

# GRANT TRACKING AND MANAGEMENT

BONNIE S. ALESHIRE, SUPPORT ACCOUNTANT SUPERVISOR  
KEVIN B. STOUFFER, CPA, MEMBER OF THE FIRM

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Guidance You  
Can Count On.



## BONNIE S. ALESHIRE

- Support Accountant Supervisor
- Joined SEK in 2004
- 17 years of experience
- Graduated from Wilson College an Associate's Degree in Accounting
- Provides clients with bookkeeping consulting & support; sales & use tax filings; payroll & payroll tax services; QuickBooks consulting, setup, & training; and governmental annual reporting & filing assistance.
- Has been a QuickBooks Certified ProAdvisor since 2006 and completes annual training and exams in order to maintain her certification.



## KEVIN B. STOUFFER, CPA

- Member of the Firm
- Joined SEK in 2004
- 17 years of experience
- Graduated from Shippensburg University cum laude with a Bachelor's Degree in Business Administration
- Specializes in governmental audits and currently serves as Member-in-Charge of approximately 50 local government audits.

The background is a light blue gradient with various white icons related to accounting and business. These include a laptop with a bar chart on the screen, a pair of glasses, a calendar, a smartphone, a calculator, a pen, a notebook with a credit card, a wallet with cash, and several dollar signs. The icons are scattered across the page, creating a professional and organized atmosphere.

# BASIS OF ACCOUNTING

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- Cash Basis
  - Record revenues when received
  - Record expenditures when paid
  - No recording of accounts receivable or accounts payable
- Advantages
  - Closely reflects the cash position
  - Bookkeeping is easier
- Disadvantage
  - Financial results in any given period may be distorted

# BASIS OF ACCOUNTING

- Accrual Basis
  - Record revenues when earned, regardless of when received
    - Offset is recording accounts receivable for amounts earned, but not yet received
  - Record expenditures when incurred, regardless of when paid
    - Offset is recording accounts payable for amounts incurred, but not yet paid
- Advantage
  - More accurate representation of finances
- Disadvantage
  - Additional bookkeeping

# BASIS OF ACCOUNTING

- Cash vs. Accrual Basis
  - If a Component Unit of the County, may not have a choice
    - Accrual
  - If a stand-alone entity (not a component unit), may have the choice between cash vs. accrual
  - Cash Basis Financial Statements – cheaper to audit

# GRANT MANAGEMENT



# GRANT MANAGEMENT

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- Step 1: Identify all programs by:
  - Discussion between District Manager, staff, and accountant
  - Review previous year records
  - Review current year receipts
  - Review current year expenditures

# GRANT MANAGEMENT

- Step 2: Establish a System to Track Expenditures
  - Separate tracking for each program
    - Examples include:
      - Excel spreadsheet
      - QuickBooks – classes
      - Staff timesheets
  - Ensure that the same expenditure is not captured by multiple grants
    - OK to split apart, but cannot double-dip

# GRANT MANAGEMENT

- Step 3: Prepare Quarterly Reports
  - Reports should be prepared based on tracking
  - Support maintained
  - Reviewed by someone other than the preparer
- Tip: Carefully review the report requirements:
  - Certain grants are based on what was spent
  - Certain grants are based on what was incurred (accrued)
    - Payroll – work may be completed in one quarter, but not paid until the next

# GRANT MANAGEMENT

- Step 4: Recording of Transactions
  - As reports are submitted, these should be tracked
    - Track of amounts owed to the District
  - Cash Basis
    - Record revenue as grants are received, regardless of what is owed
  - Accrual Basis
    - Record revenue for amounts owed
      - Typically done at year-end, but can be done throughout the year

# GRANT MANAGEMENT

- Different Types of Grants
  - Working Capital – provided in advance
  - Reimbursement Basis – provided after expenditures are incurred
- Revenues will still follow same principles as before
- Working Capital grants may have a liability for Unearned Revenue (accrual basis)
  - Example – Receive grant up-front and do not spend any

A light blue background with a collage of semi-transparent business-related icons including a laptop, a calendar, a pair of glasses, a smartphone, a calculator, a wallet with cash, a pen, a notebook with a credit card, and various charts and graphs.

# PRACTICAL CONSIDERATIONS IN QUICKBOOKS