



Important Information

Effective January 2014

Guidance on OWEB Budget Categories for OWEB Staff, Grantees, and Partners

Introduction

With the passage of Constitutional Ballot Measure 76 in November 2010, certain grant costs are now eligible that were not allowed under the previous Measure 66. In addition, the Secretary of State Audits Division requested documentation to support fiscal administration costs in OWEB grants. These items, combined with the desire of grantees and OWEB for fewer budget categories, resulted in the streamlining of OWEB's budget categories and changes to fiscal administration. OWEB worked with a stakeholder-based work group to develop these changes.

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This document contains information on the January 2014 budget categories, including forms, materials, and instructions.

Highlights of Changes

- These changes apply to grant applications submitted to OWEB after January 1, 2014, except for small grants, effective July 1, 2014.
- The number of budget categories is reduced from 17 to 8.
- The Fiscal Administration budget category is eliminated and a new Grant Administration budget category is established, allowing up to 15% of the OWEB budget requests or grant agreement subtotals.
 - For Grant Administration, applicants need to select one of three billing options: 1) Direct Cost Billing; 2) Direct Cost Allocation; or 3) Indirect Costs. *See Definitions, Page 3.*
- Copies of receipts, invoices or supporting documentation for amounts \$250 or more, including grant administration, are required to be submitted with payment requests.
- Receipts under \$250 must be kept on file as required by the grant agreement.
- Once a grant is closed, OWEB may request the grantee submit receipts that are under \$250 (excluding indirect costs charged to grant administration), and timesheets and payroll reports (to support salaries/wages/benefits) for review.

Implementation Dates

The Budget Categories Definitions and Policies will apply to grants submitted to OWEB after January 1, 2014 (Small Grants, July 1, 2014). As recommended by the stakeholder work group, applications received by OWEB before January 1, 2014, will continue to use the September 2006 Budget Categories Definitions, including Fiscal Administration limit of up to 10% of the OWEB award, and the corresponding billing methods. OWEB will not amend grant agreements for applications received prior to January 1, 2014 (Small Grants, July 1, 2014).

How Are Budget Categories Being Streamlined?

BUDGET CATEGORIES CROSSWALK	
SEPTEMBER 2006 BUDGET CATEGORIES	JANUARY 2014 BUDGET CATEGORIES
Pre-implementation, In-house personnel, Project management, Outreach, WC Coordinator Salaries	Salaries/Wages/Benefits
Contracted services, Pre-Implementation, Outreach, Project Management, WC Coordinator Salaries	Contracted Services
Travel, Pre-Implementation	Travel
Supplies and Materials, Pre-implementation, Outreach, Production	Supplies and Materials
Equipment, Pre-implementation	Equipment
Production, Operating costs, Contract Services (Rental of rooms or equipment, insurance), Pre-Implementation (permits)	Other
Fiscal Administration	Grant Administration
Post-Implementation Status Reporting, Effectiveness Monitoring, Plant Establishment, Year 2 Reporting	Post-Grant

Changes from Fiscal to Grant Administration

SEPTEMBER 2006 BUDGET CATEGORIES	JANUARY 2014 BUDGET CATEGORIES
FISCAL ADMINISTRATION	GRANT ADMINISTRATION
<ul style="list-style-type: none"> Allows up to 10% of the OWEB funding request or grant agreement sub-totals. Costs include: accounting, auditing, contract management of the OWEB project or grant, fiscal reporting related to the OWEB project or grant and final report expenses for the project or grant. Overhead and pro-rated costs are not allowed. OWEB closely reviews large fiscal administration requests. More guidance can be found at: http://www.oregon.gov/OWEB/GRANTS/pages/grant_app_materials.aspx Click on NEW - Fiscal Administration Costs Guidance 	<ul style="list-style-type: none"> Allows up to 15% of the OWEB budget request or the grant agreement sub-totals. Overhead and prorated costs are allowed Grant applicant must indicate which billing method will be used for each grant by checking the appropriate box in the grant application. Grantees choose from three options:* <ol style="list-style-type: none"> Direct Cost Billing Direct Cost Allocation Federally Negotiated Indirect Cost Rate <p><i>*See Definitions, Page 3</i></p>

Changes from Fiscal to Grant Administration, Continued

GRANTS ADMINISTERED UNDER SEPTEMBER 2006 BUDGET CATEGORIES	GRANTS ADMINISTERED UNDER JANUARY 2014 BUDGET CATEGORIES
FISCAL ADMINISTRATION	GRANT ADMINISTRATION
<p>Refer to the “September 2006 Budget Categories and Definitions” document for complete budget category definitions.</p> <p>Download OWEB Budget Categories Definitions and Policies at: http://www.oregon.gov/OWEB/forms/budget_categories_defs_sept06.pdf</p>	<p>Refer to the “January 2014 Budget Categories Definitions and Policy” document for complete budget category definitions and eligible costs.</p> <p>Download OWEB Budget Categories Definitions and Policies at: http://www.oregon.gov/OWEB/forms/2014-01budget_category_defs.pdf</p>
RECEIPTS REQUIREMENTS FOR FISCAL ADMINISTRATION	RECEIPTS REQUIREMENTS FOR GRANT ADMINISTRATION
<p>Grantees are not required to submit receipts for fiscal administration; however, must retain receipts on file and provide them to OWEB on request.</p>	<p>For the Direct Cost Billing and Direct Cost Allocation billing methods, copies of receipts, invoices or supporting documentation for amounts \$250 or more are required to be submitted with payment requests.</p> <p>Receipts are not required for the Indirect Cost Billing method.</p>

Changes in Billing Methods for Administration

FISCAL ADMINISTRATION BILLING	GRANT ADMINISTRATION BILLING METHODS
<p>Fiscal Administration is considered a direct cost. Grantees are not required to submit receipts for fiscal administration; however, must retain receipts on file and provide them to OWEB on request.</p> <p>Download OWEB’s Billing Instructions at: http://www.oregon.gov/OWEB/forms/GrantBilling2006categories.pdf</p>	<p>Grant applicants will select one of three billing methods.</p> <ol style="list-style-type: none"> 1. Direct Cost Billing – This billing method is selected when grant administration costs are charged to projects on an item-by-item basis. 2. Direct Cost Allocation (see applicable Federal Circular for your organization) – Grantees must have accounting practices in place that support charging direct costs to a cost allocation pool and must submit cost allocation supporting documentation for allocations \$250 and over. 3. Indirect Costs – Only grantees with a Federally Negotiated Indirect Cost rate can choose this option. OWEB will not negotiate annual, individual indirect cost rates but will accept approved Federal Indirect Cost Negotiation Agreements. <p>Download OWEB’s Billing Instructions at: http://www.oregon.gov/OWEB/forms/2014-01GrantBilling.pdf</p>

Receipt Requirements

GRANTS ADMINISTERED UNDER SEPTEMBER 2006 BUDGET CATEGORIES DEFINITIONS	GRANTS ADMINISTERED UNDER JANUARY 2014 BUDGET CATEGORIES DEFINITIONS AND POLICIES
<p>If your grant is administered under the September 2006 Budget Categories payment all receipts, except those for Fiscal Administration, are required to be submitted to OWEB along with the Expense Tracking Sheet. However, you must keep receipts for fiscal administration costs on file and provide them to OWEB on request.</p>	<p>Payment requests must include copies of receipts, invoices or supporting documentation, for amounts \$250 or more, including grant administration. You must keep copies of all receipts, invoices or supporting documentation charged to an OWEB grant and provide them to OWEB upon request. All expenses charged to an OWEB grant must be listed on the Grantee's Expense Tracking Spreadsheet.</p> <p>In addition, OWEB will randomly select closed grants for a review of receipts under \$250 (excluding indirect costs charged to grant administration), and timesheets and payroll reports (to support salaries/wages/benefits and grant administration). The intent of this review is to ensure the grantee billed OWEB for actual costs. Grantees will submit the requested information to OWEB, which will be reviewed in the same manner OWEB reviews payment requests and receipts \$250 and over. Grantees using the Indirect Cost billing method will have to submit receipts and documentation for all budget categories except Grant Administration.</p>

Small Grants

OWEB rules provide that each Small Grant Team sets its own application deadlines and review periods. To allow time for each team to update its forms, the January 2014 Budget Categories and Billing Instructions apply to grant applications submitted to OWEB after July 1, 2014.

Information on OWEB Small Grants can be found at http://www.oregon.gov/OWEB/GRANTS/pages/smgrant_applicants_main_page.aspx.

Forms and Guidance

Forms and Guidance for Grants administered under September 2006 Budget Categories found at http://www.oregon.gov/OWEB/Pages/forms_linked.aspx

Forms and Guidance for Grants administered under January 2014 Budget Categories found at http://www.oregon.gov/OWEB/Pages/forms_linked.aspx

Budget Category Ineligible Expenses and Policies

The January 2014 Budget Categories: Definitions and Policy document clarifies ineligible activities for grants and OWEB's policies for contingencies, levees and dikes, and costs for water wells. Download OWEB Budget Categories Definitions and Policies at: http://www.oregon.gov/OWEB/forms/2014-01budget_category_defs.pdf