APPENDIX A

Does the SEA have standardized, documented procedures for accounting for Federal funds and Does the SEA's accounting system allow for the identification of award amounts, authorizations, obligations, subaward amounts, and unobligated balances for each federal award?

OPI utilizes the state of Montana's approved accounting system (SABHRS) to complete all fiscal activity for state and federal funding. SABHRS allows OPI to manage state and federal funds from initial budget setup, tracking of expenditures, and extraction of fiscal data for applicable reporting.

When OPI receives the current years funds (GAN) the funds are allocated based on the requirements of the grant (i.e. Admin, Set Asides, Flow through, etc). To setup budgets in SABHRS the OPI Budget Analyst utilizes the New Grant Setup Checklist to ensure all applicable steps are completed in setting up allocations. OPI utilizes "project ID's" for each type of funding source to ensure funding is expended within the applicable budget period and incurred expenditures are accurately reported at the state level. Use of project ID's allows OPI to separately track funds expended for administration (Personal Services and Operating) of the program and those funds which are sub-granted (Flow through).

Example New Grant Setup Checklist

Montana Office of Public Instruction

New Grant Setup Checklist   Date: 7/3/2018

GRANT INFORMATION

Division name/Adm Name: EOE   028070 Debbie Hunsaker

Description: Title 1   Education

CFDA#: 84.010A

Determine the Prog: (Program 6)(Program 9) PRIVATE / PROPRIATARY / STATE SPECIAL

Project ID	EOE_651	EOE_658	FS 1931-1
Fund	03002	03002	47,240,692
Budget Code	651	658	
Fund Source	19651	19651	New Day 43,372
Sub Class	155H9	155H9	PART D 472,099
Org	HB0002-09	HB0002-09	

CHECKLIST

☑ Create Project ID:
Set-up Financial/Supply Chain>Common Definitions>Design Chart fields>Define Values>Chatfield Values>Project
     EOE_65119 EOE_658A

☑ Funding Source:
Commitment Control > Define Control Budgets > Funding Source
     Prog 06 1,471,753
     EOE 651   448,791
     EoE-658 1,022,962

☑ OPI Project Budget Definition:
Commitment Control>Define Control Budgets>OPI Project Definition
     7/1/2018   7/1/2018
     12/31/2019   12/31/2019

☑ Funding Source Allocation (for Federal):
Commitment Control>Define Control Budgets>Funding Source Allocation
     448,791   1,022,962

☑ Budget Journals
     A. PMRST_EXP (only Federal)
Commitment Control>Budget Journals>Enter Budget Journals
     J# 3942690

☑ Budget Journals
     B. PROJ/GRNT
Commitment Control>Budget Journals>Enter Budget Journals
     J# 3942693
     61000 280,265   61000 376,120
     62000 168,526   62000 646,842

Example Budget Setup Page in SABHRS

Note: This is the initial setup of the funding source which is then allocated into the individual programs. This applies the entire grant amount available for allocation.

Example individual program ID setup in SABHRS

Note: This sets up the available amount for the individual program that is allocated from the overall granted funds above.

Example Budget Detail in SABHRS

Note: This presents the program amount allocated above. This screen presents the "cap" on the funds which as stated can not be exceeded and ensures program funds allocated are not over expended.

Example Project ID's in SABHRS

Note: OPI utilizes various "funds" to account for the different types of funding received. The use of these funds are required and utilized across all state agencies to meet Governmental Accounting standards. Fund 03002 is used by OPI to account for federal state level administrative activity and fund 03170 is used to account for sub-granted federal funds.

EOE_651xx – These are funds used for administering the program which includes personal services and operational expenses. First three numbers represent the "ID" assigned for those programs funds and last two numbers of the project ID designate the program year funding. This program year designator ensures OPI can track program expenses over several state fiscal years as one federal year crosses two state fiscal years.

xxTIA – These are funds sub-granted to LEA's within the state. The first two numbers of the project ID designate the program year of funding.

In addition to the use of SABHRS for the tracking of program expenses at the state level, OPI has a Grants Management System (E-grants) which is used in the sub-granting process (Flow through). E-Grants serves as a centralized system which tracks the sub-granting of funds from initial application, monthly grantee cash requests, and final expenditure reports.

The following screen shot is from E-grants which shows several funding sources for a grantee. As presented, the E-grants system allows OPI and the grantee to track the allocated/awarded amount and total expended, including carryover as applicable.

	TitleIA	Schoolwide	TitleIIA	TitleIII	TitleVIB
Current Year Funds					
Allocation	$443,514	$0	$95,321	$0	$33,732
ReAllocated (+)	$0	$0	$0	$0	$0
Released (-)	$0	$0	$0	$0	$0
Total Current Year Funds	$443,514	$0	$95,321	$0	$33,732
Prior Year(s) Funds					
Carryover (+)	$44,094	$0	$0	$0	$6,419
ReAllocated (+)	$0	$0	$0	$0	$0
Total Prior Year(s) Funds	$44,094	$0	$0	$0	$6,419
Sub Total	$487,608	$0	$95,321	$0	$40,151
Multi-District					
Transfer In (+)	$0	$0	$0	$0	$0
Transfer Out (-)	$0	$0	$0	$0	$0
Administrative Agent					
Adjusted Sub Total	$487,608	$0	$95,321	$0	$40,151

State level administration of sub-granted funds in relation to cash management and allowability is also completed through E-grants. Each grantee is required to submit a budget which breaks out use of granted funds by specified categories (personal services, operational, equip, etc). These categories are utilized across all grant programs and are the basis for local level reporting. Incurred expenses by the grantee are presented in "cash requests" which are reviewed and approved by OPI Grant Accountants. Accountants review the cash requests and compare the activity to the approved budget. Accountants also consider general allowability regulations as defined in 34 CFR Part 200 and program specific regulations provided by the applicable federal cognizant agency.

The following screen shot from E-grants presents an example of the category specific expenses grantees utilize in expending program funds.

Topic 1: Improving Academic Achievement

Purpose Category	100 Personal Service-Salaries	200 Employee Benefits	300 Purchased Professional and Technical	400 Purchased Property Services	500 Other Purchased Services	600 Supplies	700 Property & Equipment	800 Other Objects	Total TitleVIB Funds	Delete Row
10-Instruction	0	0	0	0	0	33732	0	0	$33,732	☐
	0	0	0	0	0	0	0	0	$0	☐
	0	0	0	0	0	0	0	0	$0	☐
Sub Total	$0	$0	$0	$0	$0	$33,732	$0	$0	$33,732	

Create Additional Entries

TOTALS		$0	$0	$0	$0	$0	$33,732	$0	$0	$33,732	

Note: This Budget Summary displays to aid in creating and editing the Request and will not display once the Request is submitted to the SEA.

	100	200	300	400	500	600	700	800	Indirect Cost
Paid to Date Amounts	$0	$0	$0	$0	$0	$33,732	$0	$0	$0
Current Budgeted Amounts by Object Code	$0	$0	$0	$0	$0	$33,732	$0	$0	$0

Determining Maximum Indirect Cost allowed

(A) Total Allocation Available for Budgeting	$33,732	(F) Total budgeted above	$33,732
(B) Budgeted Property and Equipment Cost (Object 700)	$0	(G) Budgeted Indirect Cost	0
(C) Allowable Direct Costs (A-B)	$33,732	(H) Total Budget (F+G)	$33,732
(D) Indirect Cost Rate %	0.0000		
(E) Maximum Indirect Cost (C*(D/1+D))	$0	Allocation Remaining (A-H)	$0

E-grants produces various reports which are utilized at the state level to ensure funds are expended in the applicable program year. The following report reflects grantee level appropriations in comparison to current year expenditures. The lower portion of the report reflects each program years funding and balances. Previous and current year balances are closely monitored to ensure funds are expended with the program period which ensures period of availability provisions are met.

Payment Funding Stream Summary   Run Date: 9/2/2019   10:45:41AM

Program: Title I A - Basic   Year: 2019

LE Number	LE Name	Reportng Category Year	LE Amount	LE Transfers	Total	Payment	Paid Under Other Program	Balance
0000000	OPI - Office of Public Instruction - 00							
		2017	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
		2018	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
		2019	$134,651.00	$0.00	$134,651.00	$0.00	$0.00	$134,651.00
	District Total		$134,651.00	$0.00	$134,651.00	$0.00	$0.00	$134,651.00
0010003	Grant Elem - 00							
		2019	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	District Total		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
0010005	Dillon Elem - 00							
		2018	$3,707.00	$0.00	$3,707.00	$3,707.00	$0.00	$0.00
		2019	$194,368.00	$0.00	$194,368.00	$165,688.00	$0.00	$28,680.00
	District Total		$198,075.00	$0.00	$198,075.00	$169,395.00	$0.00	$28,680.00
0010006	Beaverhead County H S - 00							
		2018	$3,698.00	$0.00	$3,698.00	$3,698.00	$0.00	$0.00
		2019	$45,336.00	$0.00	$45,336.00	$45,334.00	$0.00	$2.00
	District Total		$49,034.00	$0.00	$49,034.00	$49,032.00	$0.00	$2.00