NC COMMUNITY COLLEGES | COLLEGE & CAREER READINESS

Workforce Innovation and Opportunity Action (WIOA), Title II, Adult Education and Family Literacy Act

Federal Grant Award Fiscal Responsibilities
August 19, 2024

10:00 AM
2:00 PM (Encore)

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What You Need to Know About the 231 Budget?

A budget is a financial plan for the project or program that the Federal awarding agency or pass-through entity approves during the Federal award process or in the subsequent amendments to the Federal award.

Community Colleges
- For the 2024-25 program year, the budget amount submitted for the (231) AEFLA II grant must include the total **Federal** and **State** awards.

Community-Based Organizations
- For the 2024-25 program year, the budget amount submitted for the (231) AEFLA grant must include the Federal award and the required **40%** matching funds.

CFR 200.302
CFR 200.303

Cost Principles

Cost principles address four tests for allowability:

- **Reasonableness** (Including Necessity) - A cost may be considered reasonable if the nature of the goods or services acquired or applied and the associated dollar amount reflect the action that a prudent person would have taken under the circumstances prevailing when the decision to incur the cost was made.

- **Allocability** - A cost is allocable if it is incurred solely in order to advance work under the grant or meets the criteria for closely related projects.

- **Consistency** - All costs must be treated consistently for all work of the organization under similar circumstances, regardless of the source of funding.

- **Conformance** - This test of allowability-conformance with limitations and exclusions as contained in the terms and conditions of award, including those in the <u>cost principles</u>-varies by the type of activity, the type of recipient, and other characteristics of individual awards.

2 CFR Part 200.302
45 CFR Part 75.302

General Budget Guidance

Your actual expenses should be compared at least monthly to the budget to ensure…

- All funds are used appropriately.

- Total funds on the grant have not been exceeded.

- Maximum expenditures for any cost category have not been exceeded (e.g., 5% for administration).

- Actual expenses align with the approved budget.

- All financial records and supporting documentation pertinent to the Federal award must be retained for a period of five years following the Federal grant award program year (NCCCS Records Retention and Disposition Schedule).

Direct vs. Indirect Costs

- **Direct (Allowable as Budgeted Items)**

  - Salaries/Wages/Fringes

  - Materials and supplies

  - Equipment (greater than $5,000 and requires prior approval)

  - Travel

  - Consultant Fees

  - Subcontracts

- **Indirect (Not Allowable as Direct Costs)**

  - Costs are limited to 5% of Federal allocation after infrastructure costs have been subtracted. See 231, 243, and 225 allocation sheets for exact amounts.

  - Administrative costs unrelated to instruction.

CFR 200.413
CFR 200.313-200.314
CFR 200.430-200.431
CFR 200.439;200.453

CFR 200.56

Allowable Costs Table

Audit Services	Bonding Costs
Costs to recover improper payments	Compensation-Personal Services
Compensation-Fringe Benefits	Depreciation
Employee health/welfare	Equipment
Exchange rates	Gains on disposition assets
Insurance/indemnification	Intellectual property
Maintenance/Repair	Materials/Supplies/Computers
Professional Service Costs	Publication Printing
Recruiting Cost	*Relocation cost of employees
Rental Cost of Property/Equipment	Specialized Service Facilities
Training and Education Costs	Transportation Costs
Travel Costs	Travel of Trustees

EDGAR CFR 200.302
CFR 200.403-404
CFR 200.420

Grant Management
Unallowable Costs

Unallowable Costs are those charges to a Federal award that the pass-through agency determines to be unallowable in accordance with the applicable Federal principles contained in the award.

- Advisory Councils
- Alcohol
- Alumnae Activities
- Bad Debts
- Commencement Costs
- HSE Examiner

Please refer to the Cost Allowability Document for Reference: **Cost Allowability.**

EDGAR CFR 200.302
CFR 200.403-404
CFR 200.420

Definitions for Equipment and Supplies

- *Equipment* is tangible personal property having a useful life of more than one year and a per-unit cost which equals or exceeds $5,000. **Prior approval is required to purchase equipment**. If equipment is included in your budget submitted for approval, that cost should be considered approved unless you are notified otherwise. Examples of equipment include:

  - Classroom Projectors/Smartboards
  - Laboratory Equipment
  - Reproduction and Printing Equipment
  - Assistive Device Technology

- *Supplies* are all tangible personal property with a per-unit cost which is less than $5,000, regardless of the length of its useful life. Examples of supplies include:

  - Computing Devices
  - Textbooks

CFR 200.33

Supplement – Not Supplant

The purpose of the supplement not supplant clause is to ensure that state and other non-Federal funding sources are not replaced by AEFLA funding.

- Supplant-Replacing an original funding source with the supplemental funding source.
- Supplemental funds should be used to increase the level of funds made available to the adult education program.
- Federal funds may **NOT** be used to pay for services, staff, programs, or materials that would otherwise be paid with state or local funds.

Budget Transfers During the Program Year

Title II award recipients must specifically request approval if the following occurs:

- Transfers of **10%** or more of the overall budget
- Change in scope or the objective of the project or program
- Change in key personnel specified in the application for Federal award
- Disengagement from the project for more than three months or a 25% reduction in time
- Transfer from costs associated with serving students to other categories of expense
- Transferring or contracting out any work to an agency or individual not listed in the initial approved budget.

Your written request for budget modification approval should be addressed to Carla Parnell via email at parnellc@nccommunitycolleges.edu. The budget modification form should be uploaded to the Moodle site 2024-25 Title II CCR Continuous Reporting.

All budget modifications should be submitted by and no later than May 15, 2025

Grants Management

Fiscal Reporting Requirements:

• All providers must upload documents to Moodle on or before the **15th** of each month.

Community Colleges
- • XDBR from the 112 Report

Community-Based Organizations
- • Copy of Request for Reimbursement

- • Request for reimbursement CBOs must be received by the NCCCS Business and Finance Office by the **5th** working day of each month. Failure to do so may result in non-payment or suspension of funding.

Time and Effort Monthly Submissions
- • Time and Effort (monthly report requirements)

Site to upload information:

2024-25 Title II CCR Continuous Reporting

Budget Submission Process

1. Budget the correct amount(s) for each grant award.
2. Include all Title II Federal and matching (state and/or private) funds for the 231 award.
3. If you receive special AEFLA funding such as (225) Corrections or (243) IELCE, please only budget the Federal award amount. Matching funds are **not** required for either grant.
4. Use the correct budget form(s).
5. Include the signatures of two different individuals at the bottom of the budget form(s).
6. Know what can be included in indirect costs.
7. Know when prior approval is necessary.
8. Know what the term "equipment" means on a Federal budget.
9. Know what the term "supplies" means.
10. ProviderName_Grant#
11. Save and submit to 2024-25 Title II CCR Continuous Reporting in PDF format.

NCCCS Budget Approval Process

1. Upon the State Board of Community Colleges (SBCC) approval, the State Aid section of the NCCCS Business and Finance Office sends a budget packet as an official notification of the award amount to the recipient.

2. Budget form(s) are completed and submitted in the Moodle portal at [2024-25 Title II CCR Continuous Reporting](#).

3. Budgets are reviewed by the Grants Management Administrator, Compliance Team, and Special Program(s) Staff.

4. If budget forms are incorrect or incomplete, the provider will be contacted via email or phone with instructions to make necessary corrections to the budget. Upon completion of the corrected budget, providers are required to upload the revised budget forms to the portal.

5. Upon final approval by the Title II State Director, the College and Career Readiness State Office staff sends written notification of the approval, along with a signed copy of the approved budget, to the Chief Financial Officer (CFO) and Title II program director.

North Carolina Community College System

How to Complete the Budget

Budget Basics: Start Here
1. Begin your budget process by entering the specified amounts and details in the narrative section.

2. The amount entered in the narrative page will automatically appear in the Excel budget page.

3. Check your calculations on the Excel budget page for accuracy.

Key Considerations
- The narrative description supports text wrapping, but be keep entries concise.

- Rounding is automatically applied when carrying over from the narrative page to the Excel budget page.

- Please include taxes, shipping, and other fees as a single amount in each designated cell.

How to Complete the Instructional Salary Line Item

Instructional Salaries

- This field may include Full-Time and Part-Time Instructors, Tutors, and other instructional staff.

- Use the following format to indicate the instructional salary.
  ___ (# of Instructors) x ____ (hourly pay rate) x ____ (# of hours worked) x ____ (# of weeks)

  For example: 15 FT Instructors @ $25 per hour x 40 hours x 52wks
  @ $25 per hour x 2080 hours

  8 PT Instructors @ $22 per hour x 20 hours per week x 26wks
  @ $22 per hour x 520 hours

  *There are 2080 hours in an employment year for full-time staff.

Entering Data for the Instructional Salary Line Item

Percentage of Position/s

Once you list the total salary and percentage being charged to the grant, the amount column will automatically generate the total.

Description	Salary	# of Positions	% of Position	Amount
ABC	$ 50,000.00	1	100.0000%	$ 50,000.00
123	$ 80,000.00	1	40.0000%	$ 32,000.00
			100.0000%	$ -
			100.0000%	$ -
			100.0000%	$ -
			100.0000%	$ -

Customized Features

Customized features for providers include drop down options in the salary and number of positions columns.

Description	Salary ▾	# of Positions ▾
ABC	Salary	# of Positions
123	Amount Per Hour	# of Hours

Entering Data for Non-Instructional Salary Line Item

Non-Instructional Salaries

- <u>CCR Program Directors</u>, <u>Performance Accountability Staff</u>, <u>Assessment and Retention Personnel</u>, <u>Educational Coordinators</u> and <u>Advisors</u> may be listed in the non-instructional line item.

  For example: 1 FT Program Director @ 50 per hour x 40 hours x 52 weeks
                                     @ 50 per hour x 2080 hours

  1 FT Coordinator @ 30 per hour x 40 hours x 52 weeks
                 @ 30 per hour x 2080 hours

These titles have drop down options.

B. Salaries, Non-Instructional

Description	Salary	# of Positions	of Position	Amount
ABC	$ 50,000.00	1	100.0000%	$ 50,000.00
123	$ 80,000.00	1	40.0000%	$ 32,000.00

How to Complete the Employee Retirement Line Item

Full-Time Employee's Retirement

- The 2024-25 State employee retirement rate is 24.04%.
- CBOs can make edits in the percentage column.

C. Full-Time Employees' Retirement

Description		Percent	Amount
		24.04%	$ -
		24.04%	$ -
		24.04%	$ -
		24.04%	$ -
			$ -
Category Total			$ -

How to Complete the Social Security Line Item

All Employees' Social Security
- Fixed rate of 7.65% for state employees.
- Providers can edit cells as needed for specific positions and circumstances.

D. All Employees' Social Security

Description				Amount	
18 FT Instructional/Non-Instructional	$	998,400.00	7.65%	$	76,377.60
9 PT	$	102,960.00	7.65%	$	7,876.44
	$	-	7.65%	$	-
	$	-		$	-
Category Total				$	84,254.04

Full-Time Employees' Hospitalization Monthly Coverage
- The 2024-25 hospitalization rate for employees is $8095 for state employees.
- Providers can edit cells as needed for specific positions and circumstances.

E. Full-Time Employees' Hospitalization Monthly Coverage

Description	Total # of Months	Rate Per Month		Amount	
ABC	12	$	674.59	$	8,095.08
123	12	$	674.59	$	8,095.08
		$	674.59	$	-
		$	674.59	$	-
				$	-
Category Total				$	16,190.16

North Carolina Community College System

Career Services

- Allowable expenses include **recruiting**, **advising**, **assessments**.

F. Career Services (If you enter *salary values* here, do not forget to enter data for retirement, hospitalization, and social security above.)

Description	Amount Per Hour	# of Hours	Amount
1 PT Recruiter @ $20 per hour at 20 hours a week for 26 weeks	$20.00	520	$ 10,400.00
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
Category Total			$ 10,400.00

Educational Supplies and Materials

- This may include expenses such as: Burlington English, Essential Education, instructional supplies, textbooks, calculators, and laptops (less than 5,000 each unit).

G. Educational Supplies and Materials

Description	Cost Per Unit	# Units	Amount
TABE Locator and Assessment Booklets (mixed level)	$ 3,500.00	1	$ 3,500.00
Burlington English	$ 250.00	10	$ 2,500.00
CASAS Locator and Assessment Boolets (mixed level)	$ 2,800.00	1	$ 2,800.00
calculators	$ 8.00	15	$ 120.00
	$ -	0	$ -

What to Include in the Equipment and Contractual Services Section

Equipment

- Must be **pre-approved** if the total unit cost is $5,000 or more.
  - Printers, Classroom Projectors, Smart Boards, and Laboratory Equipment

H. Equipment (If $5,000 or more, it must be pre-approved)

Description	Cost Per Unit	# Units	Amount
Smart board	$ 5,000.00	1	$ 5,000.00
	$ -	0	$ -
	$ -	0	$ -
	$ -	0	$ -
	$ -	0	$ -

Contractual Services

- Curriculum Writer or Grant Writer

I. Contractual Services

Description	Amount Per Hour	# of Hours	Amount
Grant writer @ $45 per hour for 20 hours	$ 45.00	20	$ 900.00
			$ -
			$ -
Category Total			**$ 900.00**

What to Include in the Staff Travel Line Item

Staff Travel

- Conferences such as COABE, NCCC System Conference, CCLI, and the CCR Convocation may be included in this line item. Additionally, charges such as mileage, airfare, meals, and lodging should be included.

J. Staff Travel

Description	Cost Per Unit	# Units	Amount
CCLI Conference	$ 600.000	2	$ 1,200.00
CCR Conference	$ 450.000	3	$ 1,350.00
IIPS	$ 450.000	2	$ 900.00
Airfare	$ 500.000	2	$ 1,000.00
mileage for CCLI conference	$ 0.550	120	$ 66.00
mileage for CCR Conference	$ 0.550	300	$ 165.00
hotel stay for CCLI and CCR conference	$ 220.000	4	$ 880.00
	$ -	0	$ -
	$ -	0	$ -
	$ -	0	$ -
Category Total			$ 5,561.00

Title II 231 Budget Form Screenshot

PROVIDER NAME			FEDERAL ID#
System Office			99-9999999
Effective Date: July 1, 2024 - June 30, 2025			

231 Allocation + State Match (Minus Infrastructure Cost) $200,000			Category Totals
A. Salaries, Instructional			$0
B. Salaries, Non-Instructional			$82,000
C. Employer's Retirement			$0
D. Employer's Social Security			$0
E. Employer's hospitalization			$16,190
F. Career Services			$0
G. Educational Supplies and Materi <=$5,000 per unit price			$0
H. Equipment (must be pre-approv >$5,000 per unit price			$5,000
I. Contractual Services			$0
J. Staff Travel			$0
K. Administrative Costs/Indirect Costs			$0
Total Administrative Costs cannot exceed 5% of total Federal budget.	•Salaries	$0	
	•Other Expenses	$0	
	•Indirect Costs	$0	
Total Adminstrative/Indirect Funds $10,000	WIOA Infrastructure Cost $250	Available Admin./Indirect Funds $9,750	
Total			$103,190

Drop-down features auto populate provider name, FID, total allocation

These numbers will automatically populate from your narrative page.

Page 1

Title II 231 Budget Form Screenshot

These funds are part of the total Federal and State allocation.

	231 Allocation + State Match (Minus Infrastructure Cost) $5,120,079			Category Totals
A.	Salaries, Instructional			$934,960
B.	Salaries, Non-Instructional			$166,400
C.	Employer's Retirement			$249,800
D.	Employer's Social Security			$84,254
E.	Employer's hospitalization			$7,557
F.	Career Services			$10,400
G.	Educational Supplies and Material <=$5,000 per unit price			$8,920
H.	Equipment (must be pre-approved) >$5,000 per unit price			$5,000
I.	Contractual Services			$990
J.	Staff Travel			$5,561
K.	Administrative Costs/Indirect Costs			$0
		•Salaries	$0	
	Total Administrative Costs cannot exceed 5% of total Federal budget.	•Other Expenses	$0	
		•Indirect Costs	$0	
	Total Adminstrative/Indirect Funds $72,772	WIOA Infrastructure Cost $222	Available Admin./Indirect Funds $72,550	
	Total			$1,473,842

The expenditures listed in item K, cannot exceed total amount available.

Example: Total Admin/Indirect Funds 72,550

Questions
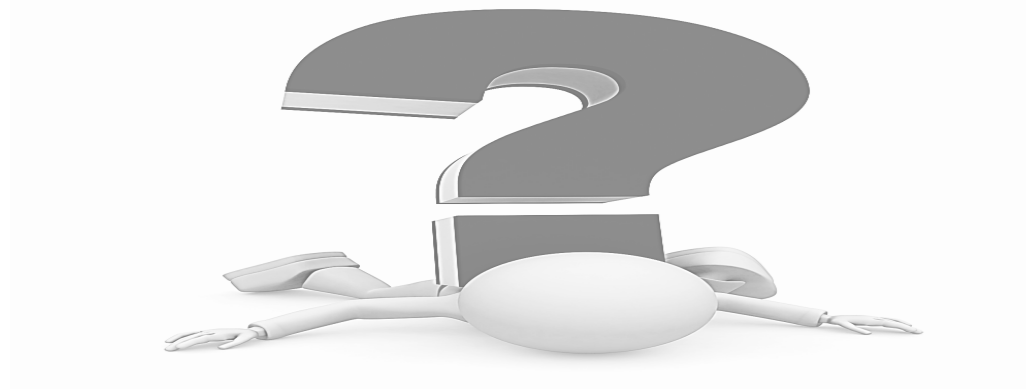
Still more questions, email us.

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