

## Summary of FY 2023 Notable Rapid Response Funding Related Questions

### **Funding**

**Question: We were asked to fund an event to raise money for a disability group. We will be able to share Council information during the event. Can we do this?**

Answer: If the purpose of the event is to fundraise, you cannot use your federal funds to sponsor the event. Even though you would be able to share DD Council information during the fundraising event, this type of activity is not allowable with Council federal funds (see [45 CFR 75.442](#)).

**Question: If a grantee (subrecipient) does not have a tax-exempt status, can our federal funds pay for sales tax on project purchases?**

Answer: The [45 CFR 75.470](#) indicates taxes that are legally required to be an allowable cost. If special circumstances exist, check in with your Program Specialist.

**Question: Where can I find information on the funding formula for DD Council appropriations?**

Answer: ITACC in partnership with ACL developed a one-pager that explains the formula.

**Question: Can the DD Council apply for grants?**

Answer: Yes, but the grant should complement and help the Council reach the goals and objectives of the 5-Year Plan. It is important to keep the 5-year plan as the priority in your efforts.

**Question: We have a training project and professionals pay a small fee to attend. Can we use that money for things our federal funds cannot be used for?**

Answer: No. This type of money is called Program Income (income generated from an activity funded with Council federal funds). Program Income must be used to offset the original investment of federal funds. In other words, you must use the income to reduce the federal share of the cost of the project. And you must report program income on federal financial reports. Click to learn more about [Program Income](#).

**Question: Is there a specific DD Act citation that refers to administrative costs (the no greater than 30% of the annual award)?**

Answer: [The DD Act](#), Section 125 (c) (8) BUDGET indicates the Council shall prepare a budget using the amounts paid to the state under subtitle B of the DD Act. Annual awards are provided by Congress.

DD Act, Section 125 (c) (5) ASSURANCES, B USE OF FUNDS indicates not less than 70 percent of the annual award shall be spent on activities related to the state plan goals.

The DD Act is silent on 30% administrative costs because the "no less than 70%" is the requirement. Regardless, obligation of funds is addressed in [45 CFR Part 1326.2 \(b\) Obligation of Funds](#) - (b) addresses personal services, travel, utilities, rent (administrative, general management costs).

**Question: Where can I find information about food and beverage costs for meetings, training, and conferences?**

Answer: [45 CFR 75.432](#) is the regulation that provides federal guidance. As you will see in the citation, "Conference hosts/sponsors must exercise discretion and judgment in ensuring that conference costs are appropriate, necessary and managed in a manner that minimizes costs to the Federal award".

**Question: Is my Council required to provide data in the FFATA (Federal Funding Accountability and Transparency Act) Subaward Reporting System?**

Answer: It depends. If your Council has issued sub-awards or sub-contracts for \$30,000 or more, you will need to report. Check out the information at [fsrs.gov](http://fsrs.gov) and follow your notice of award.

**Question: Can Council staff ask to see receipts and timesheet documentation for expenses a sub-recipient has put on an invoice?**

Answer: Yes! [45 CFR 75.352](#) (2) and (3) address monitoring requirements for the pass-through entity (the Council) to subrecipients. As you will see, you are allowed to impose the requirements necessary to fulfill your obligation to the federal government. Receipts and documentation of necessary expenses for a project or activity that is charged to the DD Council would help Council staff determine federal funding is being used for the purposes intended and meet the cost principles.

**Question: Our Council supports people with I/DD and their families to attend training events and conferences. What should we do if they submit an expense for items that are not allowable such as entertainment or alcohol?**

Answer: We strongly encourage Councils with this type of program to provide information about allowable and unallowable expenses before people who are using Council funds for training events and conferences begin their travel. Travel costs should be consistent with the DSA and/or Council's written travel policies. Travel costs typically include transportation (airfare, mileage costs), lodging (hotel costs), food (consistent with state per diem for food and beverage).

If the Council staff receive a request for reimbursement for unallowable expenses, Federal funds CANNOT be used to pay those expenses. Council staff would need to deduct those costs from the request for reimbursement.

**Question: If we request and receive a no-cost extension, when does the liquidation period end?**

Answer: A no-cost extension does NOT alter or extend a liquidation period. It merely gives the Council more time to do the work of properly obligated money for projects. Check your Notice of Award for the liquidation period date.

**Question: Can we draw down funds from the Payment Management System after the liquidation end date?**

Answer: No Payment Management Systems draws are not allowed after the liquidation end date.

**Question: "Can I buy a tablecloth or display with our Councils name and logo to promote my DD Council?"**

Answer: [45 CFR 75.421](#) covers advertising and public relations. This section covers allowable and unallowable costs.

***The only allowable public relations costs are:***

1. Costs required by the Federal award.
2. Costs of communicating with the public and press about the specific activities or accomplishments that result from the federal award - must be necessary as part of the outreach effort for the federal award.
3. Costs for news media and government PR officers to keep the public informed on matters of public concern (funding opportunities, financial matters, etc.)

***UNALLOWABLE public relations costs are:***

1. Costs of displays, demonstrations, and exhibits
2. Costs of meeting rooms, hospitality suites, and other special facilities as part of a show or special event

3. Salaries and wages of employees engaged in setting up and displaying exhibits, demonstrations and providing briefings.
4. Costs of promotional items and memorabilia, including models, gifts, and souvenirs.
5. Costs of advertising and public relations designed solely to promote the non-Federal entity.

**Question: “My Council wants to sell stuff like mugs, keychains, and t-shirts to raise awareness for the Council and our advocacy activities. Can we do this?”**

Answer: [45 CFR 75.467](#) covers selling and marketing costs. Basically, the costs of selling and marketing any products or services of the non-Federal entity (the Council) are unallowable except as direct costs, with prior approval by ACL and justify the costs are necessary for the performance of the federal award.

Check in with your assigned Program Specialist to ensure you have the approval you need.

**Question “One of our sub-recipients purchased a laptop computer with our funding and ended their project early. The laptop was returned to the Council, what can we do with this laptop?”**

Answer: Ideally, the Council would issue the laptop to another grantee for use in their project or activity.