



United States
Department of
Agriculture

research



education



extension



CSREES



Cooperative State **Research, Education, and Extension** Service



2008 CSREES Administrative Officers' Conference

Session #35, May 6, 2008

1:00pm – 2:15pm

Savannah, Georgia

Use of Funds

Ellen Danus, Branch Chief

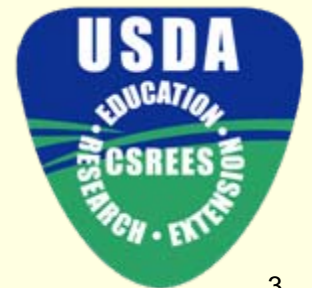
Policy, Oversight, and Funds Management Section

Office of Extramural Programs

CSREES-USDA

USE OF FUNDS

The USDA Office of Inspector General (OIG) is closely examining many of the CSREES programs to determine if CSREES is providing the proper oversight to these programs.



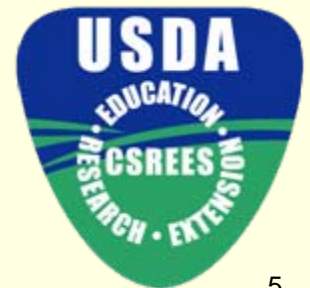
USE OF FUNDS

All inquiries or clarification of the next series of slides should be requested via email to the appropriate person(s).



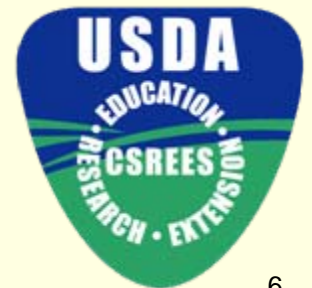
People to contact for Questions

- Barry Sims, Staff Accountant,
formulagrantsquestions@csrees.usda.gov
- Edward Nwaba, Section Leader of Oversight,
enwaba@csrees.usda.gov
- Carolyn Deckers, CRIS Information,
cris.csrees.usda.gov
- Bart Hewitt, Program Analyst, Office of Planning and
Accountability, pow@csrees.usda.gov



Where to go to research information before contacting CSREES:

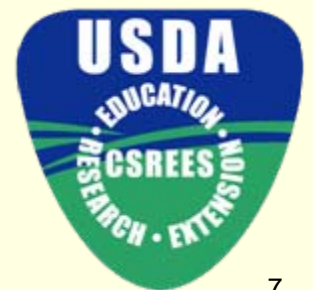
- Authorizing legislation and other applicable legislation (e.g., Appropriations Acts)
- Applicable Federal Assistance Regulations
 - Code of Federal Regulations (CFR)
 - 2 CFR 220 – **Cost Principles**
 - 7 CFR 3015 and 3019
- The Applicable Administrative Manual and Policy Directives



Carryover Funds

Q. Are the following correct?

- 3(b) & (c) Funds can carry over 100% of the allocation to the next year
- 5 years to spend the funds





Carryover

A. In Paragraph 2 of Section I on Page 3-18 of The Administrative Handbook for Cooperative Extension Work:

- funds remain available to the State until spent in furtherance of approved Extension projects.
- Section (b) and (c) states any balances unobligated as of September 30 is available for expenditure in the next fiscal year
- a state may not carry over funds for a given fiscal year unless it has met that year's matching requirement for those funds.



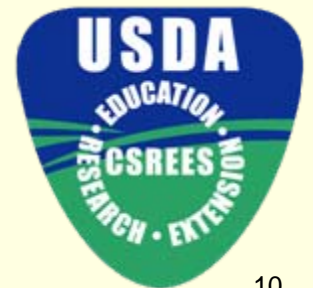
Carryover

NARETPA Section 1472 (c) states:

The secretary may enter into contracts, grants, or cooperative agreements, for periods not to exceed **five** years, with State Agricultural experiment stations, State cooperative extensions services, all colleges and universities, other research or education institutions and organizations.

Program Income

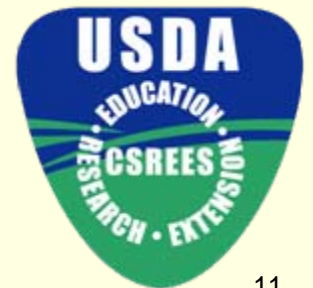
Q. Can program income be used as matching?



USE OF FUNDS

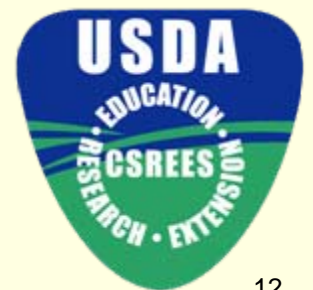
A. Program income can not be used as match.

- The National Agricultural Research, Extension, and Teaching Policy Act (NARETPA) of 1977 states that the States shall provide matching funds from non-federal sources.



Program Income

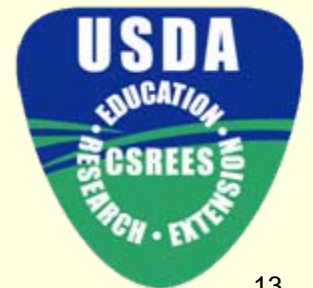
Q. Should Program Income be reported on the SF-269?



Program Income

A. Yes!

Although the regulations state “program income must be deducted”, the proposed terms and conditions will allow program income to be added. as is the current practice.



Program Income

Q. What are allowable expenditures for Program Income?

Is there a time frame in which the Program Income funds need to be spent?



Program Income

- A. Because program income must be added to research program funds or extension program costs, the proceeds must be expended on program-related cost objects.

Program income must be expended in the fiscal year received or earned.



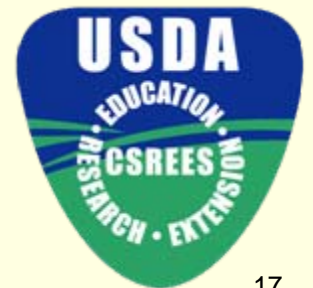
Carryover Matching

- Q. Does the excess amount of carryover matching funds have to be reported on the previous year's SF-269 in order to use it in the carryover year?



Carryover Matching

- A. In order to maintain proper accountability of funds, the actual match amount to date should be reported on each SF-269.



Carryover Funds

- Q. Do any of the calculations change if the amount of carryover exceeds the 20 percent limit for Section 1444 funds?



Carryover Funds

- A. Calculations will not change for the SF-269. You would need to explain in Box 12 that the carryover exceeds the 20 percent limit.



Financial Requirements

Q. Our institution has not had funding authorized for Hatch or Multi-State Hatch since February.



Financial Requirements

- A. If we have not received your SF-269 or other required reports your funds will not be distributed.

Once the information is received, we will review your institution's account and distribute funds if we determine everything to be in order.



Tuition Remission

Q. Is tuition an allowable charge against the Integrated Pesticide Management grant?



Tuition Remission

- A. According to Section 1473 of the National Research, Extension, and Teaching Policy Act (7 U.S.C. 3319), no indirect costs or tuition remission shall be charged to Formula Grant funds.



USE OF FUNDS

Tuition Remission is defined as:

Compensation paid as, or in lieu of wages to students/employees performing necessary and reasonable work related to the project.



Five Percent Retirement Cap

- 7 USC 331
 - Allows up to 5 percent of an employee's salary for retirement costs from Federal funds:
 - If the State contributes the same amount
 - Note: The State may contribute more than the 5 percent and that amount may be used to meet the matching requirement



CSREES' mission is to advance knowledge
for **agriculture**, the **environment**,
human health and **well-being**, and **communities**.

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