FINANCIAL MANAGEMENT QUICK GUIDE

Overview

As a Social Innovation Fund (SIF) grantee, you will need a financial management system that will meet the Federal grant management requirements. According to Office of Management and Budget (OMB) circulars, your financial management system should:

- Identify the source and application of funds for Federally-sponsored activities including information about the total Federal awards, authorizations, obligations, unobligated balances, assets, receipts, expenditures, outlays, income and interest

- Provide effective control over, safeguarding of and accountability for all funds, property and assets

- Verify that the assets and funds are used for authorized purposes

- Include written procedures to minimize the time elapsed between receiving Federal funds and dispensing them for program purposes

- Address procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the applicable cost principles and the terms and conditions of the award

Financial Management Systems Minimum Requirements

In particular, your accounting system should:

- Distinguish between grant versus non-grant related expenditures

- Identify costs by program year

- Identify costs by budget category

- Differentiate between direct and indirect (administrative) costs

- Easily provide management with financial reports at both the summary and detailed levels

- Compare expenditures with budget amounts for each award (budget vs. actual reports)

- Correlate financial reports submitted to the Corporation for National and Community Service (CNCS) directly to accounting information and supporting documents (e.g., receipts and invoices)

- Track the 1:1 cash match required by SIF for both the intermediary and subgrantees to ensure that all match funds are:

  Verifiable from your record   Allowable under applicable Part 200 Cost Principle
  Necessary and reasonable   Provided for in the approved budget

As a SIF grantee, you will need to incorporate these requirements and document them in your policies and procedures manual.