



State Plan Expenditure Tracking and Reporting

The State Plan for Assistive Technology (AT) is submitted annually, usually each spring into the National Assistive Technology Act Data System (NATADS). The current State Plan for AT 2021-23 requires each grantee to report actual expenditure data tracked by specific categories as outlined in the AT Act. This document provides technical assistance on tracking and reporting expenditure data to report into the State Plan.

AT Act Requirements for Expenditure Tracking

Section 4(e)(1)(A) of the AT Act requires grantees to use not more than 40% of an annual award to carry out state leadership activities if the grantee does not use flexibility. If a grantee does claim flexibility in their approved State Plan, Section 4(e)(5)(B)(ii) of the AT Act requires the grantee to use not more than 30% of an annual award to carry out state leadership activities (see next paragraph for more information on both flexibility and comparability). Regardless of which percentage applies, Section 4(e)(1)(A) of the AT Act requires all grantees use at least 5% of the amount expended for state leadership activities on training or technical assistance activities in the area of transition (both school and community transition areas).

Section 4(e)(5) of the AT Act allows a grantee to carry out any two or more of the four required grantee-level activities by claiming flexibility. In addition, Section 4(e)(1)(B) allows a grantee to claim comparability for an activity that is implemented in the state but is not supported with AT Act dollars and is not included in the State Plan for AT. If a grantee claims flexibility for a state level activity in a given fiscal year, the grantee does not report Annual Progress Report (APR) data for that activity for that fiscal year. If a grantee claims comparability, they are required to report data on that comparable activity in their APR. If a grantee claims flexibility for any activity, the grant award for that fiscal year is subject to a maximum 30% of total expenditures for grantee leadership activities. See Brief #8 for additional information about flexibility and comparability and data reporting.

Categorizing Expenditures

The AT Act requires each grantee have a mechanism in place to accurately track all AT Act expenditures by grant award fiscal year and by the categories of state-level and state leadership activities. Most direct expenditures, like salaries and benefits, contractual expenses, and direct service expenses, will be readily attributable to a state-level or state leadership or transition activity. For example, expenditures for purchasing equipment for a device loan program will be a state-level expense, while staff salaries and travel expenses to deliver training will be state leadership.

One helpful mechanism for determining if an expense should be categorized as state-level, state leadership, or transition is to identify where the data associated with that expense is reported. Since most all State AT Program activities should have associated data reported, where such data is reported (state-level or state leadership activities) provides a good indication of how the expenditures should be categorized. Most staff salaries and benefits can be assigned in total or in pro-rated percentages to state level or state leadership depending on staff job responsibilities and any time and effort logs required for federal recordkeeping purposes.

For very generic administrative and operational expenditures, such as paper, general office supplies, and similar expenditures, an arbitrary ratio allocation can be used, such as a 50/50 split. A more accurate prorated split can be used in areas where there is sufficient justification to do so. For example, if the personnel split between state-level and state leadership is 55% state-level and 45% state leadership, then it would be logical to apply that ratio to office space utility expenses if the space correlates closely with staff positions.

If an indirect cost rate is used, the arbitrary ratio allocation (e.g., 50/50) can be applied to that amount for purposes of reporting by state-level and state leadership categories. Please note that any general administrative expenditures should be limited to a small portion of the federal AT Act grant award, as the vast majority of AT Act award dollars should be allocated for direct program service costs rather than administrative and overhead costs. It is very difficult to justify claiming the 10% indirect rate allowed by the AT Act along with prorated additional administrative costs as direct expenses (usually done as a prorated cost allocation plan).

Section 4 AT Act grantees are strongly encouraged to use either the 10% indirect provision to support administrative and overhead costs OR a cost allocation plan where administrative and overhead costs are prorated as direct cost expenditures, but not both. Using both mechanisms to pay for administrative costs creates a significant risk of duplicative expenses for same/similar cost items and potential audit findings. Claiming both a 10% indirect rate and direct administrative expenses will also divert a significant amount of available federal funding from support of direct AT services.

Advisory council expenses can be prorated based on the typical work of the council. If the agenda topics are routinely balanced between state-level and state leadership activities, then a 50/50 split might be appropriate. If the advisory council focuses more energy on administrative oversight or policy issues, then a more appropriate

split might be 25% state-level and 75% state leadership. If the advisory council serves any purpose other than that outlined in the AT Act, expenses should be based on less than a 100% total, charging to the AT Act grant only the portion of time dedicated to AT Act activity oversight.

Similarly, professional development expenses can be prorated based on the typical work responsibilities of those attending (e.g., how they will apply the knowledge gained via the professional development in their job), or it may be more appropriate to allocate such expenses based on the content of the professional development, especially if the training activity is narrowly focused on state-level or state leadership activities. Very general professional development (e.g., all staff diversity training) can be allocated using arbitrary splits if that is most efficient. For example, professional development expenses for a staff person who oversees the device loan and demonstration program to attend ATIA and CSUN each year to remain current on AT products could be categorized as 100% state-level, corresponding to the person's FTE classification. A person whose job responsibilities are split between state-level and state leadership (60%/40%) attending the same conferences could have those travel expenses allocated using the same percentages aligned with the FTE categorization.

The expenditure tracking system used by grantees should be able to consistently categorize expenditures as state level, state leadership, or transition based on a clear rationale for each categorization or prorated split.

State Plan Expenditure Reporting

The first expenditure data table in the State Plan is for the grant award that completed two carryover years (or one carryover year and one no-cost extension year) and was required to be liquidated the previous December 31. (Please note, this data is for a specific-year AT Act grant award amount, NOT any specific 12-month period, as funds from a grant award can be obligated over a 36-month period.) For a State Plan submitted in 2023, the most recent closed-out carryover year grant award will be the FY20 grant award that began 10/1/2019, with the first carryover year ending on 9/30/2021 and second carryover year/no-cost extension on 9/30/2022, with the three-month liquidation period ending 12/31/2022.

The actual expenditures for this fiscal year award will be reported by:

- All state-level activities (Grantee Financing, Reuse, Device Loan, Device Demonstration). The state-level activities calculated percentage should be at least 60% of the total award, unless the grantee claimed flexibility, in which the percentage should be at least 70%.
- All state leadership activities (all other activities, including Training, Technical Assistance, Public Awareness, Information and Assistance, etc.) The state leadership activities calculated percentage should be no more than 40% of the total award, unless the grantee claimed flexibility in which the percentage should be no more than 30%.

- Transition training and technical assistance, which will be an amount that is also included in the “all grantee leadership activities” total. The transition training and technical assistance calculated percentage should be at least 5% of the expenditure amount reported for state leadership activities.

The total of all expenditure data must equal the total amount of funds drawn down in the ACL Payment Management System. If a grantee has not liquidated all the funds available in the fiscal year award, the table will show lapsed funding in the first expenditure table.

The second expenditure data table in the State Plan is for year-to-date (YTD) obligated and liquidated expenditure data for an award that has completed one carryover fiscal year. For most grantees, this grant should be liquidated. Again, please note this data is for a specific year AT Act grant award amount, NOT any specific 12-month period, as funds from a grant award can be obligated over a 36-month period. For a State Plan submitted in 2023, this fiscal year award will be the FY21 grant award that began 10/1/2020, with the first carryover year ending on 9/30/21 and the second carryover year ending 9/30/22, to be liquidated by 12/31/2022.

The actual year-to-date (YTD) liquidated expenditures for this fiscal year award will be reported in the same categories of All State Level Activities, All State Leadership Activities, and Transition Training and Technical Assistance as is reported in the first table. In addition, YTD obligated but not yet liquidated expenditures will be reported in those same categories along with planned or budgeted expenditures that are not yet obligated. The sum of state-level and state leadership amounts in all three status categories (liquidated, obligated and not yet liquidated, and not yet obligated) will equal the total grant award amount.

Obligations are binding commitments for goods or services. Obligations include the amounts of orders placed, contracts and sub-grants awarded, goods and services received, and similar transactions during a given budget period that require payment by the grantee that has not yet been made. Liquidations are payments for obligations.

Budgeting Cycle

The budgeting cycle for a Section 4 AT Act grantee should identify a specific target date for obligation and liquidation of the entire fiscal year grant award long before the final deadline for each. This is especially true when grant funds are used for external contracts for which there is no guarantee of funding being liquidated by the final deadline date. The obligation deadline for all grants is September 30 of the carryover year — 24 months from the award date. The liquidation deadline is December 31 of the carryover year — 27 months from the award date. A recommended budget cycle sets April 1 in the carryover year as the target date for liquidation of all funds in the prior fiscal year award. This target date provides ample time to address contractors not submitting invoices on time or other unexpected situations resulting in liquidations not occurring as expected.

Applied to a single fiscal year award, an appropriate budgeting cycle is as follows:

- Award start date of October 1
- Obligate and liquidate that award in the next 18 months
- Target liquidation date of April 1
- April through September is available to de-obligate and re-obligate if necessary
- October through December is available to liquidate if necessary

Using this kind of budgeting cycle will help ensure that all grant funds are liquidated in a timely manner.

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