



**Office of Budget  
and Management**

# **Federal Grant Updates & Financial Reporting: Maximizing Impact with Transparency**

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**American  
Rescue Plan Act  
(ARPA)  
State and Local  
Fiscal Recovery  
Update**



## Obligation Interim Final Rule

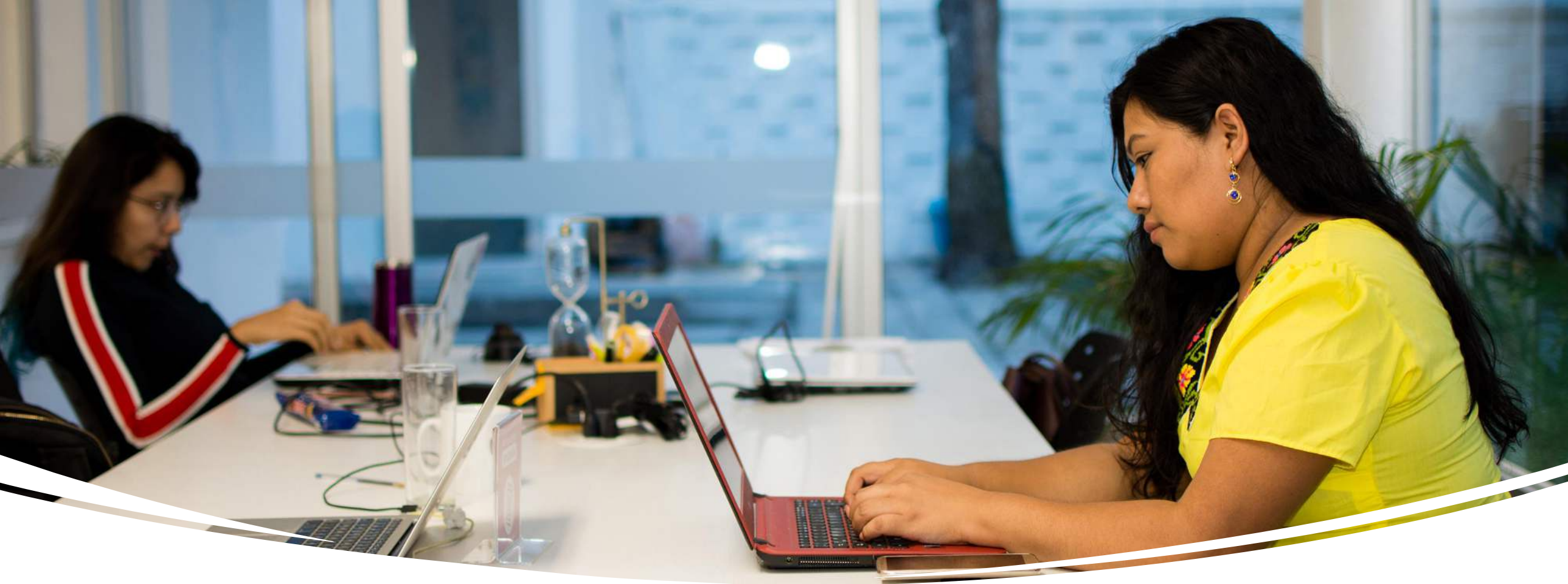
- Added Section 17 of the Frequently Asked Questions
- Not published as final!
- May change?





## **Obligation Clarifications**

- Interagency agreements
- Personnel costs
- Cost increases



## **Personnel Costs**

Obligation incurred for personnel costs to the extent the position was established and filled prior to December 31, 2024



# Cost Increases

- Change orders or contract contingencies not considered new obligations
- Amendments for substantially the same scope and purpose allowable
- Original obligation must have been before December 31, 2024
- Include estimated costs in the final obligation for the project



# Interagency Agreements

Must satisfy one of the following:

- Imposes conditions to carryout a program purpose
- Governs the provision of funds to carryout an eligible use of funds
- Governs the procurement of goods or services







# Interagency Agreements (continued)

Agreement must include:

- Specific requirements, such as a scope of work and project deliverables;
- Signed by the parties to the agreement, or otherwise evidences that each party has assented to the agreement; and
- Does not disclaim any binding effect or state that it does not create rights or obligations





# Obligation Questions Answered

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- Obligation does not apply to subrecipients and contractors
- Applies to the use of funds as revenue loss
- May swap funds on other eligible activity
  - Must meet obligation deadline
- Estimate legal and administrative costs

# Estimate Reporting

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- January 31, 2025 – Quarterly Reporters
- April 30, 2025 – Annual Reporters

If actual is less than estimate, must expend for another eligible purpose or return funds



A young child with dark hair and bangs is focused on playing with colorful wooden blocks on a light-colored table. The child is wearing a white t-shirt with green horizontal stripes. To the left, an adult's hands are visible, holding a black pen and a blue clipboard, suggesting a professional or educational setting. The background is softly blurred, showing a white chair and a bright, indoor environment.

# Program Income

- Does not apply to use of funds as revenue loss
- Must be added back to the program
- Obligation deadline still applies



# Program Income after 2024

Eligible uses covered by local funds for which an obligation was incurred prior to December 31, 2024

Permissible upward cost adjustments in contracts and subawards incurred prior to December 31, 2024

Expenses necessary to meet legal and administrative requirements

Personnel costs considered obligated by December 31, 2024

# Close-Out Considerations



Obligation lapse?



Cost over/under runs?



Funds returned?



Program income?



Projects not  
completed on-time?



Subrecipient  
monitoring issues?



Questioned costs?



Estimate too high?



## **Costs after December 31, 2026?**

Administrative and legal costs for close-out are allowed.  
Don't forget to include in the reported estimate!





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## Develop a Strategy

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- Regularly reconcile and track status
- Identify activities considered eligible
- Revenue loss remaining?
- Track cost over/under run potentials
- Conduct monitoring early and often
- Leverage your estimated costs



**Federal Update**



# Federal Program Inventory

<https://fpi.omb.gov/>



## Federal Program Inventory

Program search

Explore programs by category ▾

About the FPI ▾

The U.S. Government administers more than 2,300 Federal financial assistance programs.

[Explore programs by category](#)

### Search programs

This website allows visitors to explore Federal financial assistance programs across categories, agencies, eligible applicants, and more.

[Explore programs using search](#)

### About the FPI

The Federal Program Inventory aggregates important information about the programs of the U.S. Government. This website builds on lessons learned during the FPI Exploratory Pilot, launched in 2020, by significantly increasing the number of programs, amount of spending, and information included.

[Learn more about the FPI](#)

### Learn about the data

This website uses public data from [SAM.gov](#) and [USASpending.gov](#) to provide the data. This data is available to the public. This website is available to the public.

[Learn more about the data](#)



fpi.omb.gov

An official website of the Executive Office of the President, Office of Management and Budget

Looking for U.S. government information and services? [Visit USA.gov](#)





# Uniform Guidance

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- [CFO.gov | Federal Financial Assistance](#)
- Office of Management and Budget (OMB) Implementation Memo
  - [M-24-11-Revisions-to-2-CFR.pdf \(whitehouse.gov\)](#)
- OMB Reference Guide
  - [Uniform Guidance Reference Guides FINAL 4-2024.pdf \(cfo.gov\)](#)

# 2024 Revisions to the OMB Uniform Guidance



Effective for awards made after Oct. 1, 2024



Federal agencies must develop implementation plans



Highlights the importance of evaluation and data-driven decision making



More inclusive grant-making including the use of plain language in Notice of Funding Opportunities and other guidance documents

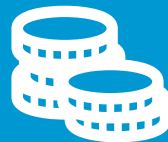
# Community Engagement and Public Participation



Allowable use of funds for community engagement activities



Targets advancing equity and support for underserved communities and improving customer experience



Access to Notice of Funding Opportunities



# Overall Changes to the Uniform Guidance



Removed use of non-federal entity, references recipient and subrecipient



Cleaned up language



Adopted plain language standards

# Procurement Standards

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## Section 200.318 (h) *Responsible Contractors*

- Added must consider ***proper classification of employees (see the Fair Labor Standards Act, 29 U.S.C. 201, chapter 8)***

Removed geographic preference from Section 200.319

Added the Buy America preferences set forth in 2 CFR 200 part 184 apply to infrastructure projects

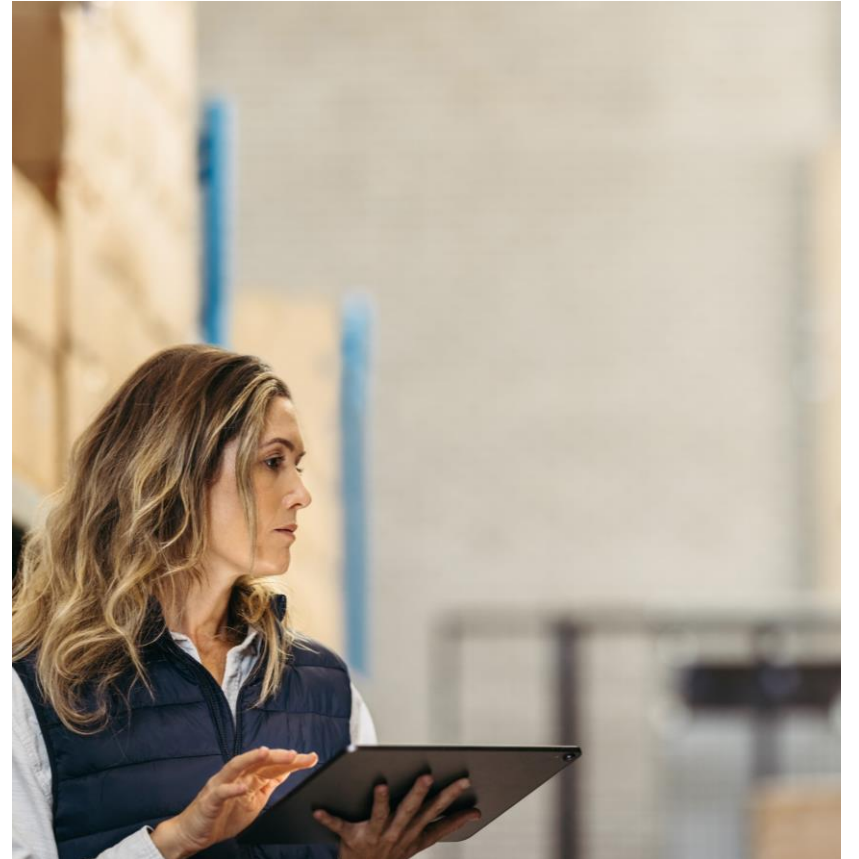


# Equipment

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## *Section 200.1 and 200.313*

- ***Increases the value of equipment from \$5,000 to \$10,000*** that may be retained, sold, or otherwise disposed of with no further responsibility to the Federal agency
- Added language on responsibility to update property records when there is a change in status





# Supplies versus Supply

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## ***Section 200.1***

- Changes term to Supply versus Supplies
- Updated to new threshold

## ***Section 200.314***

- ***Increases the value of unused supplies from \$5,000 to \$10,000*** required to sell at the end of the grant period
- Clarified amount is the total amount of remaining unused supplies



# Subrecipient and Contractor Determinations

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## Section 200.331

Added “the substance of the relationship is more important than the form of the agreement”



# Fixed Amount Subawards

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*Section 200.333*

Changed the limit *from the Simplified Acquisition Threshold to \$500,000*





# Indirect Costs

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## Section 200.1

- Modified Total Direct Cost definition increases subawards included ***from \$25,000 to \$50,000***

## Section 200.414(f)

De Minimis Indirect Cost rate was ***increased from 10% to 15%***



# Single Audit

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*Section 200.501*

Increases the threshold *from*  
*\$750,000 to \$1,000,000*





# UEI and SAM.gov

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Second-tier subrecipients or contractors do not need to obtain a Unique Entity Identifier (UEI) and register in SAM.gov







# Hidden Changes

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- Section 200.113 Mandatory Disclosures
- Section 200.303 Internal Controls
  - Cybersecurity mentioned
- Section 200.318 (c) Conflicts of Interest
  - Board member added
- Section 200.344 Closeout
  - Added revised final financial report for final indirect rate

# Additional Mentions

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- **Section 200.306(a) Cost Sharing**
- **Section 200.307 Program Income**
  - No obligation after period of performance
- **Section 200.318 Strategic sourcing**
  - Satisfies procurement requirements
- **Section 200.414**
  - Indirect rate publishing removed





# Organization Costs

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## Section 200.455

Costs associated with data and evaluation are allowable







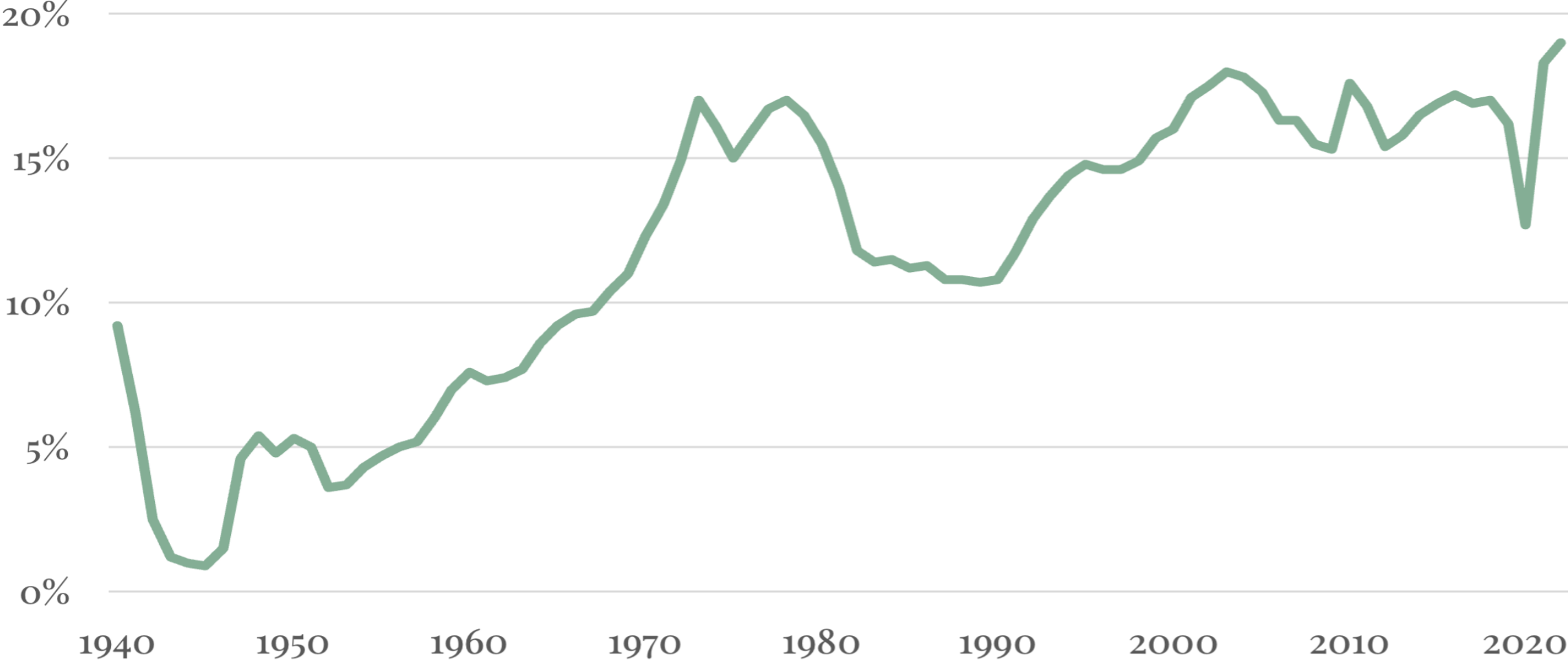
TRANSPARENCY

COMMUNITY F

ST

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# Outlays to State and Local Governments as a Share of Total Federal Outlays



Source: [Staff Working Paper Series: State and Local Government Grants in the Federal Budget | The U.S. House Committee on the Budget - House Budget Committee](#)

# Why it matters?

The screenshot shows the top navigation bar of the United States Attorney's Office Northern District of Ohio website. It includes the department's logo, the text "United States Attorney's Office Northern District of Ohio", and links for "About NDOH", "Find Help", and "Contact Us". A search bar is also present. Below the navigation bar is a dark menu with links for "About", "News", "U.S. Attorney", "Divisions", "Programs", and "Contact Us". A breadcrumb trail below the menu reads: "Justice.gov > U.S. Attorneys > Northern District of Ohio > Press Releases > Cleveland Clinic to Pay Over \$7 Million to Settle Allegations of Undisclosed Foreign Sources of Funding on NIH Grant Applications and Reports".

## PRESS RELEASE

# Cleveland Clinic to Pay Over \$7 Million to Settle Allegations of Undisclosed Foreign Sources of Funding on NIH Grant Applications and Reports

Friday, May 17, 2024

Share >

**For Immediate Release**

U.S. Attorney's Office, Northern District of Ohio

The Cleveland Clinic Foundation (CCF) has agreed to pay \$7,600,000 to resolve allegations that it violated the False Claims Act (FCA) by submitting to the National Institutes of Health (NIH) federal grant applications and progress reports in which CCF failed to disclose that a key employee involved in administering the grants had pending and/or active financial research support from other sources.

# Transparency Journey

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Federal Funding Accountability and Transparency Act (FFATA) –  
September 26, 2006



Digital Accountability and Transparency Act (DATA Act) of 2014



Grant Reporting Efficiency & Agreements Transparency Act (GREAT  
Act) of 2019



# Beyond the Financial Statements

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**Where is the money going?**



# Citizen-Centric Reporting



Mission, vision and goals, plus community demographics



Performance information for key service areas and comparing over the prior year's efforts



Detailed revenue and expense information highlighting changes from prior year(s)



A look to the future and “what’s next” in the year ahead



# Citizen-Centric Reporting (CCR)

- Governed by the AGA
- Certificate of Excellence program
- [AGA - Citizen-Centric Reporting \(agacgfm.org\)](http://agacgfm.org)





# 2020 Citizen Centric Report

## OHIO HUDSON

**Mission:** To serve, promote and support, in a fiscally responsible manner, an outstanding community that values quality of life, a well-balanced tax base, historic preservation with a vision to the future, and professionalism in volunteer and public service.

What's Inside? Our Community 1 Perseverance 2 Financial Strength 3 Our Future 4

Prepared by: Hudson Data Team | Primary Creator: Emily Fernandez | Graphic Design: Emily Fernandez and Emily Adams

### Community Highlights

Click an image to be directed to its data source.



**Top 1%**  
of best school districts in the U.S.

**Top 7**  
of intelligent communities in the world



**#1**  
best place to live in Summit County

**Top 10%**  
of safest cities in the U.S.

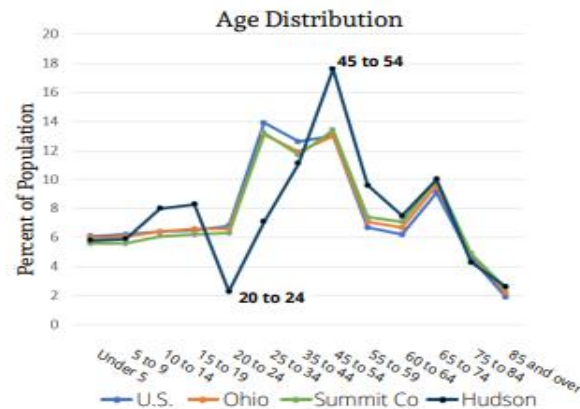


**Top 10**  
highest median household incomes in Ohio

### Community in Data

Source: U.S. Census Bureau: 2019 ACS 5-Year Estimates

	Hudson	Summit County	Ohio
Median Age	46.1	41	39.4
Median Household Income	129k	59k	59k
Median Property Value	346k	147k	146k
Poverty Rate	2%	14%	13%
Bachelors or Higher	72%	33%	28%



Compared to other geographies, Hudson's population has a large percentage of middle-aged residents (45-54) and a low percentage of college-aged residents (20-24). Nearly 18% of Hudson's population is between the ages of 45-54.

### Perseverance in 2020

Great Results!



Percent change for the indicators above is measured against a 3-year average unless otherwise noted.

### Community Coming Together

Hudson organizations hosted several drive-thru events to safely engage the community. Examples are donuts for seniors, food drives for families, and a [Halloween-time toy collection](#) that benefited Akron Children's Hospital.



The City supported businesses by adding outdoor tables, allowing increased outdoor dining, implementing a [Designated Outdoor Refreshment Area](#) downtown, relaxing sign restrictions, and offering a Small Business Utility Relief Program.

Our wonderful residents came together to support our small businesses by ordering take out from local restaurants, participating in distanced events like a snowmen contest and the [Hudson Fairy Doors](#), and visiting other merchants.



The City installed flashing beacons at the crosswalks on College St. & Hudson St. to provide safer pedestrian crossings. The existing traffic signal at Hudson Dr. & Terex Rd. was also upgraded to include a right-turn signal.



Hudson Fire Department received a \$46,342 FEMA grant for the [Fire Safe Seniors program](#) to provide free Knox boxes (holds house key for fast emergency access) and carbon monoxide detectors for seniors 65 and older.





# Hudson is Financially Strong

## The General Fund

Despite the challenges we faced in 2020, the City of Hudson ended the year financially strong. **Income tax revenue was 9% higher than in the previous year** thanks to strong business attraction & retention efforts, as well as the resiliency of our Hudson business community. The City was able to spend less money than expected because we successfully applied for federal grant money related to COVID-19. The improved financial position allows us to move forward with major improvements (ex. sidewalks) while still maintaining our targeted 40% fund balance to cover unexpected expenses if needed.

**Revenues: \$28,314,343**

Other Taxes, Interest & Fees

73%

11%

16%

Income Tax

Property Tax

The largest contribution to City operations is Hudson's 2% income tax.

Only those who both live & work here pay the full 2% to Hudson.

If you work in a city where the tax is lower than 2%...



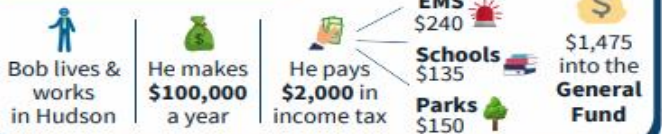
you pay the difference to Hudson

If you work in a city where the tax is equal to or higher than 2%...



you pay nothing to Hudson

### Income Tax Example



**Did You Know?** 55% of residents pay no income tax to Hudson. City services are largely funded by non-residents.

**Did You Know?** The City of Hudson only receives 5% of your property taxes.

This money is primarily applied toward 1) public safety and 2) cemetery maintenance.

### Property Tax Example

Sue pays \$6,000 in property taxes



**Great News!** The City received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding from the federal government in 2020, which was used to help cover personnel costs. The money saved will be put toward road repairs and sidewalks/trails.

**Expenditures: \$22,487,437**

Streets & Sidewalks

Debt Service

40%

29%

12%

11%

8%

All Non-Emergency Support Services

Police

Storm Water

### Accountability

AAA bond rating & clean audits. View our full [5-Year Financial Plan](#) for more details.

# Good Things to Come in 2021

## Solving the Connectivity Challenge

### Trails & Sidewalks

City staff, City Council, and residents worked together to complete the **Sidewalks and Trails Master Plan** to increase **safe, non-vehicular connectivity** across Hudson over the next 5 years.



Click image to learn more.

### Road & Sidewalk Improvements

The SR 91 N. Turn Lane Project includes: **adding left-turn lanes** at Valley View Rd., Herrick Park Dr., & Hines Hill Rd.; **resurfacing SR 91** from Brandywine Dr. to Middleton Rd.; and **installing an 8' sidewalk** on the east side of SR 91 along with **bike lanes** on both sides of the street.



Click image to learn more.

## Connect with your local government!

We want to hear your questions and comments.

### EMAIL THE CREATORS OF THIS DOCUMENT

[DataTeam@hudson.oh.us](mailto:DataTeam@hudson.oh.us)

### CONNECT ON SOCIAL

Click the icons below to be taken to our media pages.



### FIND MORE DATA

[hudson.oh.us/DataHub](http://hudson.oh.us/DataHub)

### MAKE A SERVICE REQUEST

Click the **clock tower** to find info for downloading our **Engage Hudson** app to submit service requests from your Apple or Android phone.



### EXPLORE THE AGA

This report is created in accordance with standards set by the **Association of Government Accountants**.

Click logo to learn more:



## Identifying Opportunities

With the brine well completed, operations began that allow the City to avoid costs for purchasing nearly 700 tons of salt for an estimated **savings of \$125,000**. The salt brine is used to **soften drinking water** and will also be used to supplement the City's salt needs for **snow and ice control**.



The City secured **6 new companies** that have promised to bring more than **800 jobs** to Hudson in 2021.



Velocity Broadband continues to expand its business customer base. **Of the top 50 business income taxpayers, 24 businesses rely on Velocity Broadband Fiber** to power their businesses.



...and many more!

The City created a new resource called the **Hudson Data Hub** where residents can view data about City operations in **interactive, visual formats** such as **dashboards**. Data is helping us make better informed, evidence-based decisions that will best prepare us for the future.

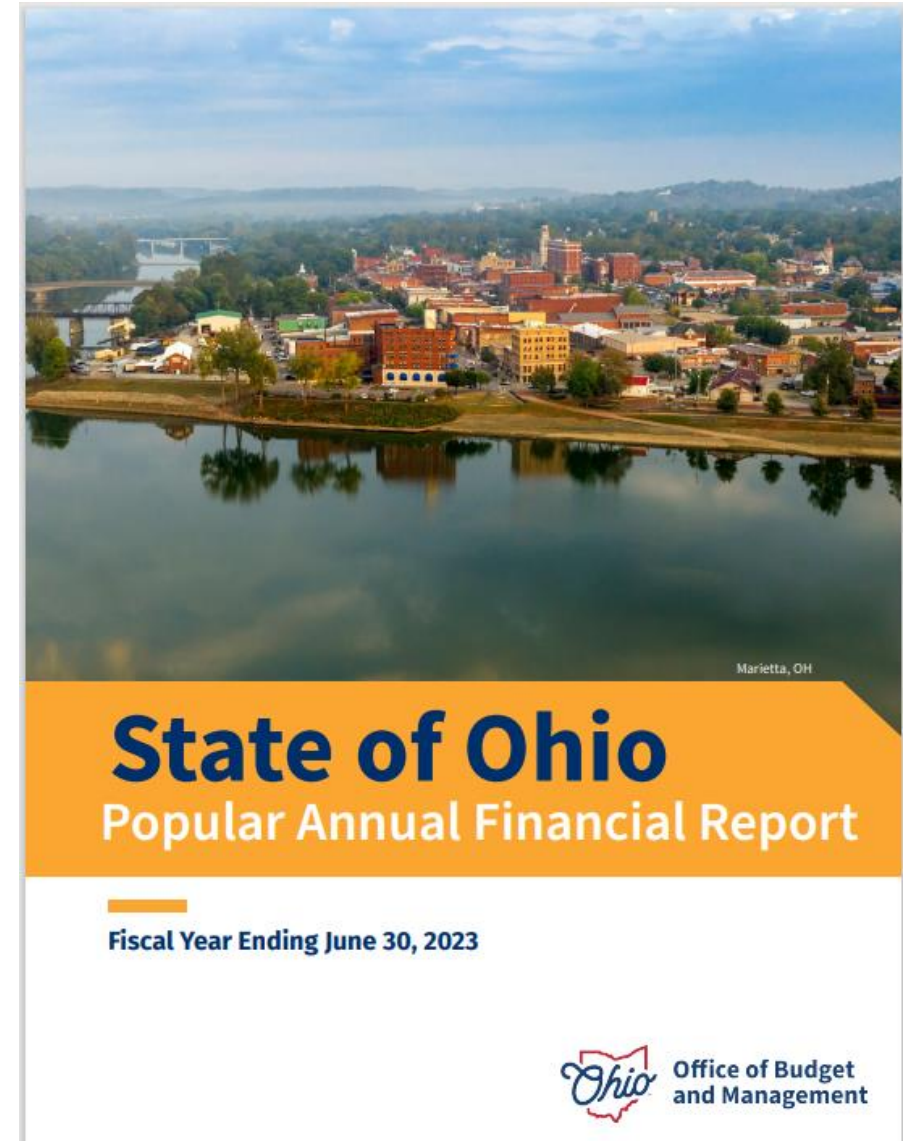


Visit [hudson.oh.us/DataHub](http://hudson.oh.us/DataHub)



# Popular Annual Financial Report (PAFR)

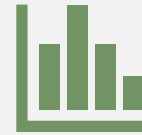
- Informs citizens about the financial condition of the government in a convenient and friendly manner
- Based on the Annual Comprehensive Financial Report



# Popular Annual Financial Report



Governed by the Government  
Finance Officers Association  
(GFOA)



Popular Annual Financial  
Report Award Program



52 Ohio award winners  
in **FY 2022**

# Popular Report Tips

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- Use a theme
- Message from chief executive
- Use plain language
- Consider layout
- Tell the story graphically

Source: "Creating an Excellent Popular Financial Report," by Keith Herrmann  
Government Finance Review, October 2011







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# Popular Report Tips

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- Use photos
- Why does it matter?
- Educational and informative
- Do not “sugar-coat” issues
- Understand the value of the report

Source: “Creating an Excellent Popular Financial Report,” by Keith Herrmann  
Government Finance Review, October 2011

# An Effective Popular Report is:



Honest



Attractive



Informative



Focused

Home icon | Search icon

STATE OF OHIO | LOCAL GOV & SCHOOLS

ALL SALARIES | PENSION FUNDS

Local government information featured on the Ohio Checkbook is provided on a voluntarily basis by counties, cities, villages, townships, school districts, libraries and other districts funded by public tax dollars. Filters allow users to view financial data by fund, department, object and/or payee. Data may be filtered and displayed in detail down to the single transaction level.

## Putting government **transparency** at your fingertips.

<p>Cities &amp; Villages</p> 	<p>Townships</p> 	<p>Counties</p> 	<p>School Districts</p> 	<p>Special Districts</p> 
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**Ohio Office of Budget and Management**  
 30 E. Broad Street, 34th Floor  
 Columbus, OH 43215

For questions or comments regarding the expenditure database or its usefulness ([ORC 113.74](http://ORC 113.74)):

[✉ Questions@OhioCheckbook.gov](mailto:Questions@OhioCheckbook.gov)

**Ohio Treasurer**  
 30 E. Broad Street, 9th Floor  
 Columbus, OH 43215



# How does transparency relate to grants?

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**Makes you a low-risk recipient!**

- Shows fiscal accountability
- Builds trust
- Demonstrates capacity
- Ability to monitor easily



# The Ohio Grants Partnership

Our mission is to maximize the value of grant funding by strengthening accountability, transparency, collaboration, fiscal integrity, and utilize innovation to maximize efficiencies.

[Learn More](#)



## Featured Content



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Mike DeWine, Governor  
Jon Husted, Lt. Governor

Kimberly Murnieks, Director

# Grants.ohio.gov



### Office of Budget & Management

Visit the OBM website to find monthly financial reports, budget information, and more.

### Helpful Tips for Applying

Review these helpful tips to ensure your grant application is completed properly.

### Find Current Opportunities

View State of Ohio Funding Opportunities available to potential grant recipients.



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and Management**

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