

Grants Management Test
For State and Local Educational Agencies
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1. The same rules apply whether the grant is awarded directly from the US Department of Education or through the State educational agency.
 - a. True
 - b. False

2. If a State's policy is more restrictive than the Federal regulation, a subgrantee is in compliance as long as it follows the Federal regulation.
 - a. True
 - b. False

3. A local educational agency is subject to:
 - a. OMB Circular A-21
 - b. OMB Circular A-87
 - c. OMB Circular A-122
 - d. All of the above

4. The major "systems" in grants management are:
 - a. Procurement, Data Reporting, and Contracting.
 - b. Inventory Management, Procurement, and Financial Management.
 - c. Data Reporting, Financial Management, and Inventory Management.
 - d. Inventory Management, Assessment/Evaluation, and Financial Management.

5. In order to receive Federal funds, grantees and subgrantees must implement financial management systems that:
 - a. Include budget controls, such as routinely reconciling actual expenditures to budgeted amounts.
 - b. Are capable of producing accurate, current and reliable financial reports.
 - c. Include detailed accounting records that show the source and application of Federal funds.
 - d. All of the above.

6. Grantees and subgrantees don't have to reconcile actual expenditures to budgeted amounts, since the budgeted amounts are only estimates.
 - a. True
 - b. False

7. What forms of source documentation should be maintained as records?
 - a. Receipts for actual travel.
 - b. Copy of contracts for services performed.
 - c. Payroll registries.
 - d. All of the above.

8. Grantees and subgrantees must maintain detailed property records for all equipment purchased with Federal funds.
 - a. True
 - b. False

9. Pursuant to EDGAR, a physical inventory of all equipment must be taken:
 - a. Yearly.
 - b. Once every two years.
 - c. Once every six months.
 - d. Whenever you feel like it.

10. If equipment is missing upon inventory review, the grantee or subgrantee must:
 - a. Simply remove it off the inventory list.
 - b. Buy a new piece of equipment quickly.
 - c. Interview every staff member until one confesses to the theft.
 - d. Investigate.

11. Contracts supported with Federal funds must be in writing.
 - a. True
 - b. False

12. A conflict of interest arises when the following persons have a financial interest in a firm or company that is selected for a contract by the grantee:
 - a. Me (an employee of the grantee).
 - b. My son / daughter.
 - c. My husband / wife's company is selected.
 - d. All of the above.

13. A grantee / subgrantee can sole source a contract as long as the vendor does a good job.
 - a. True
 - b. False

14. A contractor and a subgrantee have the same legal responsibility when working on Federal programs.
 - a. True
 - b. False

15. A subgrant is different from a contract because:
 - a. A subgrant provides goods and services that are ancillary to the operation of the Federal program.
 - b. A subgrant uses the Federal funds to carry out a program as compared to providing goods and services for a program.
 - c. A subgrant is not subject to compliance requirements of the Federal program.
 - d. A subgrant and a contract are the same.

16. The goal of an internal control is to ensure:
 - a. Efficiency of operations.
 - b. Reliability of financial reporting.
 - c. Compliance with applicable laws and regulations.
 - d. All of the above.

17. A grantee / subgrantee must obligate all Federal funds:
 - a. Within the statute of limitations.
 - b. By the end of the period of availability.
 - c. As soon as possible.
 - d. None of the above.

18. If there are funds remaining at the end of the project period, they may be used to purchase goods or services to be used in the future.
- True
 - False
19. Expenditures on services performed by an employee of a grantee / subgrantee are obligated to the Federal award:
- On the date when the subgrantee signs the contract to obtain the services.
 - On the date that the services are performed.
 - On the date the employee signs the time and effort certification.
 - On the date the employee is paid for the services.
20. Expenditures for services performed by a contractor are obligated to the Federal award:
- On the date that the services are performed.
 - On the date that the grantee/subgrantee receives the invoice.
 - On the date that the subgrantee signs the contract for services.
 - At any point during the period of availability.
21. An airplane ticket for a business conference obligates to the Federal grant award:
- On the date the subgrantee decides to make travel arrangements.
 - On the date the travel arrangements are booked and seat assignments are confirmed.
 - On the date the travel arrangements are paid in full.
 - On the date the traveler takes the flight to their destination.
22. For a cost to be allowable to a Federal grant award, it must meet the following criteria:
- Necessary and reasonable.
 - Allocable to the Federal grant award.
 - Subtract applicable credits.
 - All of the above.
23. A cost is reasonable if:
- It is on sale.
 - It does not cause the grantee or subgrantee to exceed its total Federal allocation.
 - It does not exceed the cost that would be incurred by a prudent person under similar circumstances.
 - None of the above.
24. Costs are allocable to the grant if:
- The cost of the goods or services is proportionate to the benefits received by the grant.
 - At least 50% of the goods or services will directly benefit the grant.
 - The goods or services, in any way, benefit the grant objectives.
 - The cost of the goods or services was included in the budget proposal.
25. Assuming all costs are reasonable, which of the following cost incurred during an overnight business trip is not allowable:
- Dinner (without any alcoholic beverages)
 - Hotel room
 - Mileage costs
 - A ticket to a movie

26. Funds may be used for equipment maintenance costs.
- True
 - False
27. As long as an employee's salary is supported with at least 50% non-Federal funds, the employee does not have to fill out a time and effort certification, even if the other 50% is supported with Federal funds.
- True
 - False
28. An administrator that works approximately half time on IDEA administrative activities and half on Title I, Part A administrative activities is required to keep:
- A semi-annual certification.
 - A monthly PAR.
 - Is not required to keep track of his/her time.
 - A weekly PAR.
29. A teacher that spends 100% of her time teaching in a special education classroom to IDEA-eligible students and whose salary is supported with Federal funds is required to keep:
- A semi-annual certification.
 - A monthly PAR.
 - Is not required to keep track of his/her time.
 - A weekly PAR.
30. Grantees and subgrantees should retain their records for:
- 1 year from the date of obligation.
 - 3 years from the date of obligation.
 - 5 years from the date of obligation.
 - 10 years from the date of obligation.