



Q & A from 10/20/17 NOVA for AEBG Webinar

Carry Over

Q: As of what date do we figure the 16/17 carryover budget from?

A: Your carry over figure for 16/17 is based on your last AEBG fiscal report – which was due by July 31, 2017. This would have been Q2 in the old system for consortium level reporting.

Q: Is the separate form used to calculate 16-17 carryover available now?

A: Not at this time. However, your district certifying official and the consortium director/lead will certify that your carry over amount you submitted in NOVA is correct and accurate. The last report submitted by your consortium was the Q2 16/17 expenditure report due on 7/31/17. Your carry over must be calculated based on that expenditure report.

Q: If we do not have carryover from 16/17, then we just start reporting on 17/18 funding?

A: Yes.

Q: So in reporting, districts do not have to report spending by carry over or new funds? It's just one budget?

A: You will be reporting 16/17 & 17/18 expenses – but in a combined budget & expense report. The one budget will only include active funding – the 16/17 carry over that you plan to use this year, and the 17/18 new AEBG funding that was just received. It will be one budget for the program year starting July 1, 2017 and ending June 30, 2017 (and one expenditure report).

Q: If we reported on 16/17, do we report the rest on the new system?

A: Yes. 15/16 funds will be closed out in the old system. 16/17 & 17/18 (and beyond) will be reported in the new NOVA system.

Budget

Q: Is there a way to track the amounts separately if it is a combined budget? How does that work to make sure we are spent out by the deadlines?

A: The new NOVA system will track expenses so that the oldest AEBG funds are spent first. When you report expenses on the combined 16/17 & 17/18 budget for the program year, the NOVA system will subtract the reportable expenses from the 16/17 fund allocation until it's 100% spent. Once 16/17 is spent down, it will begin subtracting expenses from the 17/18 fund allocation.

Q: We will only report by object code, not by goal?

A: Correct – only by object code.

Expenditure Reporting

Q: As fiscal agent, I will only report on expenditures for the school I am at, not the partners?

A: Fiscal agent will not be reporting expenses in the new NOVA system. The NOVA system is member based. If your fiscal agent were managing funds for a member, they would report that into NOVA as a member. The NOVA system is not like the old AEBG system. We will not be reporting by consortia. Consortium member reports will be rolled up to the consortia level. On a separate track, the state will be reviewing how much consortium level administrative expenses are being charged (capped at 5% or less).

Q: Nova= Quarterly reporting of expenditures not bi-annually?

A: Yes – NOVA expense reporting will be quarterly.

Q: So how are we reporting the expenditures through Dec. 31?

A: Once the AEBG budgets for 16/17 carry over, and 17/18 new funds are submitted, the expenditure reporting schedule through 12/31/17 (combined Q1 & Q2), Q3 and Q4 will be released. We hope to give you plenty of time to have all your members report expenses. We are currently working on programming the expense-reporting schedule – but we hope it would be more than the traditional 30 days after the quarter end date – due to the 400+ members of AEBG consortia, and the requirement for consortium administrative oversight.

Q: Will the quarterly due dates be the same as those for data?

A: Yes – but the expense report due dates will be extended (see response to the question above). Right now, new funding is not released until September/October – so it would be difficult to mandate a Q1 expense report (not to mind a budget) so early in the fiscal year. If Q1 & Q2 were combined – ending 12/31, then Q3 would end 3/31, and Q4 ending 6/30. Keep in mind actual expenditure reporting would not be due until well after the quarterly end dates (see response above).

Q: Is this reporting by Fiscal Year or Calendar year?

A: Fiscal Year.

Q: But when reporting spending, they will break it up in report?

A: No – 16/17 carry over will be spent first and subtracted from your allocation. Once that is 100% spent, then will begin spending 17-18 funding.

Q: Will the Quarterly NOVA deadlines match the WIOA reporting deadlines?

A: The NOVA quarterly end dates will be the same standard quarterly end dates (12/31, 3/31, & 6/30). The reporting deadlines will be extended due to the high number of reporting members, and the requirement for consortium oversight (see response above).

Q: Will members be required to report directly on funds that they received from the consortium in the form of a grant versus an apportionment?

A: All consortium members must report on the apportionment they receive based on the CFAD.

If you had a process, whereby members received additional apportionment through a grant application process, you will need to update your CFAD allocation amounts for each member. Members would be required to submit expenditure reports on the new amounts (as well as revise their budgets).

Q: If a member agency other than the fiscal agent contracts on behalf of the entire consortium for a grant coordinator, how would that be reported?

A: If the member were allocated those funds, then they would need to budget for it, and report those expenses. The NOVA built the budget from each member, which rolls to the consortium total amount. A consortium is not a legal entity (unless you have incorporated) – so the basis for the NOVA system is by each member. So all consortium level expenses – have to come from one or more of the members (meaning which member is actually paying for these consortium level activities). It is ok to have multiple members contributing to and paying for consortium level expenses. It just depends on how your consortium sets it up.

Q: Did you say we have 3 years to spend the 16.17/17.18 combined budget?

A: Each year, you will create a program year budget. The program year is July 1 to June 30. The program year budget will include prior year carry over, and current year funding. With the first in, first out spending mandate – we are trying to avoid dealing with “prior-prior” year funding & spending during the program year. The state will be setting up spending targets in NOVA to ensure that prior year funds are spent first and liquidated before any new funding is accessed. If members (and consortia) are not spending down their prior year funding, the state will set up targeted technical assistance, and members (and consortia) will have to submit corrective action plans. If the members (and consortia) continues to not meet spending targets, and reasonable interventions have not been successful, then the state will allow the member’s funding to be reduced and redirected/reallocated to other members in the consortium.

Budget Revisions

Q: Will NOVA require budget adjustments be approved 30 days or more prior to expenditure reporting?

A: Yes – but we are still working on the budget revision process. There will be some budget revisions that members can approve, and others that will need consortium level approval. We are working on that threshold. This will be released in the next phase of NOVA (after the budgets are submitted).

Compliance

Q: How will consortium's report compliance once they come up with a review process?

A: At the beginning of each program year, the state will document the consortium administrative review process. More to follow on what that process will look like.

Q: Would like more resources, template, models of how consortia leads validate member level expenditures.

A: Yes – the AEBG office will host a webinar on the topic in early December.

Consortium/Fiscal Agent

Q: Currently, we are the fiscal agent of the consortia AND the only member currently providing services (vocational education) to clients. Will we report those expenses under the "special" budget you mentioned?

A: All members will report into NOVA. For consortium level spending – we will need to check if you are below the 5% administrative cap, and that you have set up an administrative oversight process for your member's budgets & expenses reporting. More to follow on what that process will look like.

Q: Are consortia allowed to take 5% off the top?

A: No – you could not take your 5% before you allocate to the rest of the members. Because you cannot decrease the amount of the funds given to the members in the prior year (w/o cause or 100% member agreement) – your consortium and its members would have to figure out who would contribute to the consortium administrative amount from the current member's allocation. You would not be able to take your 5% "off the top" as that would change the member's pre-determined allocation.

If your members are in agreement, each consortium can use up to 5% of their total allocation for consortium administration (which is mostly fiscal in nature). The state AEBG Office would ask that members have the consortium fiscal agent explain what they are getting for that amount, and there could be some negotiation involved if members thought that amount was too much.

Q: At what point will we have to justify how the 5% is spent?

A: The state AEBG Office is working with the NOVA vendor, productOPS, to develop a process to confirm that the consortium is not over the 5% administrative cap, and that the activities for administrative oversight are justifiable. This would be done on an annual basis.

Q: So consortia level budget is basically the 5% admin fee for oversight/compliance/financial oversight?

A: In most cases yes. However, some Consortia run programmatic activities for the members.

Q: So if consortia lead is doing both program and oversight - will it be clear in NOVA how to report each separately?

A: Yes – we are working on a consortium level program & oversight certification process that would be done on an annual basis. (See response above for more details).

Users/Passwords

Q: Will NOVA allowed multiple users at each site?

A: Yes.

Q: Email that will be sent next week--can Program Administrators/Specialists get on the mailing list in order to have access to the info?

A: NOVA will be releasing access to the member representatives listed on the AEBG website. If additional users need access, please let us know through AEBG TAP. tap@aebg.org

Q: Who will receive member login info? CFOs?

A: Initially, member representatives listed on the AEBG consortia webpage. However, you will be able to go into NOVA and add your CFOs and additional staff that need access.

Work plan & Narratives

Q: Is there any narratives reporting in NOVA for each expenditure reporting?

A: As part of the budget process, there will be, a work plan that you will submit online based on the annual plan strategies that your consortium submitted in August. For expenditure reporting, if you fall below spending targets, you will be required to submit a corrective action plan that will include a progress report and an explanation on how you will get back on track to meet spending targets.

Q: What is the relationship between work plan strategies and budget items? Although it was mentioned that we do not need to report by program area or AEBG objective, it looks like more than just reporting by objective if there could be more than one budget item per objective?

A: The work plan strategies are based on your annual plan. They will help us understand what annual plan strategies you are focused on and where the expenditures should be focused. However, you will not have to match your annual strategies to the AEBG object codes.