**Uniform Guidance for SILCs**

**Presented by Paula McElwee**

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TIM FUCHS: Good afternoon, everybody. This is Tim Fuchs with the National Council On Independent Living and welcome to our latest SILC-NET teleconference and webinar, Uniform Guidance for SILCs. As always today's presentation is being brought to you by the IL NET training and technical assistance project for CILs and SILCs. IL NET is operated through a partnership among ILRU in Houston, Texas, NCIL here in Washington D.C. and APRIL in Little Rock, Arkansas. Support for the project is provided by the administration on community living at the U.S. Department of Health and Human Services. As always, we're recording today's call so that you can archive it on -- you can access the archive, excuse me, on ILRU's website and we will break several times during the presentation to take your questions. There's a number of ways you can ask questions. If you're on the phone today, you can press \*# to indicate you have a question and we'll take those in the order we receive them. If you're on the webinar, you can type your question in the chat box. That's the text box underneath the list of participants. Type your question out and hit enter. You can type questions and comments any time during the call but we will wait until our Q&A breaks to address them. If any of you have technical issues you can let us know in the same place and we'll respond to you right away. We don't want to take time for the Q&A breaks for that stuff but we will get back to you and help you troubleshoot any problems you're having. Also if you're on the full-screen CART captioning today, I'm logged in to the chat there. You're welcome to ask your questions there as well and I'll voice them for you during the Q&A breaks. Let's see, you'll definitely want to have the PowerPoint to follow along today. Most of you are on the webinar, I know, and that will obviously advance automatically, but if you're only on the phone or only on the CART screen, you'll definitely want to have a copy of that PowerPoint. That was sent to you in the confirmation email with the connection instructions. If you don't have that handy for any reason, you can email me at Tim@NCIL.org and I will send you a copy. Finally, I just want to mention the evaluation form. So following the call today on one of our last slides there will be a link to the evaluation form and I'll point that out at the end of the call. Please do fill that out. There was also a copy of the link in that came confirmation email I just mentioned. It's short, it's easy to complete, but please take a minute to fill it out so we know how you felt about today's call. We appreciate have yrchging everyone's feedback. I will remind you of all the instructions each time we take a break, but I want to introduce our presenter for today, Paula McElwee. Paula has done so many of these trainings for us lately and has been just indispensable in providing advice and assistance on all of the issues around these new regs and the uniformed guidance. Paula, I appreciate you taking the time to put together today's presentation. This is one of the biggest SILC-NET calls we've had in recent memory. So it's obviously a popular topic. Everybody wants to get it right. I can't thank you enough for taking the time to do this. Paula is the Technical Assistance Coordinator for the IL NET project at ILRU as many of you know. I know many of you have worked with her one-on-one. Paula, thanks again, and with that I'll turn it over to you to get us started today. >> PAULA McELWEE: Thank you, Tim. I'm excited to talk about what can sometimes be kind of a dry topic because making sure that we spend the federal money properly is such an important task. So let's look at what we're going to talk about in the next hour-plus. This is on slide 3 for those of you who are following along and not on the actual screen. The OMB has new uniform guidance about how to spend federal money and we're going to talk about how that relates to SILCs specifically, because this is an area that for a while was kind of unclear. So we want to bring what clarity we can to that situation. Also, which aspects of the new Uniform Guidance have changed. What's difference from the old OMB circulars that we used to be under, and how do we address those new changes, those new requirements at your SILCs specifically. There are some prohibitions in Uniform Guidance about how money can be spent and so we're going to talk about those, too, what do we need to do to make sure that federal expenditures are reasonable, necessary, allowable and allocable. Those are the requirements that show up over and over again in these guidelines. So we're going to look at those. Then also resources for further information to implement any changes in your policies and procedures or in other activities that you have around how you manage money so that you can continue your research on that. And, of course, you can always contact me after the fact. My contact information will be at the end, and either by email or by phone I'll work with you on your own application at your SILC so that you can implement all of this in a positive way. On slide 4 let's talk a little bit about what the uniformed guidance is -- Uniform Guidance is. So any entity that can be a council like you guys, it can be a CIL, it can be the DSE, the designated state entity, but any entity that receives federal funds has to comply with this Uniform Guidance. This training is focusing on SILCs specifically because there are some things about you that are different. Even if you're a nonprofit SILC, or if you're not, you're still a subrecipient under these guidelines. So that's the term used to describe someone whose federal funds flow through someone else before they get to you. And in your case they flow through your designated state entity to you. So that makes you a subrecipient, and we'll talk a little bit more about that in a minute. The Uniform Guidance is a federal government-wide effort. The Office of Management and Budget has always had some regulations. We used to be bound by several of the circulars that went with the Office of Management and Budget that that this replaced those circulars. So they revised and consolidated all the existing circulars and other regulations around how to spend money and now it's all contained in Uniform Guidance. So a tip... if anybody in your auditing staff or your policies and procedures or anywhere else is talking about the OMB circulars, the old ones were 110, 122 and 133, if that language is still in your policies, it needs to go because those circulars are no longer in effect. What is now in effect is this thing called Uniform Guidance. Slide 5 then, what this is is the replacement for those circulars. They were combined into a single guidance for a while you heard this when they were developing it. They used the term "Super Circular" for a while because it rolled so many of the prior circulars together, not just the three that applied to us as nonprofits, but also the ones that applied to state entities were all rolled together into one, and now these rules govern the use of federal dollars by any entity that receives them. Entity is the word they're using, but that entity in this case means organization or other recipients of federal funds. So we are all -- each of us is an entity in that context. On slide 6 you'll notice that this was a multi-year consolidation. It didn't happen overnight. It took quite a bit of time. There was public comment like there always is on federal regulations. So it was invited through the Federal Register. And what they said in the Federal Register, what the OMB said in the Federal Register, was that the purpose of this was to reduce the administrative burden for entities receiving federal awards while also reducing the risk of waste, fraud and abuse of federal funds. And their other purpose was to improve the integrity of financial management and operations of all federal programs. Then finally to streamline the rules governing federal funds. And while this is a long regulation when you look it up -- we'll give you the link in a minute -- when you look it up for yourself you'll see it's pretty long. It does streamline those rules that were in place before. So it does give you a chance to take a look at -- at things all in one place and each of them all described in one place, which is a much better and consistent way to handle those rules. Slide 7, the rules are found at 2 CFR 200, meaning Code of Federal Regulations. If you ever lose the link, just know you certainly can put that into a search engine, the 2 CFR 200 and it will pick up the Uniform Guidance. The actual title is uniform administrative requirements, cost principles and audit requirements for federal awards. So that's commonly referred to as Uniform Guidance. Now, we're regulated under the Health and Human Services Administration for Community Living and the Independent Living Administration. Some of you may remember when we were back under the Department of Education in the Rehabilitation Services Administration, back in that day there were a lot of additional regulations around the OMB circulars that were found in our regulations about centers. So Department of Education added a lot of stuff into the way that those regulations were interpreted. So far that's not been the case with Health and Human Services. So Health and Human Services has chosen to take the Uniform Guidance as it is and then they will issue if the need arises guidance around any areas where it needs clarification. But that means we have a more streamlined way for us to look at the regulations, too, because they're taking them directly from the Uniform Guidance and they're not adding interpretation, at least not yet. So that's kind of a good news, that it will be more clear, I think, and more straightforward. If you look at slide 8, this just gives you a sense of when the Uniform Guidance went into effect. The Uniform Guidance is applied to entities receiving federal funds for new funding after December 26, 2014. Now, practically speaking, that means that they were applied to the CILs and to the DSEs effective October 1, 2015. They also apply to the SILCs that are nonprofits as subrecipients of the funds, and the councils that are not separate nonprofits also need to meet the requirements of the designated state entity, which are based on Uniform Guidance, and this is a real key for all of us to keep in mind, they may vary based on the state's policies. So even though we've come out in under the additional -- out from under the additional requirements that the Department of Education had in place, many of you still have a DSE that is still under the Department of Education, and they wrote their policies and procedures around money to meet those guidelines, and, therefore, they can require that you also meet their policies in addition to Uniform Guidance. That has always been the case. What I have seen that's been interesting is that in some states the DSE is willing to back up a little if the Uniform Guidance doesn't make a requirement that has been their policy, that sometimes they're willing to say, oh, okay, then we'll change our policy and we'll allow that. So don't be afraid to have a conversation about what Uniform Guidance actually requires, but your designated state entity might get stuck on its own pawlz see, and they -- policies and they can require you to meet them. They may allow you not to if you can make a good argument from the Uniform Guidance. All right. Nine is definitions. So in the Uniform Guidance you won't see the word "vendor" showing up anymore. That used to be the language that was in the OMB circulars. Now they're calling us contractors, but it still describes an organization providing a product or a service, and the payments to the contractors are not subject to cost allocation rules, but they are subject to rules for procurement. We'll come back to that. But the contractor may or may not be use. It may be the people that are providing you with the services. So you may have an accounting contractor. So yu subcontract with an accountant who does some of your books. That would be a contractor, and therefore, that contractor would not be subject to cost allocation rules. We'll go through this in a little more detail in a minute. A cost objective is defined. We've told you before that you have to keep track of your time by cost objective, and RSA pretty much wanted to see that by funding source. But cost objective is more clearly defined in Uniform Guidance and it clearly is not funding source. That still may be your simplest approach, but cost objective is any funding that is for the same purpose for the same people. Soar centers this often means that they will be able to consider as a single cost objective both their federal grant, their Part C money that they receive directly, and their Part B money that they receive through you might be considered a single cost objective, if they can make that case, and if they have good reason for doing that, that has to do with how you allocate the time of the staff, and if all of the staff time is used for the same purpose, then it's a single cost objective. So all of the time spent on the core services, whether funded under Part B or Part C, could be considered a single cost objective. Program income is also defined, and there are some krlz over how you can use -- controls over how you can use program income. Program income is income you secure by providing a service through your other grant. So for centers this has been really obvious because they often create another funding stream in a fee for service program or in another program. We haven't really seen how this will unfold with SILCs as much. So it's hard to know exactly how much of the time you will have program income, but if your staff, because you're not doing direct services, but if your staff are working on a project that is going to bring in money we probably should talk about whether or not it is program income under this definition. Also recipients are defined, subawards and subrecipients, and we'll talk about that quite a bit in just a minute. And the terms should and mution are clarified. Must is something you must do. Should is a best practice but not required. And that's really important as you're reading through here, because the difference is substantial sometimes between something you must do and something that's best practice but may not be practical in your particular situation. So it would be allowed that you not do it. So you can watch that as you read it for yourself. You'll want to watch those terms. Slide 10, the words that are repeated the most often in Uniform Guidance are the words "reasonable, necessary, allowable and allocable." So these are the requirements around the expenditure of federal funds, and the first one is you must prove that it's a reasonable request. So when in doubt you may have to make a case for why it's reasonable for you to do X, Y, Z with the funds, that the price that you're paying is reasonable. Now, when we get over to procurement you'll see that you don't have to do bids for some of your smaller purchases, except you might want to get bids or compare prices and keep your research with your record of any expenditure if you think there is going to be any question about whether or not you're spending the money reasonably. So you'll want it to be reasonable from two different viewpoints. It must be reasonable in that it would be expected that it makes sense for you to spend money at all on the thing that you're proposing, and then you must show that what you spent is a reasonable amount for that activity. So it needs to be reasonable from both those stand points. You may also need to make a case that the expense is actually necessary. So how is it necessary for you to spend those funds? Take a look at that. And then only allowable costs will be permitted. We'll go through some allowable and non-allowables in just a minute. And then your expenses must be allocated among those cost objectives or turnedding sources if you use that term, but if you have more than one activity you're tracking on your Personnel Activity Report and you have cost objectives, then your expenses have to be properly allocated among those cost objectives, and we'll talk more about allocation also in just a few minutes. The other thing that's interesting on slide 11 is that the costs must be consistent. This actually is found in the references, 2 CFR 200.403. The costs have to be consistent across your organization. So whatever it is that you do typically with that cost according to your policies and procedures must be done across every funding source. So you have to apply it uniformly whether it's a federal fund or other non-Federally funded activities. So that you can't decide to give more of the costs or more of the burden to the feds because you don't have quite enough in your state funding. You have to treat the expense consistently. Consistently within your policies and procedures, and not separated out based on where the money came from. Costs must also be accorded similar treatment. Similar costs have to be treated in the same manner no matter what the funding source. That especially applies when you talk your ip direct cost rate. That has to do with whether a cost is direct or indirect. There is a certain amount of discretion for you to decide that. But once you've decided it, it has to be treated the same way across all of your funding sources. So, for example, in some organizations when you did your indirect cost rate proposal, the centers all had to do this, your states may or may not be requiring you to do them as SILCs, but when they were done they decided, oh, we'll put 100% of the time of the Executive Director into indirect because we feel like there really isn't any direct salary there. But other organizations look at that same Executive Director's salary and say, well, we feel like this portion could be kept track of separately and should be a direct cost, and this portion should be indirect. You can do it either way, but once you've decided what you're going to do, you have to be consistent going forward. So you can't arbitrarily decide, oh, you know, that really isn't working very well for us, so you want to change it. You can't do that mid-year. You can't do it differently -- I have also seen some of you do this, I shouldn't admit this, but sometimes there ice a kind of an arbitrary movement of costs from one grant to the other because you had certain personnel over in this grant and the position was vacant for four months and so you have that extra salary, so you're going to move some of the costs from the federal grant over to your state grant where that money was from. Well, you can't decide arbitrarily to move money around. You have to stay with your budgets and you have to follow your policies and you have to make sure there is consistency there. You have to have prior approval before you move things around hoar add costs. So you have to -- you know, you have to do it consistently no matter what you're doing. So be consistent in how you record things, how you document them, how you follow your own budgets and your own policies so there there's not an inconsistency that might raise a red flag for you. Some of the other cost principles are that the non-Federal entity, that's you, it's also the D sevment, we'll talk about exactly how this works, but the non-Federal entity and that's abbreviated NFE, so you'll see it a lot throughout the guidance, assumes the responsibility for administration the federal funds. The non-Federal entity has the primary responsibility for employing whatever form of sound organizations and management techniques may be necessary in order to assure proper and efficient administration of the federal award. And all costs must be adds quutly documents. So these are the principals that are in that section 200.400 around what you must do. Now when the DSE, your designated state entity, the state, is the one that receives the direct funds, then they assume the responsibility for administering those federal funds, including employing whatever form of sound organization and management techniques they feel are efficient and necessary for that proper and efficient administration. Now, that kind of took us all by surprise. We looked at what was happening in the WIOA in the last changes to the Rehab Act, and as we looked at those amendments we thought, well, there's going to be a lot more discretion on the parts of the SILCs. There's going to be a lot more opportunity for the SILCs to be separate and autonomous. I heard that word used a lot. That's true when it comes to the requirements that are actually written into the Rehabilitation Act, but then along comes this additional requirement from the Uniform Guidance, and there are some things like this language that indicate that the state still has quite a bit of responsibility over making sure that you are doing things properly and we'll cover that even more when we get into subawards because it's even more obvious there. Now, bidding. When are you required to do bids to show reasonableness? Well, you're no longer required to show your bidding process for products or services less than $3500 over a period of a year. So if your monthly cost is $350, then that might be more than 3500 for the year and must be bid, but under that, under that 3500, either for the event or for the year, you're not required to bid. You still may choose to do it. Or your DSE may choose to require you to do it. But your own policies and procedures need to -- you need to review them and decide, do you want to make a change related to this, and the DSE often has set a lower amount for which bids are required. So you need to find out what their requirements are before you change the threshold in your own policies and procedures. But 3500 is the new Uniform Guidance. As I said before, some of the DSEs are very willing to reexamine their policies related to the Uniform Guidance. So if you feel like that's something you would like to have changed, you should have that conversation. Slide 14. So the method of procurement are these. First of all, micropurchases. Those are purchases less than $3500. When I first looked at this Uniform Guidance, I don't know about you, I'm looking at those numbers, yeah, when was the last time you made a small purchase of $149,000? Really? Anyway, obviously there are some entities out there that are a lot bigger than any of us. But with your micropurchases you can award a decision to get something without soliciting competitive quotes if the non-Federal entity considers the cost to be reasonable. So you must to the extent practical determine it's reasonable. And then this is interesting. Micropurchases should be shared equitably among qualified suppliers if they offer the same rate. So if you're buying office supplies, if office depot and staples have the same rate for the office supplies that you're purchasing, you should go back and forth and purchase some from staples and some from office max -- or office depot. Does that make sense? I thought it was an interesting addition for us to take a look at there. Small purchases are less than $150,000. You would be expected to check the prices, but you're not necessarily to do a sealed bid process. The sealed bid process, or the competitive proposal purchase, only has to occur for purchases of more than $150,000. Now, there might be special circumstances where you would do a noncompetitive purchase, and I think I go over that again in a minute, but basically those special circumstances would be if that -- the one -- the contractor that you're purchasing from is the only one in a hundred-mile radius that does what you're wanting them to do or is the only one who can provide that service to the extent you wanted. If you can make that case you might have a noncompetitive purchase from time to time that is allowed. Jow just have to make your case for it. It is interesting question, how do you distribute your purchases equitably among qualified suppliers if they all offer the same rate? I'm not seeing a lot of attention being given to this in policies and procedures but it is an interesting question. And then the small purchases, the language is that these procedures are relatively simple and informal. So price or rate quotations must be obtained from at least two sources f it's between 3500 and $ton 50,000, but that can be written, it can be oral, it can be a page from website. It doesn't have to be a formal process for determining that the cost is reasonable. It's a rel fifly simple and informal process. Still need to document it, but it's a simpler way to approach it. Slide 16, the other big change we're seeing is that the new guidance is very clear that a single audit of federal awards is required. They've moved the limit up. If your expenditures of fed rel awards exceed $750,000 a year. But they're also equally clear that you are not allowed to use federal funds for a sickle audit unless you have federal awards of at least $750,000 a year. So if your policies or funders require an audit and your budget for that audit has been approved, your costs might be allowed if you're doing a simple financial statement audit, as long as you allocate it properly across all of your objectives -- cost objectives. But you cannot do a single audit unless you have that higher level. So for a financial statement audit you do need to talk to your auditor about that. You may have been telling them before to do a single audit which you were allowed to do if it was budgeted and properly allocated. And so you need to clarify, you're not hiring them to perform a single audit unless you have more than $750,000 a year in federal costs. You know, I think I've been talking an awful long time. I'm going to stop for just a second appear encourage you to start writing your questions. Because we're going to get to questions right after we talk about this conflict of interest. Take a minute to type questions that have come up into your chat box there, and when you're ready -- when -- we'll tell you the rest of the story when we get to the rest of the questions, but I know some of these are kind of complex. So if you've started having questions and you're making notes, go ahead and feel free to start typing those into the chat box and we'll get to them shortly. Okay. Conflict of interest is also in the Uniform Guidance, and a lot of times the words conflict of interest get thrown about and we have policies and procedures, hopefully codes of ethics for the center and the SILC around conflict of interest but you can find this language in 200.112 and on slide 17, and the federal awarding agency must establish conflict of interest policies for all federal awards. The non-Federal entity has to establish these policies for its own operations. So you must have a conflict of interest policy. And then the non-Federal entity must disclose in writing any potential conflict of interest to the federal awarding agency or pass-through entity in accordance with the policies and procedures. It's interesting to note you have to determine first of all what is a conflicted of interest and have policies for it. But the second interesting thing is that you must disclose in writing the potential conflict of interest to either the federal award if you're getting the money directly, which you're not, or the pass-through entity, which your case would be the DSE, and you have to disclose any potential conflict of interest to them in writing. That's a lot more specific than what we're used to seeing. We're used to seeing that as an internal policy and we ban tea about and argue about it sometimes when we're not sure whether a conflict is occurring, but it's interesting to see that you also have to engage the funder in that conversation. We suggest you develop a code of ethics for your councilmembers. They can sign that as they come on board. You can review that annually. There are lots of sample codes for nonprofits. Even if you're not a nonprofit you can still do that with your council. Just search for codes of ethics and you'll find a lot of ideas for content. We have some samples we can provide if you ask as well. We suggest you do talk about ethics, including conflict of interest, and this is a great opportunity for you to do it. If new councilmembers in their orientation are reviewing a code of ethics and signing that they agreed to those codes, then they're really aware of what those codes of ethics are, and then as well when you look at the council as a whole have some kind of a schedule where at least once a year you review your code of ethics again and affirm it in some way with your council so that your whole council keeps that code of ethics in their forefront of their mind. Now, your call see can be expanded to include any specific concerns that you have for your council. And a councilmember should be -- in your policy or policy or code of ethics or both should be required to disclose their conflict if they have one and to refrain from discussion and vote if there is any possibility that they're going to benefit from the discussion and vote that's coming up. So kind of keep that in mind. Now, the biggest discussion that happens around this is this next point, bullet point, on slide 18, the last one there. Being a staff or a board member or a consumer of a Center for Independent Living may not pose a conflict, because you're -- just because you're voting for something that benefits all centers. It only poses a conflict if you're voting on something that specifically targets a single center for a benefit of some sort, and if you have a staff or board member or consumer of that specific center which is the only center that's going to benefit, then there would be a question of conflict of interest. It's kind of a catch 22. You're required to have members who are knowledgeable of Independent Living, so you're going to have staff and board members and consumers of centers on your SILC. Of course, you have one that's an official representative of the centers, but there should be other people, probably will be other people on your council who have some kind of a connection to a center. That in and of itself does not pose a conflict. It's only if they're going to benefit in some direct way, the individual councilmember or their family, in some direct way. So, for example, I can tell you that if a center was working on a building and they had a contractor who was on their Board of Directors, there's just no way that that contractor should be involved in the conversation. But it's hard. You know, you think, he's an expert. We can ask him some questions about it. But you have to watch anything that would benefit his business, benefit him or -- or a family member's business directly that comes before the board. That board member or that person should not be involved in that decision. That's true with your council. There are not very many circumstances, I don't think, where that would be the case, but you do need to be aware of it and make sure that there's not a conflict of interest, and that if there is a conflict people disclose it and refrain from discussion. Okay. How about some questions and answers? >> TIM FUCHS: All right. Great. Thank you so much, Paula. Again, if you have questions, you can press \*# if you're on the phone, or, of course, you can type them in the chat. I'm going to start rolling through these and I'll look for others as they come in. The first one that I saw Paula was from Heidi and Heidi asks with micropurchases, does that mean we can't show preference to organizations that hire more people with disabilities or a locally owned business? >> PAULA McELWEE: With your micropurchases, that's an interesting question, with your micropurchases you can have reasons that you decide on giving them to somebody as long as it doesn't fall into that conflict of interest area where, you know, I don't want to hire -- I don't want to hire my husband to do the work because that's money in my pocket. So I couldn't do that and show a preference, no matter who he hires in his business. Or I couldn't be involved in the decision at least. So that needs to be taken away from my decision-making. But when you look at the other reasons for micropurchases, there is a place in Uniform Guidance that specifically prohibits geographic location from being an element of that decision, and that really threw me, too, because all of us want to buy locally, right? We want to encourage local business, we want to be a part of our local communities, and so for centers especially there would be a lot of desire to buy wherever they are across the -- you know, in their geographic area. You want to buy from your neighbors. That cannot be a reason for buying from whoever you want, which was interesting to me. So if you're going to want to do it locally, you still have to be able to show that it's a fair price compared to what you would get if you didn't do it locally, which is kind of interesting language. But that's the -- that's actually in the uniformed guidance that you can't take geographics into consideration. >> TIM FUCHS: Thanks, Paula. Dawn asks for examples on conflicts of interest. But you gave some, so I'll just have her let us know if she would like any more information on that. I also see we have a phone question. Let's go there next. We'll get your line unmuted, and caller, you can go ahead. >> CALLER: Yes, hi, Paula and Tim. This is sha in Arkansas. I had to call in my cell phone. I'm sitting at my desk but our phone is messing up. Under the allowable costs, I just want to make sure where you talked about expenses must be allocated among the cost objectives or funding sources. In Arkansas our funding is INE, and 88% will go through our, of course, DSE and the other 12% through our blind agency. So I guess what my question is, costs must be consistent with policy, procedures. Really and truly, we only have one funding source, and this really goes back to the other question. Would that be -- I mean -- well, we have two agencies, but the source is INE, I guess is what -- >> PAULA McELWEE: You have two agencies but from the same source and it's for the same purpose, I assume. >> CALLER: Right, yes, ma'am. Then the other thing is -- I guess I need to expand on that. This year we did get a 20% increase, but the way that they did it, $40,000 of our total budget is state match. So, that's a new one on me. It's the first time -- >> PAULA McELWEE: Right, right. >> CALLER: So would it still be -- >> PAULA McELWEE: Well, the regulations around Uniform Guidance do apply to all federal funds. So the I&E funds are federal funds even though run through the VR agency. We haven't gotten to the part about how you're a subrecipient but we will talk about that before we get done today. You are a subrecipient of the VR agency who is passing on the I&E funds to you. Those are still federal dollarsnd so -- the Uniform Guidance still applies. So the same regulations around what's allowable and what isn't and that kind of thing. >> CALLER: Okay. >> PAULA McELWEE: So -- so, anyway, it's a challenge sometimes to think about those state funds if they are state dollars. Then the regulations that apply would be whatever the state regulations are around it. Usually the state regulations are very similar, but they might not be exactly the same in some areas. So that would be a good question to ask. On Koss objectives, though, one of the things that I would really suggest that you do is that you pull out of your time for your SILC staff what time is spent on fund development, because that's a new area that you can spend time on, and it is allowable under the Rehab Act, but it is an area where they are recommending that you still keep track of it separately as a separate fund objective so that you can show whether or not the fund development activities are breaking even or better. So they're strongly suggesting, this is one of those shoulds rather than a must, but they're strongly suggesting that you actually put the -- yeah, put the fund development as a separate activity, a separate cost objective on your Personnel Activity Report, your time sheet where you keep track of different cost objectives. If you do lobbying, if your fund development allows you to do actual lobbying as the SILC, it is also recommended that you do a separate cost objective for that. And we're not going to spend a lot of time on that. That's a topic for another day, but just kind of keep in mind that if you're going to be doing lobbying with private funds that you've raised other than federal funds, of course, because it's not allowed with federal funds, then that also would need to be a separate cost objective to keep that real clean so it's clear. But everything else you do can be under one cost objective if you only have one type of money that comes to you for exactly the same purpose. As soon as you get to doing your fund development, though, you will have other cost objectives. So if your fund development has allowed you to raise money from a specific source, then suddenly you have another cost objective you have to keep track of. Do you see how it can continually expand? >> CALLER: Right. Thank you for bringing that up because we have our first cross-disability conference coming up, and that's hopefully going to be a fund development for us. So thank you for bringing that up. >> PAULA McELWEE: So that might need to be carved out separately. >> CALLER: Right. Thank you. >> PAULA McELWEE: You're welcome. >> TIM FUCHS: Okay. Great. Next question, Paula, comes from Sam, and Sam is wondering: How are federal I&E funds handled because they're Al kailtd by VR agencies regulated by Department of Education. So, in other words, do we follow HHS or Department of Education regulations? >> PAULA McELWEE: You follow the VR agency's regulations, which will be from the Department of Education, but you are a subrecipient of that -- of those federal dollars. So they -- they can require of you whatever they need to in order to meet the requirements that they have to meet. So they can add on requirements and Department of Education has certainly done that, but they can also add on state requirements. So -- yeah. >> TIM FUCHS: Okay. All right. Good. Thank you. All right. We got about three minutes left. I think we got plenty of time for this last question. Mike asks, some councils include center directors or councils do include center directors, in some cases the center directors are also on the Board of Directors for the association of centers, the state or regional association, which advocates for funding for Centers for Independent Living collectively. Does their fiduciary responsibility to the association of centers affect your discussion? >> PAULA McELWEE: You know, I don't believe so, but I always am kind of watching that. There are many different ways that this could at some point unfold. Right now the membership fees are considered memberships to a professional organization, and that's true whether it's your state association of centers or your national associations of centers in APRIL and NCIL. Right now your membership is considered a professional membership and it has not be a part of the conversation to say that that would in in any way be restricted. I think at some point we could see a different interpretation of that, but at this point that's how it's been interpreted and that's how it's been applied. So that membership and their responsibility to that organization as a board member for that association is considered a part of the professional approach and has not at this point anyway be considered to be a problem, especially when its comes -- I don't know, Mike, you didn't say this directly, but especially when it comes to the advocacy and sometimes overt lobbying that happens with that. So -- I just lost my screen. >> TIM FUCHS: That's okay. Sharon and I can probably share ours. Let me see. We should have a back -- have it back up in just a second. Okay. Every one should be seeing it again and I'll keep an eye on it. We're at 3:50 and that's the end of the questions I had. So we'll go ahead to slide 20, Paula, and you can continue. >> PAULA McELWEE: I'm going to have to continue a little faster because there's still a lot of content here. I know it's complex, so if we don't get to all your questions, please be sure to drop me an email later around we'll try and pick them up at that time. So here some key things you need to do on slide 20 related to Uniform Guidance as a SILC. You need to look at you are policies and procedures and make sure that your policies comply with these new rules. We do have samples. There is a link there for you to copy and paste into your browser to pick up a copy of our sample. It does say for CILs, but if you are a nonprofit, for the most part those same regulations -- the same policies and procedures would be useful to you. If you're not sure about something, like I said, just let me know and we'll make sure we get that for you. You need to identify who is going to be responsible for compliance with these rules, and make sure they get the training they need to comply. The same link gives you some of the recent -- the videos from our recent training on financial management, which John Heverin led with it help from couple other folks. It's solid financial information. As you look as how you're going to approach all of this, that's going to have useful information for you. Also you need to look at your indirect cost rate if your state is having you do one. There are a few states where the DSE is saying they're going to stick with a cost allocation plan, which is what most of us had under the Department of Education. We're told by HHS they want to see all of us move to an indirect cost rate instead or elect a 10% de minimus rate for indirect costs, and we have quite a bit of training around how to do these indirect cost rates but for the SILC, the reality is it depends on what your DSE is going to require. So find out from them, and I would encourage you to do that as soon as possible, find out from them, is it okay for you to continue to do cost allocation through your cost allocation plan or do they want you to develop and submit an indirect cost rate? They may tell you you don't need either one as long as you're breaking out indirect costs and properly allocating them. They may do their own approval. This is an area again where the DSE has quite a bit of leeway how they will require you to meet the requirement of allocating your costs. So you still have to allocate your indirect costs, but how the DSE is going to have you do it is going to vary from state to state. Now, our experience is if somebody comes in to audit you from the state or from the feds, our experience is if you demonstrate that you understand the concepts, then you can have a conversation about what exactly it is they want and how you may or may not be meeting those expectations. So you really need to understand some of these basics arounds costs, and one of them is internal controls, and we'll talk more about internal controls quite a bit in just a second. Your rules for time and effort reporting, that's that Personnel Activity Report that we've talked about, those different cost objectives where you keep track of your time. Time is the biggest cost that most nonprofits have, and if you have a paid staff, that is -- your salaries are probably your biggest cost. So you need to know how are you reporting for the time and how is it allocated. Then your procedures for indirect costs, however it is you're going to agree with your state to do that. And then the procurement requirements that you're purchasing that we spent quite a bit of time on just a minute ago. Let's look at internal controls first. This is on slide 22. Internal controls are a standard practice. In fact there are Standards for Internal Controls In the Federal Government. It's considered the Green Book. The committee on sponsoring organizations of the Treadway commission, which is -- COSO is what everybody calls it -- both are -- set the standard nationally for what is expected with internal controls and you must, this isn't a should, you must establish and make -- maintain internal controls over your federal awards to make sure that -- or provide a reasonable assurance that you're managing them in compliance with these requirements. So you need to have those internal controls in place. The policies and procedures that we have do adhere to these internal controls. But some basics, the non-Federal entity must establish and maintain effective internal controls over federal awards that provide reasonable assurance that the awawrdz are shaling managed in compliance with federal statutes, regulation and the terms and conditions of the federal award. That's usually in your grant award document, which is an additional place where you might find requirements besides what you see in Uniform Guidance. And internal controls are the -- are the practices that you have that make sure that more than one person handles most everything that has to do with finances so that no one person can get away with waste or fraud or abuse of the federal dollars. So that's what you're looking for. So it will be things like one person writes the check, somebody else signs the check, who mails it, how is money receipted in. It's all of those policies around internal controls. As I said, you'll see the samples in that manual that we've put together. Another area where they want to see good control is around equipment, and the section is 200.313 on slide 24. The title for equipment acquired under a federal award will vest upon acquisition in the non-Federal entity as a conditional title. That means at the time you acquire -- the ownership, it's in your backyard, it's in your control, but that's concontinue gents on meeting the requirements for its use. So if you lose your federal grant that bought that piece of equipment for you, the management and disposition of that piece of equipment is up to your federal grantee. So you just need to know that your title to anything you own that you buy with federal dollars is actually conditional and the feds have the right to take it back if you are not using it properly. So keep that in mind. If the non-Federal entity is defunded, then usually the equipment is returned to the DSE and then they distribute it back out to the IL NET work so that it's used for the same purposes for what it was originally intended for and that's usually what you see happening there. Property records, slide 25, you have to have an inventory. You have probably heard this before. You need to conduct that inventory every two years. I think it makes more sense to do it annually because you're closing new books at the end of a fiscal year. It's a good time for you to go out and do inventory. It has to actually show that you've tracked -- that you're tracking the equipment that you acquire with federal funds. Now, it's good practice, remember that consistency, it's good practice to track your equipment procured with any funds, but identify the product specifically enough so that you can locate it in your site, the brand, serial number, how much did it cost you, what was the percentage of that amount that was federal, because you may have allocated the cost of it from federal and then to other cost objectives, what date did you purchase it, and what's the location and condition of the property at the time you do the inventory. And then notice that they also include a disposition date and how you disposed of it. I have visited a lot of centers and many of them have this mysterious closet full of equipment -- I hope some of you are laughing with me as I say this -- full of equipment that doesn't work anymore but everyone told you you couldn't get rid of it because it was purchased with federal grant dollars. Well, that isn't precisely true. You can get rid of the item. You just have to say what you did with it and show that if you disposed of it because it didn't work that you disposed much it properly and if you disposed of it because you no longer needed it, that any funds you got from selling it would go back into your grant project. So you have to show all that. But it is possible to the actually dispose of property purchased from federal funds. Just have to keep track. You have to have a good inventory system. It may be useful for you to also include on that inventory the things that you buy that have less actual value but are more likely to walk away. So a lot of times that's computer equipment, tablets. You know, they're the most vulnerable to theft even though their value isn't so great you would need to include it in your property records. So you can consider that. It's up to you whether or not you want to go to do that. Time and effort reporting. So 26, slide 26, this is how you allocate your time, the staff time, across those cost objectives. We talked about what a cost objective is and how you divide your staff time up. The form used for this is a Personnel Activity Report, and while there have been some changes into this requirement, we are not willing yet to say, ah, no, you don't need to do it, because we see a lot of evidence that while their fewer direct requirements there is more -- it appears there's going to be more oversight of this. So what the PAR is is your time broken out by cost objective, and usually that's funding source, but it can also include lobbying. It can also include fund development as I mentioned. If you only have one funding source for your SILC, only have Part B or only have I&E, then you're not required to allocate your time to different funding sources unless, like I said, you do fundraising or lobbying. So that would be important. It's interesting to me that in a lot of centers had looked at this time and effort reporting and they made it a really detailed record of every single thing that the staff person did, and I saw some SILC time sheets that looked very similar. They required a great deal of information be included on the activity that was done, and that is not the intent of this time and effort reporting. This time and effort reporting is intended to say generalized and not huge specific detail. So if you're DSE is saying, oh, no, I need to know what you did every second of the day all day long, I think it would be appropriate to have a conversation with a more manageable way to record your time and effort reporting. If I can then you with some samples and some of that conversation, I would be glad to. But your DSE does have the require to require more of you than what the federal requirements are. On slide 27 just we have a sample, and so you can look at it. The rules require that the records are accurately reflected after the fact. So after the work is performed. And you need a policy that explains what you're doing, and we have those sample policies and sample forms for you as well. There were some really stringent but inconsistently enforced requirements before. The new rules are more flexible. We believe they're going to be more strictly enforced. It may be that we can do this differently if the future but we're not seeing it yet. 28, I think I've covered that pretty well, but that's what a cost objective is. That's the actual definition from the Uniform Guidance. You can see that it's not funding source. It's a program of function and activity. It can be a funding source, an award, but you aren't required to do that. And when they give samples later on in their principles they do give examples of how two funding sources can be part of the same cost objective. Let's talk just a minute about direct and indirect costs. So you're going to have to follow whatever your DSE procedures are for indirect costs and how you allocate those costs. If you they say they want you to do an indirect cost rate then we have training on that. You can effect a 10% de minimus if you're the direct recipient, and so we're assuming that your DSE would also allow that for you for indirect costs instead but we're finding that the indirect costs typically are greater than 10%, and when you have a very administrative function, you know, it would be good for you to take a look at that. So see if 10% would be enough for you, but I think it might not be. You may be able to consider everything a direct cost if you truly have only one fund objective. But otherwise you may need to divide up your costs. So if you have more than one fund objective or more than one funding source, as you develop more fund development, this is hopefully going to be the case for you, then you have to share your rent accordingly, right? So when you pay your rent it's not all a direct cost, which it may be now, but it may shift as you have more fund objectives so that it's not all direct, that your rent is split and your bathrooms, reception area, conrens rooms might be indirect and then your specific projects would be represented by the staff that are represented in those specific projects by the same percentage. That would be a typical way to do it. So you can see how your building might contain both direct and indirect costs if you had more than one fund objective. So you have to show that you are using your federal dollars all on direct program expenses if you don't have any indirect costs. So we're not really sure how the DSEs are going to treat this area of direct and indirect costs and I hope as you clarify that with your DSE that you'll let me know what happened so that we can kind of get a sense of the different ways that is being interpreted across the country. Because it's not going to be the same from state to state. And everybody has been waiting for this one, allowable and non-allowable costs. It's now Part 200. You can see the different ones. 2.421. Advertising is an interesting one because advertising is allowable only if -- most of these are things we would do, right? They're allowable for personnel, for recruiting personnel, for procurement of goods and services, for disposal of surplus, for program outreach or other specific purposes necessary to meet the requirement of the award. For public relations. So that would be your outreach and related to other activities.Ed and anything that you actually put into your budget when you receive your award, so that could include fund development or anything that's in your spel. That could including fund development and outreach of some sort for your state. So those are all kind of interesting. Interesting to see what is allowed so that I guess other kinds of advertising is what's not allowed. With advertising and public relations, anything other than what is allowed in that list I just gave you is not allowed. I know that sounds duplicative. Anyway, that's the only way I can say it. Some costs of meetings are allowed as advertising. For instance, displays, demonstrations, exhibits, meeting rooms. There's a list there. So some of those are allowed for the purposes -- or other events for the purposes of advertising. Conferences, when it's going to be technical, is allowed. So, you know, our conferences are typically allowed, our national conferences. Other non-allowable costs. Entertainment costs. This is the one we probably talk about the most. Including amusement, diversion and social activities and any associated costs except where specific costs that might otherwise be considered entertainment have a program purpose and are authorized either in the approved budget or with prior written approval of the federal awarding agency. This is a lot different than what we're -- this is the food -- you know, the food cost thing that we often talk about. Oh, yeah, we can't buy meals for the SILC -- for the SILC council because that would be an entertainment cost. I think this leaves the door open for you to begin a conversation around that with your DSE, because this says if it has a programmatic purpose, which, of course, your whole program interest the meeting of the council and its council's business and you receive prior approval, either in an approved budget or prior approval from your awarding agency. So I think it would be interesting to explore this more with the SILCs to see if that could be taken care of, because most of the time when you're drawing people from statewide into a meeting that's going to last more than just a short period of time, especially some of you who have big states, it's hard to imagine why food would not be appropriate -- why it would not be appropriate to have lunch served rather than have everybody leave and come back, or whatever your alternate lunch arrangements might be. So that would be kind of an interesting one to look at. Fines, penalties, damages and other settlements are not allowed. Goods and services for personal use, including housing, are not allowed. Lobbying is not allowed. Your certification regarding lobbying, you have to have one of those on file when you receive federal funds. It says here is what you will not. You will not improperly influence activities like obtaining grants, contracts, cooperative agreements or loans. You will not attempt to improperly influence employees or officers of government. You will not attempt to influence outcomes of federal, state or local elections, referendums or initiatives through in-kind or cash contributions, endorsements or publicity. That you will not contribute expenses to a political party, campaign or political action committee. And that you will not attempt to influence votes for or against specific legislation with certain exceptions. We had trouble finding those exceptions. So the ones that most affect us are those first two, improperly influencing is something that's still kind of being interpreted. So we'll have to see what improper influence is, but I don't have to assume improper influence would be anything that you would do where you would bribe somebody or otherwise take that on. And then attempting to influence votes against specific legislation with certain exceptions, and I think those exceptions are typically around your purposes, and so I think that's still open to quite a bit of interpretation, too. When in doubt, talk to your program officer at ACL because they're going to be able to at least work that through with you and see where you are on that specific thing. A couple more things related to lobbying on slide 34. Remember that proactive advocacy around laws that should be in place for equal rights is not lobbying and is allowed. So this is a proper use of your influence. Technical and factual presentations on topics directly related to the performance of your grant, contract or other agreement are not lobbying and are allowed. Costs related to getting there to do your lobbying or advocacy, whichever it is follows the same rules. So if it's not lobbying, then the travel related to it is not lobbying. And if it is lobbying, then the travel related to it is lobbying. So it follows the same -- if the testimony is unallowable, so is the travel. And if the lobbying is allowable, so is the travel. So it's the same. Now, we often talk about lobbying from the standpoint of the general grant -- the grant guidance -- uniform Grant Guidance and also the document I just reviewed with you. But there are also a lot of requirements in the IRS, requirements that have to do with your nonprofit status. So you also need to know a little bit about what the IRS allows and doesn't allow, which is not exactly the same because that helps you keep your status if you're a nonprofit SILC. So you need to file a report if you do use any of the funds you get for lobbying, not federal funds, of course, but other funds. You need to file a report with the IRS telling them you are doing that, and Uniform Guidance says you can lobby but you just can't do it with federal money. The IRS says you can only spend a certain percentage of your funds on lobbying. That's usually not a problem. It's usually a pretty high amount. But if you're interested in kind of sorting through all the stuff related to lobbying and and this link to the independent sector really gives a lot of information. They keep very current on it and they'll give you a pretty frank appraisal about the things they think are important. Sam asked where does advocacy and where does lobbying begin? Are we talking about paid lobbying? Well, paid lobbying of course, would be non-allowable. The question is would it be advocacy or is it lobbying? As I said, there are a couple things you are allowed to do, these proactive ones on the top of slide 34, and technical and factual presentations, which are often requested to do -- you're often requested to do when a bill is being considered and they're looking at anything independent related. You might be able to enhance the networks -- understanding of the network and the purposes of Independent Living if you can give some of those presentations that are factual in nature. But as soon as you're asking for a specific vote, then you're lobbying. So you can go in and offer technical and factual presentations to the Congressional representatives on whatever it is that they're interested in talking about and right up until the moment that they say -- say, okay, how would you vote, you know, then that's lobbying. As soon as you say how you would vote or how you want them to vote, then you've crossed that line. So that's the point at which it's lobbying. As paid staff people for the -- paid staff people for the slblg, you may be asked to the to do the first two, technical testimony and factual presentations. That's allowable right up until you say what the vote should be. So kind of keep that in mind. And as I said, the independent sector has a lot of good things for you. Slight 36 other non--- slide 36, other non-allowable costs include alcoholic beverages. If you're traveling and you want a glass of wine with your dinner, ask for a separate check. They'll do that for you and then you can't get reimbursed for that. Bad debts are not allowable. So if you in hair ought situation where your SILC was already in debt and you can't prove the expenses and allowable and paid for with a federal grant, then you have to find another way to pay that back. You can't make contributions and donations to other nonprofits. Now, in your role as a SILC you may have funds you pass through to the centers as you help them to develop some -- develop the network and develop the services in your state, but that would not be a contribution or a donation. A contribution or a donation is what we think of as those individual donations, buy a table at their annual dinner or whatever. You can't do the contributions and donations with federal dollars. You can't defend yourself if you are being prosecuted for a criminal or civil claim or appeal or whatever. So if it relates to the violation or failure to comply with the law, or regulation, or the terms and conditions of your award, then the defense is not allowable. If it results in a criminal conviction or an allegation of fraud or misconduct or a penalty comes down the pike as a result of the action, then it's not allowable. And you can find more information on all of these non-allowable costs in the guidance itself. But those are the ones that are most commonly talked about with the -- with the various -- with the activities that we all do. Some other information from Uniform Guidance. So it is now acceptable for your records to be maintained in electronic only format. It is actually stated in Uniform Guidance, that they don't have to be on paper. This probably affects your centers more than it affects you because the centers have records for consumer services that are electronic only and there have been some -- there had been some discussion about whether that was okay or not. But it is okay for both program and financial records to be maintained in electronic format. So if you want to scan everything in and keep it electronically rather than in paper in files and boxes, you are allowed to do that. Fines and penalties that come from violations or alleged violations of the regulations of Uniform Guidance are not allowable costs. Rental costs for sale and leaseback arrangements are limited to what would have been paid if the property wasn't sold. That probably comes directly from the fact that some nonprofits have created a foundation and they sell their physical property, their buildings, to the foundation for a dollar and then the foundation charges them a leaseback or an arrangement in some way so that there's a cycle there of pulling down federal funds for rent and the money is going back into the organization, and I think this attempts to take a look at one of those such arrangements and make sure that it's above board and appropriate. Home office rent is not allowable. So if you have people who want to work at home and they charge you rent, it's not an allowable expense. Temporary dependent care resulting directly from travel to conferences may be allowable. Most of us haven't gone there because it's just another complication. We deal with travel expenses of attendance and some of those other things, but dependents is kind of another thing all together. That's an interesting one, too. Entertainment is allowable only with, as I said, program purpose and if you get prior approval. Health and welfare costs incurred for improving working conditions, employer-employee relations, employee health and performance are allowable costs. Now, the only place I have seen that actually used as an argument was around providing bottled water in an office setting saying that that was a health and welfare cost, which is an interesting one. And if you received donated equipment, you can request reimbursement of the depreciation based on the fair value or the use of the item to meet your matching requirement, or to meet your matching requirements, but not both. So you can take depreciation as an allowable expense owe donated equipment if you're not using it for match. And you will need to disclose in writing any potential conflicts of interest and violations of federal criminal law that might affect your awards. You're required to put that information in writing and get that to your funder. Here's some resources for you. You can find the text of the Uniform Guidance and lots of helpful additional aids at the CFO website and also the executive summary, the Green Book, the code of federal regulations. So you can copy and paste those into your browser and take a look at this. And if you're like me, I pull up the GPO.gov site a lot. I've got it book marked. When I'm looking for something, I do a search in there to find out what was said because I want the exact language sometimes. Here's the big topic that I think we just need to really nail our understanding of, and that's that you are, as the SILC, a subrecipient of either Part B funds or I&E funds. If you are paid for under federal funds we believe you're going to be treated as a subrecipient. And the main recipient is your DSE. Then the money is passed on to you. Now, if that is the case, we haven't seen this -- we haven't seen a compliance review related to this, and so we don't really know for sure but we have every indication that the DSE then can measure the SILC's performance as to whether objectives of the federal program are met. These are actually in the Uniform Guidance as things that the entity that receives the money can require of a subrecipient. So they can measure your performance -- you would still have the responsibility for programmatic decision-making, and you would be responsible for adhering to the applicable federal program requirements specified in the award. Both of those, programmatic decision-making and program requirements, refer to the Rehabilitation Act as amended by WIOA. So you can take a look at what that means to you. The DSE would set the indirect cost rate or procedure for the federal award, and then you would just have to follow whatever they ask you to do related to that indirect cost rate. You must provide access to your financial records to the DSE for audit if they choose to do that. And they can impose specific conditions. The DSE can impose specific conditions if appropriate is the language. So basically what this means is that as a subrecipient there can be monitoring and management of the things that you're doing on the part of the DSE. I think it will be worthwhile to continue to explore this a little more. That's why I used the words "may" and "if" because I think we should test this a little and figure out where the lines are drawn. Because this is another area where does one thing end and the next begin. Where does the subrecipient monitoring end and the autonomy of the SILC begin? And so that's a question we don't have an answer to yet but this is what we believe the answer is going to be. All right. I had to end with that particular note because I know there may be questions on that and questions are what we're ready for next. >> TIM FUCHS: Perfect. Thank you, Paula. Again, you can press \*# if you're on the telephone or you can type your questions in the chat. Got about five minutes for Q&A here. First question comes from Heidi, Paula, and she asks when is something considered equipment? I was under the impression that it wasn't equipment unless it met a certain dollar amount. >> PAULA McELWEE: That's correct. You can determine that dollar amount for yourself, that $3500 amount is what we typically see, same as when it has to go to the next level on procurement. But you can choose a lower amount, and you can also choose to include in your equipment inventory other things if you want to. You're not required to, but you are allowed to do that. So typically it would be that equipment purchased at 3500 and up, but like I said, it's the tablets that walk away. So you may want to do them, too. >> TIM FUCHS: Okay. Great. Thanks, Paula. Looks like we have a question on the phone, and we'll open up that line. Caller, you can go ahead. Hello? Caller, you can go ahead with your question. >> CALLER: Hi. This is sha in Arkansas, and my question is basically kind of a statement and a question. Thank you for the information. One thing I would like to say for Arkansas SILC, the things that you have mentioned we've been doing them because of where I came before I came to the SILC, but what I'd like to know is, if there's additional training or education for us as the directors that maybe people in other states are familiar with what you presented to present to our board, because I think it would help us as entities to go forward if we have everybody understanding everything that needs to be done. Like 'I said, we've been doing a lot of the things hand have a lot of things in place but I think it would help me continue to be an effective SILC and a director to maybe have some additional training or is that something that -- >> PAULA McELWEE: Let me tell you -- let me tell you first what we have available very readily. This particular training will be up on our website shortly, and this year we have done a significant amount of SILC-related training that you can find if you -- there's fully a separate SILC portal into our website where you can get that information, but if you have any trouble accessing what you want to train your board on, let me know and I can help you drill down to the exact training, but we have a lot of on-demand re sources. Some of them like this one would be audio and PowerPoint. You can start it at a different point if you want to and just emphasize one portion of it, but all of that information is available on the website and you have the -- our permission to use it as long as you goodive us credit for -- give us credit for it. That's also true, with some of the things we talked about today, there are actually video segments in that financial management training which is already posted online, which was the fastest job of getting an onsite training up that I have ever seen. I was so impressed. It's wonderful information. You can take any excerpt that hits a Tommic you want and actually show that in your board meeting as a training. So you have access to all that information. >> CALLER: Thank you, Paula. Clm you're welcome. If you have trouble finding it, let me know and I'll help you find it. >> CALLER: Thank you. >> TIM FUCHS: Thanks, you all. It's 4:29. We'll squeeze in this last question. Debbie is wondering: In your opinion, Paula, if the NCIL activities and like activities where you might travel to a conference but then do a Hill visit and speak with legislators, is that allowable? >> PAULA McELWEE: What I typically see that I think is the best practice for the SILCs is to keep track of what you're doing on that -- remember that Personnel Activity Report. So when you're lobbying, you keep track of that, and when you're -- and it is not allowable. And when you're not lobbying, you're attending educational sessions and you're doing your professional networking and everything else you're doing while there, then that is allowable and then your travel costs would be allocated proportionately. So what it costs I don't to you get to D.C., if you have one-tenth of the information that's part of your lobbying piece, then one-tenth of your cost for travel would not be allowed. But that's how we typically see the best practice. As soon as you're asking your senators and representatives about specific legislation, you are lobbying, in my opinion. So... >> TIM FUCHS: For a specific vote on specific legislation. >> PAULA McELWEE: Exactly. As opposed to educating them on the need, which is a different approach. >> TIM FUCHS: Rights. Good. Perfect. Thank you, Paula. It's 4:30. We're going to wrap up on time here. I want to thank all of you for being with us today. As Paula mentioned, this and all the other topics for SILCs are on ILRU's website. This training will be aawr riefd within 48 hours. Usually much sooner. And let me or Paula know what onkoing training needs you have. I'm here on slide on 42 where Paula has been generous enough to include our contact information. And then I'm going to click ahead to slide 43. So that's the live link to the evaluation form. And you can click on that. It will take you now there. I know some of you are participating in small groups but I hope each of you as individuals will fill this out. Again it was in the confirmation email that was sent to you if that's easier. But please do fill that out. Paula, thank you so much for putting this together. This is one of the most popular SILC calls we've had in recent memory. People really wanted this information, and I really appreciate the time you put into this and the clear examples you gave. It's really helpful. And with that, we're going to go ahead and end the call. Everyone have a wonderful afternoon. PAULA McELWEE: Bye Bye