OFFICE OF STATE BUDGET AND MANAGEMENT

(919) 807-4795 (phone) **ncgrants@osbm.nc.gov**

http://www.ncgrants.gov

State of North Carolina NCGrants Online Reporting User's Manual

http://www.osbm.state.nc.us

STATE OF NORTH CAROLINA
NCGRANTS USER'S MANUAL
OFFICE OF STATE BUDGET AND MANAGEMENT

Effective Date September 1, 2009 **Updated January 7, 2013**

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Section A

Frequently Asked Questions

Regarding Use of

The NCGrants Online Reporting System

STATE OF NORTH CAROLINA
NCGRANTS USER'S MANUAL
OFFICE OF STATE BUDGET AND MANAGEMENT

Effective Date September 1, 2009 **Updated January 7, 2013**

FREQUENTLY ASKED QUESTIONS

I. General Issues

1. **Will all reporting now be on-line?**

   Beginning with all 2008 required annual reports, grantees should file their reports online at **www.NCGrants.gov**. OSBM will NOT accept annual reporting in hard copy format.

2. **Does that include all periodic reports required by the funding agency?**

   No, only the annual reports required under G.S. 143C-6-23 will be entered to NCGrants. Any periodic reports (monthly, quarterly, etc.) required by your funding agency will continue to be filed with your funding agency as you have done in the past.

3. **Will a grantee that has already submitted its 2007 reports in hard copy be required to report on-line?**

   No, OSBM will update the system to reflect "Hard Copy Submitted" for all 2007 reports already filed in hard copy by the grantees.

4. **Is the information reported in NCGrants real-time?**

   NCGrants is a real-time system. Grantors should enter awards within 30 days of the award date. The disbursements will be updated monthly. **Reporting by grantees remains on an annual basis based on the grantee's fiscal year end.**

5. **When should grant information be entered in NCGrants?**

   Each grantee MUST file its annual reports within the statutorily established time frames. A grantee's reporting date is determined by its fiscal year end and the total funding received **directly** from all State agencies.

   - For those grantees receiving $500,000 or less, the due date is 6 months from your fiscal year end.
   - For those receiving over $500,000, the due date is 9 months from your fiscal year end plus you must submit a Yellow Book audit.

   Grantees will automatically be placed on the Suspension of Funding List if reports have not been entered online at **www.NCGrants.gov** within 60 days of the required due date.

6. How long will the grantee's information be kept in the NCGrants system?

NCGrants will contain grants data from the 2007 fiscal year forward.

7. Is the Certification of No Overdue Tax Debts Form included in this system?

No, NCGrants does not contain the overdue tax form. **You should obtain the certification of no overdue tax debts form from your grantor at the time you enter into your grant contract.** G.S. 143C-6-23 requires that this form be completed at the time of the award and submitted to your funding agency as part of the contract, not to OSBM. The form should be part of the award contract for each year.

8. What happens when grantees merge into one entity but the remaining entity still uses multiple tax IDs to receive funding?

When grantees merge, each of the initial entities is responsible for completing any required annual reports for any grants that each received prior to the merge. The responsible party as far as the State is concerned is the entity that signed the grant contract. Neither OSBM nor the funding agency has the authority to accept reporting on any period of time other than the original grantee's fiscal year.

9. Will sub-grantees be required to report online?

Right now, only the DIRECT grantee is required to submit annual reports online to NCGrants. However, if the direct grantee does subgrant funds, the direct grantee is required to list the name, program, and amount of the subgrant on the State Grants Compliance form. Subgrantees must continue to submit hard copies of their reports to the grantee that disbursed the subgrant funds to them. The direct grantee must report on all grant funds it received, including any funds it subgrants.

II. Using the NCGrants Functions

10. Will the NCGrants system "time" you out?

For security reasons, yes, NCGrants does have a time-out. The time-out period is set for 30 minutes. Therefore, once you begin a data entry session, you should "save work in progress" about every 10-15 minutes to avoid losing what you have input to that point. This allows you to come back in at a later time and complete your forms.

On the report screens, you'll see a timer at the top of the page. Be sure to click "Save Work in Progress" or "Submit" before the timer expires, or you will lose your work.

11. Can anyone change or remove information I have entered?

As long as you have saved "work in progress" and have not submitted your reports, you can edit your forms. However, once you submit your forms, you cannot make any changes unless a funding agency rejects them later. This unlocks the forms so that you can make necessary changes. The NCGrants administrator can also unlock the forms by rejecting them if the grantee realizes that edits are necessary before the granting agency reviews the forms. The NCGrants administrator would only reject forms that have already been approved by the granting agency but need edits with permission of the grantee and the grantor.

12. What data will be pre-populated in the fields?

NCGrants is designed to "pre-populate" all data fields for which we already have your organization's information. Thus, entity name, address, tax ID, phone number, contact name, contact e-mail, etc. will be put into each report automatically. You will need to check this data to make sure nothing has changed. If you find changes that need to be made, please use the "Add/Modify Contact/Location" link to make corrections.

Other data that is pre-populated includes: funding agency name, grant/program name, receipts amounts, Grant Contract #, and restrictions entered by grantors. Many of the forms also include programming features (such as totaling the expenditures) to make the process quicker and easier for you.

13. Are all the Board Member names required to be entered in the on-line system?

Yes, the names of the Board **for the year on which you are reporting** should be entered.

14. Can you partially complete forms and save your work for completion at a later date?

Yes, you may "save work in progress" at any time and log back into NCGrants at a later time to complete the report.

15. What if you accidentally hit "submit" before entering in all of the data on a given form?

If you accidentally hit submit before finishing the form, you will need to contact the NCGrants administrator to unlock the form by rejecting it so that you can complete entry and submit the finished report.

16. Can the blank report forms be printed so we can make sure we have all the necessary information before we start data entry?

Yes, the blank forms can be printed before you fill them out. However, you MUST file online as OSBM will not accept hard copy submissions. There are also watermarked informational copies available on the "Publications & Reports" tab of the NCGrants website which can be downloaded and printed.

17. Can you cut and paste from a word processing program?

You can enter your data into a Word document and cut and paste it into the Program Activities and Accomplishments report on NCGrants. However, you CANNOT cut and paste from an Excel file for the Receipts and Expenditures Report. You have to enter this data directly.

18. Will all the information entered in the NCGrants system be printable?

Yes, you can enter the data and then print it either before you submit or call up the completed form after you have submitted and print it.

19. Will it be a requirement to print a hard copy of the reports after I have entered the information online?

Neither the grantee nor the grantor is REQUIRED to print out copies of the submitted reports. However, it would be wise to retain a hard copy of the data you submitted for your records.

III. Specific Forms

20. On the various forms, who should be the grantee contact person – the executive director or other program personnel? Can we have multiple contacts?

Each grantor and grantee should determine who it wants to be the official contact person. This person should be someone who checks e-mail on a regular basis.

21. Are signatures required on the on-line Certification form?

Signatures are **not** required; the Certification form provides an electronic checkmark certification, similar to what you do when you submit your income tax forms electronically. You will have to supply the name and title of the person who is certifying that the data being submitted for your entity is correct and that all funds have been used as intended.

22. Who should enter the report data and "certify" that it is correct?

For purposes of satisfying the certification, the State is looking for the name and title of someone at the grantee entity that can answer questions if they arise on the use of the grant funds. Therefore, each grantee should develop a policy on who it wants to list on the certification form. It can be a Board chair or other officer, the executive director, or the person who is logged in and actually entering the data into the system.

23. Will the grantee be allowed to report on more than 10 funding sources on the Receipts and Expenditures form in NCGrants?

There is no limit on the number of grants you can report on. NCGrants will automatically list all the grants for which you have to report based on the awards data entered by the funding agencies. Each grant will have its own Schedule of Receipts and Expenditures form.

24. Is the data for the Receipts and Expenditures form populated by actual disbursements or from the grant award amount?

The Receipts and Expenditure form will be populated with actual disbursements as reported by the funding agencies in the North Carolina Accounting System (NCAS) or entered directly into the system by those grantors not using NCAS. **NCGrants will determine your annual receipts based on your entity's fiscal year, not the State's.** Thus, if you have a calendar year end, then NCGrants will compute the total disbursements to you for January – December and place this figure in the appropriate spots on the forms. Disbursements data for non-NCAS agencies will also be entered monthly.

25. Do receipts and expenditures have to balance out to zero for submission to be possible?

No, you report on your **actual receipts and expenditures** for your entity's fiscal year. Therefore, if you have a reimbursement grant, and you submit a reimbursement request the last month of your fiscal year for which you do not receive the reimbursement check from your funding agency until the first month of your next fiscal year, you will show the total amount that you actually received as well as the total amount that you actually expended. Remember, you are reporting on a cash basis, just like you do your own checkbook.

26. Is there a character restriction when completing the Programs Activities and Accomplishments form or any of the other fields where we have to type in a narrative response? Is a space considered a character?

Each narrative entry box on any of the forms has a counter at the top of the box to show you how many characters you have used of the maximum available spaces—500 characters. A space is considered a character. Therefore, you should make your responses as succinct as possible.

27. If we print the Accomplishments form, will it print all the comments contained in the boxes or just what is visible?

You can print the entire form, not just what is visible on the screen, by using the print icon at the top of each page. This is true of all forms. However, remember that you have a 500 character limit on each of your responses. NCGrants will not accept more than the 500 characters available and will not show or retain more than the 500 characters.

IV. Disbursements

28. How often will disbursement data be entered into NCGrants?

OSBM will work with the Office of the State Controller to download the disbursements data monthly from the North Carolina Accounting System (NCAS). Funding agencies that do not use NCAS will input their disbursement data directly into NCGrants at least monthly.

29. What happens if I don't get a reimbursement check from the funding agency until the next month? How do I report it if the receipt is not within the same fiscal year as the expenditure?

Remember, you report your **actual receipts and expenditures** on a cash basis for your fiscal year. Thus, you would report the expenditure in the month when you incur it and report the receipt within the month when you actually receive it. If the receipt is not until the beginning of your next fiscal year, but is showing as a disbursement in the agency's current fiscal year, then you will need to contact your funding agency, who will work with the NCGrants administrator to get the disbursement amounts corrected.

30. What do I do if the grants or receipts totals listed by NCGrants do not match what my records show?

Contact your funding agency to determine why there are differences. The funding agency will work with the NCGrants administrator to make any necessary corrections in the system. **DO NOT complete the receipts and expenditures report if the receipts shown are not correct.**

31. How long does a grantee that no longer has grants or that has closed stay on the Suspension of Funding List?

A grantee will stay on the Suspension of Funding List until it has come into compliance or satisfied the conditions to be removed from the Suspension of Funding List, regardless of whether the entity is open or closed. Once a grantee is on the Suspension of Funding List, it cannot receive payments to any of its current grants or be awarded another grant until the corrective actions as defined by OSBM have been achieved.

32. If a grantee is noncompliant, will it be possible to see which grant reports are missing?

Yes, NCGrants is set up to show for each grantee the specific grants on which it must report. When the grantee logs in, NCGrants will automatically display a summary page showing each grant and the specific annual reports that must be completed. Any that have not been completed and submitted online by the grantee's due date will say "Not Submitted". Those that have been completed and submitted will say "Submitted".

V. NCID Questions

33. How often will I be required to change my NCID?

Business and Individual NCID passwords do not expire. When setting up your NCID you will be required to answer 5 security questions. Should you forget either your NCID or password, you will need to know the answers to those questions in order to retrieve your account information. If you are unable to successfully answer the security questions, the NCID office will require that you create a new NCID account.

34. Do I need to obtain a new NCID if I previously had access to the system when it was operated by the Office of the State Auditor as the Grants Information Center (GIC)?

No. While OSBM has made some changes to the reporting application, it is the same system and prior users will be able to access the NCGrants reporting function using the same NCID and password they previously used for the GIC.

35. Why do I need to provide personal information in order to report on a grant?

You are not providing any personal information for grant purposes. You are asked to provide personal information to obtain your NCID. This data is NOT used by NCGrants or seen by anyone related to the grants. It is maintained in the NCID system, administered by the State's Information Technology Services group, for identification purposes only.

36. Is there another security level after logging into NCGrants using my NCID?

There is no other log in required for NCGrants. After receiving an email from the NCGrants technical administrator granting you access to NCGrants, the next time you log in, NCGrants will automatically pull up your summary sheet (dashboard).

37. Who should I contact if I have a question about NCID?

You should contact the NCID help desk at (919) 754-6000 or toll free at (800) 722-3946.

38. Are state agencies responsible for informing their grantees about NCID?

Yes, but all grantees should have already received information on the NCID program through the *Best Practices* newsletter and the various trainings previously conducted by the Office of the State Auditor.

Section B

NCGrants Online Reporting

User Instructions

Effective Date September 1, 2009 **Updated January 7, 2013**

GENERAL INSTRUCTIONS FOR NCGRANTS GRANTEE USERS

Background: G.S. 143C-6-23 requires every nongovernmental entity that receives State or Federal pass-through grant funds DIRECTLY FROM A STATE AGENCY to file annual reports on how those grant funds were used. There are 3 reporting levels with differing forms to be completed at each level. The specific forms to be completed are determined by the total direct grant receipts from all State agencies:

- Level 1: Less than $25,000
- Level 2: Between $25,000 and $500,000
- Level 3 Over $500,000

Not sure of your level? Log into NCGrants to find out.

The Grants Information Center has been created to make the annual reporting faster, easier, and more economical for all parties involved. The forms contained in NCGrants are the same forms that grantees have been using for since 2006. **However, since March 1, 2008, all annual grantee reports required by G.S. 143C-6-23 have been required to be entered online. For a period of time, the Office of State Auditor accepted hard copy reports and entered the data for grantees that did not have internet access. This policy was changed, effective September 1, 2009. OSBM will NOT accept hard copy forms. Grantees must file reports through the NCGrants online reporting function. Please check with your local library for free computer and internet resources if you do not have internet access at your home or office.**

Data Entry for Grantees

1. Make sure to have your NCID and password. If you have questions, contact the NCID Help Desk at (800) 722-3946. If you do not have an NCID, you may register by going to the NCGrants login page and clicking the "Don't have an NCID?" link.
2. Return to the NCGrants login page. Log in with NCID and password. The first time you login to NCGrants, you will be directed to a form to request access to NCGrants. Enter the required data and click "submit". If you have successfully submitted your request for access you will see a screen indicating that you will receive a confirmation email from the NCGrants administrator when you have been granted access—usually within a few hours.
3. Once you have received your email confirming that you have been granted access, log back in using your NCID login and password. This will open your "dashboard" also called the "Grantee Summary / Data Entry Screen." Please check the top of the screen to confirm you are logged in with the correct user name and organization – federal tax identification number (Ex: Logged in as absmith: ABC Nonprofit - 123456789)

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EXAMPLE: Logged in as absmith (ABC Nonprofit - 123456789)

IMPORTANT: the oldest "Not Submitted" reports should always be submitted first.

- No Disbursements - Not Submitted - Submitted/Work In Progress - Rejected - Approved

Reports for your current fiscal year will not generate until your fiscal year ends. Please log back in once your fiscal year ends to complete any new reports.

2010 - LEVEL 3

Agency	Grant	State Grants Compliance Reporting: >= $25,000	Program Activities and Accomplishments Report	Audit	Certification Form
Agriculture & Consumer Services	Level 3 Example Grant-33334	Not Submitted	Not Submitted	Not Submitted	Not Submitted

2009 - LEVEL 2

Agency	Grant	State Grants Compliance Reporting: >= $25,000	Program Activities and Accomplishments Report	Schedule of Receipts and Expenditures	Certification Form
Agriculture & Consumer Services	Level 2 Example Grant-33333	Not Submitted	Not Submitted	Not Submitted	Not Submitted

* Click here to make requests to NCGrants administrator

a. Your summary screen will identify your correct level of reporting (i.e. 1, 2 or 3) based on the State grant funds reported disbursed to your organization during your each of your fiscal years.

b. The summary will show all the grants contained in NCGrants that have been awarded to your organization for which disbursements have been made.

c. The program will automatically provide links to the reports that correspond to your reporting level, and only those reports, for each grant. Check to make sure that the grant(s) shown in the system correspond with what you show as having received from each agency FOR YOUR FISCAL YEAR. **DO NOT ENTER ANY DATA UNTIL ALL OF YOUR GRANTS ARE SHOWING AND THE RECEIPTS SHOWN MATCH YOUR RECORDS.**

    ◊ **If you received less than $25,000**, your receipts will appear in your "State Grants Compliance Reporting < $25,000" form.

    ◊ **If you received between $25,000 and $500,000**, your receipt totals will appear in your "Schedule of Receipts and Expenditures" form.

    ◊ **If you received over $500,000**, your receipt totals will appear in your "Audit" form.

d. If you have questions, click the link to send an e-mail to the NCGrants administrator and ask for help in resolving the differences. The administrator will forward your inquires to your funding agency contact for assistance.

If the receipts shown for your fiscal year are correct, you are now ready to begin data entry.

NOTE: We have included a separate instructions sheet for each individual form. An index of the instructions for each form is provided on page 14. You can click on the name of the form to go to the form.

You should complete the Certification form last after you have entered all other data.

4. Select the report from your summary screen (dashboard) to complete first by clicking on the "Not Submitted" folder icon. The form will be pulled up by the program, with your organization's identifying information filled in. **CHECK ALL THE INFORMATION TO BE SURE IT IS CORRECT.** It is vital that you have a contact person and contact e-mail address listed.

a. If you need to make changes to any of the contact data, go to the "Add/Modify Contact/Location" link on the left side of the screen. This allows you to add or edit contact information. If you have difficulties with this function, or need other information updated, go to the bottom of the form, select "Click here to make request to the NCGrants administrator." Explain in the e-mail that will be generated what needs to be changed and why. Be sure to include your tax ID in the email. The NCGrants administrator will contact you for more information if needed. If all information needed is in your email, the administrator will make the changes and notify your funding agencies to update their records.

b. You may still complete the form even if some of your identifying data needs to be changed.

5. Complete each form just as you would have done previously for the hard-copy versions (with the exception of the Certification and Sworn Statement).

6. Each report requires that **ALL** data entry fields be completed before the program will allow the report to be submitted. If you miss a data field, the program will not let you submit the form until that field has been completed.

7. If you input some of your data but do not have the time or information to complete all fields, then you have the option to "save work in progress" by clicking the button at the bottom of each form. You may edit or revise reports that you save as "**Work in Progress**." To make sure that you do not lose any data due to your server timing you out, we recommend that you save your work at least every 10 minutes. You also have the option to "clear all" which will delete any previously entered data.

Clear All **Save Work in Progress**

Submit **Main Menu**

8. Submit each report (by clicking the "submit" button at the bottom of the form), but ONLY AFTER IT HAS BEEN COMPLETED IN ITS ENTIRETY and you have verified the information entered. Once they have been submitted online you cannot make changes unless your funding agency rejects the form.

9. Once a report has been submitted, you will be taken back to your Grantee Summary Screen (dashboard) and the report you just submitted will now have a yellow folder icon that says "**submitted**" to indicate it has been received into the system. You may continue completing reports at this time, or you may log out and then log in another time to continue.

10. Please use the link at the bottom of the screens to contact the NCGrants administrator regarding any questions you may have about your reports or your organization's information as it exists in the system.

Section C

Specific Instructions for Grants Reporting Forms

INDEX – FORMS INSTRUCTIONS

Completion and Submission of

Certification

All Reporters (Levels 1, 2, 3)

NOTE: In moving to the Grants Information Center on-line reporting system, grantees will no longer be required to have any of the forms signed and notarized. However, each grantee will still have to file a certification electronically, stating that all data is accurate and attesting that the grant funds have been used for their intended purpose.

THE CERTIFICATION FORM SHOULD ONLY BE SUBMITTED AFTER YOU HAVE COMPLETED ALL OTHER FORMS!

1. Click on the blue folder icon that says "**not submitted**" under the column headed "Certification" to open the form. An example of the form is shown below.
2. Carefully read the statement to be sure that you can attest to the accuracy of the data entered into the Grants Information Center. Verify your organization's name and fiscal year end are accurately reported by the program in the body of the statement. If the information is correct, go to step 3. If the information is incorrect, please use the contact NCGrants administrator link to inform us of the error so we may correct your organization's information in the system.

EXAMPLE CERTIFICATION FORM


By checking this box, the grantee is certifying the following:

"As the authorized representative of **Grantee Example** , I verify that the annual grant reports filed by **Grantee Example** represent all financial activity related to the receipt, use, and expenditure of grant funds for our fiscal year ending **6/30/2010** and that the expenditures reported were for the purposes appropriated by the General Assembly or collected by the State of North Carolina and in compliance with the applicable laws, regulations, and terms and conditions of the grant documents. Further, **Grantee Example** understands that any apparent violations of a criminal law or malfeasance, misfeasance, or nonfeasance in connection with the use of State funds shall be reported to the Attorney General and State Bureau of Investigation."

Name of person completing the required reports:

Name:

Title:

Date of This Report: 02/23/2012 (MM/DD/YYYY)(Please use calendar pop-up for better results)

Preparer of This Report NCID: GranteeExample

Clear All Submit

Main Menu

* For grant-related questions, such as incorrect award amounts, please contact your granting state agency. For technical assistance, Click here to make requests to the NC GRANTS Administrator

3. Please check the box in the upper left corner indicating you agree with the body of the certification statement and you are certifying the reports that are being submitted on

behalf of your organization. By checking this box, you are certifying that the data is correct and that funds have been spent for their intended purpose. **This check has the same legal weight as did the notarized signatures previously required.**

4. Enter either your name and title (the person entering the data into NCGrants) **or the name of your authorizing official and title** in the data field boxes. Each grantee should establish a policy on how it will handle this process for itself. Should there be any questions on the accuracy of the data or should the State need to take legal action relative to any of the grants received by your organization, this is the person to whom those questions / actions would be addressed.
5. Please review your report prior to hitting the "Submit" button. You will not be able to edit/revise the report once it has been submitted once your grantor approves your submission. For your records, please REMEMBER TO PRINT YOUR REPORT.
   a. To print prior to submission, click the print icon in your top menu bar.
   b. To print after you submit, click on the yellow folder icon that says "**submitted**" on your dashboard to open the form. You will see the print icon at the top of the page. This will print exactly what is showing in NCGrants.
6. Once you have submitted the report, you will be taken back to your Grantee Summary Screen where the report just submitted will now show a yellow folder icon that says "**submitted**" to indicate it has been received by the system.
7. Once your funding agencies review and approve, your dashboard will show a green folder icon that says "**approved**." If your grantor rejects your forms, your dashboard will show a red folder icon that says "**rejected-make corrections**." This will unlock the form and allow you to make any changes needed.
8. If you have any questions during the completion of this report, please use the contact NCGrants administrator link at the bottom of the page.

Completion and Submission of

State Grants Compliance Reporting for Receipt of Less than $25,000

Level 1 Reporters Only

NOTE: Log into NCGrants, then call up and print each of the reports to see the identifying information for your organization and the data on the grants covered under G.S. 143C-6-23 prior to beginning your data entry. This should make the task of entering you data easier since you will be able to gather all the needed data before you start entry.

1. Click on the blue folder icon that says "**not submitted**" under the column headed "State Grants Compliance Reporting < $25,000" to open the form. An example of the form is shown on pages 18-20.
2. Verify your organization's name, federal tax identification number, fiscal year end, mailing address, phone number, fax number, contact person, contact title and contact e-mail address are accurately reported by the program in #1 of the form. The contact name and e-mail are very important, as this is the person to whom any of the automated messages from the Grants Information Center will be sent.
    a. **If the information is incorrect**, please use the "Add/Update Contact/Location" link on the left side of the screen to update your organization's information in the system.
        i. You will need to either overwrite the information currently in the system and click "update" or,
        ii. Uncheck the "active" box on the old contact and click "update." Then enter a new contact in the next line, checking the "active" box there before clicking "update."
    b. **If the information is correct**, continue to question #2.
3. For question #2, enter the name of the preparer of the report in the available data field, as well as the preparer's telephone number. Also, please indicate whether the preparer is an employee of the organization or a CPA. The preparer may be the same person who is logged into NCGrants and is entering the data, or it may be a different person.
4. For question #3, you will enter the names and titles of your Board members **for the year for which you are filing your reports**. All Board members should be listed.
    a. To enter, type the name of your first board member in the designated field. Enter the member's title (Ex: Chair, Secretary, etc., or Member for those who do not hold an office on the Board.) in the designated space.
    b. Click the "More" link to add another line. Continue until you have entered all your board members.

EXAMPLE: STATE GRANTS COMPLIANCE REPORTING RECEIPT OF < $25,000

1. Organization	
Name	**Example Grantee**
Tax ID #:	123456789
Organization Fiscal Year End (mmddyyyy)	June,2010
Mailing Address (street, city, state, zip code)	123 Main Street, Raleigh, NC 27603
Phone Number (area code + number)	xxx-xxx-xxxx
Contact Person	John Doe
Contact Person Title	Director
E-Mail Address	John.Doe@example.com

Modify the contact details assigned to this grant

2. Preparer *[please indicate who prepared this information by checking]*		
Name of Preparer		Employee CPA/Accountant
Phone Number		
Date of This Report:	04/28/2010	
Preparer of This Report NCID:	OSBMADMIN2	

Please provide a list of the Organization's Board Members

Name of Board Member	**Board Member Title**
	More

G.S. 143C-6-23 and the North Carolina Administrative Code 09 NCAC 03M requires that every non-State entity that receives, uses, or expends any State funds shall use or expend the funds only for the purposes for which they were appropriated, and that the grantee must have a Conflict of Interest Policy. Please answer the following questions

4. What restrictions are placed upon the grant by the grant award document? If the grant award document does not identify specific restrictions, please identify the intended use of the grant funds as

included in the award document.	
Contract #	**Brief Description of Restrictions**
G2012335650	Only approved equipment items can be purchased with funds.

5. Does the organization have a Conflict of Interest policy?	
6. Is the organization a for profit entity?	

G.S. 143C-6-23 and the North Carolina Administrative Code 09 NCAC 03M requires that every non-State entity that receives, uses, or expends any State funds shall use or expend the funds only for the purposes for which they were appropriated, and if the grantee then subgrants or pass any or part of those funds to another organization, then the granting organization must also pass on the reporting requirements to the subgrantee. Please answer the following questions

7. Did the organization subgrant or pass down any funds to another organization?		
a. Name of subgrantee	**b. Program name**	**c.� Amount subgranted**
		More

8. Financial Accounting ***[Complete based on total dollars received from the State, listing all State agencies that granted funds to your organization using the cash basis.]***

a. Receipts

Funding State Agency		**Grant/Title**	**Grant Total**
Insurance	1	Volunteer Fire Department Fund	$4,092.35
Total Receipts			**$4,092.35**

b. Expenditures

Category	**Volunteer Fire Department Fund**
Salary/Wages/Benefits	0
Contracted Services	0
Supplies and Materials	0
Travel (example employee mileage, meals, hotel)	0

Communication Costs (example telephone, postage, freight)	0
Occupancy Costs (example rent, utilities, repair and maintenance)	0
Advertising and Promotions	0
Insurance and Bonding	0
Capital Outlay (example furniture/equipment, data processing)	0
Grants and Contracts	0
Fundraising	0
Other: <Expense Des More	0
Total Expenditures	$ 0

Unexpended Grant Balance Available for Expenditure

Beginning of the year	0
End of the year	0

9. Program Activities and Accomplishments - In compliance with the requirements of G.S. 143C-6-23, *Use of State funds by non-State entities*, the following is a description of activities and accomplishments undertaken by our organization using the provided state funding

Program Name	**Original Goals**	**Brief Narrative of Program Accomplishments**
Volunteer Fire Department Fund	Used of 500 Characters Allowed	Used of 500 Characters Allowed

Clear All Save Work in Progress

Main Menu Submit

* For grant-related questions, such as incorrect award amounts, please contact your granting state agency. For technical assistance, Click here to make requests to the NC GRANTS Administrator

Remember, you can "save work in progress" at any point in time. This will allow you to go back and edit or change your data prior to submitting the final report.

5. Question #4 will show the Grant Contract Number and specific grant restrictions will be pre-populated based on information entered by your grantor when the award was set up.
6. In question #5, please indicate whether you have a conflict of interest policy, which should be on file with your funding agencies. This is a drop down where you will select "yes" or "no."
7. In question #6, please indicate whether you are a for profit entity. This is a drop down where you will select "yes" or "no."
8. Next indicate whether or not you have made any subgrants by:
   a. Selecting "yes" or "no" from the drop down list for question #7. If yes, complete sections "a", "b", and "c" for each subgrantee. You can add more lines for additional subgrantees by clicking on "more." If you have no subgrantees, go to question #8 on the form.
9. Please review all information that has been pre-populated by the program in section #8 a., Financial Accounting. **If you feel the information in Section "a" is incorrect or your records show different totals,** please use the contact NCGrants administrator link at the bottom of the page to inform us of the error. OSBM will provide contact information for your funding agency/agencies to have them work with you to resolve any differences and/or have the data in NCGrants modified. **REMEMBER**, you cannot add a column or change the receipts. You must contact the NCGrants administrator and your funding agency to resolve the problem BEFORE you complete this form.
10. **If the information in Section #8a is correct**, please continue with the remainder of the report by entering your Expenditure information for the program (grant) identified by the system.
    a. You must enter some amount for each expenditure line item for the report to be accepted by the system. For categories in which you do not enter expenditures, the system will enter 0. You may enter dollars and cents, but will have to put in the decimal. When you enter your expenditures, enter as follows: for an expenditure of $1,234.56, you would input 1234.56. DO NOT enter "$" or "," in the expenditure fields.
    b. If you cannot find a needed category, please select "Other" and then identify the expenditure in the data field that will appear and the amount. You may enter more than one type of expenditure in the "Other" category by selecting the "More" button.
11. Under the Unexpended Cash Balance heading, please be sure totals are showing in both the "Beginning of the Year" and "End of the Year" data fields. The Beginning of the Year balance will be 0 unless you had an approved carryover. The End of the Year balance will either be 0 or a positive number if you have approved carryover.

- **a.** **<u>Effective July 1, 2010:</u>** if you have an approved carryover, a report will automatically be generated for the following fiscal year based on that carryover total. Be sure your Beginning of the Year and End of the Year balances are correct, or your carryover amounts may show up incorrectly on future reports.

  <u>NOTE:</u> The Beginning of the Year and End of the Year balance fields are **<u>only</u>** for use by those grantees receiving cash-advance grants.

  Reimbursement-based grantees should always have a Beginning of the Year and End of the Year balance of <u>zero</u>.

12. Please continue to Section #9, Program Activities and Accomplishments.
    a. Please input original goals and program accomplishments data for the program in question. You have a 500 character limit on this space, so keep the information brief and to the point. The counter at the top of each data entry box will show you how many characters you have entered.
        i. Example Goal: Immunize 200 children between ages 2 and 5 in New Hanover Co.
        ii. Example Accomplishments: Immunized 150 children between ages 2 and 5 in New Hanover Co.; set up appointments with 50 additional children to come in within two months.
13. Please review your report prior to hitting the "Submit" button. You will not be able to edit/revise the report once your report is submitted. For your records, REMEMBER TO PRINT YOUR REPORT.
    a. To print prior to submission, click the print icon in your top menu bar.
    b. To print after you submit, click on the yellow folder icon that says "**submitted**" on your dashboard to open the form. You will see the print icon at the top of the page. This will print exactly what is showing in NCGrants.
14. Once you have submitted the report, you will be taken back to your Grantee Summary Screen where the report just submitted will show a yellow folder icon that says "**submitted**" to indicate it has been received by the system.
15. Once your funding agencies review and approve, your dashboard will show a green folder icon that says "**approved**."
16. If your grantor rejects your forms, your dashboard will show a red folder icon with an "X" that says "**rejected-make corrections**." This will unlock the form and allow you to make any changes needed.
17. If you have any questions during the completion of this report, please use the contact NCGrants administrator link at the bottom of the page.

Completion and Submission of

State Grants Compliance Reporting for Receipt of $25,000 or More**

Level 2 and 3 Reporters

NOTE: Log into NCGrants, then call up and print each of the reports to see the identifying information for your organization and the data on the grants covered under G.S. 143C-6-23 prior to beginning your data entry.

1. Click on the blue folder icon marked "**not submitted**" under the column headed "State Grants Compliance Reporting ≥$25,000" to open the form. An example of the form can be found on pages 24 and 25.
2. Verify your organization's name, federal tax identification number, fiscal year end, mailing address, phone number, fax number, contact person, contact title and contact e-mail address are accurately reported by the program in #1 of the form. The contact name and e-mail are very important, as this is the person to whom any of the automated messages from the Grants Information Center will be sent.
   a. **If the information is incorrect**, please use the "Add/Update Contact/Location" link on the left side of the screen to update your organization's information in the system.
      i. You will need to either overwrite the information currently in the system and click "update" or,
      ii. Uncheck the "active" box on the old contact and click "update." Then enter a new contact in the next line, checking the "active" box there before clicking "update."
   b. **If the information is correct**, continue to question #2.
3. For question #2, enter the name of the preparer of the report in the available data field, as well as the preparer's telephone number. Also, please indicate whether the preparer is an employee of the organization or a CPA. The preparer may be the same person who is logged into NCGrants and is entering the data, or it may be a different person.
4. For question #3, you will enter the names and titles of your Board members **for the year for which you are filing your reports**. All Board members should be listed.
   a. To enter, type the name of your first board member in the designated field. Enter the member's title (Ex: Chair, Secretary, etc., or Member for those who do not hold an office on the Board.) in the designated space.
   b. Click the "More" link to add another line. Continue until you have entered all your board members.

EXAMPLE: STATE GRANTS COMPLIANCE REPORTING RECEIPT OF ≥ $25,000

1. Organization	
Name	**Example Grantee**
Tax ID #:	123456789
O□ganization Fiscal Year End (mmddyyyy)	September,2010
Mailing Address (street, city, state, zip code)	123 Main Street, Raleigh NC 27603
Phone Number (area code + number)	xxx-xxx-xxxx
Contact Person	John Doe
Contact Person Title	Executive Director
E-Mail Address	John.doe@123.com

Modify the contact details assigned to this grant

2. Preparer *[please indicate who prepared this information by checking]*		
Name of Preparer		(•) Employee ( ) CPA/Accountant
Phone Number		
Date of This Report:	05/11/2010	
Preparer of This Report NCID:	OSBMADMIN2	

Please provide a list of the Organization's Board Members	
Name of Board Member	**Board Member Title**
	More

G.S. 143C-6-23 and the North Carolina Administrative Code 09 NCAC 03M requires that every non-State entity that receives, uses, or expends any State funds shall use or expend the funds only for the purposes for which they were appropriated, and that the grantee must have a Conflict of Interest Policy. Please answer the following questions

4. What restrictions are placed upon the grant by the grant award document? If the grant award document does not identify specific restrictions, please identify the intended use of the grant funds as included in the award document.

Contract #	Brief Description of Restrictions
G2020219621	

5. Does the organization have a Conflict of Interest policy?	
6. Is the organization a for profit entity?	

G.S. 143C-6-23 and the North Carolina Administrative Code 09 NCAC 03M requires that every non-State entity that receives, uses, or expends any State funds shall use or expend the funds only for the purposes for which they were appropriated, and if the grantee then subgrants or pass any or part of those funds to another organization, then the granting organization must also pass on the reporting requirements to the subgrantee. Please answer the following questions

7. Did the organization subgrant or pass down any funds to another organization?

a. Name of subgrantee	b. Program name	c.� Amount subgranted
		More

8. Program Activities and Accomplishments

Recipient must complete and submit a separate Program Activities and Accomplishments Report, detailing the program name, the original goals of each program, and a brief narrative of program accomplishments for each funded program. This information is required of all recipients of state funding in an amount greater than or equal to $25,000..

Clear All | Save Work in Progress

Main Menu | Submit

* For grant-related questions, such as incorrect award amounts, please contact your granting state agency. For technical assistance, Click here to make requests to the NC GRANTS Administrator

**** Level 3 reporters will also have beginning and end of year balance fields on this report. If any of the grantee's contracts were cash-advance contracts and the grantee had funds remaining at the end of the fiscal year, those funds would need to be noted here.**

Remember, you can "save work in progress" at any point in time. This will allow you to go back and edit or change your data prior to submitting the final report.

5. Question #4 will show the NCGrants Contract Number and specific grant restrictions will be pre-populated based on information entered by your grantor when the award was set up.
6. In question #5, please indicate whether you have a conflict of interest policy, which should be on file with your funding agencies. This is a drop down where you will select "yes" or "no".
7. In question #6, please indicate whether you are a for profit entity. This is a drop down where you will select "yes" or "no".
8. Next indicate whether or not you have made any subgrants by:
   a. Please select "yes" or "no" from the drop down list for question #7. If yes, complete sections "a", "b", and "c" for each subgrantee. You can add more lines for additional subgrantees by clicking on "more." If you have no subgrantees, then go to question #8 on the form.
9. As a Level 2 reporter, you are required to complete a separate program activities and accomplishments for each grant. You also have to complete a separate receipts and expenditures form which will list all grants. See instructions on the following pages.
   a. **Effective August 2010:** Level 3 grantees will have two additional fields at the end of their State Grants Compliance Reporting Receipt of ≥ $25,000 form, under the heading "Unexpended Cash Balance (do NOT use with reimbursement grants)." Those two fields are:
      i. **Beginning of the Year**: This field will be 0 unless you had an approved carryover.
      ii. **End of the Year:** This field will either be 0 or a positive number, depending on whether you had an approved carryover.

      NOTE: The Beginning of the Year and End of the Year balance fields are **only** for use by those grantees receiving cash-advance grants.

      Reimbursement-based grantees should always have a Beginning of the Year and End of the Year balance of zero.
10. Please review your report prior to hitting the "Submit" button. You will not be able to edit/revise the report once your report is submitted. For your records, REMEMBER TO PRINT YOUR REPORT.
    a. To print prior to submission, click the print icon in your top menu bar.
    b. To print after you submit, click on the yellow folder icon that says "**submitted**" on your dashboard to open the form. You will see the print icon at the top of the page. This will print exactly what is showing in NCGrants.
11. Once you have submitted the report, you will be taken back to your Grantee Summary Screen where the report just submitted will show a yellow folder icon that says "**submitted**" to indicate it has been received by the system.
12. Once your funding agencies review and approve, your dashboard will show a green folder icon that says "**approved**."

13. If your grantor rejects your forms, your dashboard will show a red folder icon with an "X" that says "**rejected-make corrections**." This will unlock the form and allow you to make any changes needed.
14. If you have any questions during the completion of this report, please use the contact NCGrants administrator link at the bottom of the page.

Completion and Submission of

Schedule of Receipts and Expenditures

Level 2 Reporters Only

NOTE: Log into NCGrants, then call up and print each of the reports to see the identifying information for your organization and the data on the grants covered under G.S. 143C-6-23 prior to beginning your data entry.
Remember, all receipts and expenditures reporting is on a CASH basis and is for YOUR fiscal year.

1. Click on the blue folder icon marked "**not submitted**" under the column headed "Schedule of Receipts and Expenditures" to open the form. An example of the form can be found on pages 28-30.
    a. **If the information is incorrect**, please use the "Add/Update Contact/Location" link on the left side of the screen to update your organization's information in the system.
        i. You will need to either overwrite the information currently in the system and click "update" or,
        ii. Uncheck the "active" box on the old contact and click "update." Then enter a new contact in the next line, checking the "active" box there before clicking "update."
    b. **If the information is correct**, continue to complete the form.
2. Please review all information that has been pre-populated by the program in Section a: Receipts.
    a. If you feel the information in Section a: Receipts is incorrect, please use the contact NCGrants administrator link at the bottom of the page to explain your concerns. The administrator will forward your email to your funding agency/agencies to work directly with you to verify the correct information and revise the information in the system if needed. **REMEMBER**, you cannot add a column or change the receipts. You must contact the NCGrants administrator and your granting agency to resolve the problem BEFORE you complete this form.
    b. If the information in Section a: Receipts is correct, please continue with the remainder of the report.

EXAMPLE: SCHEDULE OF RECEIPTS AND EXPENDITURES

Organization	
Name	Example Grantee
Tax ID #:	123456789
Fiscal Year Ended:	December, 2009
Address:	123 Main Street, Raleigh, NC 27603
Contact Information:	John Doe
Modify the Contact Details Assigned to this Grant	
Date of This Report:	05/03/2010
Preparer of This Report NCID:	OSBMADMIN2
a. Receipts:	

Funding State Agency		**Programs/Title**	**Program Total**
Public Health	1	Cancer/Breast & Cervical Cancer Control (BCCCP) - 01106-08	$123,456.78
Total Receipts:			$123,456.78

Expenditures:

Category	**Cancer/Breast & Cervical Cancer Control (BCCCP) - 01106-08**
Personnel	0
Contracted Services	0
(a)Total Personnel/Contracted Srvcs Costs:	0
Office Supplies & Materials	0
Service Related Supplies	0
(b)Total Supplies & Material Costs:	0

Travel	0
Communications & Postage	0
Utilities	0
Printing & Binding	0
Repair & Maintenance	0
Meeting/Conference Expense	0
Employee Training (no travel)	0
Classified Advertising	0
In-State Board Meeting Expenses	0
(c)Total Non-Fixed Operating Expense:	0
Office Rent (Land, Buildings, etc.)	0
Furniture Rental	0
Equipment Rental (Phones, Computers, etc.)	0
Vehicle Rental	0
Dues & Subscriptions	0
Insurance & Bonding	0
Books/Library Reference Materials	0
Mortgage Principal, Interest and Bank Fees	0
(d)Total Fixed Charges & Other Expenses	0
Buildings & Improvements	0

Leasehold Improvements	0
Furniture/Non-Computer Equip., $500+ per item	0
Computer Equipment/Printers, $500+ per item	0
Furniture/Equip., under $500 per item	0
(e)Total Property & Equipment Outlay:	0
Purchase of Services	0
Contracts with Service Providers	0
Stipends/Scholarships/Bonuses/Grants	0
(f)Total Services/Contracts:	0
Other: <Expense Des More	0
Food	0
(g)Total Other Expenses:	0
Total Expenditures: (Sum a thru g):	0
Unexpended Grant Balance Available for Expenditure:	
Beginning of the Year	0
End of the Year	0

NOTE: If total receipts, expenditures, beginning or ending unexpended grant balance available for expenditures is $500,000 or more, an audit is required *by G.S. 143C-6-23*

Clear All | Save Work in Progress
Main Menu | Submit

* For grant-related questions, such as incorrect award amounts, please contact your granting state agency. For technical assistance, Click here to make requests to the NC GRANTS Administrator

Remember, you can "save work in progress" at any point in time. This will allow you to go back and edit or change your data prior to submitting the final report.

3. You must enter some amount for each expenditure line item for the report to be accepted by the system. For categories in which you do not enter expenditures, the system will enter 0. You may enter dollars and cents, but will have to put in the decimal. You cannot use the "$", or "," as you enter your expenditures. For example, an expenditure of $1,234.56 would be entered as 1234.56.
4. If you cannot find a needed category, please select "Other" and then identify the expenditure in the data field that will appear and the amount in the corresponding column. You may enter more than one type of expenditure in the "Other" category by selecting the "More" button.
5. Under the Unexpended Cash Balance heading, please be sure totals are showing in both the "Beginning of the Year" and "End of the Year" data fields. The Beginning of the Year balance will be 0 unless you had an approved carryover. The End of the Year balance will either be 0 or a positive number if you have approved carryover.
   a. **Effective July 1, 2010:** if you have an approved carryover, a report will automatically be generated for the following fiscal year based on that carryover total. Be sure your Beginning of the Year and End of the Year balances are correct, or your carryover amounts may show up incorrectly on future reports.

      NOTE: The Beginning of the Year and End of the Year balance fields are **only** for use by those grantees receiving cash-advance grants.

      Reimbursement-based grantees should always have a Beginning of the Year and End of the Year balance of zero.
6. Please review your report prior to hitting the "Submit" button. You will not be able to edit/revise the report once it has been submitted. For your records, REMEMBER TO PRINT YOUR REPORT.
   a. To print prior to submission, click the print icon in your top menu bar.
   b. To print after you submit, click on the yellow folder icon that says "**submitted**" on your dashboard to open the form. You will see the print icon at the top of the page. This will print exactly what is showing in NCGrants.
7. Once you have submitted the report, you will be taken back to your Grantee Summary Screen where the report just submitted will show a yellow folder icon that says "**submitted**" to indicate it has been received by the system.
8. Once your funding agencies review and approve, your dashboard will show a green folder icon that says "**approved**."
9. If your grantor rejects your forms, your dashboard will show a red folder icon with an "X" that says "**rejected-make corrections**." This will unlock the form and allow you to make any changes needed.
10. If you have any questions during the completion of this report, please use the contact NCGrants administrator link at the bottom of the page.

Completion and Submission of

Program Activities and Accomplishments Report

Level 2 and 3 Reporters

NOTE: Log into NCGrants, then call up and print each of the reports to see the identifying information for your organization and the data on the grants covered under G.S. 143C-6-23 prior to beginning your data entry.

You may draft your Program Activities and Accomplishments Report responses in a Word document, then cut and paste your answers into NCGrants. If you have multiple grants, you may submit a report for each grant at different sittings, if you wish. You must submit all required Program Activities and Accomplishments Reports prior to your due date to be in full compliance.

1. Click on the blue folder icon that says "**not submitted**" under the column headed "Program Activities and Accomplishments" to open the form. An example of the form is shown on page 33.
2. Verify your organization's name, federal tax identification number, program name, project/activity title, fiscal year end, date of the report and preparer of the report at the top of the form.
    a. **If the information is incorrect**, please use the "Add/Update Contact/Location" link on the left side of the screen to update your organization's information in the system.
        i. You will need to either overwrite the information currently in the system and click "update" or,
        ii. Uncheck the "active" box on the old contact and click "update." Then enter a new contact in the next line, checking the "active" box there before clicking "update."
    b. **If the information is correct**, continue to questions 1-4 of the form.
3. The system will not accept the report if data has not been entered in all available data fields. You have a limit of 500 characters for each question. Please be brief and to the point. Each data entry field shows a counter at the top of the box letting you know how many characters you have used.
4. Please review your report prior to hitting the "Submit" button. You will not be able to edit/revise the report once it has been submitted. For your records, REMEMBER TO PRINT YOUR REPORT.
    a. To print prior to submission, click the print icon in your top menu bar.
    b. To print after you submit, click on the yellow folder icon that says "**submitted**" on your dashboard to open the form. You will see the print icon at the top of the page. This will print exactly what is showing in NCGrants.

EXAMPLE: PROGRAM ACTIVITIES AND ACCOMPLISHMENTS REPORT

Grantee Name:	Example Grantee
Grantee Tax ID #:	123456789
Program Name:	Child & Adult Food Program
Grantee's Fiscal Year End: (mmddyy)	December,2008
Date of This Report:	05/04/2010
Preparer of This Report NCID:	OSBMADMIN2

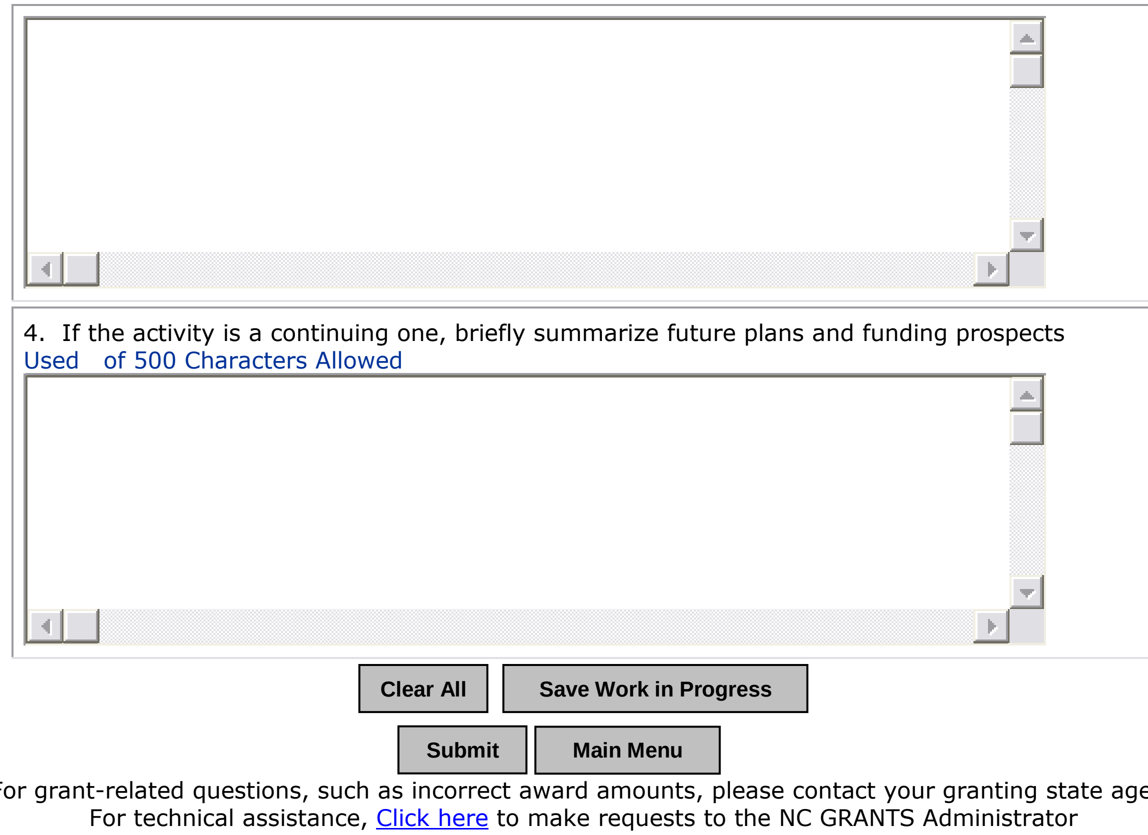
In compliance with the requirements of G.S. 143C-6-23, *Use of State Funds by Non-State Entities*, the following is a description of activities and accomplishments undertaken by our organization using the provided state funding: Complete this report for each different program funded.

1. What were the original goals and expectations for the activity supported by this grant?
Used 1 of 500 Allowed Characters

2. If applicable, how have those goals and expectations been revised or refined during the course of the project?
Used 1 of 500 Allowed Characters

3. What has the activity accomplished with these grant funds? Please include specific information including facts and statistics to support conclusions and judgments about the activity's impact
Used of 500 Allowed Characters

Effective Date September 1, 2009 **Updated January 7, 2013**



4. If the activity is a continuing one, briefly summarize future plans and funding prospects
Used of 500 Characters Allowed

Clear All | Save Work in Progress

Submit | Main Menu

* For grant-related questions, such as incorrect award amounts, please contact your granting state agency.
For technical assistance, Click here to make requests to the NC GRANTS Administrator

Remember, you can "save work in progress" at any point in time. This will allow you to go back and edit or change your data prior to submitting the final report.

5. Once you have submitted the report, you will be taken back to your Grantee Summary Screen where the report just submitted will show a yellow folder icon that says "submitted" to indicate it has been received by the system.
6. Once your funding agencies review and approve, your dashboard will show a green folder icon that says "**approved**."
7. If your grantor rejects your forms, your dashboard will show a red folder icon with an "X" that says "**rejected-make corrections**." This will unlock the form and allow you to make any changes needed.
8. If you have any questions during the completion of this report, please use the contact NCGrants administrator link at the bottom of the page.

Effective Date September 1, 2009 **Updated January 7, 2013**

Submission of
Required Audit

Level 3 Reporters Only

NOTE: If you receive, expend, or obligate over $500,000 in State and Federal pass-through grants funds received directly from a State agency, then you must file a "yellow book" audit, done by a CPA, with your funding agencies and with the Office of State Budget and Management. The audit report must contain three key elements: 1) opinion of the CPA on your internal controls, 2) opinion of your CPA on your compliance with your grant terms, and 3) a schedule of Federal and State Awards.

***Exception to Yellow Book Audit*: If you expend more than $500,000 in Federal grant funds FROM ALL SOURCES, then you must have an A-133 single audit performed. If you are at this level for federal reporting AND you are required to file a yellow book audit with the State under G.S.143C-6-23, then you may substitute the A-133 audit for the yellow book audit.**

Remember, if you are not required by G.S.143C-6-23 to submit an audit, you CANNOT submit the audit in place of any of the required forms!

1. Click on the blue folder icon that says "**not submitted**" under the column headed "Audit" to open the form. An example of the form is shown on page 36.
2. Verify your organization's name, federal tax identification number, program name, project/activity title, fiscal year end, date of the report and preparer of the report at the top of the form.
    a. **If the information is incorrect**, please use the "Add/Update Contact/Location" link on the left side of the screen to update your organization's information in the system.
        i. You will need to either overwrite the information currently in the system and click "update" or,
        ii. Uncheck the "active" box on the old contact and click "update." Then enter a new contact in the next line, checking the "active" box there before clicking "update."
3. Confirm that the receipts shown on the form match what your records indicate you received on a CASH basis.
4. Go to the bottom of the form and select from the drop down the type audit you will be submitting.
5. Click the link to send an email to the NCGrants administrator to which you should attach a PDF version of your audit. **You do NOT need to send a hard copy of your audit.** After sending the email, you should return to the Audit page to complete your submission.
6. Click "submit" which will return you to your dashboard and will show a yellow folder icon that says "**submitted**."

7. If you have any questions during the completion of this report, please use the contact NCGrants administrator link at the bottom of the page.

EXAMPLE: TOTAL RECEIPTS REPORTED FOR AUDIT

Organization			
Name	Example Grantee		
Tax ID #:	123456789		
Fiscal Year Ended:	June, 2009		
Address:	123 Main Street, Raleigh, NC 27603		
Contact Information:	John Doe/xxx-xxx-xxxx/john.doe@123.com		
Modify the contact details assigned to this grant			
Date of This Report:	05/04/2010		
Preparer of This Report NCID:	OSBMADMIN2		
Receipts:			

Funding State Agency		**Programs/Title**	**Program Total**
State Treasurer	1	Obesity Initiative 2009 2008-07-01	$59,239.18
Public Health	3	WH/Perinatal Outreach Coordination 2008-07-01	$81,898.54
SEAA Student Loan	9	NC LEGISLATIVE TUITION GRANT 2009 2009-03-31	$1,707,891.00
Aging	19	Duke University Medical Center 2008-07-01	$91,912.32
Total Receipts:			$1,940,941.04

Audit Type Being Submitted:	Select an Audit Type
NEW* Upload Audit Form	05/04/2010 **Browse...** ONLY **PDF** FORMAT OF AUDIT FORM IS ALLOWED TO BE UPLOADED
Close Window	

* For grant-related questions, such as incorrect award amounts, please contact your granting state agency. For technical assistance, Click here to make requests to the NC GRANTS Administrator

Section D

APPENDICES

Part 3. Non-State Entities Receiving State Funds.

§ 143C-6-21. (Effective July 1, 2007) Payments to nonprofits.

Except as otherwise provided by law, an annual appropriation of one hundred thousand dollars ($100,000) or less to or for the use of a nonprofit corporation shall be made in a single annual payment. An annual appropriation of more than one hundred thousand dollars ($100,000) to or for the use of a nonprofit corporation shall be made in quarterly or monthly payments, in the discretion of the Director of the Budget. (2006-203, s. 3.)

§ 143C-6-22. (Effective July 1, 2007) Use of State funds by non-State entities.

(a) Disbursement and Use of State Funds. – Every non-State entity that receives, uses, or expends any State funds shall use or expend the funds only for the purposes for which they were appropriated by the General Assembly. State funds include federal funds that flow through the State Treasury.

(b) Compliance by Non-State Entities. – If the Director of the Budget finds that a non-State entity has spent or encumbered State funds for an unauthorized purpose, or fails to submit or falsifies the information required by G.S. 143C-6-23 or any other provision of law, the Director shall take appropriate administrative action to ensure that no further irregularities or violations of law occur and shall report to the Attorney General any facts that pertain to an apparent violation of a criminal law or an apparent instance of malfeasance, misfeasance, or nonfeasance in connection with the use of State funds. Appropriate administrative action may include suspending or withholding the disbursement of State funds and recovering State funds previously disbursed.

(c) Civil Actions. – Civil actions to recover State funds or to obtain other mandatory orders in the name of the State on relation of the Attorney General, or in the name of the Office of State Budget and Management, shall be filed in the General Court of Justice in Wake County. (2006-203, s. 3.)

§ 143C-6-23. (Effective July 1, 2007) State grant funds: administration; oversight and reporting requirements.

(a) Definitions. – The following definitions apply in this section:

(1) "Grant" and "grant funds" means State funds disbursed as a grant by a State agency; however, the terms do not include any payment made by the Medicaid program, the Teachers' and State Employees' Comprehensive Major Medical Plan, or other similar medical programs.

(2) "Grantee" means a non-State entity that receives State funds as a grant from a State agency, but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission.

(3) "Subgrantee" means a non-State entity that receives State funds as a grant from a grantee or from another subgrantee but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission.

(b) Conflict of Interest Policy. – Every grantee shall file with the State agency disbursing funds to the grantee a copy of that grantee's policy addressing conflicts of interest that may arise involving the grantee's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the grantee's employees or members of its board or other governing body, from the grantee's disbursing of State funds, and shall include actions to be taken by the grantee or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed before the disbursing State agency may disburse the grant funds.

(c) No Overdue Tax Debts. – Every grantee shall file with the State agency or department disbursing funds to the grantee a written statement completed by that grantee's board of directors or other governing body stating that the grantee does not have any overdue tax debts, as defined by G.S. 105-243.1, at the federal, State, or local level. The written statement shall be made under oath and shall be filed before the disbursing State agency or department may disburse the grant funds. A person who makes a false statement in violation of this subsection is guilty of a criminal offense punishable as provided by G.S. 143C-10-1.

(d) Office of State Budget Rules Must Require Uniform Administration of State Grants. – The Office of State Budget and Management shall adopt rules to ensure the uniform administration of State grants by all grantor State agencies and grantees or subgrantees. The Office of State Budget and Management shall consult with the Office of State Budget and Management and the Attorney General in establishing the rules required by this subsection. The rules shall establish policies and procedures for disbursements of State grants and for State agency oversight, monitoring, and evaluation of grantees and subgrantees. The policies and procedures shall:

(1) Ensure that the purpose and reporting requirements of each grant are specified to the grantee.

(2) Ensure that grantees specify the purpose and reporting requirements for grants made to subgrantees.

(3) Ensure that State funds are spent in accordance with the purposes for which they were granted.

(4) Hold the grantees and subgrantees accountable for the legal and appropriate expenditure of grant funds.

(5) Provide for adequate oversight and monitoring to prevent the misuse of grant funds.

(6) Establish mandatory periodic reporting requirements for grantees and subgrantees, including methods of reporting, to provide financial and program performance information. The mandatory periodic reporting requirements shall require grantees and subgrantees to file with the State Auditor copies of reports and statements that are filed with State agencies pursuant to this subsection. Compliance with the mandatory periodic reporting requirements of this subdivision shall not require grantees and subgrantees to file with the State Auditor the information described in subsections (b) and (c) of this section.

(7) Require grantees and subgrantees to maintain reports, records, and other information to properly account for the expenditure of all grant funds and to make such reports, records, and other information available to the grantor State agency for oversight, monitoring, and evaluation purposes.

(8) Require grantees and subgrantees to ensure that work papers in the possession of their auditors are available to the State Auditor for the purposes set out in subsection (i) of this section.

(9) Require grantees to be responsible for managing and monitoring each project, program, or activity supported by grant funds and each subgrantee project, program, or activity supported by grant funds.

(10) Provide procedures for the suspension of further disbursements or use of grant funds for noncompliance with these rules or other inappropriate use of the funds.

(11) Provide procedures for use in appropriate circumstances for reinstatement of disbursements that have been suspended for noncompliance with these rules or other inappropriate use of grant funds.

(12) Provide procedures for the recovery and return to the grantor State agency of unexpended grant funds from a grantee or subgrantee if the grantee or subgrantee is unable to fulfill the purposes of the grant.

(e) Rules Are Subject to the Administrative Procedure Act. – Notwithstanding the provisions of G.S. 150B-2(8a)b. rules adopted pursuant to subsection (d) of this section are subject to the provisions of Chapter 150B of the General Statutes.

(f) Suspension and Recovery of Funds to Grant Recipients for Noncompliance. – The Office of State Budget and Management, after consultation with the administering State agency, shall have the power to suspend disbursement of grant funds to grantees or subgrantees, to prevent further use of grant funds already disbursed, and to recover grant funds already disbursed for noncompliance with rules adopted pursuant to subsection (d) of this section. If the grant funds are a pass-through of funds granted by an agency of the United States, then the Office of State Budget and Management must consult with the granting agency of the United States and the State agency that is the recipient of the pass-through funds prior to taking the actions authorized by this subsection.

(g) Audit Oversight. – The State Auditor has audit oversight, with respect to grant funds received by the grantee or subgrantee, pursuant to Article 5A of Chapter 147 of the General Statutes, of every grantee or subgrantee that receives, uses, or expends grant funds. A grantee or subgrantee must, upon request, furnish to the State Auditor for audit all books, records, and other information necessary for the State Auditor to account fully for the use and expenditure of grant funds received by the grantee or subgrantee. The grantee or subgrantee must furnish any additional financial or budgetary information requested by the State Auditor, including audit work papers in the possession of any auditor of a grantee or subgrantee directly related to the use and expenditure of grant funds.

(h) Report on Grant Recipients That Failed to Comply. – Not later than May 1, 2007, and by May 1 of every succeeding year, the Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on all grantees or subgrantees that failed to comply with this section with respect to grant funds received in the prior fiscal year.

(i) State Agencies to Submit Grant List to Auditor. – No later than October 1 of each year, each State agency shall submit a list to the State Auditor, in the format prescribed by the State Auditor, of every grantee to which the agency disbursed grant funds in the prior fiscal year. The list shall include the amount disbursed to each grantee and other information as required by the State Auditor to comply with the requirements of this section. (2006-203, s. 3.)

SUBCHAPTER 03M – UNIFORM ADMINISTRATION OF STATE GRANTS

SECTION .0100 - ORGANIZATION AND FUNCTION

09 NCAC 03M .0101 PURPOSE
Pursuant to G.S. 143C-6-23, the rules in this Subchapter establish reporting requirements for non-State entities that receive, use, or expend State funds and ensure the uniform administration of State grants by all grantor State agencies, grantee, and subgrantees.

History Note: *Authority G.S. 143C-6-22; 143C-6-23;*
Eff. July 1, 2005;
Amended Eff. October 1, 2007.

09 NCAC 03M .0102 DEFINITIONS
As used in this Subchapter:

(1) "Agency" shall mean and include every public office, public officer or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or of any county, unit, special district or other political subdivision of government.
(2) "Audit" means an examination of records or financial accounts to verify their accuracy.
(3) "Certification of Compliance" means a report provided by the grantor agency to the Office of the State Auditor that states that the grantee has met the reporting requirements established by this Subchapter and included a statement of certification by the grantor agency and copies of the submitted grantee reporting package.
(4) "Compliance Supplement" refers to the North Carolina State Compliance Supplement, maintained by the State and Local Government Finance Division within the North Carolina Department of State Treasurer that has been developed in cooperation with agencies to assist the local auditor in identifying program compliance requirements and audit procedures for testing those requirements.
(5) "Contract" means a legal instrument that is used to reflect a relationship between the agency, grantee, and subgrantee.
(6) "Fiscal Year" means the annual operating year of the non-State entity.
(7) "Financial Assistance" means assistance that non-State entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance. Financial assistance does not include amounts received as reimbursement for services rendered to individuals for Medicare and Medicaid patient services.
(8) "Financial Statement" means a report providing financial statistics relative to a given part of an organization's operations or status.
(9) "Grant" means financial assistance provided by an agency, grantee, or subgrantee to carry out activities whereby the grantor anticipates no programmatic involvement with the grantee or subgrantee during the performance of the grant.
(10) "Grantee" has the meaning in G.S. 143C-6-23(a)(2).
(11) "Grantor" means an entity that provides resources, generally financial, to another entity in order to achieve a specified goal or objective.
(12) "Non-State Entity" has the meaning in G.S. 143C-1-1(d)(18).
(13) "Public Authority" has the meaning in G.S. 159-7(10).

(14) "Single Audit" means an audit that includes an examination of an organization's financial statements, internal controls, and compliance with the requirements of Federal or State awards.
(15) "Special Appropriation" means a legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.
(16) "State Funds" means any funds appropriated by the North Carolina General Assembly or collected by the State of North Carolina. State funds include federal financial assistance received by the State and transferred or disbursed to non-State entities. Both Federal and State funds maintain their identity as they are subgranted to other organizations.
(17) "Subgrantee" has the meaning in G.S. 143C-6-23(a)(3).
(18) "Unit of Local Government" has the meaning in G.S. 159-7(15).

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005;
Amended Eff. October 1, 2007.

SECTION .0200 - RESPONSIBILITIES OF GRANTEES AND SUBGRANTEES

09 NCAC 03M .0201 ALLOWABLE USES OF STATE FUNDS
Expenditures of State funds by any grantee shall be in accordance with the Cost Principles outlined in the Office of Management and Budget (OMB) Circular A-87. If the grant funding includes federal sources, the grantee shall ensure adherence to the cost principles established by the Federal Office of Management and Budget.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

09 NCAC 03M .0202 GRANTEE RESPONSIBILITIES
A grantee that receives State funds shall ensure that those funds are utilized for the purpose of the grant and shall expend those funds in compliance with reporting requirements established by this Subchapter. Grantees shall:
(1) Provide the information required by the grantor agency in order to comply with the procedures for disbursement of grant funds.
(2) Maintain reports and accounting records that support the allowable expenditure of State funds. All reports and records shall be made available for inspection by both the awarding agency and the Office of the State Auditor for oversight, monitoring, and evaluation purposes.
(3) Ensure that subgrantees comply with all reporting requirements of the grantee.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

09 NCAC 03M .0203 SUBGRANTEE RESPONSIBILITIES
A subgrantee that receives State funds must ensure that those funds are spent for the purpose of the grant and shall expend those funds in compliance with reporting requirements established by this Subchapter. Subgrantees shall:

(1) Provide the information required by the grantor agency in order to comply with the procedures for disbursement of grant funds.

(2) Maintain reports and accounting records that support the allowable expenditure of State funds. All reports and records shall be available for inspection by both the awarding agency and the Office of the State Auditor for oversight, monitoring, and evaluation purposes.

(3) Ensure that any subgrantees comply with all reporting requirement of the grantee.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

09 NCAC 03M .0204 RESERVED FOR FUTURE CODIFICATION

09 NCAC 03M .0205 REPORTING THRESHOLDS AND FORMATS FOR GRANTEES AND SUBGRANTEES

(a) For the purposes of this Subchapter, there are three reporting thresholds established for grantees and subgrantees receiving State funds. The reporting thresholds are:

(1) Less than $25,000 – A grantee that receives, uses, or expends State funds in an amount less than twenty-five thousand dollars ($25,000) within its fiscal year must comply with the reporting requirements established by this Subchapter including:

(A) A certification completed by the grantee Board and management stating that the State funds were received, used, or expended for the purposes for which they were granted; and

(B) An accounting of the State funds received, used, or expended.

All reporting requirements shall be filed with the funding agency within six months after the end of
the grantee's fiscal year in which the State funds were received.

(2) $25,000 up to $500,000 - A grantee that receives, uses, or expends State funds in an amount of at least twenty-five thousand ($25,000) and up to five hundred thousand dollars ($500,000) within its fiscal year must comply with the reporting requirements established by this Subchapter including:

(A) A certification completed by the grantee Board and management stating that the State funds were received, used, or expended for the purposes for which they were granted;

(B) An accounting of the State funds received, used, or expended; and

(C) A description of activities and accomplishments undertaken by the grantee with the State funds.

All reporting requirements shall be filed with the funding agency within six months after the end of the grantee's fiscal year in which the State funds were received.

(3) Greater than $500,000 – A grantee that receives, uses, or expends State funds and in the amount greater than five hundred thousand dollars ($500,000) within its fiscal year must comply with the reporting requirements established by this Subchapter including:

(A) A certification completed by the grantee Board and management stating that the State funds were received, used, or expended for the purposes for which they were granted;

(B) An audit prepared and completed by a licensed Certified Public Accountant for the grantee consistent with the reporting requirement of this Subchapter; and

(C) A description of activities and accomplishments undertaken by the grantee with the State funds.

All reporting requirements shall be filed with both the funding agency and the Office of the State Auditor within nine months after the end of the grantee's fiscal year in which the State funds were received.

(b) Unless prohibited by law, the costs of audits made in accordance with the provisions of this rule are allowable charges to State and Federal awards. The charges may be considered a direct cost or an allocated indirect cost, as determined in accordance with cost principles outlined in the Office of Budget and Management (OMB) Circular A-87. The cost of any audit not conducted in accordance with this Subchapter is unallowable and shall not be charged to State or Federal grants.

(c) The audit requirements in this Subchapter do not replace a request for submission of audit reports by grantor agencies in connection with requests for direct appropriation of state aid by the General Assembly.

(d) Notwithstanding the provisions of this Subchapter, a grantee may satisfy the reporting requirements of Part (a)(3)(B) of this Rule by submitting a copy of the report required under the federal law with respect to the same funds.

(e) All grantees and subgrantees shall use the forms of the Office of State Budget and Management and of the Office of the State Auditor in making reports to the awarding agencies and the Office of the State Auditor.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

SECTION .0300 - RESPONSIBILITIES OF THE OFFICE OF THE STATE CONTROLLER

09 NCAC 03M .0301 OFFICE OF THE STATE CONTROLLER RESPONSIBILITIES

All grantees receiving State funds shall enter into a disbursing agreement with the Office of the State Controller in accordance with G.S. 143B-426.39 and G.S. 143B-426.40G.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005;
Amended Eff. October 1, 2007.

SECTION .0400 - RESPONSIBILITIES OF AGENCIES

09 NCAC 03M .0401 AGENCY RESPONSIBILITIES

(a) An agency that receives State funds and disburses those funds to a grantee shall:

(1) Notify each grantee, at the time the grant is made, of the purpose of the grant and the reporting requirements established in this Subchapter.

(2) Prior to disbursing any grant funds:

(A) register with the Office of State Budget and Management's Community Resources Information System (CRIS); and

(B) follow the procedures for disbursement of grant funds.

(3) Develop compliance supplement reports that describe standards of compliance and audit procedures to give direction to independent auditors. This report shall be provided to the State and Local Government Finance Division with the North Carolina Department of State Treasurer for inclusion in the North Carolina State Compliance Supplement.

(4) Provide the Office of the State Auditor with a listing of each grantee to which the agency disbursed State funds during the prior fiscal year by October 31st of each year including detailed information regarding the purpose and amount of the grant awarded.
(5) Provide the Office of State Budget and Management with a listing of every grantee to which the agency disbursed State funds during the prior fiscal year by January 31st of each year. This report shall be consistent with the disbursement report previously provided to the Office of the State Auditor including whether the grantee has complied with the reporting requirements established in this Subchapter.
(6) Hold grantees accountable for the expenditure of State funds by performing monitoring and oversight functions as required in this Subchapter.
(7) Ensure that funds are spent consistent with the purposes for which they were granted.
(8) Not disburse funds to grantees that are not in compliance with the reporting requirements for funds received during the prior fiscal year. Agencies shall consult with the Office of State Budget and Management in making this determination.
(9) Determine that the applicable reporting requirement has been met by the grantee and that all reports have been completed and submitted. For grantees receiving less than five hundred thousand dollars ($500,000), the grantor agency shall complete a Certification of Compliance to the Office of the State Auditor.
(10) Conduct periodic monitoring reviews to ensure that State awards are used for authorized purposes in compliance with laws, regulations, and the provisions of grant agreements and that performance goals are achieved.
(11) Monitor compliance by grantees with all terms of a contract. Upon determination of noncompliance, the agency shall give the grantee 60 days written notice to come into compliance. After the 60-day period, the grantor agency shall:
  (A) terminate the contract and take action to retrieve unexpended funds or unauthorized expenditures;
  (B) suspend payments pending negotiation of a plan of corrective action; or
  (C) offset future payments with the amount improperly spent.

(b) Each non-State entity shall ensure that subgrantees have complied with the applicable provisions of this Subchapter. Failure to comply with such provisions shall be the basis for an audit exception.

History Note: *Authority G.S. 143C-6-22; 143C-6-23;*
Eff. July 1, 2005.

SECTION .0500 - RESPONSIBILITIES OF THE OFFICE OF THE STATE AUDITOR

09 NCAC 03M .0501 OFFICE OF THE STATE AUDITOR RESPONSIBILITIES

Pursuant to the provisions of this Subchapter, the Office of the State Auditor shall:
(1) Review submitted audit reports for those grantees receiving more than five hundred thousand dollars ($500,000) in State funds to determine compliance with applicable reporting standards.
(2) Maintain grantor agency submitted compliance data for grantees that receive State funds at levels below five hundred thousand dollars ($500,000) demonstrating that the grantees have met the reporting requirements established by this Subchapter.
(3) Notify disbursing agencies, by January 31st of each year, of all grantees for which no compliance data has been received.

(4) Notify disbursing agencies of any material findings in the audits of grantees throughout the State fiscal year as reports are received.

(5) Submit a list to the Office of State Budget and Management by January 31st of each year; of each grantee that received State funds in the prior fiscal year including the status of grantee compliance with the reporting requirements.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

SECTION .0600 - RESPONSIBILITIES OF THE OFFICE OF STATE BUDGET AND MANAGEMENT

09 NCAC 03M .0601 OFFICE OF STATE BUDGET AND MANAGEMENT RESPONSIBILITIES

The Office of State Budget and Management shall:

(1) Provide consultation to agencies as to whether grantees have complied with the required reporting requirements.

(2) Consult with agencies to ensure that all grantees found in noncompliance have their funding ceased immediately upon that determination and ensure that no further funding will be provided until the grantee is in compliance.

(3) Maintain a Suspension of Funding list readily accessible to any interested party that identifies any grantee found in noncompliance. This list shall serve as notice to other agencies that no further State grant funding may be provided to that grantee.

(4) Maintain a Community Resources Information System database to record grant documentation required by this Subchapter.

(5) In conjunction with the grantor agency, ensure reporting requirements have been met prior to the removal of any grantee from the Suspension of Funding listing. A grantee found in noncompliance may appeal to the Office of State Budget and Management for corrective action and reinstatement from the Suspension of Funding list. Once removed from the Suspension of Funding list, the grantee is eligible for current and future grants of State funds.

(6) Take administrative action, when the Director of Budget finds that the grantee has spent or encumbered State funds for an unauthorized purpose, which includes reporting criminal violations to the Attorney General and the State Bureau of Investigation.

(7) If the grant funds are a pass-through of funds granted by an agency of the United States, consult with the granting agency of the United States and the State agency that is the recipient of the pass-through funds prior to taking actions authorized by this Subchapter.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

SECTION .0700 - CONTRACTING, MONITORING, AND OVERSIGHT

09 NCAC 03M .0701 GRANT DOCUMENTATION

In consideration of receiving State funds, the grantee shall sign a contract with the agency that shall contain the obligations of both parties. Prior to disbursing any State funds, each agency shall sign a contract with the grantee requiring compliance with the rules in this Subchapter. The requirements of this Rule shall also be applicable to all subgrantee relationships.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

09 NCAC 03M .0702 SUBORDINATION OF OTHER CONTRACTS AGREEMENTS
No contract agreements shall act to eliminate or diminish the requirements contained in this Subchapter.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

09 NCAC 03M .0703 REQUIRED CONTRACT PROVISIONS
Each contract agreement shall contain:

(1) A specification of the purpose of the grant, services to be provided, objectives to be achieved, and expected results;
(2) The Source of funds (federal, state, etc.) must be identified (CFDA number if applicable) and percentages included where applicable;
(3) Account coding information sufficient to provide for tracking of the disbursement through the grantor accounting system;
(4) Agreement to maintain all grant records for a period of five years or until all audit exceptions have been resolved, whichever is longer;
(5) Names of all parties to the terms of the contract; for the grantee or subgrantee, including the employer/tax identification number, address, contact information, and the grantee/subgrantee fiscal year end date;
(6) Signatures indicating authorization by all parties to the terms of the contract;
(7) Duration of the contract, including the effective and termination dates;
(8) Amount of the contract and schedule of payment(s);
(9) Particular duties of the grantee;
(10) Required reports and reporting deadlines;
(11) Provisions for termination by mutual consent with 60 days written notice to the other party, or as otherwise provided by law;
(12) A provision that the awarding of the grants subject to allocation and appropriation of funds to the agency for the purposes set forth in the contract;
(13) Provision that requires reversion of unexpended funds to the agency upon termination of the contract;
(14) A provision that requires compliance with the rules and reporting requirements outlined in this Subchapter including audit oversight by the Office of the State Auditor, the provision of access to the accounting records by both the funding entity and the Office of the State Auditor, and availability of audit work papers in the possession of any auditor of any recipient of State funding;
(15) A clause addressing assignability and subcontracting including the following:
    (a) the grantee or subgrantee is not relieved of any of the duties and responsibilities of the original contract; and
    (b) the subgrantee agrees to abide by the standards contained in this Subchapter, and to provide all information to allow the grantee to comply with these standards.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

09 NCAC 03M .0704 GRANT MONITORING AND EVALUATION

(a) Agencies shall ensure that oversight and monitoring of grantee and subgrantees occurs to prevent the misuse of State funds. Grantees and subgrantees shall manage the day-to-day operations of grant-supported activities. Grantors shall monitor grant-supported activities to assure compliance with applicable compliance requirements and that performance goals are being achieved. Grantee monitoring shall cover each program, function or activity. An evaluation must be performed with a comparison of actual accomplishments to the measurable objectives or outcomes established for the grant.

(b) Agencies shall:

(1) Grant Identification - At the time the grant is made, the agency must provide information to the grantee including the required contract provisions as well as the applicable compliance requirements.

(2) During the grant period, the agency shall monitor the grantee's use of State awards through reporting, site visits, regular contact, or other means to provide assurance that the grantee administers State funds in compliance with laws, rules, and the provisions of grant agreements and that performance goals are achieved.

(3) Ensure that subgrantees expending five hundred thousand dollars ($500,000) or more in State awards during the subgrantee's fiscal year have met the audit requirements of this Subchapter and that the required audits are completed within nine months of the end of the subgrantee's audit period; issue a management decision on audit findings within six months after receipt of the subgrantee's audit report; and ensure that the subgrantee takes timely corrective action on all audit findings.

(4) Take action using sanctions when a subgrantee has demonstrated a continued inability or unwillingness to provide required audits.

(5) Evaluate the impact of subgrantee activities on the agency's ability to comply with applicable State rules.

(6) Evaluate the results and outcomes of the activities and accomplishments of the grantee or subgrantee to determine if results were achieved, the success of the activity, and whether the project activities should continue.

History Note: Authority G.S. 143C-6-22; 143C-23;
Eff. July 1, 2005.

SECTION .0800 - SANCTIONS

09 NCAC 03M .0801 NONCOMPLIANCE WITH RULES

(a) When a non-State entity does not comply with the requirements of this Subchapter, the agency shall take measures to ensure that the requirements are met including:

(1) communicating the requirements to the non-State entity;

(2) requiring a response from the non-State entity upon a determination of noncompliance; and

(3) suspend payments to the non-State entity until the non-State entity is incompliance.

(b) Prior to disbursing any State funds, the grantor agency shall verify that the grantee has complied with the reporting requirements for the most recent applicable reporting period. The agency shall consult with the Office of State Budget and Management during this verification process. A grantor agency shall not

disburse funds to any grantee that has been determined by the grantor agency to be noncompliant with the reporting requirements established by this Subchapter.
(c) If the grantor agency finds that a non-State entity has used State funds for an unauthorized purpose, the grantor agency shall report such findings to the Attorney General, the Office of the State Budget and Management, the Office of the State Auditor, and the Office of the State Controller.
(d) If a grantee has not met the reporting requirements established by this Subchapter and fails to submit revised reports in accordance with a grantor agency determination letter, the grantor agency shall suspend further payments to the grantee and report the grantee to the Office of the State Auditor and the Office of the State Controller.
(e) Each grantor agency shall ensure that grantees and subgrantees have complied with the applicable provisions of this Subchapter.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

09 NCAC 03M .0802 RECOVERY OF STATE FUNDS

(a) The Office of State Budget and Management shall be assisted by the Attorney General in the recovery and return of State funds in the event a grantee or subgrantee:

(1) is unable to fulfill the obligations of the contractual agreement;
(2) is unable to accomplish the purposes of the grant;
(3) is noncompliant with the reporting requirements; or
(4) has inappropriately used the State funds.

(b) Any apparent violations of a criminal law or malfeasance, misfeasance, or nonfeasance in connection with the use of State funds shall be reported by the Office of State Budget and Management to the Attorney General and State Bureau of Investigation.

History Note: Authority G.S. 143C-6-22; 143C-6-23;
Eff. July 1, 2005.

Expenditure Accounts – 536XXX Aid & Public Assistance

Allocations or distributions of funds to direct recipients, providers or other agencies for some designated program, assistance or special project.

5361AA Public Assistance/Entitlement Payments
Expenditures for medical, rehabilitative and maintenance purposes to direct recipients or providers based on legal formula or special determination. (Example are: Medicaid, AFDC and WIC.)

GOVERNMENTAL
5362AA Cost Reimbursements to Governmental Organizations
Grants and payments to governmental entities for costs incurred on behalf of the State for administration of the public assistance programs which includes funding for discretionary grants for new programs which are continued as cost reimbursements.

5363AA Formula Grants to Governmental Organizations
Funds distributed by the State to governmental organizations based upon a specific formula specified in the grant which governs the distribution amount and the performance criteria.

5364AA Discretionary Grants to Governmental Organizations
Funds distributed by the State to governmental entities based upon annual application or reapplication and criteria established by the provider agency or grantor.

5365AA Statutory Distributions to Governmental Organizations
Ongoing allocations of funds as mandated by General Statute. Example: Tax distributions to local governments and aid to local educational agencies.

5366AA Directed Grants to Governmental Organizations
Funds allocated to governmental entities as directed by the State Legislature.

5367AA Loans to Governmental Organizations
Funds provided to governmental organizations with the anticipation of being repaid as part of the loan contract.

536KAA Educational Awards and Scholarships to Governmental Organizations
Payments to governmental organizations for scholarships, grants, grants-in-aid, traineeships and other similar financial awards for students enrolled in formal course work, either for credit or noncredit. It excludes compensation for services rendered and monetary loans.

(**Note – See Accounts 5368XX** for **Educational Awards and Scholarships to Students in the Nongovernmental Organizations (NGO) section**)

5369AA Other Aids and Grants to Governmental Organizations
This classification includes funds not classified in other categories provided to governmental organizations.
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Business-type Activities (proprietary funds) use only the following two 5369 accounts:
536900 Other Aids and Grants to Governmental Organizations
This is classified as an operating expense for proprietary accounting
536999 Other Aids and Grants to Governmental Organizations – Nonoperating

NONGOVERNMENTAL ORGANIZATIONS (NGOs)

536CAA Cost Reimbursements to NGOs
Grants and payments to nongovernmental entities for costs incurred on behalf of the State for administration of the public assistance programs which includes funding for discretionary grants for new programs which are continued as cost reimbursements.

536DAA Formula Grants to NGOs
Funds distributed by the State to nongovernmental organizations or individuals based upon a specific formula specified in the grant which governs the distribution amount and the performance criteria.

536EAA Discretionary Grants to NGOs
Funds distributed by the State to nongovernmental organizations or individuals based upon annual application or reapplication and criteria established by the provider agency or grantor.

536FAA Statutory Distributions to NGOs
Ongoing allocations of funds to nongovernmental organizations as mandated by General Statute.

536GAA Directed Grants to NGOs
Funds allocated to special interest groups and nongovernmental organizations as directed by the State Legislature.

536HAA Loans to NGOs
Funds provided to nongovernmental organizations and individuals with the anticipation of being repaid as part of the loan contract.

5368 - Educational Awards and Scholarships – see detail accounts below
Payments of scholarships, grants, grants-in-aid, traineeships and other similar financial awards to students enrolled in formal course work, either for credit or noncredit. It excludes compensation for services rendered and monetary loans.

536810 Appropriated grants
536820 Minority Presence Grants
536830 Nursing Emergency Financial Aid
536840 Academic Enhancement Scholarship
536850 Teachers Scholarships
536860 Medical and Dental Grants
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536870 Traineeships
536875 Graduate Assistant Tuition Awards
536880 Incentive Scholarships
536881 UNC Campus Scholarships
536890 Other Educational Awards
536898 High School Access Grants

536JAA Other Aids and Grants to NGOs
This classification includes funds not classified in other categories provided to nongovernmental organizations and individuals.

Business-type Activities (proprietary funds) use only the following two 536J accounts:
536J00 Other Aids and Grants to NGOs
This is classified as an operating expense for proprietary accounting

536J99 Other Aids and Grants to NGOs - Nonoperating