

## Admin Work Group Topic Areas

### **Fiscal Issues (focused on ARB and air district program administration)**

#### ARB Process for Evaluating Progress and Awarding Program Funds

##### Application Solicitation

##### District Applications

- Include the deadline for air districts to respond to ARB's annual grant award solicitation package. Indicate which district signatory has the authority to sign the districts application, Grant Award and Authorization Form (DOF Attachment I, Section IV)
- Redundancy of some administrative requirements adds to the implementation burden (i.e.: required submission of policies and procedures manuals/implementation plans) (CAPCOA)
- Tight schedules for obligating projects in order to fully participate in the next funding cycle: Starting with Year 10, before Districts can apply for more than the minimum award of \$200,000 for a future Carl Moyer Program cycle, they have to have 70% of their funding for the previous cycle already obligated. That gives Districts only 10 months to obligate that 70%. If they do not have this quota met, then they can only apply for the minimum authorized award for the upcoming cycle and are not eligible for additional funds. This short window to obligate funds will be difficult for Districts to meet, particularly as future constraints to the Program result in fewer eligible projects. Historically, the District's have had informal requirement from ARB to spend the Moyer monies as quickly as possible, and at least within 2 years of the date issued by ARB. The new obligation requirement needs to be removed or modified to minimize the logistical complexity that it would create. (CAPCOA)

##### ARB Application Review and Approval

##### Final Grant Awards

##### Initial Disbursements (process for evaluating previous years' expenditure)

##### Additional Disbursements (process for evaluating previous years' expenditure)

#### District Reporting Requirements

- The Moyer Program is heavy with reports that must be submitted to ARB annually. The reporting forms are constantly changing and ARB staff frequently change the type and level of data they want reported. (CAPCOA)

##### Status Report

##### Annual Report

##### Final Report

- Establish criteria and guidelines on the method for reporting interest projects in annual and final reports to ARB. (DOF Rec. #5)
- Funds Expended vs. Funds Encumbered: ARB has made the interpretation that Moyer funds must be "expended" within the 2 year time limit rather than "encumbered." This interpretation does not take into account situations when applicants fail to exercise contracts. In such situations, it is difficult to reprogram the funding with the original 2 year window for the grant year from which the funds came. (CAPCOA) *How do we define fund obligation? (ARB staff)*

- Require the district Chief Administrative Officer, Chief Financial Officer, and Chief Carl Moyer Program Grant Administrator certify that project and financial data submitted to program reports and database is complete, accurate, and the district's responsibility. Also require certification that there are no known instances of fraud. (DOF Rec. #7)

#### Policies and Procedures Manual

- Provide more guidance in the policies and procedures manual on the process to evaluate annual reports and actions to take if project is over or under utilized. (ARB audit team)

#### Program Fiscal Guidelines (district fiscal staff encouraged to attend)

- Include general costs and principles, including language to:
  - Provide instructions on how to identify, accumulate, and record staff time charged to outreach or in-kind match.
  - Specify travel costs or per diem rates that can be included in program outreach costs and match contributions.
  - Specify the methodology and documentation required to support the allocation of indirect costs, such as general administrative services, office space, and telephone services.
  - Specify the consequences if districts charge unallowable costs for a project, match funds, or outreach.

(DOF Rec. #3)

- Require that districts:
  - Maintain accounting records that describe project, outreach, matching funds and earned interest in ledgers separate from other funds administered by the district.
  - Reconcile program fund and project data entered in the ARB database to the district's accounting system and records.
  - Record in-kind matching contributions and outreach costs in categories paralleling guideline allowable cost categories (personnel, consulting, travel, etc...)

(DOF Rec. #4)

- Establish criteria and guidelines on:
  - The minimum accounting records districts should maintain to account for earned interest and how it is spent.
  - The applicability of earned interest to satisfy the matching fund contribution.

(DOF Rec. #5)

- Specify that costs incurred by the districts to monitor and verify compliance are allowable. (DOF Attachment I, Section X)
- Specify how and under what circumstances ARB can take funds back from districts (ARB audit team)
- Specify minimum district tracking procedures and timeframes for re-obligating and expending turn-back funds. (ARB audit team)

#### Admin/Outreach Funds

#### Allowable Sources of Match Funds

#### Tracking Match Funds

#### Tracking and Reporting Earned Interest