procedures
- Movement of funds over 10% without budget mod GAM approval
- Applying incorrect IDC rate to wrong period

# Administrative Requirements

## Findings could result in:

- Unallowable costs requiring repayment of funds to DOJ
- Placement on DOJ High Risk List
- Hold on funds
- Possible termination of award
- Negative future funding decisions
- Lead to an OIG investigation in some cases (suspicion of criminal activity)

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# Questions?

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# Setting Up Your Award

# Setting Up Your Award

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## **Policy for steps to take when award is received:**

- Create a Grant File (hard or electronic)
- Review Award Conditions
- Set up (new) cost center in accounting system
- Set up tracking of Budgeted vs. Actual Expenditures
- Require Source Documentation

# Setting Up Your Award

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## Create a grant file:

- Copy of application
- Signed award document
- MOUs
- Approved Budget
- Correspondence
- Financial Reports (including corresponding G/L report supporting amounts reported)

# Setting Up Your Award

## Review All Award Conditions

- **Example: Conditional Clearance with Release of TA Funds**

The recipient acknowledges that the budget for this award is pending review and approval. Until OVW approves the budget, any obligations or expenditures incurred by the recipient are made at the recipient's own risk. The recipient may obligate, expend, or draw down up to \$10,000 for participation in or travel-related expenses to attend OVW-sponsored technical assistance events, but these obligations and expenditures remain at the recipient's own risk until the budget is approved. Remaining funds will not be available for drawdown until OVW's Grants Financial Management Division has approved the budget and budget narrative via a Grant Award Modification (GAM). If applicable, the Indirect Cost Rate will be identified in the GAM when the budget is approved. If there is another condition on the award prohibiting any obligation, expenditure, and drawdown of any funds, that other condition will control.

# Setting Up Your Award

## Track Budgeted vs. Actual Expenditures

Once the budget has been approved by OVW, set up a system to track and compare the approved budgeted expenditures with the actual expenditures

- In your financial accounting system
- Excel chart
- Review on a regular basis (monthly)

Program and Finance staff should work closely together to monitor programmatic and financial progress of your award(s)



# Setting Up Your Award

## Track Budgeted vs. Actual Expenditures

Sample Tracking -

2019 OVW Comprehensive TA Program - Project Period 10/1/2019 - 9/30/2021				
Grant and Budget Categories	Approved Budget	Actual Expenditures as of 12/31/2019	Available Balance (Deficit) of Budget	Percentage of Budget Expended
Personnel	\$325,468.00	\$38,693.57	\$286,774.43	11.9%
Fringe Benefits	\$90,557.00	\$11,002.47	\$79,554.53	12.1%
Travel	\$23,549.00	\$5,439.91	\$18,109.09	<b>23.1%</b>
Equipment	\$0.00	\$0.00	\$0.00	
Supplies	\$21,691.00	\$3,507.75	\$18,183.25	16.2%
Consultants/Contracts	\$83,950.00	\$2,350.00	\$81,600.00	<b>2.8%</b>
Other Costs	\$79,785.00	\$9,212.67	\$70,572.33	11.5%
Indirect Costs	\$0.00	\$0.00	\$0.00	
Total Project Amount	\$625,000.00	\$70,206.37	\$554,793.63	11.2%

# Setting Up Your Award

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## Source Documentation

- Timesheets, purchase orders, invoices, travel authorizations, receipts, etc.
- Not required to submit unless requested
- Must maintain on file

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# Questions?

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# **Policies and Procedures**

# Policies and Procedures

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Very common audit findings:  
organizations have **incomplete, out of date**, and **inadequately enforced**  
policies and procedures.

Can't stress enough the importance of  
having good policies and procedures.

# Policies and Procedures

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Topics should include –

- Conflicts of Interest
- Cost Allocation/Methodology
- Segregation of Duties
- Cash Management
- Personnel and Time and Attendance
- Travel
- Subrecipient/Contractor Determinations
- Procurement
- Reporting
- Subrecipient Management and Monitoring
- Equipment and Inventory
- Records Retention
- Conference Costs

# Policies and Procedures

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## Policies and Procedures/Accounting Manual

Must be:

- Complete and comprehensive
- Documented
- Updated regularly
- Relative to each organization size/budget

Important because:

- Outlines all rules and methods
- Supports strong financial management system
- Reliable financial reports

# Policies and Procedures

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Policy should specifically identify documents are required for each process, transaction, etc.

- Timesheets
- Purchase orders
- Invoices
- Travel authorizations
- Receipts

Not required to submit documentation unless requested

Must maintain on file (hard copy or electronic)



# Policies and Procedures

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Internal Controls – processes and procedures implemented by an organization to provide reasonable assurance of:

- Effective and efficient operations
- Reliable reporting
- Safeguarding of assets
- Compliance with laws and regulations
- Segregation of Duties/Checks and Balances

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# Questions?

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# **Cash Management & Federal Financial Reports (FFR) Policies and Procedures**

# Cash Management & FFR

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- An adequate system for cash management minimizes the time between receipt of funds from Treasury and the disbursement of funds by the recipient/subrecipient
- Federal cash on hand should be kept at or near \$0
- OVW performs quarterly “excess cash” reviews to compare recipient drawdowns with reported expenditures for the same period of time

# Cash Management & FFR

- Amounts reported on the FFR should be actual expenditures **not** drawdowns
- Expenditure amounts reported on the FFR should equal the amounts in your accounting system
- **Process Shift: 10e reports cumulative expenditures**
- Comparison of expenditures reported on FFRs to G/L reports is a monitoring tool used by DOJ during desk reviews and site visits

Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	\$ 625,000.00
e. Federal share of expenditures	\$ 70,206.37
f. Federal share of unliquidated obligations	\$ 0.00
g. Total Federal share (sum of lines e and f)	\$ 70,206.37
h. Unobligated balance of Federal funds (line d minus g)	\$ 554,793.63

# Cash Management & FFR

- Reports are due 30 days after the end of the quarter
- Final Report due within 120 days after award end date

Reporting Period	Due Date
January 1 - March 31	April 30
April 1 - June 30	July 30
July 1 - September 30	October 30
October 1 - December 31	January 30

## Federal Financial Report (FFR), SF-425

- Quarterly report
- Submitted in JustGrants
- Processed by Financial Manager

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# Questions?

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# **Travel Policies and Procedures**



# Travel Policies and Procedures

## Travel

- Document and follow the travel policy
- May refer to GSA's Federal Travel Regulations
- Very important to keep all supporting documentation
  - Travel Authorization
  - Reimbursement Form/Expense Reports
  - Receipts(airfare, baggage, hotel, taxi, airport parking)
- **Copy of Credit Card Statement is NOT sufficient supporting documentation**

# Travel Policies and Procedures

## Travel Policies and Procedures:

- **Approval/authorization BEFORE travel**
  - When does approval need to happen? Ex. Request needs to be submitted two weeks prior to travel
  - Who approves the request?
  - How is approval obtained? Routing of a form?
  - What needs to be included with the request? Copy of agenda? Breakdown of estimated costs?
- **Reimbursement AFTER travel**
  - Who is the reimbursement request submitted to for review and approval?
  - What documentation must be provided?
  - When must it be submitted? Ex. Must be submitted within 2 weeks of return from trip

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# **Personnel and Time & Attendance Policies and Procedures**

# Personnel and Time & Attendance

- Time/Effort clearly documented
  - timesheets and activity reports
- Amounts charged match documentation
- Charge based on actuals (not budgeted)
- Account for total activity of employee (Federal and Non-Federal) for all funding sources
- Follow written policies and procedures
- Internal controls to assure accuracy

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# Questions?

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# **Subrecipient/ Contractor Determinations**

# Subrecipient/Contractor Determinations

## Consultants/Contracts/Subawards

Use appropriate agreement type based on the nature of the service

- Subawards – carry out program activities
- Contract – procurement for goods or services (including consultants)

Substance of the relationship between the Federal recipient and the organization receiving the funds is more important than the form of the agreement

Just because you issued a contract to the organization doesn't mean it's a contractual relationship

# Subrecipient/Contractor Determinations

- What is a subrecipient?

*Subrecipient* means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency. (see 2 CFR Part 200)

- What is a contractor?

A *contractor* receives a contract which is a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (see 2 CFR Part 200).



# Subrecipient/Contractor Determinations

- Recommend developing a policy and form with checklist as support for decisions
- Why is it important to make the correct determination prior to selecting an organization to give funds to?
  - To determine if procurement procedures should be followed in making the selection
  - To decide what conditions must be included on the agreement (award terms & conditions or contract provisions)
  - To ensure proper negotiation of cost
- Sample checklist to determine subrecipient or contractor classification

# Subrecipient/Contractor Determinations

Characteristic	Subrecipient	Contractor
MOU partners are generally considered this	Yes	No
Federal Program requirements and terms and conditions apply	Yes	No
Funds received count towards meeting the audit threshold	Yes	No
Required to be reported by direct recipient under FFATA	Yes	No
Reimbursed for actual costs incurred	Yes	No
Do procurement standards (including competition and sole source approval) apply?	No	Yes
Contract provisions apply (2 CFR 200 Appendix II)	No	Yes
Profit may be earned (including fee for service)	No	Yes

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# Questions?

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# **Procurement Policies and Procedures**

# Procurement

Procurement is the process used to obtain good and services from an outside vendor.

- Documented procurement policy
- Comply with CFR 200.318 – 200.327
- **Check SAM.gov for vendor/consultant prior to issuing contract (Be sure to include this check in your policies – common monitoring finding)**
- Conflicts of interest
- Consistent across the board (regardless of Federal/non-Federal)
- Free and open competition

# Procurement

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## Procurement – continued

- Lease vs. Purchase Analysis
- Maintain records detailing each procurement
- Prior Approval for sole-source contracts (non-competitive) → \$250,000+
- Contract should outline payment terms
- Avoid obtaining unnecessary or duplicative items

# Procurement

## Consultants

- Reasonable rate of compensation for consultants
- Rate should be based on the individual consultant's experience and education and the current market conditions
- Prior approval is required for rates in excess of \$650/day or \$81.25/hour
- The \$650/day rate is a Prior Approval Threshold ONLY

**→\$650 per day is a threshold,  
not a standard OVW or DOJ rate**

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# Questions?



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# **Policies and Procedures for Managing and Monitoring Subawards**

# Subawards/Subrecipients

## Pass-through entities are required to:

- Clearly identify the agreement as a subaward and include all required information (outlined in 2 CFR 200.332(a))
- Evaluate subrecipient's potential risk for non-compliance with Federal statutes, regulations, and award requirements to determine appropriate level of subrecipient monitoring. Consider the following –
  - Subrecipient's prior history with similar subawards
  - Results of previous audits
  - Whether subrecipient has new personnel or new/substantially changed systems
  - Extent and results of Federal agency monitoring

# Subawards/Subrecipients

## Pass-through entities are required to:

- **Check SAM.gov for subrecipient prior to issuing subaward (Be sure to include this check in your policies – common monitoring finding)**
- Add additional special conditions as needed, based on risk assessment
- Verify that subrecipients is audited as required by Subpart F, if required
- Consider if results of subrecipient's audits/reviews require you to make any adjustments to your records
- Monitor activities, financial/performance reports, and audit compliance (as required in Subpart F)
- When necessary, take enforcement action for non-compliance

# Subawards/Subrecipients

## Subrecipient Monitoring

Monitor activities of the subrecipient to ensure award is used for intended/authorized purposes; compliance with statutes, regulations and terms and conditions of award; and performance goals are achieved.

Subrecipient monitoring **MUST** include –

- Reviewing financial and performance reports
- Addressing any deficiencies identified during audits, monitoring or other means
- Issuing management decision for audit findings

# Subawards/Subrecipients

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## Subrecipient Monitoring

Depending on the results of the risk assessment, subrecipient monitoring may also include –

- Provide training and TA
- On-site monitoring
- Arrange Agreed Upon Procedures engagement

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# Questions?

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# **Grant Modifications**

# Grant Modifications

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**Grant Award Modifications (GAMs) are processed in JustGrants**

## **Types of GAMs reviewed by GFMD:**

- Budget Modifications
- Change in grant period (grant extension)



# Grant Modifications

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## Budget Modification GAMs

### Prior Approval Required for:

- Move funds into a category not previously approved
- Cumulative change greater than 10% of the award amount
  - (e.g., \$300,000 award → >\$30,000 change)

# Budget Modification GAM Process

- Revise Attachment-Based Budget
  - Level of detail similar to original approved budget
  - All costs broken down and supported with narrative to justify costs
- Attach Indirect Cost Rate Agreement, if applicable
  - If there are multiple rate agreements for different periods that cover the award period, attach all that apply
  - Upload rate agreement to Document Library in JustGrants
- Budget is reviewed/approved by Program Specialist first, then Financial Analyst

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# **Closeout/ Records Retention**

# Grant Closeout/Record Retention

## Complete the following steps:

- Submit Final Financial Report, SF-425
- Submit Final Progress Report
- Ensure all award conditions satisfied (ex. indirect costs, budget approval, documentation review)
- Complete a Financial Reconciliation
- Submit closeout package in JustGrants within 120 days after award end date

Keep in mind that non-compliance with closeout requirements may negatively impact future funding decisions.

# Grant Closeout/Record Retention

## Financial Reconciliation in JustGrants

- Compare total reported expenditures with total funds received from OVW
- Complete this reconciliation within the 120 day liquidation period

## If Expenditures Reported on Final FFR exceed Drawdowns:

- Submit a payment request in ASAP prior to 120 days after award end date
- Payments made after liquidation period are manual and may encounter significant delays

## If Drawdowns exceed Expenditures:

- Funds must be returned in order for award to be closed
- Contact GFMD Helpdesk for guidance on returning funds

# Grant Closeout/Record Retention

**Records must be retained for a period of three years:**

- Financial Records
- Supporting Documentation
- All other pertinent records

**Format for retention can be either hard copy or electronic**

- Records must be accessible
- Confidential records must be secured

*See section 200.334*

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# Resources

# Resources

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- **Electronic Code of Federal Regulations**  
<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>
- **OVW Solicitation Companion Guide**  
<https://www.justice.gov/ovw/page/file/1557501/download>
- **Link to DOJ Financial Grants Management Guide**  
<https://www.justice.gov/ovw/page/file/1507156/download>
- **Creating a Budget: Training for OVW Applicants**  
<https://www.justice.gov/ovw/video/creating-budget>
- **JustGrants Training Resources**  
<https://justicegrants.usdoj.gov/training-resources/justgrants-training/grants-management-lifecycle>



# Grants Financial Management Training

## Online Training

- Basic grants financial management course
- Online, no limitation for registration
- Register with your UEI and award number
- One year to complete the course
- Approximately 14-16 hours to complete
- Final exam is optional

<https://onlinegfmt.training.ojp.gov/>

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# **Final Questions and Answers**