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FISCAL ACCOUNTABILITY

Fiscal Accountability

As outlined in the Applicant's Manual, PCCD stresses the importance of being accountable for all grant funds. The following procedures have been implemented across all of PCCD's funding streams to ensure fiscal accountability of PCCD grants.

This section is broken down into 5 sections:

1. **Subgrantee Accountability**
2. **Financial Management**
3. **Employee Time and Effort Reporting (Time sheets)**
4. **Individual consultants funded with PCCD grant funds**
5. **Payment Terms**

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Subgrantee Accountability

The first section, Subgrantee Accountability, outlines the responsibilities of subgrantees following the award of their grants. It also details PCCD's rights regarding on-site monitoring and the risk classification associated with the grant.

By responding "Yes" to question 1.1, applicants agree to follow PCCD's accountability requirements as described in the narrative. Accountability includes maintaining financial and programmatic backup for all grant line items and activities, as well as submitting timely fiscal and program reports.

Please read over the following section and choose "yes" or "no" from the drop-down box.

1. Subgrantee Accountability

The following procedures have been implemented across all of PCCD's funding streams to ensure fiscal accountability of PCCD grant funds.

Financial Back-up: PCCD will periodically verify that grantee expenditures are consistent with approved budget categories, are eligible for reimbursement and that grantees are maintaining supporting documentation. PCCD has implemented a process where grantees are notified that they are required to submit the financial documentation to support the expenditures reported for some or all of the categories that are included in their Egrants fiscal report. Grantees are only required to submit this documentation when they are specifically notified by PCCD. Egrants users have the ability to attach documents to fiscal reports.

Accounting System Documentation: PCCD requires that all grantees maintain an accounting system which can identify all PCCD revenue and expenditures for each PCCD grant separately from all other revenue and expenditure sources. All financial transactions should be able to provide a clear audit trail.

Programmatic Back-up: PCCD will periodically verify that data submitted by grantees in their program reports is accurate. PCCD will select one or more performance measures/data categories each reporting period and require grantees to submit documentation to support what was reported on their Egrants program report or other reporting tool.

Subgrantee Payment: All subgrantees are required, at a minimum, to submit quarterly fiscal reports. PCCD will only make payments to reimburse actual expenditures reported on the fiscal reports. If an agency is experiencing cash flow problems, they may submit fiscal reports monthly and PCCD will reimburse reported expenditures.

Line Item Detail: PCCD's fiscal report allows grantees to include line item expenditure detail instead of just the overall budget category expenditures. Grantees are required to provide line item expenditure detail consistent with the line items included in their approved budget.

On-site monitoring: PCCD completes on-site monitoring of grants across all funding streams (state and federally funded projects).

Grantee risk classification: PCCD utilizes a risk classification system to identify and focus the use of agency resources on those agencies that may be most in need of additional assistance.

1.1. Does the applicant acknowledge that they have read, understand and will abide by PCCD's fiscal accountability procedures?

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Financial Management

The questions in this section pertain to the applicant organization's accounting and financial management systems. Please be advised that when your organization is monitored these documents will be required. The use of Microsoft Excel Spreadsheets is not an acceptable financial management system and will not be accepted by PCCD.

In **question 2.1** select from the drop down menu whether your accounting system is "Manual" or "Automated." A brief description of each is below.

Manual Accounting System - A manual accounting system is a way of recording and managing financial transactions **by hand**, rather than using accounting software or digital tools.

What it includes

In a manual system, all financial data is recorded using physical or basic tools such as:

- Paper ledgers and journals
- Printed invoices and receipts
- Check registers
- Calculators (instead of automated calculations)

Automated Accounting System - An automated accounting system (also called a computerized accounting system) is a method of recording, processing, and

reporting financial transactions using **software instead of manual, paper-based methods.**

What it includes

Automated systems use accounting software such as:

- QuickBooks
- Sage
- Xero

These programs handle much of the accounting process automatically.

In question 2.1.1 If you selected "Automated" provide the name of the software that is used.

In question 2.1.2 If you selected "Manual" provide a brief description of how the manual system works and how it accounts for revenue and expenditures.

Question 2.2 asks if the system your organization uses can properly identify the receipt and expenditure of the grant funds separately from all other funding sources. PCCD requires that grant funds be kept under a separate General Ledger account code. This does not mean that you need a separate bank account. - **Select "Yes" or "No" from the drop down.**

Question 2.3 is asking if your organizations accounting system has the capability to record expenditures by the budget categories shown in the approved grant budget.

Example: Personnel, Benefits, Travel, Training, Consultants, etc - **Select "Yes" or "No" from the drop down.**

2. Financial Management

The following questions pertain to the applicant organization's accounting and financial management systems.

2.1. Which of the following best describes the applicant organization's accounting system?



2.1.1. If you selected "Automated" as the type of accounting system, provide the name of the accounting system that the applicant organization utilizes.

2.1.2. If you selected "Manual" as the type of accounting system, provide a description of the applicant organization's accounting system, including how it works and how it accounts for revenue and expenditures.

2.2. Can the applicant organization's accounting system identify the receipt and expenditure of these grant award funds separately from all other funding sources?



2.3. Does the applicant organization's accounting system have the capability to record expenditures for this grant award by the budget categories shown in the approved grant budget?



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Employee Time and Effort Reporting (Time Sheets)

Time and effort reports (time sheets) are required for all personnel funded with PCCD grant dollars regardless of the funding stream. We realize that there are a number of different systems that can be used to satisfy these requirements and we encourage you to email PCCD's Grants Management team with any questions you may have regarding time and effort reporting requirements.

Please read over the following section and choose "Yes" or "No" from the drop-down box.

3. Employee Time and Effort Reporting (Timesheets)

Time and effort reports (timesheets) are required for all personnel funded with PCCD grant dollars regardless of the funding stream. Below are the minimum standards and recommended best practices for time and effort reporting. We realize that there are a number of different systems that can be used to satisfy these requirements and we encourage you to email [PCCD's Grants Management](#) with any questions you may have regarding time and effort reporting requirements.

Minimum standards for employees working on multiple activities or cost objectives:

- Must be an after-the-fact determination of the employees actual effort. Using a budget estimate instead of reporting the actual time the employee spent working on the project does not qualify as support for charges to awards.
- Must account for total activity (grant and non-grant) for which employees are compensated and which is required in fulfillment of their obligations to the organization
- Must be signed by the employee and a supervisor with first-hand knowledge of the activities performed by the employee. Signature on the timesheets is affirmation that the report is an accurate accounting of the actual time the employee spent on the project.
- Must be prepared at least monthly to correspond to one or more pay periods
- Volunteer time and personnel costs being used as match must be accounted for in the same manner as personnel being charged to the grant

Minimum standard for employees working solely on a single activity or cost objective:

- Must be an after-the-fact certification that the employee worked 100 percent of their time on activities eligible for reimbursement under the grant project
- Must be prepared no less frequently than every six months
- Must be signed by the employee and supervisory official having first-hand knowledge of the work performed
- Applies to full-time and part-time employee

Recommended Best practices:

- Employees record time on a daily basis
- Project codes/names are provided to the employee in advance

** The above standards are based on the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) and the Office of Justice Programs Financial Guide.

*** Institutions of Higher Education (IHE) may follow their own established policies for documenting personnel expenses provided that the IHE's policies are in compliance with the Standards for Documentation of Personnel Expenses referred to at 2 CFR 200.430.

The following sample forms are available on the [Grant Procedures and Forms](#) page of our website:

- Example of a completed timesheet
- An Excel timesheet template that you may modify to suit your needs
- A sample time certification for employees working 100% of their time on a grant-funded project.

3.1. Does the applicant acknowledge that they have read, understand and will abide by PCCD's employee time and effort reporting standards?

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Individual Consultants

Individual consultants being paid with PCCD grant funds must also maintain time and effort reports to support all charges billed to PCCD grant funds.

Select "Yes" or "No" from the drop down menu.

4. Individual consultants funded with PCCD grant funds must maintain time and effort reports to support all charges billed to PCCD grant funds. Does the applicant acknowledge that they understand the requirement for individual consultants to maintain time and effort reports as support for charges against PCCD grant funds?

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Payment Terms

Payments will not be released until the Award Letter has been signed by all parties and any applicable special conditions on the grant award have been satisfied. Grantees are required to submit a quarterly fiscal and program report to receive reimbursement. PCCD will only reimburse actual expenses reported on the fiscal report.

Select "Yes" or "No" from the drop down menu.

Once all questions have been answered, change the completion status at the top of the page from "In Process" to "Complete" then click "save" at the bottom of the screen.

5. Payment Terms

Payments will not be released until all applicable special conditions on the grant award have been satisfied. All grantees are required, at a minimum, to submit quarterly fiscal reports. PCCD will only make payments to reimburse actual expenditures reported on the fiscal reports. An agency experiencing cash flow problems may submit fiscal reports monthly and PCCD will reimburse reported expenditures.

All payments of federal funds will comply with the federal Cash Management Improvement Act, 31 U.S.C. 6503.

All funds (Federal, State, match and project income) must be obligated by the end of the project period and expended within 60 days from that date.

5.1. Does the applicant acknowledge that they have read, understand and will abide by PCCD's payment terms?

Save Cancel

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