

# Navigating the Federal Grant Environment: for Finance Professionals

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# OUTLINE

- ▶ Personal Introduction
- ▶ Economics of Government (In Federal Grant Landscape)
- ▶ Monitoring Component of Grant Management
- ▶ Navigating through the Guidance
  - ▶ 2 CFR 200
  - ▶ Program Regulation / Policy
  - ▶ Contextual Guidance

# PERSONAL INTRODUCTION

- ▶ Upbringing
  - ▶ I'm from a small town on the outskirts of a small city
- ▶ Experience
  - ▶ State of Alabama Dept of Rehabilitation Services
  - ▶ Corporate Experience
  - ▶ US Dept of Veteran Affairs
  - ▶ US Dept of Health and Human Services
  - ▶ Texas Division of Emergency Management
  - ▶ Florida Division of Emergency Management

# Economics of Government (In Federal Grant Landscape)

- ▶ Personal Objectives: To revert as many federal tax dollars into the jurisdiction that have been extracted from the economy by federal income tax.
- ▶ Congress – The Silent Puppeteer
- ▶ Most times de-obligation / reclamation is a no-win situation.

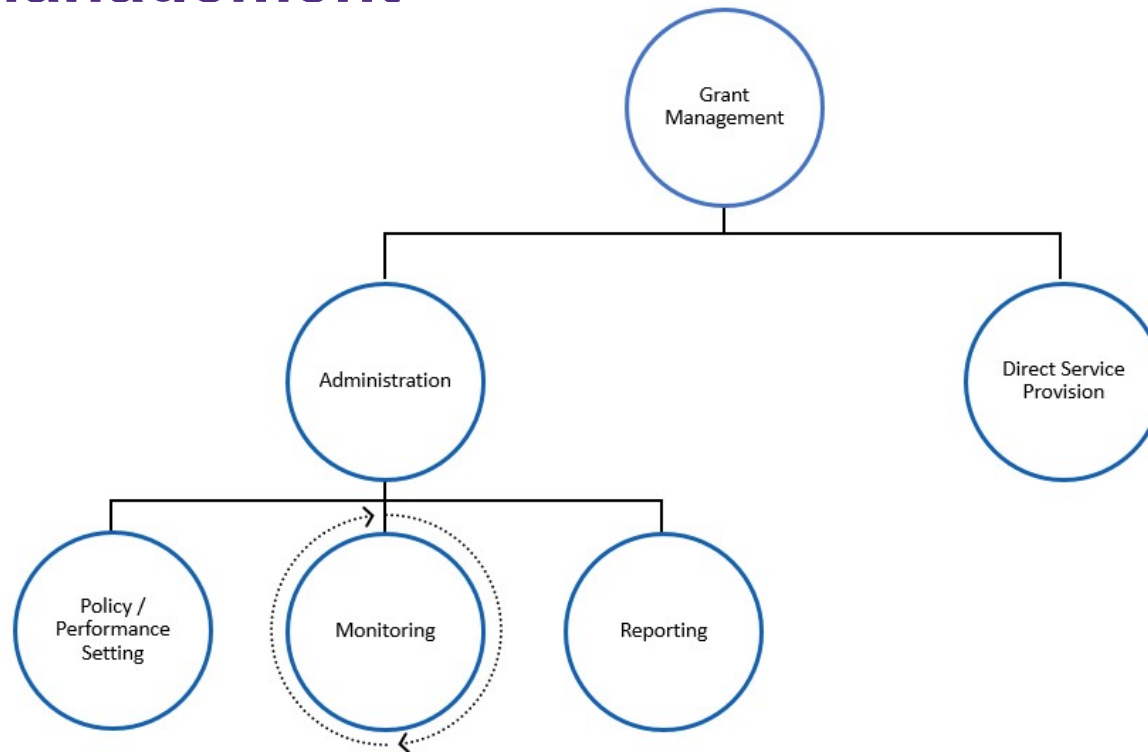


# Congress' Role

- ▶ Appropriates Funding
- ▶ Congressional Committees depose Agency Officials
- ▶ OIG reports to both Congress and Federal Program Officials
- ▶ Regulations are approved with authority granted by Congress:
  - ▶ 2 CFR 200
  - ▶ Program Regulation



# Monitoring Component of Grant Management



# The Cornerstone of Understanding

- ▶ In Order to Adequately Monitor, You Must Have a Firm Understanding of two things:
  - ▶ 1. The Requirements
  - ▶ 2. Responsibilities to which your Organization is Bound
  
- ▶ Understand who you are:
  - ▶ Recipient
  - ▶ Pass-through Entity
  - ▶ Service Provider

# Guidance to Know

- ▶ 2 CFR 200
- ▶ Program Regulation / Policy
- ▶ Executive Orders
- ▶ Grant Agreement
- ▶ Other Contextual Guidance:
  - ▶ State Administrative Plan
  - ▶ OIG Reports
  - ▶ Single Audit Compliance Supplement
  - ▶ Grants Management Body of Knowledge (GMBok)
  - ▶ Yellow Book





## 2 CFR 200

- ▶ History and Changes that rolled out with the Uniform Grant Guidance
- ▶ Contains directives for the following:
  - ▶ Administrative Requirements
  - ▶ Cost Principles
  - ▶ Audit Requirements

## 2 CFR 200

### §200.100 Purpose.

(a)(1) This part establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities, as described in §200.101 Applicability. **Federal awarding agencies must not impose additional or inconsistent requirements, except as provided in §§200.102 Exceptions and 200.210 Information contained in a Federal award, or unless specifically required by Federal statute, regulation, or Executive Order.**

## 2 CFR 200 Notable Administrative Requirements

- ▶ Skip the Pre-Award Requirements
- ▶ .300 - .309 – Standards for Financial and Program Management – Apply to everyone
- ▶ .310 - .316 - Property Standards – Important for Capital Projects
- ▶ .317 - .326 – Procurement Standards – Important for reasonableness of cost determinations
- ▶ .330 - .332 – Subrecipient Monitoring and Management – Describes monitoring responsibilities and also helps you identify subrecipient relationships

# The Cost Principles

- ▶ GAAP and Common Sense
- ▶ Describe the attributes needed for a cost to be allowable
- ▶ Contain specific items of cost and describes limitations in charging to federal awards
- ▶ Describe allowable methods of charging indirect costs



# Audit Requirements

- ▶ Does not really apply unless you are an independent auditor tasked with performing a Single Audit
- ▶ Keep abreast of the threshold for the Single Audit requirement.
- ▶ Also refer to the Single Audit Compliance Supplement for contextual guidance

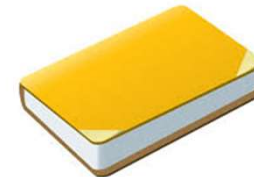
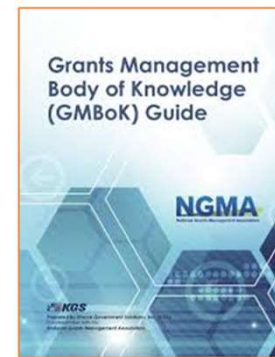


# Program Regulation / Policy

- ▶ Driven by Organizational Objectives
- ▶ Describes how money should be spent to achieve a particular purpose
- ▶ Varies in complexity, depending on the intended control over recipients
- ▶ Complements 2 CFR 200
- ▶ Generally, program regulations can be summed up as “Any additional cost incurred for XYZ is allowable with these certain limitations.”

# Contextual Guidance

- ▶ Single Audit Compliance Supplement
- ▶ GMBok
- ▶ Yellow Book – if you're an auditor
- ▶ State Administrative Plan – If State managed grant
- ▶ OIG Reports



# Contact Information

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