

2016 MCSAP Planning Meeting and Grants Management Training

March 30 – 31, 2016
Marriott St. Louis Grand Hotel



Grants Oversight and New Efficiency (GONE) ACT

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The 5 Ws of the GONE Act

What is?

Who is?

When are?

How will?

Why was?



What is the **GONE Act**?

- ❖ The Grants Oversight and New Efficiency Act is a bill that became law on January 28, 2016 (PL 114-117).

- ❖ Sponsored by Senators Deb Fischer (R-NE) and Joe Manchin (D-WV).

- ❖ Requires Federal awarding agencies to submit reports to Congress and the Department of Health and Human Services (HHS) that:
 - Lists each Federal grant awarded by the agency;
 - List must include detailed award data (award number, PoP, award balance, etc.);
 - Discuss impediments resulting in closeout delays;
 - Explains why each of the 30 oldest grants are still open; and
 - Explains why any of the required information is missing.



Who is Responsible?

- ❖ Each grantee will be responsible for submitting all financial, performance and other required reports not later than 90 calendar days after the end of the PoP.
- ❖ Each DOT mode will report to the Secretary; the Secretary will report to Congress and HHS for all of DOT.
- ❖ Each Federal awarding agency is responsible for submitting their reports to Congress and HHS.



When are the Reports Due?

- ❖ By July 26, 2016, the OMB Director must instruct Federal awarding agencies to prepare a report on expired grant awards.
- ❖ By December 31, 2016, Federal awarding agencies must submit the initial report to HHS and Congress.
- ❖ By December 31, 2017:
 - Federal awarding agencies must submit the follow-up report to HHS; and
 - The Inspectors General of select agencies must conduct a risk assessment of the agency's closeout process.
- ❖ By March 31, 2018, the HHS Secretary must compile agency follow-up reports and submit a report to Congress.
- ❖ By September 30, 2018, the OMB Director and HHS Secretary must provide to Congress any recommendations to improve oversight of grants management.



How Will the Act Be Implemented?

- ❖ The Secretary of Transportation will submit a report to Congress and to the Department of Health and Human Services that addresses all of the requirements of the Act.



Why Was this Legislation Enacted?

- ❖ The purpose of the law is to reduce costs associated with maintaining bank accounts of expired grants that contain undisbursed funds or a zero balance. Congress designed the GONE Act to hold Federal awarding agencies accountable for timely closeout of grant awards.

“Our taxpayer dollars should be spent on programs and grant opportunities that actually support the American people, not on administering empty grant accounts that help nobody.”

– Senator Joe Manchin (D-WV), GONE Act Co-Sponsor



Impact on Field Staff and Grantees

- ❖ You will see an increase in the number of closeouts being processed.
- ❖ Closeout priority will be given to expired grants with the highest unexpended balances.



Questions



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FEDERAL GRANTS CLOSEOUT

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Federal Grants Closeout

Applicable Regulations

- ❖ 2 CFR §200.16
- ❖ 2 CFR §§200.343-345
- ❖ Subpart F (Audit Requirements)



Closeout Reporting Requirements

- ❖ Grantee *must* submit final SF-425, SF-270, performance progress report (PPR) and any other required reports not later than 90 days after the end of the PoP [2 CFR 200.343(a)].
- ❖ Federal awarding agency *should* complete all closeout actions not later than one year after receipt and acceptance of required final reports [2 CFR 200.343(g)].



Closeout Reporting Requirements (cont'd)

- ❖ SF-425 Federal Financial Report (FFR) must be:
 - signed* and certified
 - designated as a final report

- ❖ SF-270 Request for Advance or Reimbursement (commonly referred to as the invoice) must be:
 - signed* and certified
 - designated as a final report

Note any hand corrections made to the FFR or 270 must be initialed and dated by the grantee. Any hand-corrected documents that are not initialed and dated by the grantee are unacceptable; grantee must submit a revised final report. No hand-corrections made by FMCSA staff are acceptable.

**2 CFR §200.415(a)*



Closeout Reporting Requirements *(cont'd)*

- ❖ Performance Progress Report signed and marked “Final”.
- ❖ Equipment disposition report.
- ❖ Any other pertinent documents such as email correspondence, no-further-claims letter, or expenditure supporting documentation.
- ❖ Other Reports as Required by Program or Grant.



Financial Reconciliation

- ❖ Delphi is FMCSA's financial system of record. All Federal funds will be reconciled to Delphi. Match amounts will be reconciled to the notice of grant award (NGA).
- ❖ Always use the most current Delphi report.



Financial Reconciliation (cont'd)

❖ FFR Overview –

- Boxes 1-5 show grantee and award information
- Boxes 6 – 9 show report status and date information

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted Federal Motor Carrier Safety Administration		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) FM-MCG-0876-15-01-00		Page 1	of 1 pages
3. Recipient Organization (Name and complete address including Zip code) Bliss Department of Public Safety P.O. Box 381854, Happy, BL 79906					
4a. DUNS Number 805915221	4b. EIN 0406101976	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) 31415926535 (287-212 BC)		6. Report Type <input type="radio"/> Quarterly <input type="radio"/> Semi-Annual <input type="radio"/> Annual <input checked="" type="radio"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual
8. Project/Grant Period From: (Month, Day, Year) 10/1/2014			To: (Month, Day, Year) 9/30/2016		9. Reporting Period End Date (Month, Day, Year) 9/30/2016



Financial Reconciliation (cont'd)

- Lines 10.a – 10.c reflect the grantee's Federal cash position as of the date shown in box 9
- Line 10.d shows the total award amount. Must match the total award amount shown in the NGA and PO total in Delphi.

Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	\$793,132.00



Financial Reconciliation (cont'd)

- Line 10.e reflects the Federal portion of the expenditures reported (e.g., 80/20, 50/50, etc.).

e. Federal share of expenditures	\$785,864.27
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Financial Reconciliation (cont'd)

- Line 10.f of the FFR (Federal Share of Unliquidated Obligations) must be zero or blank. If the grantee reports any amount other than zero, grant can't be closed until obligations have been satisfied.
- Line 10.g shows the total Federal expenditures at close. This will be reconciled to the total invoiced amount in Delphi
- Line 10.h shows the remaining (unspent) award balance. This will be reconciled to the PO remaining amount in Delphi. This is the amount that will be deobligated.



Financial Reconciliation (cont'd)

- Line 10.i shows the required match amount; this must match the required match amount shown in the NGA.
- Line 10.j match expenditures will be reconciled to the NGA. The sum of lines 10.g and 10.j must reflect the required funding split (80/20, 50/50).



Financial Reconciliation (cont'd)

- Line 10.k shows the grantee's match position.
 - If this line shows a shortfall (undermatch), the grant can't be closed until the match/federal proportions reflect the funding split.
 - If the grantee reports a match that is more than the required amount (overmatch), FMCSA will accept the report as submitted. However, we will internally adjust the match amount that is shown on the final NGA to reflect the funding split.



Financial Reconciliation (cont'd)

- Lines 10.l through 10.o show the program income receipts, expenditures and balance. Most FMCSA grantees don't use this section.
- Lines 11.a-f show indirect cost data.
- Line 12 should be used to provide any additional useful information the grantee wants to convey to FMCSA.
- Lines 13.a-e show certification statement, signature, submission date and grantee's contact information.
- Line 14 is for agency use only. Not used by FMCSA



Records Retention Requirements

- ❖ Under 2 CFR § 200.333 the grant records retention period is the later of: three years past the submission of the final financial report; or the close date of an audit that was initiated within the three-year retention period; or a later retention period authorized in writing by the Federal awarding agency.



Questions



Questions

