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MEMORANDUM

TO: Superintendents, Business Managers, and Grant Administrators
FROM: Emily Byrne, Chief Financial Officer, Agency of Education *EB*
SUBJECT: Period of Performance for Federal and State Grant Awards starting in FY19
DATE: March 9, 2018

A review of the Agency's current grant process identified an area of non-compliance around the correct start date for federal and state grants. This memo is intended to remind and clarify how the Agency will determine the Period of Performance start date for grants awarded beginning with Fiscal Year 2019 (July 1, 2018) in order to be in compliance with federal and state regulations.

Per regulations, subrecipients of federal and state grant awards may incur obligations within the grant award Period of Performance. The source of funding and type of grant directs how the start date of the Period of Performance is determined.

Federal Formula Grants Initial Approval Date: Federal programmatic regulations will determine if a grant is classified as a "formula grant". Per 34 CFR §76.708(a), the Period of Performance for the initial award of a federal formula grant shall begin when the Superintendent has signed and submitted the application in a substantially approvable format and has signed all applicable assurances but in no case can this date be earlier than July 1 of each year. This is called "substantial approval" and may only be used for the initial approval of federal formula grants as defined at 34 CFR §76.51.

Federal and State Discretionary Grants: Discretionary grants are those that are awarded based on a competitive application/process. The Period of Performance shall begin when the grant award has been signed by the Secretary of the Agency of Education, or his or her designee.

All Grant Award Amendments: Regardless of the type of grant, the Period of Performance for the amended sections of the grant award shall begin when the amended grant award is signed by the Secretary of the Agency of Education, or his or her designee.

MTW, the new electronic grants management system for FY19, includes functionality to automatically determine the period of performance dates using the above methodology.

It will be critical for AOE staff, grant applicants and grant subrecipients to process all submission, review and approval steps in a timely manner in order to have grant awards fully executed on time to meet the needs of all parties and remain in compliance with federal rules and regulations.