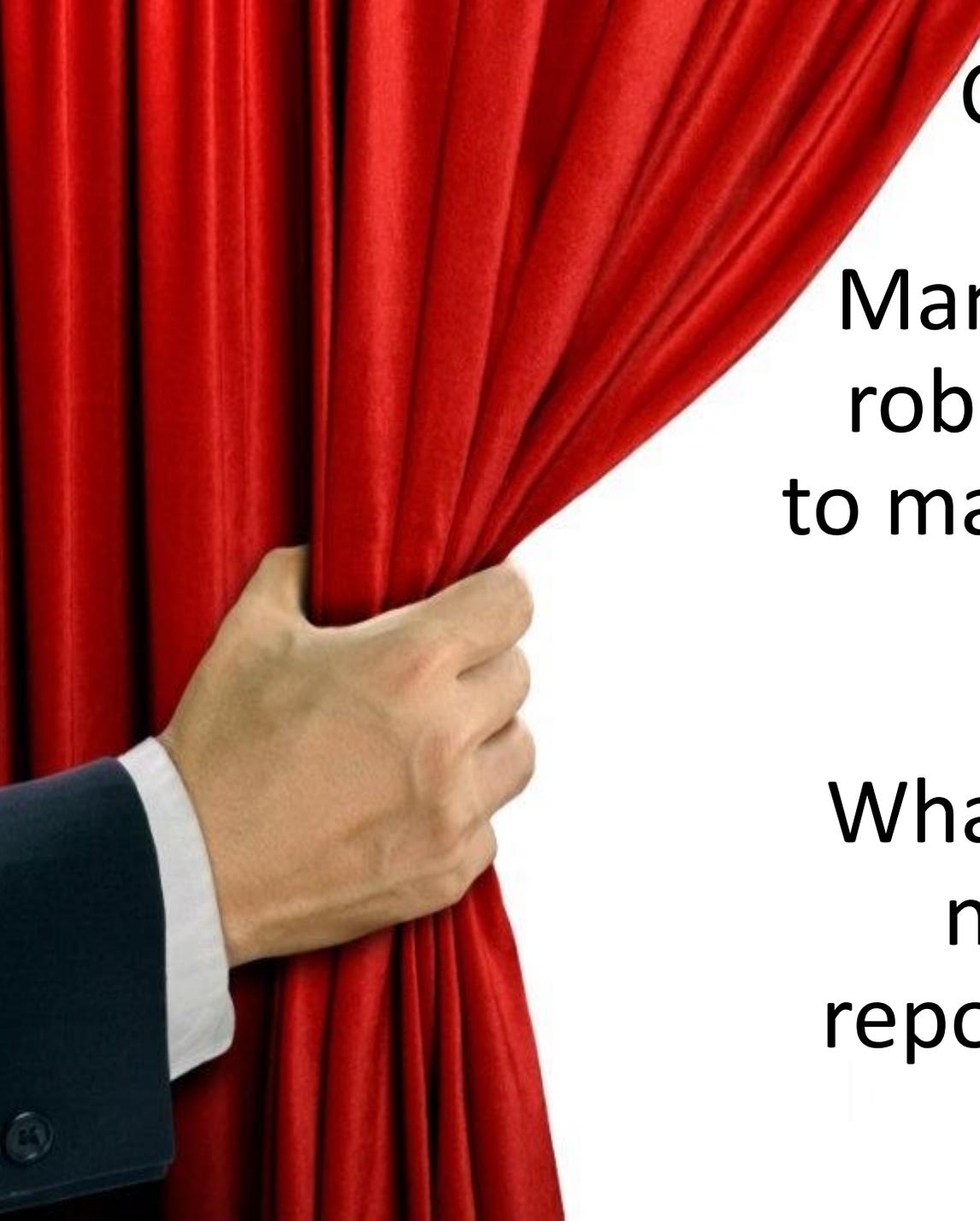


**Unexpended:  
EXPOSED**



CNCS takes funds management seriously. The Office of Grants Management routinely conducts a robust unexpended funds analysis to make full use of the critical funds allocated to the agency.

What follows should help grantees navigate the unexpended funds reporting process with confidence, timeliness, and accuracy.

# Learning Objectives

The objective for this briefing is to define the purpose of the unexpended funds analysis, explain the reporting process for grantees with continuation awards, and clarify the treatment of unexpended funds.

# Why Report Unexpended Funds?

A thorough and timely analysis of unexpended funds is critical for strong funds management. CNCS assesses continuation grantees' financial standing to determine resources needed for current year successes. CNCS funds additional programs to maximize long-range benefits and minimize funds returned to the U.S. Treasury.

***Note:** The treatment of unexpended funds varies by funding stream. Unless otherwise noted, the content within relates to AmeriCorps program grants.*

# Funding AmeriCorps and VGF Success

CNCS allows AmeriCorps and Volunteer Generation Fund grantees who are in a continuation year to assess the current year's programming status and determine the amount of funding needed from the current award to successfully continue the program year.

***Note:** Continuation status applies to the AmeriCorps prime grantee, regardless of subgrantee status.*

# Maximizing Funds in the Field

As a result of CNCS's unexpended funds analysis, grantees repurpose unspent funds for continuation programming. CNCS offsets continuation awards by the reported unexpended funds. This allows CNCS to use current year appropriations to expand programmatic opportunities for additional applicants or through supplemental awards.

# Minimizing Funds Returned to Treasury

CNCS must award funds in the year they are appropriated. CNCS cannot take unexpended funds from one grantee and re-award them to another. Any awarded but unused funds are returned to Treasury. Returning funds to Treasury may give the impression that CNCS does not need the funds and could result in a reduction of future CNCS appropriations.

# What Grantees Need to Know

Grantees must **accurately report** unexpended funds. **CNCS cannot restore funds** as a result of inaccurate reporting.

Because CNCS uses the reported funds to support additional programs, **timeliness is critical** for CNCS to issue additional awards.

# Calculating Unexpended Funds

AmeriCorps unexpended funds are calculated as the **CNCS grant award amount**, *minus expended funds* reported on the current FFR, *minus* the **estimated expenses** through program year end.

# Frequently Used Terms

- **Unexpended Funds:** The amount of funding awarded in a program year, less the expended funds and estimated expenses through the end of the program year. (Commission Support Grant Unexpended Funds are equal to the unobligated balance of federal funds (line H) on the 12/31 FFR.)
- **Federal Share of Expenditures:** FFR field (Line E) for reporting expenditures paid through the reporting period. This amount must match Section B (Total CNCS funds expended) of the Unexpended Funds Worksheet for cost reimbursement grants.
- **Unobligated Balance of Federal Funds:** FFR field (Line H) showing amount of award that is not expended or obligated.

# Frequently Used Terms *(continued)*

- **Expenses through End of Program Year:** Estimated amount of funding required to complete activities planned through the remainder of the program year, which may or may not coincide with the end of the FFR reporting period.
- **Grantee Unobligated Balance:** Found in the Funding Information section of the Notice of Grant Award, this is the amount of reported unexpended funds used as either offset and/or carry forward funding.
- **Total Available:** Found in the Funding Information section of the Notice of Grant Award, this shows the year's approved award, including any prior year's unexpended funds that are used as offset and/or carry forward.

# Frequently Used Terms *(continued)*

- **Offset:** The amount of unexpended funds used to reduce new money awarded on a continuation award. This carry over funding supplements new money to fully fund the continuation award.
- **Carry over:** The amount of unexpended funds from the prior year that CNCS allows grantees to continue to use on a continuation award to fully fund the continuation award. This allows CNCS to use new money that is available from the offset to fund additional programming.
- **Carry Forward:** The amount of unexpended funds CNCS allows grantees to use to enhance the current award. Treatment of funds used through this one time opportunity must be detailed in a successful program application.
- **Unobligated Balance Relinquishment:** Amount of a commission's formula allocation that was not requested and is available for supplemental funding.

# Where Does The Money Go?

## **Competitive AmeriCorps continuation grants:**

- CNCS awards the full amount of the grant but offsets the award by the amount of unexpended funds, allowing grantees to continue spending previously awarded funds.
- CNCS funds additional applications and/or augments awards, using the reported unexpended funds.

# Where Does The Money Go?

## Formula AmeriCorps continuation grants:

- Option 1 - Commissions carry forward unexpended funds to operate additional programs in their own portfolios.
- Option 2 - CNCS offsets awards by the amount of unexpended funds not requested by the commission.
- Option 3 - Commissions relinquish any or all of the formula allotment plus unexpended funds.

Offset and relinquished funds support supplemental awards.

*Note: Carry forward may only fund identified subgrantees. CNCS does not allow placeholders.*

# Where Does The Money Go?

## **Volunteer Generation Fund continuations:**

- CNCS allows grantees to carry forward unexpended funds to support the next year's program.
- If grantees do not request the full amount of continuation funding available plus reported unexpended funds, CNCS will offset the award by the amount not budgeted. Offset funds may be redistributed through supplemental funding.

# Where Does The Money Go?

## Commission Support Grant continuations:

- CNCS allows grantees to carry forward the amount reported as unexpended in the 12/31 FFR. If commissions do not request the full allocation plus reported unexpended funds, CNCS will offset the award by the amount not budgeted. Offset funds are redistributed through supplemental funding.

***Note:** CNCS will not allow commissions to carry forward more than 25% of the prior year's allocation. Continuations will automatically be offset by unexpended amounts exceeding 25%.*

# Where Does The Money Go?

## Expiring grants:

- CNCS does not request unexpended funds reports for grants that are expiring. At closeout, those funds are deobligated and returned to Treasury.

# Options for Expiring Grants

## No Cost Extensions (NCE):

- CNCS may approve an extension for AmeriCorps programs to allow members to complete their service or for commissions to complete activities funded by the Commission Support and Volunteer Generation Fund grants. Additionally, prior to the grant expiration, formula grantees may award one-year (or less) planning subgrants and allow those activities to continue.
- NCEs may not fund new activities.

# Additional Option for Formula Grants

## Buy-Back Program:

- CNCS may allow commissions to “buy-back” Education Awards (Trust slots) using unexpended funds and continue prime grants for an additional year.
- Commissions must have unexpended funds available to cover member Ed Awards (that will be deobligated and transferred to the Trust) and all program operating costs. No additional funds will be awarded.
- CNCS will announce the availability of the Buy-Back opportunity with the annual formula award guidance.

**Note:** *Commissions can not use buy-back funds for planning grants.*

# Grantee Responsibilities

Grantees should make sure they and their subrecipients understand the information they are reporting and the reporting period.

Prime grantees are responsible for submitting the cumulative unexpended fund totals for their subgrantees. CNCS accepts any of the methods used to calculate the totals, providing they are accurate and timely.

# Grantee Risks

- **Overestimation of expenses:** Prevents CNCS from offsetting/relinquishing funds to expand programming. Funds are deobligated at closeout. Excessive deobligations may imply that programs do not need funding and could reduce future CNCS appropriations.
- **Underestimation of expenses:** CNCS cannot restore unexpended funds after they are committed to additional and supplemental awards. Once they are gone, they are gone forever.

**Careful estimations are critical.**

**What Does It Look Like?**

# Competitive AmeriCorps - Offset

- Year One: \$100,000 approved
  - CNCS awards \$100,000 in new money
  - Grantee reports \$20,000 as unexpended funds
- Year Two: \$100,000 approved
  - CNCS awards \$80,000 in new money and approves grantee to carryover \$20,000 of the prior year's award for \$100,000 Total Available funding
- \$20,000 of new money is available for CNCS to fund additional competitive programs

# Commission Support – Carry Forward

- Year One: \$250,000 allocated
  - CNCS awards \$250,000 in new money
  - Grantee reports \$18,000 as unobligated balance of federal funds on 12/31 FFR
- Year Two: \$265,000 allocated
  - CNCS grants \$265,000 in current year funding and approves grantee to carry forward \$18,000 of the prior year's award to fund approved activities for \$283,000 Total Available funding

# Formula AmeriCorps –Relinquishment

- Year One: \$654,530 allocated
  - CNCS awards \$654,530 in new money
  - Grantee reports \$0 as unexpended funds
- Year Two: \$645,437 allocated
  - CNCS grants \$625,430 in current year funding to cover the formula submission
- Grantee relinquishes \$20,007 that CNCS may award as supplemental funding

# Important Reminders

- Reporting due dates:
  - AmeriCorps competitive – April 30, 2018  
(cost reimbursement and fixed)
  - Volunteer Generation Funds – April 30, 2018
  - AmeriCorps formula – with formula application and no later than June 29, 2018  
(cost reimbursement and fixed)
- Submit report as direct reply to email request, not via Word, Excel, or PDF attachment

# **Additional Questions?**

Contact your  
CNCS Grants Officer