

Fiscal Management Virtual Academy

Q&A Document

June 3-5, 2024



PREFACE

Link to Training Session Recordings and Resources: [Tailored Training on Fiscal Management: Virtual Academy Sessions and Resources](#)

This is a follow up Technical Assistance (TA) resource document for the Fiscal Management Virtual Academy, hosted by the National Association of Workforce Development Professionals (NAWDP) on June 3-5, 2024. This event was held at no cost through the Next Level Now (NLN) Collaborative.

This Academy provided an eight-hour comprehensive training in fiscal management principles, practices, and techniques. This Academy covered topics such as Mastering Audit Requirements and Ensuring an Audit Ready Environment, Differentiating Administrative and Programmatic Costs, and Mastering Indirect and Direct Costs for Effective Budgeting & Resource Allocation. All objectives align with 2 CFR 200, 2 CFR 2900, WIOA and related WIOA regulations.



Moderator:

Moderator Name, Kim Meadows, Training Director, NAWDP, kim@nawdp.org

Presenter:

Presenter Name, Zaskia Ruiz, Executive Vice-President and COO, KRA Corporation, zruiz@kra.com



This document was created to answer the questions that came in during the training session. Note: NLN provides these responses which applies solely to the specific circumstance or situation presented in the question/email. The language herein cannot be construed to infer broader applicability, or an extension of the conclusion(s) reached to any other situations that differ in any material regard. The following topics had additional questions from session attendees and are covered in this document:

- [Allowable Costs Page 3](#)
- [Indirect Cost Rates Page 4](#)
- [Miscellaneous Page 5](#)
- [Key Takeaways Page 7](#)

Additionally, you will see a Submit Request link button at the end of each topic section. Please use this resource link to submit additional questions regarding the topic and/or to request specific TA with any challenge you may be facing.



ALLOWABLE COSTS

QUESTION: Are goods and services for personal use allowable for participants? For example, if a participant lacks the ability to heat their food at home and you purchase a microwave for them.

ANSWER: The purchase may be considered supportive services (SS), which is different than if we are buying the item for staff and is allowable if the cost is reasonable. A written policy that is introduced to staff and staff are trained on and includes factors and limitations for SS should be included. Typically, SS needs to tie to the career service or training being provided.



QUESTION: Are costs for attending state and federal conferences considered lobbying?

ANSWER: The "purpose" of the conferences is key. If the agenda contains topics or meetings that appear to include 'lobbying activities' then such conferences may not be paid for using federal grant funds. It is always a good idea to confirm with the conference organizers that they do not intend for the purpose of the conference to be for lobbying activities.



**SUBMIT A REQUEST ABOUT
TECHNICAL QUESTIONS**

INDIRECT COST RATES

QUESTION: How do you apply the new de minimus rate if you are on a 7/1 - 6/30 fiscal year?

ANSWER: The standard procedure is to continue using the rate that was approved in your funding agreement. The new de minimis rate starts 10/1/2024. A grantee would have to apply the old rate through 9/30 and the new rate for expenses after 10/1. Check with your awarding agency for more details.

QUESTION: If you had a negotiated rate and want to change back to the de-minimums, what steps need to be taken?

ANSWER: If you have an approved NICRA then that will stand for the period of performance of the federal award (2 CFR 200.414(f)). In addition to the procedures outlined in the appendices in paragraph (e) of this section, any non-federal entity that does not have a current negotiated rate (including provisional), except for those nonfederal entities described in Appendix VII to this part, paragraph D.1.b, may elect to charge a de minimis rate of 10% of modified total direct costs which may be used indefinitely. This [FAQs on Cost and Price Determination Division](#) may be useful to reference as well.

QUESTION: Is there a difference in calculating the Modified Total Direct Costs (MTDC) base if you have a Negotiated Indirect Cost Rate Agreement (NICRA) vs. de minimis rate?

ANSWER: NICRAs have a variety of different distribution bases in addition to MTDC. You need to obtain a copy of the negotiated indirect cost rate agreement to determine which distribution basis (MTDC, S/B or other) is being used. This document can also help you determine the calculations: We encourage you to review the [Guide for Indirect Cost Rate Determination](#) for more information. Page II-3 has the (B) Indirect Cost Rate Allocation Bases options.



**SUBMIT A REQUEST ABOUT
TECHNICAL QUESTIONS**

MISCELLANEOUS

QUESTION: What accounting software or methods do attendees use for accounting transactions, timesheets, etc.?

ANSWER: Sage Intacct, Positive Pay, ADP, MIP Accounting Software, Timeclock, Unanet, QuickBooks. Each of these has different capabilities and none of them are being promoted by the presenters. Each board needs to research what will work best for their needs.

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QUESTION: How do you best allocate payroll? What about vacation and sick leave since the employee is not actually working on the grant– does that time off need to be charged to the admin?

ANSWER: If the staff worked 80 regular hours, and 40% of the regular hours were charged to program A and 60% of the regular hours were charged to program B, then allocate vacation or sick time 40% A and 60% to B.

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QUESTION: Does the salary limitation include insurance related benefits?

ANSWER: The [TEGL 05-06](#) specifies salaries and bonuses as included in a W2 for salary limitations.

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QUESTION: For micro purchases, what if one supplier is consistently the one that has the lowest pricing?

ANSWER: This is ok, however make sure that you are keeping records of your attempts to involve other suppliers. The grant recipient must adhere to the procurement standards found in [2 CFR Part 200](#).

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QUESTION: If a consultant helps to prepare a grant proposal and is written in as part of the grant to carry out some of the work, if awarded does that satisfy procurement requirements? The consultant helped prepare the response to a proposal but had no part in creating the grant solicitation proper.

ANSWER: Grantees must apply the Uniform Guidance procurement standards when securing Contractor services. Writing of the proposal does not give them a free pass to continue or expand their services



**SUBMIT A REQUEST ABOUT
TECHNICAL QUESTIONS**



KEY TAKEAWAYS

- When reviewing allowable costs, **ensure that you are closely reviewing the “purpose” and ensuring the cost of the activity is necessary, “reasonable, allowable and allocable.”**
- Review and follow the fiscal guidance such as [Uniform Guidance at 2 CFR parts 200, 215, 225, 230](#) closely!



ABOUT US

The Next Level Now (NLN) Collaborative will serve as U.S. Department of Labor’s Employment and Training’s hub for delivering strategic, short- and long-term technical assistance (TA) to the public workforce system and partners, assisting them at the state and local level as they improve services, quality, and outcomes for jobseekers and employers. In addition to developing and disseminating field-requested TA tools and resources, the NLN Collaborative will facilitate peer learning opportunities and information sharing, make subject matter experts accessible to increase efficacy and performance, and offer assistance in applying evidence-based practices for all users. Learn more about the [NLN Collaborative, access and request TA through the Collaborative’s website.](#)

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