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>> The conference has now started. This conference is now being recorded.

>> Monica, please begin.

>> MONICA EVANS: Greetings. Director of grants management. And I just wanted to welcome you to federal report refresher webinar. Our speaker will be Margaret. She is with Econometrica. Margaret?

>> MARGARET MCGILVRAY: Well, thank you Monica. As she mentioned, my name is Margaret McGilvray, and I have been working with EAC on their grants, and today we're going to talk about the federal financial report, what it is, and how you should fill it out. The federal financial report, also known as the FFR or the SF425 is a consolidated federal cash, and federal expenditure report, required of all federal grantees by OMB. It is replacing the federal status report that you submitted to EAC previously, and the federal cash transaction report that you would normally submit to the federal payment management system if you were using that system. Financial reports are a requirement for all EAC grants, as well as all federal grants. And the information submitted on these reports are used to monitor state and grantee financial progress. Reporting requirements, including reporting periods, and frequency of submission are established in the terms and conditions or provisions document that accompanies each of your grant awards. If you have any questions concerning the financial reporting requirements, we do have a chat box established and I will be stopping periodically during the webinar to look for questions in that chat box. As well as we will have an opportunity for you to pose questions in the chat box, and throughout and after the webinar over the phone. And you can also contact us through e-mail and the contacts that we give you at the end. Okay These are some of the questions that we'll take on during this webinar. What is the federal financial report. How and when you will submit the report. What new information will be collected and what has been removed from the FFR. And then we'll dig down into the details of the report and go through it line by line.

So some of this may be familiar for some of you, and for others, this is all new territory. And there are some changes. So do take, keep with us throughout this webinar. For we'll also be providing some samples and actually let me direct you to the documents button at the far right of your screen. There is an annotated SF425 that you can download from there, as well as

from the link in the chat box. And this would probably be advantageous to do so, so you can follow along on the form as we go through it line by line. The federal financial report, or the FFR or SF425 is a standard government-wide form that every grantee is required to submit. It also creates a government-wide standard for reporting periods and due dates. And FFR is a requirement noted in your grant agreement and is being established to replace the financial status report. If submitted annually, but it is a cumulative document. And you use one FFR form for each grant that you're reporting on. So for instance, you use one form for your 101 funds, and another form for your 251 funds. Submission of good, clean FFRs lowers the risk for all grantees, and lowering the risk of any ongoing audits, which opens up all grantee to a higher level of scrutiny. How and when will you submit your FFR? FFRs are due 90 days after the end of the fiscal year, unless otherwise noted in your award document. So for example, if the grant agreement, if the grant agreement begins on November 30th, 2014, the first annual report would be due December 31, 2015. If you need additional time to submit your annual report, you can submit a request to EAC and receive written justification for an extension date. This chart only shows the Title I 101 and the Title II 251 funds, because the 201 grants have been completed, and the Section 251 reports are submitted to HHS, and therefore will not be covered in this webinar. Finally, question three. What new information will be collected? And what has been removed? As I noted, we'll go over all of these lines in detail in the subsequent slides, but this just gives you a quick glance. Line 10 i of the FFR is the recipient share section, and it is used for matching funds, as well as interest earned on any state match, and program income other than interest earned on the federal funds. This is a change and is also not explicitly what is described in the standard form instructions. So this is an important notation to make as to how, what the recipient share section will be capturing in the EAC FFRs. Line 10 (k) The remaining recipient share to be provided is a new line, and it's simply a calculation based on the reduction between the total recipient share reported, which is noted on 10 (i)

And 10 (J). Line 10 (O) is where you will enter what is noted on the federal funds. Now we're using this section to track specifically the interest on the federal share, and no other type of program income should be included in this section. Section 11, which is indirect expenses, is a section that you'll only need to complete if you have an indirect cost rate with EAC. Hopefully you've pulled down a copy of the SF-425 at this point, and you can follow along as we walk through it in the upcoming slides. This is basically an overview of the SF-425 and its primary sections. Now we'll start with the first nine boxes, which is what we essentially call the cover information. This is all pretty straightforward. Box one, the federal agency will obviously be the EAC, and box two contains the box number identified by the EAC to identify your grant. If you have 2008 or 2009 funds, use that number. If not, use your preexisting grant number. Box 3, the recipient organization is you. And is specifically how it is listed on your grant agreement. Sometimes grantees will use an abbreviated name, but for consistency and an ability to track much more easily, please use the exact name used on your grant agreement. The project name will appear as it was entered on your approved applications 424 face sheet for discretionary grants. And states put the state name and the type of funds. In box 4, it's the DUNS and IEN number. -- EIN number. And if you don't know already know these, you can check and see what they are for your grant. Box 5, this is your number to use to track your SF-425s. It is not a requirement of EAC. But it is recommended so that you

have a system of following your various SF-425s. Box 6 is a field that indicates the frequency of FFR submissions. Quarterly, annual, final. Only the last FFR submitted for the grant should be marked as final. And it is important to mark that one final so that it triggers close out. Box 7 is the basis of accounting. And this is the method in which your organization records accounting transactions for grant awards. Most governmental grantees should be accrual accounting. But there can be exceptions and again, your CFO should be able to indicate that. Box 8 is the project and grant period. The from is the date of the beginning of the project period on your grant agreement, and the "to" is the ending date of the project date on the grant agreement. In some cases that may be until dispersed. Box 9 is the reporting period end. And this is the date on which the report is due to EAC. Since it must be submitted on or before the due date to be considered on time, annual EAC reports are generally due on December 31st, and that's generally the date that you would be placing in there. All right. Now we will go onto the form. In the case of EAC, because you draw all of your the funds down at the outset of the grant, the federal cash section and the federal expenditures section will contain the same information. So we'll run through the sections fairly quickly. In section 10, 10 (A), the cash receipt is the federal funds is what is paid and received by yourselves to date as by the end of the end of the reporting period. Generally speaking, in the case of the EAC, this will be the same as line 10 (d), which is your total federal funds authorized. So on the example on the screen, our grantee has drawn down the amount of 150 million. Do not include any interest earned on the funds here going forward. In line 10-B, it's the cash disbursements, and that's the cumulative amount of federal grant funds spent by yourself for services, and funds for your contractors. This will be the same as line E. This again should be only the costs charged to the grant funds or the federal funds, not the match. Sections 10-A through C only refer to the federal portions of the grant. Do not include any expenditure of interests earned on the federal funds. That will go into the income section that we'll cover in a few slides. And C, the cash on hand is a calculation. And it's the cash receipts, which is A, minus B, the cash disbursement.

Onto the federal expenditures section. Line 10d, as we noted before, is the total federal funds authorized, and this is the amount of your federal grant award, and should be that which is listed on your grant agreement. Again, in this example, it's 150 million. Line 10e is the federal share of expenditure. Which again is equal to line 10b, and in our case is \$120 million. The amount that is currently expended to date. Again, do not include amounts of federal dispersed income on this line. The amount that the grant has obligated to a subgrantee or vendor, but has not yet paid. This could be unpaid POs, outstanding contracts with subgrantees that obligate a certain base payment. This includes unobligated, unliquidated obligations for the entire program. And in our sample, it is zero. On your final FFR, this line should definitely be zero unless there are extenuating circumstances for which EAC has made an exception. Note that EAC will use this field to determine if there is a need to request that funds be returned. You should not include any amount in line 10f that has been reported in line 10e. Line 10g is the total federal share. And this is the combination of the federal share of expenditures, and the federal share of unliquidated obligations. So in this case, it's \$120 million, plus zero, because we didn't have any unliquidated obligations, for a total of \$120 million. And in line 10h, which is the unobligated balance of federal funds, it's the total federal funds authorized minus the total federal share. So "D" minus "G." And in this case that's

\$150 million minus \$120 million, for a total of \$30 million. This is the federal grants funds left to be expended in terms of the share of federal funds. Okay. We are getting to the end of section 10, and we are now in the recipient share portion of the form. EAC uses the recipient share portion of the forms to capture matching funds, interest earned on the state match, and net income, other than interests on the federal funds. You should use the remark section of section 12 to delineate what portion of the recipient share or the amount that you are listing online 10i, you should delineate what portion of it is match, what part is interest on match, and what part is program income. The recipient share or the match that is actually the required amount you certified to provide as match. Which is typically 5%. So in this case, we are assuming that match amount is \$7,894,737. This assumes the overall grant budget is \$157,894,737, or 95% of which is the federal award of \$150 million. And 5% of which is the match, or \$7,894,737. The match interest is the amount of money that the state match has earned, if any. And in this case we are assuming \$100,000. And program income is any amount of income earned by the program other than the interest on the state match or the interest on the federal funds. So it could be fees earned by leasing the equipment to jurisdictions or other fees. In our example here, we are assuming that there was no program income. So online 10i, you would enter the total amount of the match and the interest, which is -- giving a total of \$7,994,737. Line 10j is the recipient share of expenditures. And this is the amount of actual cash disbursements or outlays, including payments to subrecipients and contractors paid from the match. This amount should include your share of program income used to finance the non-federal share of the project or income, but not interest earned on the actual HAVA federal funds. This is the total grant expenditures multiplied by the the grantee shares stated in your agreement. So if the grantee has spent \$120 million per line 10b, and 10e, then they should have spent at least 95% of the total recipient share, I'm sorry. Then they should have spent 5% of the total recipient share or 7894737. In line 10k, the remaining recipient share is the total recipient share required, minus the recipient share of expenditures, or line 10i minus 10j. Or in this case \$1,597,947. If this amount is negative, check that you've been accounting expenditures on a cumulative basis, or check your math and make sure that you have not included federal income in your cash. And remember that the recipient share section is about match, and interest on match, and program income. And not about maintenance of effort or MOE. No MOE should be shown on the SF-425. HAVA section 251 grants require states to meet an annual MOE based on state expenditures in the fiscal year prior to November 2000. The purpose of MOE is that states maintain expenditure at this level in addition to using the HAVA funds. But again, MOE is not expressed on the SF-425. So just to recap, where does matching fund interest go? And where does program income go? It goes online 10i on the recipient share of expenditures line and should be broken down, or the explanation for it should be broken down in section 12, delineating what portion of that amount is match, what portion of it is interest on match, and what portion is on program income. At this point, I'll check and see if we have any questions that pertain in the chat box. If they're general questions, I will take them at the end. Any questions? All right. Onto the program income section. It's important to recognize that EAC uses the program income section of this form a little differently than the standard form instructions and then other agencies. Due to the unique way in which EAC grants provide all of the grant upfront and want to carefully track the interest derived from these funds. Although it is labeled program income on the SF-425, this section is used exclusively to track interest earned on federal

funds, and this is the important difference. Line 10L labeled total federal income earned is where you will enter the total amount of interest earned on the total amount of federal funds awarded to you. This information should not be represented in the recipient section that we just reviewed. Line M, as you'll see here is crossed out, because EAC does not use this method of program income calculation, and therefore it's crossed out. Line 10n, labeled program income expended in accordance with the addition alternative is the amount of program income, or in this case the interest earned on the federal funds that you expended on eligible project activities. Line 10-O is the unexpected program income, which is the difference between line 10-L and 10-N. The total federal income interest earned, and the total income interest provided. To recap, where do I record interest on the federal share? On lines 10 L through O. This is for interest earned on the federal share, not for any other form of program income. For interest that is transferred from 102 funds to 251 funds, on the Section 251 FFR, you will record this transfer by adding the funds to line "L" under program income, use the comments box in section 12 to record the amount and date of that transfer, and then on the section 102 FFR show the amount transferred online 10n, which will leave the final FFR for section 102 with a balance of zero online 10-O. Use the comments box on the Section 102 FFR to note the date and amount of the transfer so that these two FFRs correlate and one, and an auditor or whomever could easily see where the money went from one grant to the other. The EAC has authorized some individual states to make this transfer, but we will also issue a general memorandum authorizing this transfer very shortly. Onto section 11, which is the indirect costs. We're getting close to the end of the form instructions, and you have made it through the most challenging part of Section 10. The indirect cost section is where you put the percentage base and rate lines 11, A, B, and C. These lines are taken directly off of your indirect cost direct agreement with your agency, if you are using indirect costs with EAC. If you are not billing any indirect costs, then section 11 will just show a zero. In this case our sample has an indirect cost rate of 12% of the salaries infringed. So you take 12. You find your amount of salaries and wages, which is your base listed in 11d. And you take 12% of that, which is placed into 11e. So if the reports are based around a federal fiscal year, by states often have different fiscal years, and because the indirect cost rates are cumulative, for any grant you may have a minimum of two lines depending upon the timing of your indirect cost rates to your fiscal year. And finally, the final two sections of Section 12 and 13 are the remarks and the certifications section. We mentioned the remarks section previously and this is where you will delineate the breakdown of your match, interest on match, and program income in the recipient share section. It's also if you are transferring funds from 102 to 251. You would also have an indication in the remarks section. You can also use it for any other, any other notations you need to make for EAC. For their review of the form. Section 13 is where you sign and certify that the report is accurate. And this should be signed by someone within the organization that has the authority to certify reports. What kind of documentation should accompany the SF-425? Along with the SF-425, you will need to provide some backup. For HAVA Title I, section 101 and HAVA Title II, Section 2 51, you'll need to include the following. A list of expenditures for each activity. The number and type of articles of voting equipment obtained with the funds. And an analysis and description of the activities funded to meet requirements, and how such activities conform to the submitted state plan. The HAVA Title I, Section 102 grants were also subject to these requirements, but for the most part these grants are complete and in closeout at this point. You should review your

SF-425 before submitting to EAC in a manner that's actually similar to how EAC will review this form. And here are some good sort of a checklist for you to use as you're reviewing the SF-425 before submitted to EAC. Looking through it for report completeness, making sure that there's no missing data. There aren't lines that should be filled out, that aren't. That there aren't obvious math errors. That you remember to sign the report. That if you have the obligation of a state match, that you have indicated such on the form. Also, it's important to make sure although most EAC grants do not have an expiration to them, grant funds do not have an expiration to them, it is important to verify if there is an expiration date, that none of the costs that you are submitting on this form are after that expiration date. Also, if you are charging equipment in this FFR, have you been maintaining the inventory for that equipment and do you have that on record for any monitoring or auditing that might come through? On the circular, it requires the maintenance of property inventory records to include a description of the property, a serial number, or other identification number, the source of property, who holds the title, the acquisition date, and cost of the property, percentage of federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data, including the date of disposal and sale price of the property. And this must be reconciled every two years to control for loss and theft, and maintained properly and maintained in your file records. If you are using indirect costs, making sure that your indirect cost-rate agreement is current and that the rate that is applicable is the rate that you are using on your SF-425. And finally, obviously, report timeliness is very important. And making sure that you have the supporting documentation in your files again for any review. Now we're going to go onto a couple of scenarios. Give you a chance to test what you've learned. In this case, we have an FFR for HAVA Title I, section 251. And it is in fact their final FFR. So take a quick look at it and see if you see anything that might be wrong here. Okay? All right. Let's see if you noted anything. First of all, there was a math error online 10d. It currently shows \$919. Presumably that should be in the thousands. And if all of the funds had been expended, as it appears online 10h, we need to go back and look. Had they marked it final? I actually think I cut it off here. So we can't tell. But it should have definitely been marked final. And they aren't showing any program income. The interest on the federal funds, which is highly likely that there was no interest on the federal funds. So there should be an amount showing in line 10 (audio cut out)

Okay?

Here we have a second scenario. Because it's also important to make sure that when you're submitting an FFR you refer back to last year's FFR to make sure that they -- In this scenario, we're reviewing the 2013 FFR, which is the one that you see before you. But note that the next FFR that would be due is for 2014 and that will be due on -- september 30th. To reference the prior FFR submission to make sure that they are in sync and that they line up. So we'll look at the next slide and look at the 2012 FFR. So take a look at this FFR before we go onto the next slide. We see here that there is 28.5 million remaining to spend. And you have spent \$143 million. You may want to write these numbers down as we go through this scenario. Also, it looks like you have spent more match than was required, and you have earned \$32 million in interest on the federal funds. And you have indicated indirect costs. Okay, now let's look at our 2002. In 2002, it looks like you have \$19.7 million remaining to

spent, and you have spent \$152 million. You have earned \$32 million in interest on the federal funds based online 10-I, and you don't have any indirect costs. Okay. So now let's discuss what we saw here.

In the 2013 report, you indicated \$28.5 remaining to spend, and you had spent \$143 million. But that doesn't actually jive with the 2012 FFR, which said that you had only \$19.7 million remaining to spend, and you had spent \$152 million. So obviously if the previous year report is showing a higher rate of expenditure, something is wrong somewhere between these two reports. It also looks as though you have spent more match than was required. And this is okay. But it's important to make sure that you take a look at that carefully and that is why putting the delineation of that amount on Section 12 is very important so you can see where there might be something missing on either the 12 report or the 13 report. In the program interest section, which is where you record the interest on your federal funds, that did not change from 2012 to 2013. And that seems unlikely given that the interest is accumulative earning, and means that perhaps you are either not recording the interest properly or you do not have the funds in an appropriate interest-bearing account, or there may be a miscalculation there somewhere. In 2013, you are showing indirect costs, but not in 2012. One report or the other must be incorrect unless you obtained an indirect cost rate in the interim, which would need EAC approval to apply to a grant that did not previously budget indirect costs. More than likely, it was an oversight on the 2012 report, and that was incorrect. Unexpended program income, interest on the federal funds, should be \$6 million, not 690643. So there's a math error there. And it's important because these are edible forms, to make sure that the form isn't checking your math for you. All right. I see a whole host of questions, but I think we will go through the knowledge check and then take them on in the question and answer section. So now we'll go forward and give you a little quiz and feel free to use the chat box to answer our quiz a little bit. So the typical federal financial reports, SF-425, submitted to EAC consists of the following. Which one? A, B, or C seems correct? A being cover information, federal cash, federal expenditures, unobligated federal balance, recipient share, and indirect expenses? Or a schedule of findings and question costs? Audited entities? Financial statements? Expenditure of federal funds? Or auditor opinions and reports? Or specific actions planned or taken to implement policies, policies, procedures, and requirements. I'm seeing several answers of A, and that is correct. Number two is the federal financial reports are due annually by section. So for instance, all section 251 awards are submitted in one FFR. Is that true or false?

It actually is true for those of you who are giving out "B's." The federal financial reports are due annually for all section 251 awards in one FFR and all 102 awards in one FFR.

Okay. Question number three.

Before submitting your federal financial report to EAC, what are some key elements to review?

Item A is review the report completeness, status of cost sharing, status of program income, expenditure deadlines, review of direct and indirect costs, and timeliness of the report, or B, advance approval of CAP modifications, specific actions planned or taken to correct efficiency,

dates actions are implemented or completed, policies and procedures or forms or requirements, that must be completed and submitted to EAC, or C, is the project meeting the requirements and objectives of the program meeting its performance measures and meeting its milestones. We've got an overwhelming "A," from the crowd. So -- crowd -- so yes, everybody was correct. A was the correct answer.

Question number 4. What documents should accompany the FFR for HAVA, Title II, Section 251 grants? There could be several that apply here. Backup travel receipts, A. B, a list of expenditures for each grant activity. C, the number and type of voting equipment purchased with grant funds. D, time sheets for all labor charged to the grant. Or E, a copy of the original grant application. I'm seeing, Ah, I'm seeing some B's, and C's there. That is correct. It is a list of each activity, and a number of type equipment.

Question number five. Is it true or false?

And that's great. I'm seeing lots of B's. And that is correct. It is false. Question number 6. You should always compare your FFR to your prior submission, the financial system, and the EAC drawdown system prior to submission to EAC. Is that A, true? Or B, false? And I'm seeing some A's, and that is correct. It is true. And finally, where do you record match and/or interest earned on state matching funds on the FFR? Do you record them on line 10C, federal cash? Lines 10i through k, recipient share. Line 11, indirect costs, or line 10g, total federal share? And you all out there are correct. It is line b. Or answer "B." Lines 10i through 10k recipient share. And here on the next following five slides we've provided the answers so when you receive the slides, when we post the slides at the end of the webinar, you'll have both the questions and the answers. And now we open it up for questions and answers. And the operator will queue up the questions via the phone. And I will go back and, let's go back and look at our chat. Our questions from our chat box first. We had a question if the PowerPoint will be posted. After the webinar. And Monica, it will also be e-mailed?

>> MONICA EVANS: Yes, we can do that, as well.

>> MARGARET MCGILVRAY: Okay. Okay. So we have one question from Carol. If any agency received funds from the sale of property that was purchased with federal funds and surplussed, where should those funds be reported? I, unless Mark can easily answer that, I might have to get back to you on that.

>> SPEAKER: No, that should be recorded as program income. And as you know, you record program income under 10i, total recipient share. So that's where we're capturing program income. And that's where that would go.

>> MARGARET MCGILVRAY: Thank you. And Laurie S. asked: Our auditor is asking for federal award letters for both 101 and 251. Okay. I believe that's an offline question of the EAC.

>> SPEAKER: Yes. Just quickly. You can contact me, Monica Evans. And I believe my contact information will be the last slide we get to, with my phone and e-mail address, and I can get whatever award documentation you need.

>> MARGARET MCGILVRAY: Okay. And likewise, Brian A., I will actually, um, have to full the circular reference for the inventory. Well, oh, um, actually, no I don't. Let me give that to you again. It is OM -- I'm sorry. For the question. Brian's question was please provide the circular reference for the inventory. And that is OMB circular A10241 CFR, 105 to 71.132.

And Veronica asked with no additional federal authorizations of grant funds in the recent years, when a state has no funds left to suspend, does it file a final report? If you have spent all of your federal funds as well as all of your match, your interest, and your program income, then yes. That is when you would file final. And Kevin H. asked if you purchased equipment with federal grant funds and it's located at the county, should the equipment be included on the inventory report? Any equipment that is purchased with the federal funds that has not been officially dispersed, disposed, to the county. So the county hasn't bought it from you, it should be still be on your inventory report with an indication that it is being housed at the county level. And okay. So now I don't believe I'm seeing any additional questions via the chatbox, but according to our operating, if you want to ask a question verbally over the phone, um, just press 7 and the number sign on your phone to queue. And she will I guess bring you over on the phone. (Laughing) I'm not entirely certain how that works. Do we have any phone questions?

>> OPERATOR: Yes, we do. One moment please. Please ask your question. Vinnie?

>> VINNIE CHAN: Hi, I'm in Sacramento. I have a question. Our question is at the agency.

>> MARGARET McGILVRAY: I'm sorry. Could you say that again?

VINNIE: One of our state agency departments is requesting to have Section 101 and 102 reported on a single report audit. But I guess when we tell them that we report 102, they say they don't have a dropbox for Section 102. Are you guys able to provide some guidelines on that or helpful tips for how they can see the report for Section 102?

>> MARGARET McGILVRAY: I'll let Monica take that one.

>> MONICA EVANS: Honestly, I'm not sure that I understood that question about 102.

>> VINNIE: Monica Evans, is that you? Remember I e-mailed you because we had to report our grant to the department of finance. And I'm guessing that from now on we have to submit a report to them. And then they must back that under report, they don't have a Section 102. They have a 101, but they don't have 102. But we told them Section 101 is related to 102. But they can't pinpoint it under the CDFA number.

>> MONICA EVANS: Yes. I can get you the CSDA number for 102.

>> VINNIE: Yeah. They say they cannot find that number in CDFA number.

>> MONICA EVANS: Okay. I can talk to you about that offline. I don't have that information with me as far as the numbers for the different sections, but we'll make sure that the auditors get what they need to audit your funds.

>> VINNIE: Okay, that sounds great. Thank you.

>> MARGARET McGILVRAY: Any other questions?

>> OPERATOR: Yes, we have a question from Brian A. Brian, please ask your question.

>> Brian: Okay, good afternoon everyone. My question is dual in nature. The first part is pertaining to the local grant match calculation. The first document we received from the EAC that told us that the total allocation of the title two funds divided by .509 is how you actually compute your local match. And it wasn't just a straight 5% calculation. Is that correct?

>> SPEAKER: That is correct.

>> Brian: Okay. I forget the second part. I guess I'll move on and listen to the other questions. I had one other question, but it's escaped my memory for a second.

>> SPEAKER: Are there other questions?

>> OPERATOR: No further questions at this time. Again, participants can press 7 # if they would like to ask a question. 7 # on the phone.

>> MARGARET MCGILVRAY: Okay, and I'm looking to see if there's any others in the chat box. I will just move on and you can think for a moment. If you have any other questions. But here is your contact slide. So if you do have any additional questions, please feel free and make note of the contacts here for Monica Evans and DeAnna Smith.

>> MONICA EVANS: And while we're waiting to see if we get any additional questions, just a couple things I would like to note. We have adopted the common rule that has the inventory guidelines in there. So if anyone needs a copy of that, these are documents we have readily available. So if you contact me, I can e-mail you a copy with the appropriate sections for those guidelines. And also, just wanted to thank Margaret and Econometrica for spear heading this event with the FFR webinar, because we have received quite a few errors as the FFRs have been submitted. Some of them have been due to staff turnover, but we have also seen quite a few errors, as Margaret went through many of them in her slides. As far as addition errors, even reporting the incorrect amount of federal funds received. So we just really wanted to provide this refresher so we can get accurate reporting, because then we have to turn around and report this information to congress. So if we can minimize the number of times we have to go back to the state, it's helpful to us, and then we can get our report completed in a timely fashion.

>> MARK ABBOTT: Hi everybody. To give a few stats to that. We've been looking close at the 2013 FFRs. We've got nine states that typed in the wrong amount for the federal funds received. We got 8 states that didn't get their math right. 11 states that have overmatched. Anything that you match becomes auditable. So if you're looking at risk reduction on your audit, then you might want to consider backing some of that off in terms of federal reporting requirements. And then six states managed to report less match this year than last year. Chances are it's an error. We'll be in contact with a number of states to look at that. There's a number of things that are small for the most part.

But it could be flags for larger issues.

And when auditors are looking for people to audit, they like to look for these kinds of errors.

So we want to help you get this squared away as quickly as we can.

>> MONICA EVANS: Absolutely. And if you're correcting what was previously reported in an FFR from a prior year, if you could utilize the remarks section, or provide us with that information so that we know why your match is less this year than it was reported last year, it could be a restatement as Mark indicated. But we don't know that just by looking at the form. So our assumption is that it's an error. But if you provide us with that information, that would cut down on the number of times we have to go back to the grant recipient.

>> MARGARET MCGILVRAY: Well, I think we are --

>> OPERATOR: We have one more question.

>> MARGARET MCGILVRAY: Okay. Sure.

>> OPERATOR: Brian, go ahead and ask.

>> Brian: Are we ready? Can you hear me?

>> OPERATOR: Yes. Yes.

>> Brian: Okay. The quick question I have is if you have been allocated 101 and 251 funds and you completely expended 101 funds, on the FFR, are you producing a final FFR for the 101 funds only, or are you still leaving that open until all funds been expended?

>> MARGARET MCGILVRAY: No. Because you submit an FFR for each section. So you submit one FFR for your 101 and one FFR for your 251, you can final and close out your 101 if you've completely expended that, and are encouraged to do so.

>> Brian: Great. Thank you.

>> OPERATOR: There are no further questions.

>> MARGARET MCGILVRAY: Well given that it's 2 o'clock and we said we would end at 2:00, feel free to submit additional questions to the contacts that you see on this sheet here. And the slides will be coming out to you so you will have those as a later reference point and certainly, hopefully this has provided some background, so it makes it a little bit more understandable. And as Mark commented, if you just, you know, double check your previous FFR and you check your math, you're a long way to fixing a number of the errors that they have been receiving and that have slowed down the process.

And thank you!

I think that ends the webinar.

>> MONICA EVANS: Yes, thank you very much.

>> SPEAKER: Thanks everybody.

>> SPEAKER: Thank you.

>> The recording has now stopped.