

Financial and Grants Management Institute

Post-Institute Test

ID #

Thank you for attending our Financial Management Institute. In an effort to continuously improve our training we are asking you to complete both a pre and post test. For those of you that would like to review your individual results, they will be posted to our website on April 30, 2008. We will keep the results confidential, so you will need to keep your ID # to check your score.

Questions on Financial Management

Please respond to the questions below, to the best of your knowledge. **The questions have been grouped by session. Please answer the questions for the sessions you attended as a priority, and then answer the remaining to test your knowledge.** We expect that you will not know the answer to all of the questions. These tests are completely anonymous and aggregate data will be used exclusively to assess the effectiveness of this institute.

Financial Reporting:

1. According to the Office of Management and Budget your organization's financial accounting system should be capable of: (Choose only one answer) <input type="checkbox"/> Distinguishing grants and non-grant related expenses <input type="checkbox"/> Differentiating in-direct and direct expenses <input type="checkbox"/> Identifying costs by program year <input type="checkbox"/> Identifying costs by budget categories <input type="checkbox"/> All of the above <input type="checkbox"/> Not Sure
2. Financial Status Reports are detailed reports that provide information on budget line items for a single grant year. <input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know Financial Status Reports are cumulative over the life of the grant, and expenses are identified in summary, not by budget line items.
3. Financial Status Reports have flexible due dates. <input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know Due dates are not flexible, CNCS sets the specific due dates that are listed in your grant provisions.
4. Financial Status Reports provide details on line item expenses and matching funds. <input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know Only summary level information is reported.
5. It is ok to estimate match for financial reporting purposes. <input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know Financial reporting to CNCS must be based on actual expenses, not estimates.

6. The grant closeout period is 30 days after the end of the grant.

True **False** Don't Know

A grant must be closed out 90 days after the grant end date.

7. If you have drawn down excess funds they should be returned directly to the Corporation for National and Community Service at 1201 New York Avenue, Washington DC.

True **False** Don't Know

If you are a subgrantee, excess funds should be returned to the Grantee. If you are the Grantee, excess funds should be returned to the Department of Health and Human Service, Division of Payment Management.

Establishing Internal Controls:

8. Grantees with good internal controls have a clear audit trail from/to the accounting system to all financial reports.

True False Don't Know

9. Written policies and procedures assist with consistent and clear communication of expectations for an organization.

True False Don't Know

10. Internal controls are the responsibility of the financial staff only.

True **False** Don't Know

All staff are responsible for sound internal controls.

11. Policies and procedures are static documents that should never be changed or updated throughout an organizations life.

True **False** Don't Know

All organizations should routinely review and update or change written policies and procedures as often as needed.

12. The main objectives of internal controls are: (Chose only one answer)

- Adequacy of audit trail
- Segregation of duties
- Physical safe guard of assets
- Adequacy of Records
- All of the above**
- Not Sure

Documenting Match and In-Kind Contributions:

13. All donations can be used as match to meet the grantee share.

True **False** Don't Know

All match must be documented, and be allowable, reasonable, allocable, and consistently applied.

<p>14. Documentation to support grant expenses should demonstrate that the expense was allocable.</p> <p><input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know</p>
<p>15. Grantees can estimate their time as long as it is reasonable.</p> <p><input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know</p> <p>The Federal government has issued guidelines for each type of organization for how time must be collected and documented. Each organization should check the Cost Principles listed under 2 CFR 220 (formerly OMB Circular A-21); 2 CFR 225 (formerly OMB Circular A-87); and 2 CFR 230 (OMB Circular formerly A-122).</p>
<p>16. If the federal per diem is higher than your organization mileage reimbursement you are allowed to receive the higher rate.</p> <p><input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know</p> <p>All organizations must have written travel policies and procedures, and ensure they are followed and consistently applied within your organization.</p>
<p>17. Thank you letters to donors are sufficient to document in-kind donations.</p> <p><input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know</p> <p>All organizations must obtain written documentation from the donor, which should include: the date and location of the contribution; a detailed description of the goods or services; the fair market value of the contribution; how the value was determined; who made the value determination; if the contribution was obtained with Federal funds; and the name and signature of the donor.</p>
<p>18. All grantees must keep timesheets.</p> <p><input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know</p> <p>Grantees should follow the appropriate Cost Principles issued by OMB for their particular organization type: 2 CFR 220 (formerly OMB Circular A-21); 2 CFR 225 (formerly OMB Circular A-87); and 2 CFR 230 (formerly OMB Circular A-122).</p>
<p>Developing and Managing your Budget:</p>
<p>19. The Program Director has the sole responsibility to create the budget for the grant.</p> <p><input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know</p> <p>An organization is best served by the joint efforts of the program, financial, and management staff being involved in developing a budget.</p>
<p>20. The budget should include the necessary resources to accomplish the program goals and objectives.</p> <p><input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know</p>
<p>21. Once a budget is approved, it should not be changed or amended.</p> <p><input type="checkbox"/> True <input type="checkbox"/> False <input type="checkbox"/> Don't Know</p> <p>Budget changes can occur as the project strives to meet its goals and objectives. Refer to your CNCS issued grant provisions to ensure compliance with budget changes.</p>
<p>22. The budget becomes part of the grantee's contractual obligation and must conform to the provisions and regulatory requirements.</p>

True False Don't Know

23. Grantees are required to compare actual outlays to budgeted information for their grant.

True False Don't Know

Comparing actual outlays to budgeted information is not required, but is a practical tool for any grantee to ensure the funds are being spent according to projected uses.

Federal Grants Management for Program and Fiscal Staff:

24. Financial reports should be reviewed on a regular basis by both program and fiscal staff.

True False Don't Know

25. Which of the following are components of basic financial management (check only one answer):

- Proper documentation of expenses
- Appropriate time and activity reporting
- Written cost allocation plan
- Procedures to ensure costs are allowable
- All of the above**
- Not Sure

26. All guidance for the allowability of costs can be found in the grants provisions.

True False Don't Know

The Federal Government has issued Cost Principles that set forth the most common costs and their allowability: 2 CFR 220 (formerly OMB Circular A-21); 2 CFR 225 (formerly OMB Circular A-87); and 2 CFR 230 (formerly OMB Circular A-122).

27. CNCS records retention requirements indicate that the grantee must make available all financial records, supporting documentation, statistical records, evaluation and program performance data, member information and personnel records for 7 years from the close of the grant.

True False Don't Know

All grantees and subgrantees must retain this information for three (3) years after the grantee has filed the final FSR, or if an audit has commenced, the records must be retained until the audit findings involving the records have been resolved and final action has been taken.

28. Which of the following are standards of allowability for costs (check only one answer):

- Reasonable
- Necessary
- Allocable
- Within cost limitations
- All of the above**
- Not Sure

29. OMB Circular A-133 states that all organizations that expend over \$500,000 in Federal funds are required to have an A-133 Audit.

True False Don't Know

Subgrantee Monitoring:
Complete this session if you sub-grant funds to other organizations

30. For grantees that have subgrants, when an organization issues a sub-grant, the responsibility for compliance is transferred from the grantee to the subgrantee.

True **False** Don't Know NA we do not have subgrantees

Both the grantee and subgrantee are responsible for compliance.

31. Grantees that have subgrants, only need to review the A-133 audits of their high-risk subgrantees.

True **False** Don't Know NA we do not have subgrantees

Grantees have the responsibility to review the A-133 audit reports of all of its subgrantees.

32. Grantees that have subgrants, should establish a consistent risk-based monitoring strategy for all subgrantee grants.

True False Don't Know NA we do not have subgrantees

33. Grantees that have subgrants are advised to surprise a grantee with an on-site monitoring visit.

True **False** Don't Know NA we do not have subgrantees

Although a "surprise" visit is one way to monitor subgrantees, routine and scheduled visits are more effective and efficient.

Avoiding Common Pitfalls:

34. Lack of supporting documentation for costs charged to the grant is one of the most common pitfalls.

True False Don't Know

35. When subgranting funds, the grantee is no longer responsible for the funds that were subgranted.

True **False** Don't Know

Grantees retain the responsibility to ensure subgrantees expend Federal funds according to CNCS requirements and Federal regulations.

36. If supporting documentation cannot be located, the related amounts charged the grant could be disallowed and may potentially need to be repaid.

True False Don't Know

37. Strong internal controls and policies and procedures will aid organizations with compliance issues and assist with avoiding potential problems.

True False Don't Know

38. The use of whiteout to correct errors on timesheets or other forms is an appropriate means to document changes.

True **False** Don't Know

Whiteout and erasures are not recommended if corrections are needed. Instead it is best to cross-through the incorrect data, initial it, and then add the correct information.

39. An example of a strong internal control is to recalculate the hours on timesheets to verify the accuracy.

True False Don't Know