



# The New Notice of Funds Available (NFA) Format

Presented by Jana Pearson

---

# Purpose of the NFA

- Grants authority to obligate funds
  - Lists allocations for each WAP fund
  - Lists subcategories for each WAP fund
-

# Authority to obligate funds

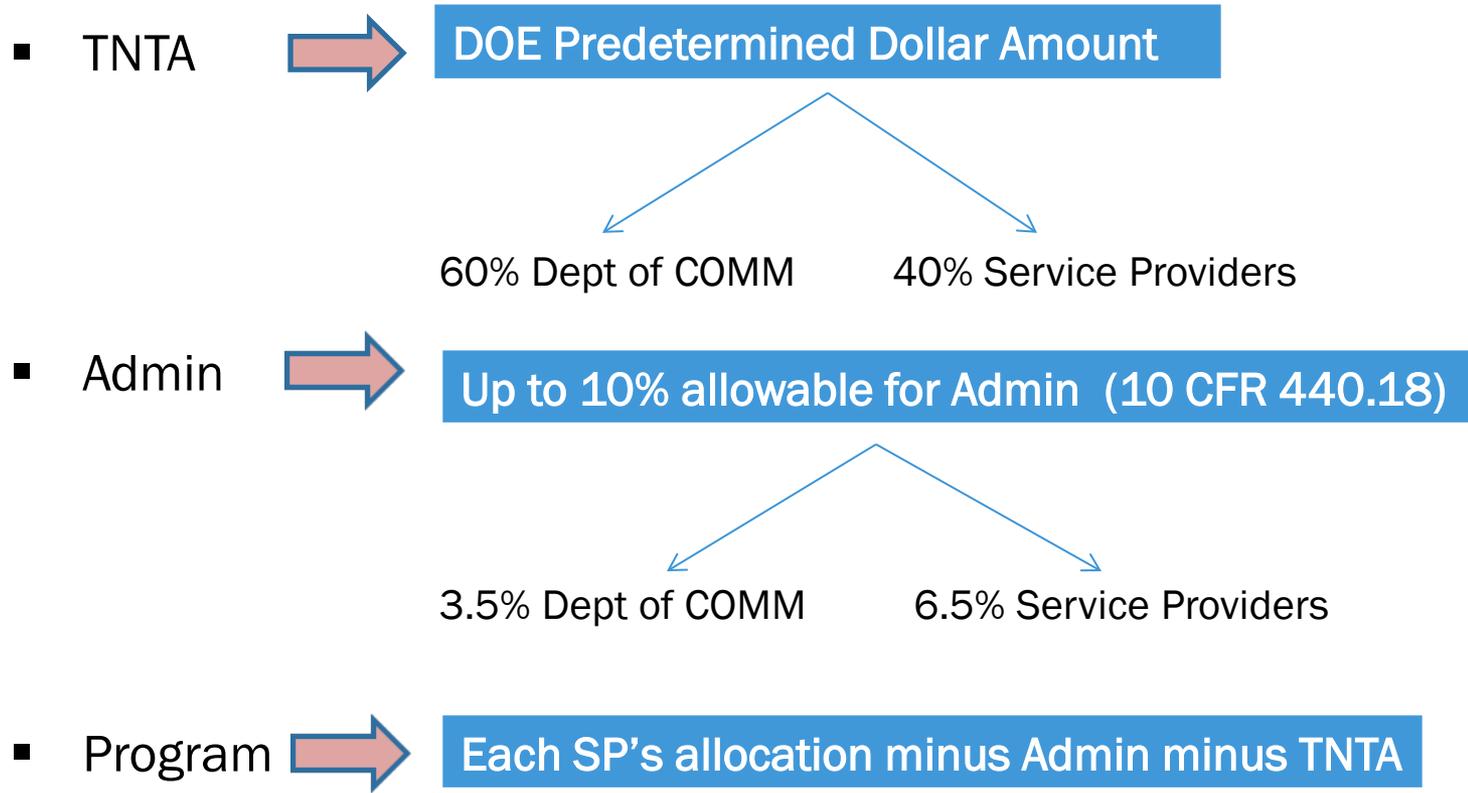
- NFA is a legal attachment to every WAP contract
  - No costs can be incurred prior to the date of the signed NFA
  - Revised NFAs can be send out throughout the grant year with adjusted totals
  - NFAs eliminate the need for contract amendments
-

# WAP Allocation Formula

- The WAP allocation formula includes the following:
    - 2010 census data by MN counties
    - WAP income eligibility
    - Average cooling and heating degree days based on a five-year average
    - Heating fuel data based on a five-year average for natural gas, electricity, propane and other fuels
-

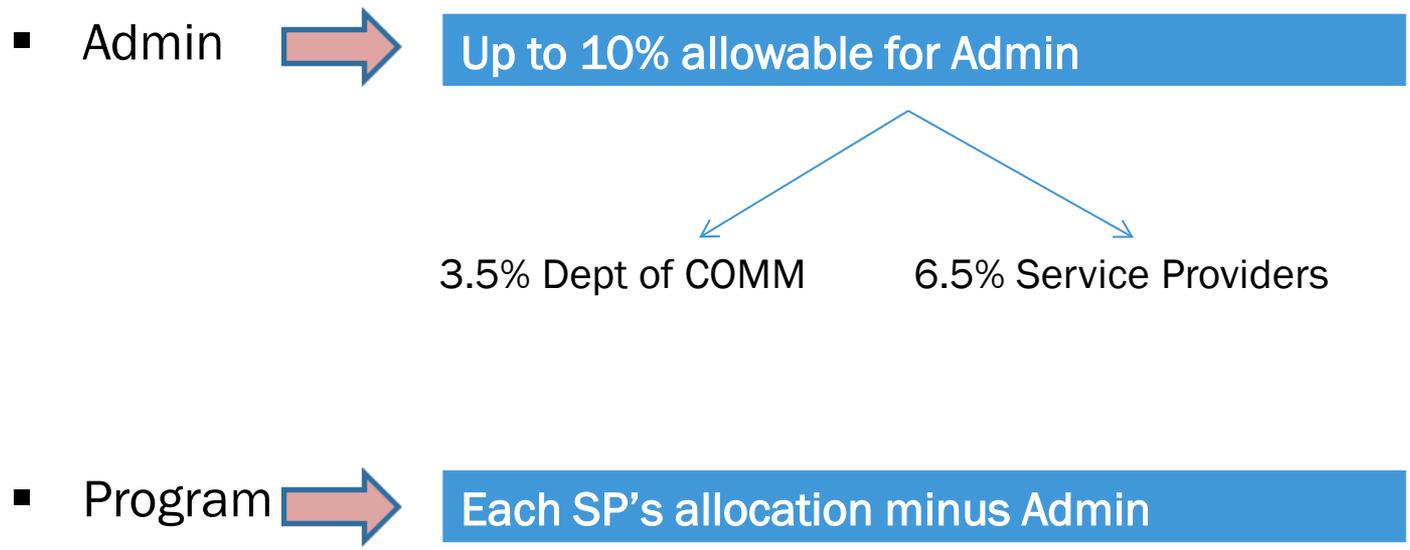
# Funding Categories - WAP DOE & MNWX

Sub-categories include Admin, TTA and Program



# Funding Categories - EAP WX and Propane

Sub-categories include Admin and Program



# NFA Format: Improvements

- Contract Period and Contract Number
  - NFA Number
  - Grantor's Name and Address
  - Service Provider's Name and Address
  - Title of Each Fund with Fund ID
  - Funding End Dates and Availability
  - Prior Level, Change, New Level
  - Notes Box
-

**WEATHERIZATION PROGRAM YEAR 2014**

NOTE: Actual contract period does not start until contract is fully executed and NFA is released

**Notice of Funds Available**

Contract Period: July 1, 2014 - June 30, 2015

NFA PY14 # 01

SWIFT Agreement No. xxxx

**Minnesota Department of Commerce**  
85 7th Place East, Suite 500  
St. Paul, MN 55101-2198

GRANTEE: xxx  
xxx  
xxx  
Vendor ID: 0000xxxxxx

Funding Source
<b>EAPWX A2104</b> <i>(eHEAT = EAPWXCO2)</i> Program Administration

Funding End Date
01/15/2015*

Prior Level	Change	New Level
		CFDA # 93.568
\$0	\$0	\$0
\$0	\$0	\$0
<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Total:**

**NOTES & SIGNATURE**

Notes:

\* EAPWX A2104: Award ends 01/15/15. Funds have to be completely spent by this due date.

\*\* EAPWX A2105: Program contract ends 6/30/15. No more than 25% of total allocation will be allowed as carry forward, with a fully executed PY15 contract.

Approved by \_\_\_\_\_

Date \_\_\_\_\_

If you have any questions concerning this NFA, please contact: [weatherization.commerce@state.mn.us](mailto:weatherization.commerce@state.mn.us)

# NFA Format Improvements

- Easy identification of contract period vs funding end date
  - Improved outline of **actual** funding availability dates
  - Info Box for carryover limits and other notes
  - Standardized Format
-

# NFA Distribution

- NFAs are distributed to agencies after contracts are fully executed
  - Beginning in PY14, NFAs were e-mailed to all Executive Directors, Program Coordinators and Fiscal Directors
  - NFAs should be distributed internally to any other key staff
  - Revised NFAs will replace the original NFAs throughout the program year as needed
-

# Questions?

Jana Pearson

Accounting Officer, Sr.

MN Department of Commerce

651-539-1524

[weatherization.commerce@state.mn.us](mailto:weatherization.commerce@state.mn.us)

---



# Cash Flow Management

Presented by Jana Pearson

---

# Before Cash Flow Management



---

# Cash Flow Management: Applicable Federal Regulations

- 2 CFR 215.21 Standards for Fin. Mgt. Systems

Solid Fin. Mgt. Systems need to be in place to effectively control and have accountability for all funds. Requirement of comparison of outlays with budgeted amount for each fund.

- 2 CFR 215.22 Payment Subdivision (a)

For advance payments time elapsing between payment and occurrence of cost should be as minimal as possible

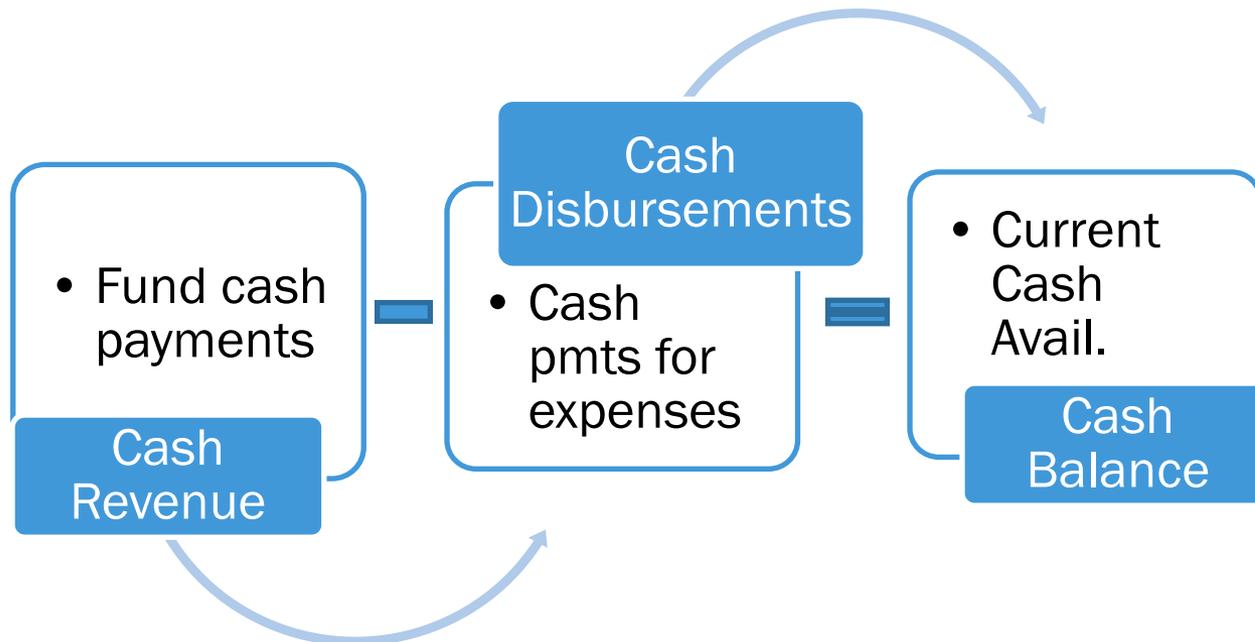
- 2 CFR 215.22 Payment Subdivision (b)

Recipients paid in advance need to demonstrate they have financial management systems in place that meet the standards for fund control

---

# Definition of Cash Flow Management

- Cash Flow Management is the process of monitoring, analyzing and adjusting your business cash flows.



# Tools for Cash Flow Management

- ➔ Preparation of Cash Budget
  - ➔ Internal Controls
  - ➔ Frequent Reconciliations
  - ➔ Strengthen communication
  - ➔ Diversification of Funds
  - ➔ Timeliness
-

---

# Preparation of Cash Budget

- Set up separate budget for expected cash inflow and cash outflow
  - Will help to anticipate cash flow shortfalls and to cover for them
  - Use your cash flow statement to track your cash flow projections and revise the cash flow budget frequently
  - Set up long term cash flow projections that will help with running the WAP in the long term
-

# Internal Controls

- Written procedures in place that address cash flow management
  - Cross training staff involved with payments and deposits
  - Segregation of Duties
  - Standardized Accounting Procedures
-

# Frequent Reconciliation

- Finding mistakes faster that negatively impact a positive cash flow
  - Correction of discrepancies will be easier
  - Fraud is easier detected
  - Cash Flow shortfalls can be addressed earlier
-

# Strengthen Communication

- Program and Fiscal Staff involved with the cash flow management of a fund need to be involved in setting the original budget
  - Program and Fiscal Staff need to track actuals vs budgets
  - Fiscal meetings should happen at regular intervals
  - Any circumstances that can negatively impact the cash flow need to be communicated to State WAP staff
-

# Diversification of Funds

- The more diversified your funding income is the less your agency is vulnerable to cash flow delays
  - Pursue other funds that can leverage federal funded dollars
  - Pursue funds that have different spending deadlines
-

# Timeliness

- Submit your cash requests either as soon as expenses have incurred or before expenses are anticipated
  - Submit your FSRs on time
  - Limit the time between receiving a MN Dept of Commerce contract and signing it
  - Pay your program related expenses on time on your end
-

# After cash flow management



# Questions?

Jana Pearson

Accounting Officer, Sr.

- MN Department of Commerce
    - 651-539-1524
  - [weatherization.commerce@state.mn.us](mailto:weatherization.commerce@state.mn.us)
-