

Planning and Financial

Grant Payments

Presented to: 2018 Southwest Region
Airport Conference

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ASW-610

Date: January 30, 2018



Federal Aviation
Administration



Federal Aviation
Administration

Topics

- **AIP Handbook Requirements**
- **SAM System for Award Management**
- **Grant Payment Policy**
- **Delphi**
- **2 CFR 200 Update**
- **Audits / Reviews**



AIP Handbook Requirements

- **Chapter 5. Section 6. Grant Payments**
 - Sponsor must follow current FAA Financial Payment Policy.
 - Sponsor must base payment on costs incurred.
 - Must submit payment requests as required by the ADO.
 - Sponsor must maintain supporting documentation for the payment.
 - Sponsor must not request a payment that is improper.





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About

What is SAM?

Overview

What is SAM?

News

Contact Us

The System for Award Management (SAM) is an official website of the U.S. government. There is no cost to use SAM. You can use this site for FREE to:

- Register to do business with the U.S. government
- Update or renew your entity registration
- Check status of an entity registration
- Search for entity registration and exclusion records
- And much more

Getting Started

You must have an active registration in SAM to do business with the Federal Government. To register in SAM, at a minimum, you will need the following information:

U.S. Registrants:

1. Your DUNS Number, Legal Business Name, and Physical Address from your Dun & Bradstreet (D&B) record.
 - If you don't already have one, you can [request a DUNS Number for FREE](#) from D&B.
2. Your Taxpayer Identification Number (TIN) and Taxpayer Name associated with your TIN. Review your tax documents from the IRS (such as a 1099 or W-2 form) to find your Taxpayer Name.
3. Your bank's routing number, your bank account number, and your bank account type, i.e. checking or savings, to set up Electronic Funds Transfer (EFT).



Federal Aviation Administration

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Help	User Guides Quick User Guides
FAQs	Helpful Hints for Entity Registrations
User Guides	Description: Guidance for registrants on understanding your entity's registration status. VIEW Understanding Your Entity's Registration Status
Quick User Guides	Description: Using SAM with the help of a Screen Reader. DOWNLOAD PDF Best practice tips for using Screen Readers to navigate the SAM website
Full User Guides	Quick Start Guide for Service Contract Reporting (SCR)
Helpful Hints	Description: A short reference guide to help you report on your Service Contracts for the previous Government fiscal year. DOWNLOAD PDF
International Registrants	Quick Start Guides for Updating/Renewing Registrations
Demonstration Videos	Description: A short reference guide to help you renew or update your registration that was previously in CCR (and in some cases ORCA) and is now in SAM. DOWNLOAD PDF
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External Resources	



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🗨️ What you think matters!

HELP CENTER

New to Beta.SAM.gov

What Can I do?

SAM is the official U.S. government website for people who make, receive, and manage federal awards. It's the central hub for the entire federal awards community. You can do different things in SAM depending on your role in the awards process.

Use the interactive table below to learn more about what you can do in SAM.

	Federal Assistance	Federal Procurement
People who MAKE AWARDS	I make grants or other assistance awards +	I make contract awards +
People who RECEIVE AWARDS	I want to receive grants or other assistance awards +	I want to receive contract awards +



Grant Payment Policy

- Current version dated December 31, 2015, and was updated January 12, 2016
- Available at the FAA website:
www.FAA.gov/Airports/AIP/Grant_Payments
 - AIP Grant Payment and Sponsor Financial Reporting Policy (December 31, 2015) (PDF) (updated 1/12/2016)



Grant Payment Policy

- **Section 3: Payment Request Frequency**
 - Sponsors must initiate a payment request for project accomplishments in accordance with project progress and receipt of contractor invoices.
 - This will typically be monthly, but may vary depending on the type of project.
 - It should be noted that continued grant payment inactivity, defined as no drawdowns over a 12 month period, can be cause for termination of a grant agreement.



Grant Payment Policy

- **Section 4: Authorized Payment Requesters**
 - Only those users that have successfully completed the eAuthentication process and have been granted access to Delphi may submit payment requests.
 - Sponsors are not limited in the number of users they designate as authorized to request payments. Recommend having more than one person.
 - To add or delete Delphi users, submit Name, Email, and Phone # to program manager for submission. Email must be unique for each person. Emails cannot be recycled/repeated for new users.



Grant Payment Policy

- **Section 5: Payment Request Supporting Documentation Requirements**
 - All sponsors are required to provide supporting documentation for all payment requests. Supporting documentation must be uploaded electronically as attachments to the payment request in Delphi.
 - The sponsor's grant payment risk level will be used to determine the supporting documentation required to accompany their payment requests.



Grant Payment Policy

- **Section 5.1: Grant Payment Risk Level**
 - A sponsor's grant payment risk level pertains solely to their risk associated with submitting grant payments and may differ from the risk level assigned to the sponsor for other grant administration defined in the Revised Guidance to FAA's Risk Based Approach to Grant Oversight of the AIP.
 - Risk levels are: Nominal, Moderate, & Elevated.
 - All sponsors are considered Nominal until a specific issue warrants an increase or decrease in their risk level.



Grant Payment Policy

Grant Payment Risk-Level	Risk Level Factors
Nominal Risk Sponsor	Pose minimal risk of improper use of grant funds.
Moderate Risk Sponsor ¹	<p>Has a documented record of deviation from appropriate grant payment processes and documentation; such as, finding of lack of supporting documentation during payment requests; repeated grant draw down irregularities; or Single Audit findings requiring payments to the Federal Government in excess of \$100,000.</p>
Elevated Risk Sponsor	<p>Has a blatant or reckless violation of a grant agreement; Finding of waste, fraud, or abuse; or a repeat of any of the moderate risk factors.</p>



Grant Payment Policy

- **Section 5.2: Supporting Documentation**
 - Supporting documentation **MUST** be uploaded electronically to **ALL** payment requests in Delphi.
 - The assigned grant payment risk level for each sponsor will determine the supporting documentation that sponsors **MUST** provide with each payment request.



Grant Payment Policy

Section 5.2: Supporting Documentation for a payment request is based on Risk Level Assignment: nominal, moderate, elevated.

- **Nominal** – Invoice Summary: contractor name, date of invoice, invoice number, billed amount, breakout of AIP and non-AIP costs, invoice payment due date, worksite name, summary of services/material billed.
- **Moderate** – Invoice Summary as described above and Contractor(s) Payment Request with Line Item Summary.
- **Elevated** - Invoice Summary, Contractor Payment Request, a letter from the Airport Director/Grant Signer that certifies the billed services meet contract pricing and bill quantity requirements as well as all documentation of support billing, such as, line item details accompanying each pay request, supplier invoices, inspector/ observation reports, sponsor/engineer analysis, and labor summary.



Grant Payment Policy

- **Section 5.2: Supporting Documentation**
 - Invoice Summary: A summary spreadsheet that includes: contractor name, date of invoice, invoice number, billed amount, breakout of AIP eligible and ineligible costs, worksite name, summary of items billed.
 - Use the Statement & Distribution of AIP Project Costs as long as identify each draw by invoice date, invoice #, AIP eligible amount, and current invoice amount.
 - Do not need the SF-271 with the Invoice Summary.



Distribution and Statement of AIP Project Costs and Cost Credit

Airport Name (LOCID):		Invoice #:		Signature of Approving Official: _____	Date: _____
AIP Project Number:		Invoice Date:		Grant Description:	Title: _____

PAYMENTS TO DATE							PAYMENT TOTAL	COSTS INCURRED/EXPENSES TO DATE													
OUTLAY REPORT AND REQUEST FOR REIMBURSEMENT FOR CONSTRUCTION PROGRAMS CLASSIFICATION																					
(1)	(2)	(3)	(4)	(5)	(6)	(7)		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
Invoice RFR #	Payee	Description of Costs	Date of Payment	Check No.	Voucher No.	Debit/Credit Card Transaction No.	Administrative Expense	Preliminary Expense	Land, Structures Right-of-Way	Engineering Basic Fees	Engineering Other Fees	Project Inspection Fees	Land Development	Relocation Expense	Relocation Payments to Individuals and Businesses	Demolition and Removal	Construction and Project Improvement Cost	Equipment	Miscellaneous Cost		
							\$ -														
							\$ -														
							\$ -														
							\$ -														
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							\$ -														
TO DATE TOTAL CUMMULATIVE PROJECT AMOUNT							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Less AIP-Exclusions/Deductions (Insurance)							\$														
To-Date AIP-Eligible Net Cumulative Project Amount							\$														
To-Date AIP-Eligible Federal Share (90% of net)							\$	Truncate Cents													
Total Previous Draws							\$														
Amount This Draw							\$														
GRANT APPLICATION TOTAL PROJECT AMOUNT																					
Less AIP-Exclusions/Deductions (Insurance)																					
Grant Application AIP-Eligible Net Project Amount																					
Grant Application Federal Share (90% of net)								Truncate Cents													
REMAINING GRANT BALANCE:								(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
(Overruns and/or underuns in any given line item may occur)							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



INVOICE SUMMARY

GRANT RECIPIENT INFORMATION

Name: _____
 Airport: _____
 Address: _____
 City/State: _____

PROJECT INFORMATION

AIP Grant Number: X-XX-XXXX-XX _____
 Description: _____
 Reimbursement No. _____ Federal Share %: _____

(1) Vendor/Class/Description	(2) Invoice Number	(3) Invoice Date	(4) Due Date	(5) Invoice Amount	(6) AIP Eligible Costs	(7) Non-Participating Costs	(8) AIP Share
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
AMOUNT OF THIS REIMBURSEMENT							\$ -
PREVIOUS REIMBURSEMENTS							\$ -
TOTAL REIMBURSEMENTS							\$ -

I certify that to the best of my knowledge and belief the billed costs or disbursements are in accordance with the terms of the project and that the reimbursement represents the Federal share due, which has not been previously requested and that all work is in accordance with the terms of the award.

 Signature

 Date



Grant Payment Policy

- **Section 7: Improper Payments**
 - If a sponsor submits an improper payment in Delphi, the must notify the ADO/RO as soon as possible.
 - Any improper payments that have been received by the sponsor require a credit memo or a refund to the federal government for re-payment.
 - Credit memo is required when funds are still available on the grant and a draw exceeding the improper payment by at least \$1 can me made.
 - If not, then refund improper amount to FAA Accounts Receivable in Oklahoma City.



Grant Payment Policy

- **Section 9: Financial Reporting**
 - In accordance with 2 CFR 200.327 sponsors are required to submit certain financial reports to summarize grant expenditures and the status of project funds.
 - These reports are submitted outside of Delphi since it is limited to grant payments.
 - SF-425 Federal Financial Report submitted annually
 - SF-271 Outlay Report & Request for Reimbursement for Construction Projects submitted annually & closeout
 - SF-270 Request for Advance or Reimbursement Non-Construction Projects submitted annually & closeout



DELPHI

delphihome.esc.gov/HomePage/



Delphi Home

Normal Business Hours are Mon-Sat 5am to 8pm CT

Notification of Change

- Delphi
- Delphi Document Imaging
- Delphi Help
- Availability Calendar
- Delphi Project Documentation
- Delphi Security
- Delphi Performance Statistics
- ESC PRISM
- ESC Reporting



Date	Description of Change
2017-11-29	ESC Performance Statistics The ESC Performance Statistics have been updated to provide statistical information on customers requests, web reports access, payment statistics, and system availability. Click here for the Performance Statistics page.



www.FAA.gov/Airports/AIP/Grant_Payments

Delphi eInvoicing System Training & Help Desk

The DOT has developed a variety of training resources to help grant sponsors and FAA personnel learn to use the new Delphi eInvoicing System. These resources include web-based training videos, desktop user manuals, and quick reference guides. Please visit the DOT Delphi eInvoicing Training web site link below to access these materials.

- [DOT Delphi eInvoicing Training Materials](#)
- Office of Airports Grant Payment Policy Training Presentation for Sponsors and Consultants: [MS PowerPoint](#) (23.6 MB), [PDF](#) (467 KB) (updated 10/3/2012)

Delphi eInvoicing Help Desk

For all questions about the Delphi eInvoicing System, please contact the Customer Service Center Help Desk. The Help Desk is available from 6:00am ET through 9:00pm ET, Monday - Friday, including holidays.

- 1-405-954-3000, Option 4, Option 3
- Toll Free: 1-866-641-3500, Option 4, Option 3



[Home](#) > [Policy Initiatives](#)

Delphi eInvoicing System Training Materials

Overview

Many resources are available to assist grant recipients and grant reviewers/approvers with learning how to use the new eInvoicing system.

GRANT RECIPIENT USERS		
Training Resource	Use	Download and Access
Web-Based Training	One-hour, online training course that includes simulations, knowledge checks, and practice exercises	Grant Recipient Web-Based Training
Desktop User Manual	Detailed, printable user manual used to complement the Grant Recipient Web-Based Training	Grant Recipient Desktop User Manual
Quick Reference Guides (QRG)	High-level, printable, one-page documents outlining common tasks that grant recipients will perform	QRG: Creating a Standard Invoice QRG: Creating a Credit Memo

Contact the Help Desk

For all questions regarding the Delphi eInvoicing System, please contact the Customer Service Center Help Desk:

- 1-405-954-3000, Option 4, Option 3
- Toll Free: 1-866-641-3500, Option 4, Option 3

The Help Desk is available from 6:00am ET through 9:00pm ET
Monday – Friday, including holidays.

Contact Us

Delphi eInvoicing Program

Assistant Secretary for Budget and Programs
United States
DOTeInvoicing@dot.gov

Business Hours:
9:00am-5:00pm ET, M-F

Share



Delphi – Issues

- Truncate – The system allows you to include cents, however, FAA needs your reimbursement requests in whole dollars.
- Backups – FAA highly recommends that sponsors have at least 2 people signed up in the Delphi system.
- Access requests for user additions and deletions
- Attachments, attachments, attachments



2 CFR Part 200

What do I call it?

X Super Circular

✓ Omni Circular

Organization of Omni-Circular

- Six subparts and eleven Appendices
- Only 5 of the appendices apply to AIP
- Subparts closely parallel 49 CFR part 18



Why the Change?

Presidential Directives

- 1) November 20, 2009 - Executive Order 13520 - Reducing Improper Payments
- 2) February 28, 2011 - Presidential Memorandum on Administrative Flexibility, Lower Costs, and Better Results for State, Local, and Tribal Governments

Principle Authors of Change

- Office of Management and Budget (OMB)
- Council of Financial Assistance Reform (COFAR)



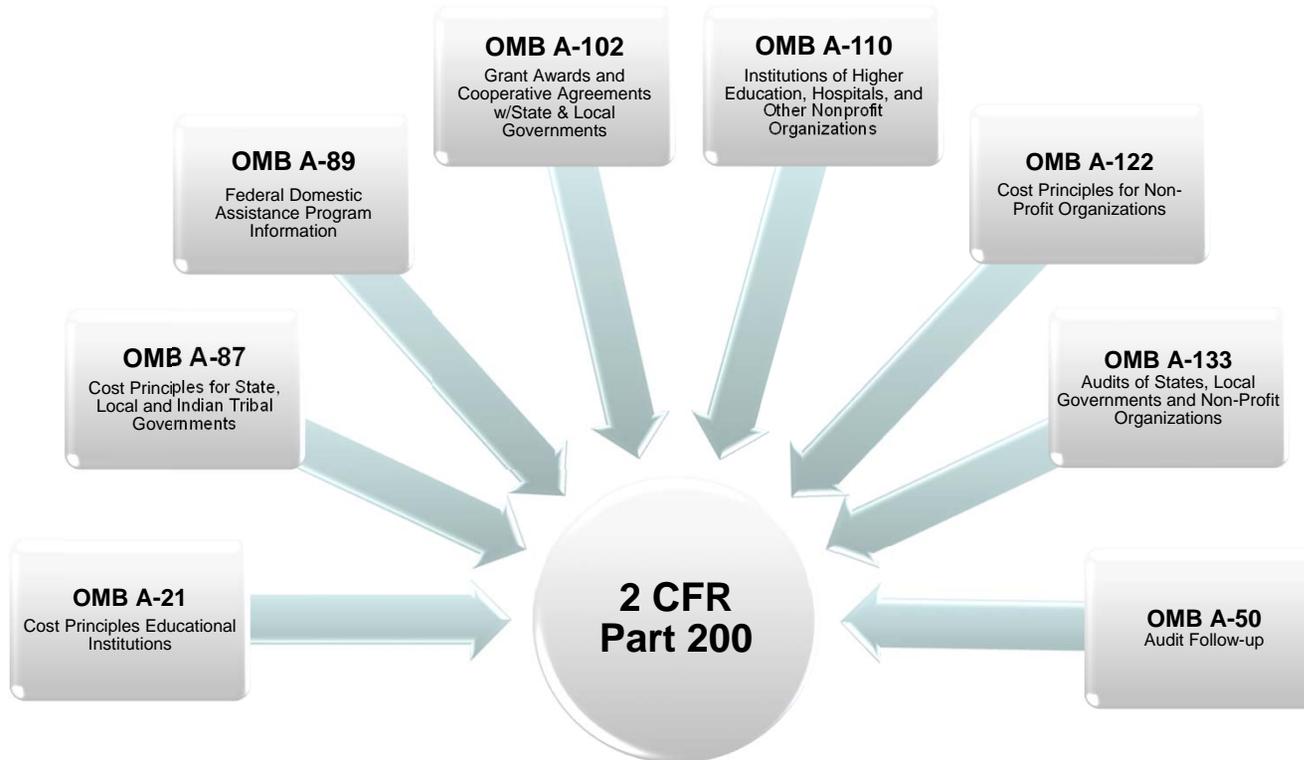
Reasons for Change

Streamline guidance to ease burden while enhancing accountability

- Streamlining 8 overlapping OMB circulars into 1 set of guidance
- Providing a set of uniform definitions for federal assistance
- Strengthening internal controls while providing administrative flexibility
- Simplifying reporting requirements for time and effort while strengthening the requirement for effective internal controls
- Targeting audit resources based on risk by raising the Single Audit threshold from \$500k to \$750k and focusing audits on material weaknesses



What Changed?



Crosswalk

COFAR Website

<https://cfo.gov/cofar/cofar-resources/>

- Several crosswalks available:
 - OMB Circular to 200 Section
 - 200 Section to Source
- Frequently asked questions (as of September 2015)



49 CFR Part 18	2 CFR Part 200
Subpart A - General § 18.3 Definitions § 18.4 Applicability	§ 200 Subpart A – Acronyms and Definitions § 200.101 Applicability
Subpart B - Pre-Award Requirements § 18.10 Forms for applying for grants § 18.12 Special grant or sub-grant conditions for “high risk” grantees	§ 200.206 Standard application requirements § 200.207 Specific conditions
Subpart C - Post-Award Requirements § 18.20 Standards for financial management systems § 18.21 Payment § 18.22 Allowable costs § 18.23 Period of availability of funds § 18.26 Non-Federal audits § 18.36 Procurement § 18.37 Sub-grants § 18.41 Financial reporting § 18.42 Retention and access requirements for records	§ 200.300 Statutory & national policy requirements § 200.305 Payment § 200 Subpart E – Cost Principles § 200.309 Period of performance § 200 Subpart F – Audit Requirements §§ 200.317 - 200.326 Procurement Standards §§ 200.330 - 200.332 Sub-recipient Monitoring & Management § 200.327 Financial Reporting §§ 200.333 - 200.337 Record Retention and Access
Subpart D—After-The-Grant Requirements § 18.50 Closeout	§ 200.343 Closeout



Sub Part A – Definitions

Conforming Changes

2 CFR part 200	49 CFR part 18
Expenditure	Outlay
Non-Federal Entity	Grantee, sub-grantee
Pass-Through Entity	State Block Grant
Subaward	Sub-grant
Subrecipient	Sub-grantee



Sub Part A – Definitions

§ 200.51 Grant Agreement

*Grant agreement is a **legal instrument** of financial assistance between a Federal awarding agency (FAA) or pass-through entity (Block Grant) and a non-Federal entity (Sponsor) that is used to enter into a **relationship** to transfer something of value (AIP funds) to the non-Federal entity (Sponsor) for a public purpose.*



Subpart D- Post Federal Award

§ 200.300 Statutory and national policy

- FAA must manage and administer Federal awards in a manner that ensures Federal funding is expended in full accordance with U.S. statutory and public policy requirements.
- Non-federal entities (Sponsors) are responsible for complying with *all requirements* of the Federal award.



Subpart D- Post Federal Award

§ 200.301 Performance measurement

§ 200.302 Financial Management

- Recipients must have in place financial controls that:
 - Include records retention
 - Accurately disclose financial results of each award.
 - Identify the source and application of funds
 - Account for all funds, assets and property



Subpart D- Post Federal Award

§ 200.303 Internal Control

- Recipients must have internal controls to effectively manage the grant in compliance with Federal statutes, regulations and the terms and conditions

§ 200.305 Payment (Grant Drawdown)

- Drawdowns:
 - must be limited to minimum amount needed
 - must consider rebates, refunds, settlements, recoveries and earned interest.
 - cannot be made for payments withheld by Sponsor



Subpart D- Post Federal Award

§ 200.308 Revision of budget and program

§ 200.309 Period of Performance

- Sponsor may only charge allowable costs from obligations incurred during the P O P
- Allowable project formulation costs incurred prior to the POP start date are eligible.



Subpart E- Cost Principles

§ 200.403 Allowability of costs

Costs must:

- Be necessary and reasonable for performance of award
- Conform to limitations of the award
- Be accorded consistent treatment
- Not be charge as both a direct and indirect cost
- Not be included in another Federal award
- Be adequately documented!



Subpart F—Audit Requirements

§ 200.501 Audit requirements

- Recipients expending \$750,000 or more during the fiscal year in Federal awards are subject to the audit requirement of this Subpart F

§ 200.502 Basis for determining Amount Expended



Federal Audit Clearinghouse

- <http://harvester.census.gov/sac/dissemin/accessoptions.html>

FEDERAL AUDIT CLEARINGHOUSE

Frequently Asked Questions
Quick FAC Links +
FAC Resources
Contacts
FAC Privacy Policy

SEARCH OPTIONS FOR SINGLE AUDIT DATA

Search for Status of Submissions (Complete and Incomplete Records)

- 1 [Entity Search](#)
- 2 [Advanced Entity Search](#)

Search for Complete Records Only

Search for Entity Information

- 3 [Entity Search](#)
- 4 [Advanced Entity Search](#)

Search for Federal Program Information

- 5 [CFDA Search](#)
- 6 [Advanced CFDA Search](#)

•Search:
DUNS/EIN/CFDA#



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AIP Audits / Reviews

- **These are the reviews that occur at least quarterly or annually.**
 - IPIA, IPERA, IPERIA
 - Financial Statement Audit
 - A-123 Audit - Inactive Obligations
 - GONE Act



Improper Payments

- The Improper Payments Information Act of 2002 (IPIA), as amended by the Improper Payments Elimination and Recovery Act of 2010 (IPERA), and amended by the Improper Payments Elimination and Recovery Improvement Act of 2013 (IPERIA), requires federal agencies to annually report information on improper payments to the President and Congress.



Improper Payment

- An “improper payment” is defined in the act as:
 - (A) any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
 - (B) includes any payment to an ineligible recipient, any payment for an ineligible service, any duplicate payment, payments for services not received, and any payment that has insufficient documentation.



Financial Statement Audit

- The Chief Financial Officers Act of 1990 (CFO) (Pub. L. No. 101-576), as amended, requires that the U.S. DOT Inspector General (IG) or an independent external auditor, as determined by the IG, audit FAA's financial statements in accordance with applicable standards.



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Financial Statement Audit

- Testing includes sample reviews of:
 - Grant agreements
 - Grant amendments
 - Grant applications
 - Invoice Summary Reports
 - Additional Delphi Attachments
 - Risk Assessment form
 - SF 271
 - SF 425



Inactive Obligations

- An inactive obligation is a funding obligation that has not had any financial activity recorded in Delphi for 12 months or longer.
- When an obligation becomes inactive, it questions whether the goods or services ordered are still needed.
- When properly managed, inactive obligations may present an opportunity to more efficiently distribute funds and more effectively use appropriations.



Inactive Obligations

- There are four types of inactive obligations that are reported:
 - Quarterly
 - Period of Performance
 - Validation Project (provide documentation)
 - Annual Certification of Outreach Project



GONE Act

- Grants Oversight and New Efficiency Act (GONE) became law on January 28, 2016 (PL 114-117).
- Congress designed the GONE Act to hold Federal awarding agencies accountable for timely closeout of grant awards.
- Purpose of law is to reduce costs associated with maintaining bank accounts of expired grants that contain undisbursed funds or a zero balance.



GONE Act

Law requires Federal awarding agencies to submit a report to Congress that:

- Identifies each Federal grant that has not been closed out 2 years after the end of the period of performance, 4 years for FAA.
- Describe the challenges leading to delays in grant closeout.
- Explain why grants have not been closed out.



Questions?

