



Fun with Federal

Presented by Victoria Neumann and Amber Platt, CPA



Agenda

Schedule of Expenditures of Federal Awards (SEFA)

Gateway How-To

Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

Guidance on the Obligation Interim Final Rule

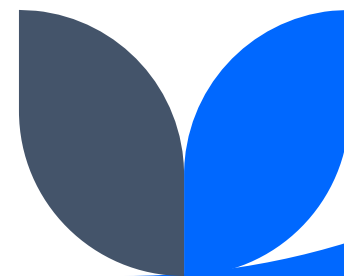
Procurement Policy

General Information





<https://gateway.ifionline.org/>



Gateway How-To's

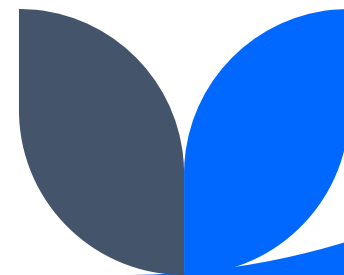
Filling out the Grant Schedule

What does each column mean?

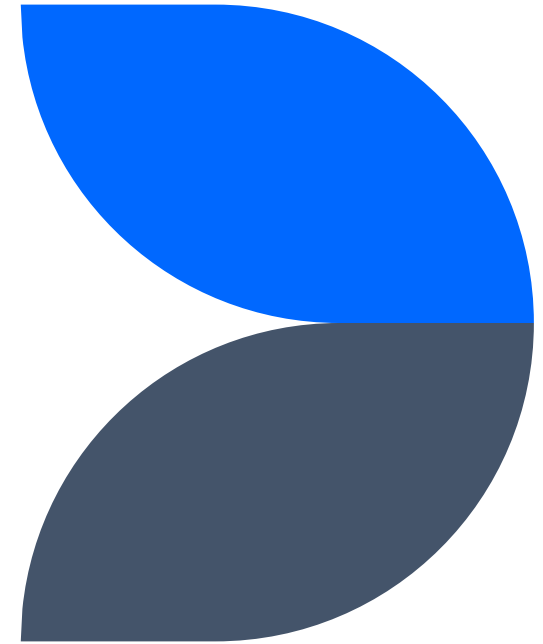
Where do I get the information?

Creating a CSV file

User Guide



Gateway User Guide



INDIANA Gateway for government units



[Home](#) [About](#) [Account Settings](#) [User Guides](#) [Logout](#)

Grants – Item Descriptions

- Read through each description

Common Misunderstandings

- Loans Outstanding
- Insurance

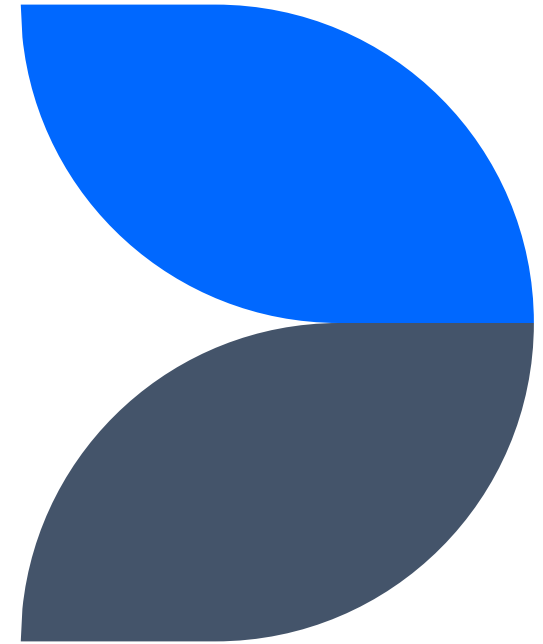


**Be back in 10
minutes**



SLFRF

Obligation Interim Final Rule



Resources

<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

Google “SLFRF FAQ”

- First option is the pdf
- Second option is the website

FAQ Section 17

- Addresses obligation Interim Final Rule (IFR)

Overview

- Background on Obligation IFR
- How a recipient may use funds to cover personnel costs for an employee through December 31, 2026
- Update on certain contract cost increases that may be covered after the obligation deadline

Background

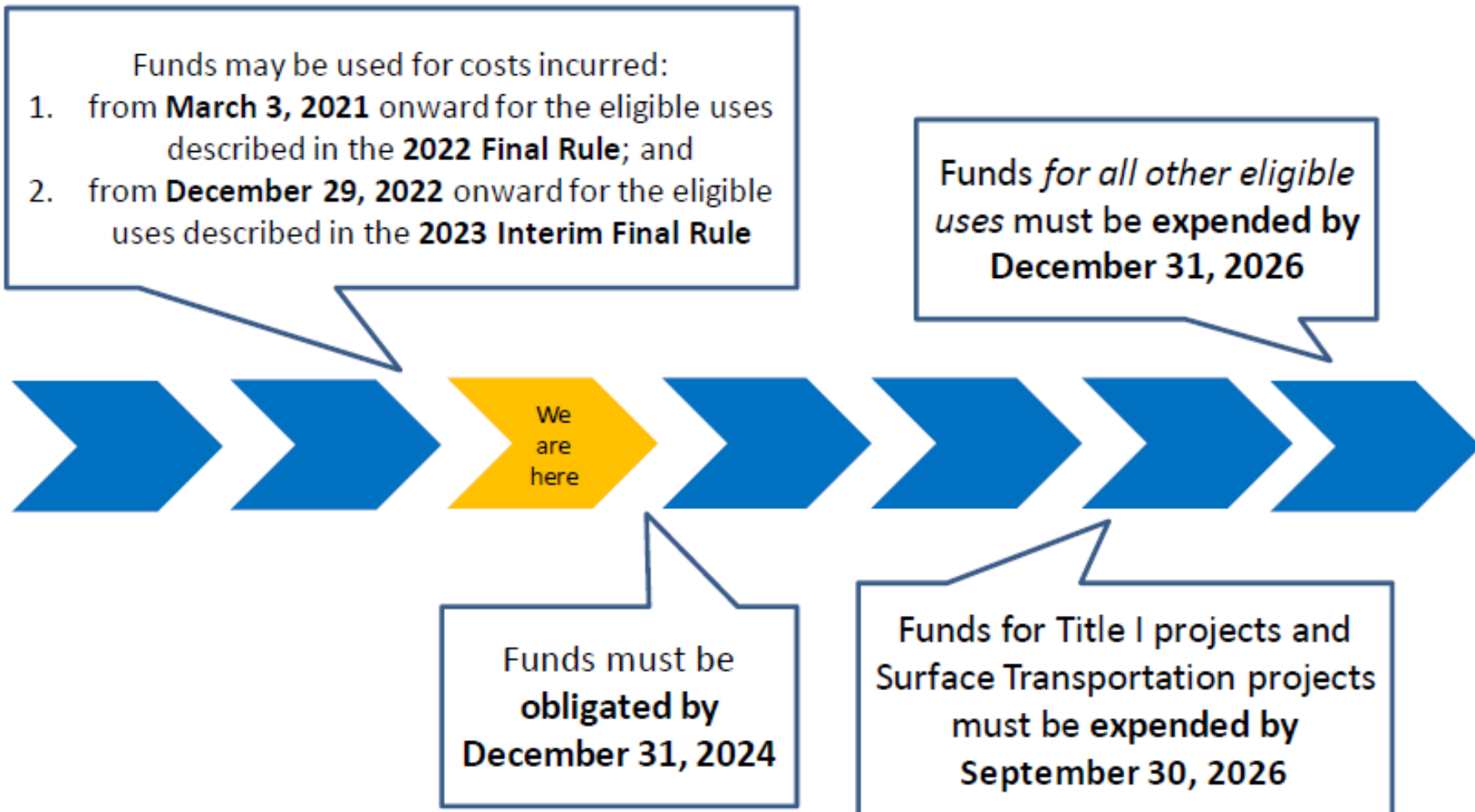
In 2023 Treasury issued an Interim Final Rule (“IFR”) to amend the definition of “obligation” and to provide additional clarification for recipients.

The new FAQs contain important clarifications:

- Treasury considers a recipient to have an incurred an obligation for personnel costs for an employee if the employee is serving in a position that was established and filled prior to the obligation deadline (12/31/24).
- Treasury is clarifying how recipients may cover cost increases for contracts that were entered into prior to the obligation deadline, but have cost increases after the obligation deadline has passed.



Timeline for Use of SLFRF Funds



What is an Obligation?

1. An order placed for property and services and entry into contracts, subawards, and similar transactions that require payment, which may include:

- An order placed for property or services
- Contract
- Subaward
- Certain interagency agreements
- Payroll expenses under certain circumstances

2. A requirement under federal law or regulation or a provision of the SLFRF award terms and conditions to which the recipient becomes subject as a result of receiving or expending SLFRF funds.

An obligation is NOT:

- An adopted budget or budget amendment
- An appropriation of SLFRF funds
- An executive order
- A resolution
- A written or oral intention to enter into a contract
- A grant of legal authority to enter into a contract
- Claiming funds under the revenue loss category
- Moving SLFRF funds to a general fund as revenue loss but not further establishing an obligation with those funds by 12/31/2024

Additional information

- Subrecipients and contractors do not have an obligation deadline
 - FAQ 17.18
- Revenue Loss Funds are NOT automatically obligated
 - FAQ 17.15

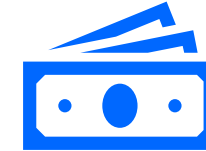
Personnel Costs in 2025 and 2026



If the employee is serving in a POSITION established and filled prior to 12/31/2024, this would be an allowable obligation



Costs must be expended in connection with an eligible use of SLFRF



Eligible costs:

- All salaries and wages
- Covered benefits
- Payroll taxes



Estimated Expenses



Three kinds of estimates:

- Payroll costs to be expended in 2025 and 2026
- Certain administrative and legal costs in 2025 and 2026 (FAQ 17.10 – 17.13)
- Costs to cover contract change orders and contingencies

Not required but may benefit if:

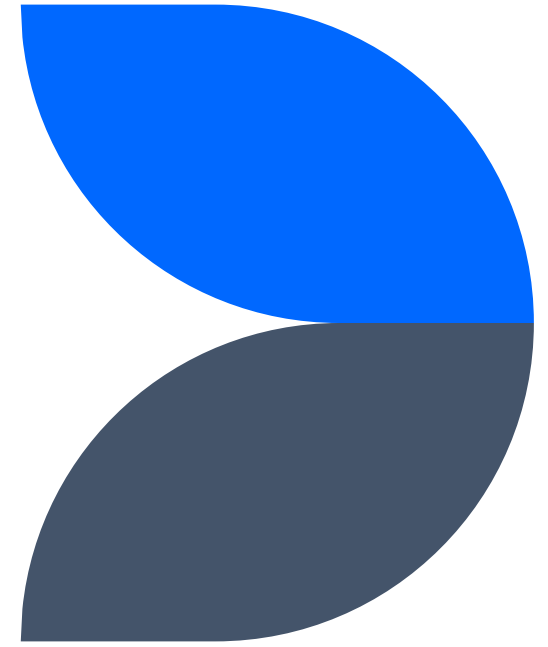
- Plan to use SLFRF funds for the above costs and want to ensure they are not returned as unobligated
AND
- Not reported to Treasury as obligated through another project such as a contract

Estimates submitted prior to the deadline will ensure those funds are treated as obligated

Modifying Contracts

Change	<p>Change orders for existing contract</p> <p>Can fund change orders, including cost adjustments, if contract or agreement includes a provision for allowing change orders or there is a contingency clause permitting a cost increase (FAQ 17.16)</p>
Amend	<p>Amend an existing contract</p> <p>Can amend existing contracts after deadline if contract is within substantially the same scope and purpose as the original (FAQ 17.16)</p>
Replace	<p>Replace an existing contract</p> <ul style="list-style-type: none">•Contract terminated due to business default, closure, inability to perform•Mutual agreement to terminate•Recipient termination for convenience when contract was not properly awarded <p>Replacement contract must be within substantially the same scope and purpose as the original (FAQ 17.17)</p>

Procurement Policy



Policy

Not your Purchasing Policy

- May contain similar language, but a different policy

Should address Federal Grants and Funds

Must follow 2 CFR 200.318 – 200.326

- <https://www.ecfr.gov/>



Policy Standards

The policy should address each section as outlined in the CFR:

318 - General procurement standards

319 - Competition

320 - Documented procedures for each method

- Micro- purchase
- Small Purchase
- Simplified Acquisitions





**#WE'RE ALL IN THIS
TOGETHER**