

## Section 8

# Your NPO's GAAP Financial Statements

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### REQUIRED FINANCIAL REPORTING

**Requirement #1-B (from Section 1):** *The organization must use the same policies, procedures, and methods for all accounting, including cost allocation, and for all financial reporting; including grant reporting to State funding agencies, annual reporting to the Tennessee Secretary of State, Division of Charitable Solicitations (including IRS Form 990), and general purpose financial reporting.*

Not-for-profit organizations must prepare the following financial statements according to generally accepted accounting principles (GAAP):

1. Statement of Financial Position (traditionally the Balance Sheet)
2. Statement of Activities (formerly the Statement of Support, Revenue, Expenses, and Changes in Fund Balances)
3. Statement of Cash Flows
4. Statement of Functional Expenses (required of voluntary health and welfare organizations, optional for other not-for-profit organizations)

In addition, GAAP financial statements should contain all notes and supplementary schedules that a reader might need to understand your statements and that you need to demonstrate your organization's compliance with legal and contractual agreements. While not required by GAAP, the State of Tennessee (refer to Section 4-3-304, *Tennessee Code Annotated*, the Tennessee grant contract, the Tennessee audit contract, and the *Tennessee Audit Manual*) requires NPOs that receive funds from state agencies to include a Schedule of Grant Activity.

OMB *Circular A-133* also requires the inclusion of “a schedule of expenditures of Federal awards” (§\_\_\_\_.310(b)). The two may be combined and titled Schedule of Expenditures of Federal Awards and State/Other Grants (illustrated in this section).

Refer to illustrative GAAP financial statements and a description of the required notes in this section.

### **Statement of Financial Position**

Previously called a balance sheet, this statement includes information about an organization's assets, liabilities, and net assets and about their relationships to each other at a moment in time. The term net assets is now used in lieu of the term fund balances.

**Assets** are reported by homogeneous groups such as cash and cash equivalents; receivables; short-term loans; inventories; deposits and prepaid expenses; marketable securities; other long-term investments; and land, buildings, equipment.

Assets are sequenced according to their liquidity (Paragraph 12, FASB Statement No. 117). “Cash or other assets received with a **donor-imposed restriction** that limits their use to long-term purposes should not be classified with cash or other assets that are unrestricted and available for current use.” (Paragraphs 11, FASB Statement No. 117).

**Liabilities** are reported by groups such as accounts payable, accrued payroll, other accrued expenses, deferred and unearned revenue, funds due to grantors, short-term loans, mortgages, and other long-term liabilities. Liabilities are sequenced according to the nearness of their maturity and resulting use of cash.

**Net assets** are reported by three groups: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets--based on the existence or absence of donor-imposed restrictions.

Net assets are the same as equity as used in the statements of position of for-profit organizations. The term net assets is now used in lieu of the term fund balances. According to FASB Statement No. 117, footnote No. 5:

This Statement [FASB Statement No. 117] does not use the terms *fund balance* or *changes in fund balances* because in current practice those terms are commonly used to refer to individual groups of assets and related liabilities rather than to an entity's net assets or changes in net assets taken as a whole. Reporting by fund groups is not a necessary part of external financial reporting; however, this Statement does not preclude providing disaggregated information by fund groups.

Increases in **unrestricted net assets** generally result from unrestricted contributions and from other revenues from program service fees and sales, membership dues and assessments, interest and dividends, gains (losses) on sales of assets, and other earned income. That is, revenues that do not involve donor-imposed restrictions result in increases in unrestricted net assets. Expenses incurred in providing services, producing and delivering goods, raising contributions, and performing administrative functions result in decreases in unrestricted net assets.

Separate line items may be reported within unrestricted net assets or in notes to financial statements to distinguish between unrestricted net assets that are (a) available for current use, (b) invested in fixed assets, (c) invested in long-term investments (e.g., board-designated endowment), and (d) otherwise designated by the board.

The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws and limits resulting from contractual agreements with suppliers, creditors, and others entered into by the organization in the course of its business. Information about those contractual limits that are significant, including the existence of loan covenants, generally is provided in notes to financial statements. Similarly, information about self-imposed limits that may be useful, including information about voluntary resolutions by the governing board of an organization to designate a portion of its unrestricted net assets to function as an endowment (sometimes called a *board-designated endowment*), may be provided in notes to or on the face of financial statements. (Paragraph 16, FASB Statement No. 117)

Increases in **temporarily restricted net assets** result from receiving contributions with temporary donor-imposed restrictions. Other revenues that involve temporary donor-imposed restrictions result in increases in temporarily restricted net assets. Expenses that are related to temporary donor-imposed restricted purposes result in temporarily restricted net assets being released from restriction, increasing unrestricted net assets and decreasing temporarily restricted net assets.

[S]eparate line items may be reported within temporarily restricted net assets or in notes to financial statements to distinguish between temporary restrictions for (a) support of particular operating activities, (b) investment for a specified term, (c) use in a specified future period, or (d) acquisition of long-lived assets. Donors' temporary restrictions may require that resources be used in a later period or after a specified date (time restrictions), or that resources be used for a specified purpose (purpose restrictions), or both. For example, gifts of cash and other assets with stipulations that they be invested to provide a source of income for a specified term and that

the income be used for a specified purpose are both time and purpose restricted. Those gifts often are called *term endowments*. (Paragraph 15, FASB Statement No. 117)

Increases in **permanently restricted net assets** result from receiving contributions with permanent donor-imposed restrictions.

Separate line items may be reported within permanently restricted net assets or in notes to financial statements to distinguish between permanent restrictions for holdings of (a) assets, such as land or works of art, donated with stipulations that they be used for a specified purpose, be preserved, and not be sold or (b) assets donated with stipulations that they be invested to provide a permanent source of income. The latter result from gifts and bequests that create permanent **endowment funds**. (Paragraph 14, FASB Statement No. 117)

### **Statement of Activities**

Previously called Statement of Support, Revenue, Expense, and Changes in Fund Balances, the statement of activities includes information about contributions and other revenues, expenses, gains, losses, and the amount of change in net assets for the period. This statement must also summarize expenses for program(s), management and general, and fundraising.

FASB Statement No. 117, *Financial Statements of Not-for-Profit Organizations*, paragraphs 18-23, states:

18. . . . The change in net assets should articulate to the net assets or equity reported in the statement of financial position. . . .
19. A statement of activities shall report the amount of change in permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets for the period. Revenues, expenses, gains, and losses increase or decrease net assets and shall be classified as provided in paragraphs 20-23. Other events, such as expirations of donor-imposed restrictions, that simultaneously increase one class of net assets and decrease another (reclassifications) shall be reported as separate items. Information about revenues, expenses, gains, losses, and reclassifications generally is provided by aggregating items that possess similar characteristics into reasonably homogeneous groups. . . .
20. A statement of activities shall report revenues as increases in unrestricted net assets unless the use of the assets received is

limited by donor-imposed restrictions. For example, fees from rendering services and income from investments generally are unrestricted; however, income from donor-restricted permanent or term endowments may be donor restricted and increase either temporarily restricted net assets or permanently restricted net assets. A statement of activities shall report expenses as decreases in unrestricted net assets.

21. Pursuant to FASB Statement No. 116, *Accounting for Contributions Received and Contributions Made*, in the absence of a donor's explicit stipulation or circumstances surrounding the receipt of the contribution that make clear the donor's implicit restriction on use, contributions are reported as unrestricted revenues or gains (**unrestricted support**), which increase unrestricted net assets. Donor restricted contributions are reported as restricted revenues or gains (**restricted support**), which increase temporarily restricted net assets or permanently restricted net assets depending on the type of restriction. However, donor-restricted contributions whose restrictions are met in the same reporting period may be reported as unrestricted support provided that an organization reports consistently from period to period and discloses its accounting policy.
22. A statement of activities shall report gains and losses recognized on investments and other assets (or liabilities) as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law. For example, net gains on investment assets, to the extent recognized in financial statements, are reported as increases in unrestricted net assets unless their use is restricted to a specified purpose or future period. If the governing board determines that the relevant law requires the organization to retain permanently some portion of gains on investment assets of endowment funds, that amount shall be reported as an increase in permanently restricted net assets.
23. Classifying revenues, expenses, gains, and losses within classes of net assets does not preclude incorporating additional classifications within a statement of activities. For example, within a class or classes of changes in net assets, an organization may classify items as *operating* and nonoperating, expendable and nonexpendable, earned and unearned, recurring and nonrecurring, or in other ways. This Statement neither encourages nor discourages those further

classifications. However, because terms such as *operating income*, *operating profit*, *operating surplus*, *operating deficit*, and *results of operations* are used with different meanings, if an intermediate measure of *operations* (for example, excess or deficit of *operating* revenues over expenses) is reported, it shall be in a financial statement that, at a minimum, reports the change in unrestricted net assets for the period. If an organization's use of the term *operations* is not apparent from the details provided on the face of the statement, a note to financial statements shall describe the nature of the reported measure of operations or the items excluded from operations.

### **Statement of Cash Flows**

Previously only required of business enterprises, the statement of cash flows shows the cash receipts and cash payments of an organization during a reporting period.

This statement must show (a) cash flows from operating activities including net cash used by operating activities, (b) cash flows from investing activities including net cash used by investing activities, (c) cash flows from financing activities including net cash used by financing activities, (d) net increase/decrease in cash and cash equivalents, (e) cash and cash equivalents at beginning of year, and (f) cash and cash equivalents at end of year. It must also provide a reconciliation of changes in net assets to net cash used by operating activities.

The GAAP reporting requirements for statements of cash flows for business enterprises generally apply to such statements for not-for-profit organizations. Not-for-profit organizations can use either the direct method or indirect method of reporting cash flow. The indirect method is used in an illustration in this section. Refer to FASB Statement No. 95 (as amended by FASB Statement Nos. 102 and 104) for further guidance on preparation of a statement of cash flows.

### **Statement of Functional Expenses**

Refer to Cost Allocation in Section 4 of this manual.

As in the past, voluntary health and welfare organizations must prepare a statement of functional expenses in a matrix presenting both functional expenses (i.e., expenses for each program and for management and general and fund raising) and object expenses (e.g., salaries, occupancy, travel). Other not-for-profit organizations, although not required to do so, are now encouraged by FASB to prepare this statement.

NOTE: In the statement of activities, all not-for-profit organizations must show a summary of their functional expenses, i.e., expenses for program(s), management and general, and fund raising. In order to be able to do this, they must account for functional expenses by object categories (i.e., natural classifications) even though they are not

required to present this information in a GAAP statement of functional expenses. Further, all not-for-profit organizations are required to report expenses by object in Part II of IRS Form 990. IRS section 501(c)(3) and (4) organizations are required to also report their object expenses by the functional categories: program services, management and general, and fundraising.

This section contains an example statement of functional expenses and Section 9 contains an example functional matrix as required by Policy 03, that is used for reporting object expenses on specific grants received from state agencies. The methods and procedures used for preparing expense matrices for grant reporting must be consistent with those used for preparation of GAAP statements of functional expenses and statements of activities.

Refer to Section 3 for an illustrative, **functionalized** trial balance prepared in a matrix format.

Voluntary Not-For Profit Organization

Example 8a

Statements of Financial Position  
(Balance Sheet)  
June 30, 20X2 and 20X1

| <u>ASSETS</u>                     |  | <u>Note No.</u> | <u>20X2</u>       | <u>20X1</u>       |
|-----------------------------------|--|-----------------|-------------------|-------------------|
|                                   |  |                 | (A)               | (B)               |
| 1                                 | Cash and cash equivalents  |                 | \$ 78,722         | \$ 109,700        |
| 3                                 | Accounts receivable general, less allowance of \$1,103 and \$631 | (8)             | 12,686            | 7,262             |
| 4                                 | Pledges receivable, less allowance of \$0 and \$200              | (8)             | -                 | 4,800             |
| 5                                 | Grants and contracts receivable                                  | Sched. A        | 57,996            | 7,047             |
| 6                                 | Inventories for sale   |                 | 3,852             | 4,687             |
| 7                                 | Prepaid expenses and deferred charges                            |                 | 7,398             | 6,489             |
| 8                                 | Investments-marketable securities                                | (5)             | 40,000            | -                 |
| 9                                 | Other assets   |                 | -                 | 1,143             |
| Fixed Assets:                     |  |                 |                   |                   |
| 11                                | Land   | (6)             | 34,247            | 34,247            |
| 12                                | Buildings  |                 |                   |                   |
|                                   | less depreciation of \$43,945 and \$35,583                       | (6)             | 90,055            | 98,417            |
| 13                                | Building improvements  |                 |                   |                   |
|                                   | less depreciation of \$22,698 and \$19,545                       | (6)             | 31,580            | 34,733            |
| 14                                | Furniture and equipment  |                 |                   |                   |
|                                   | less depreciation of \$43,754 and \$35,529                       | (6)             | <u>94,080</u>     | <u>102,305</u>    |
| 15                                | Total Assets   |                 | <u>\$ 450,616</u> | <u>\$ 410,830</u> |
| <u>LIABILITIES AND NET ASSETS</u> |  |                 |                   |                   |
| 21                                | Accounts payable   |                 | \$ 5,476          | \$ 6,024          |
| 22                                | Accrued expenses-payroll   |                 | 12,541            | 13,795            |
| 23                                | Accrued expenses-payroll taxes                                   |                 | 3,276             | 3,604             |
| 24                                | Accrued expenses-other   |                 | 894               | 1,142             |
| 25                                | Unearned revenue   | Sched. A        | 17,850            | 15,870            |
| 27                                | Mortgages payable  | (11)            | <u>69,834</u>     | <u>73,679</u>     |
| 28                                | Total liabilities  |                 | <u>\$ 109,871</u> | <u>\$ 114,114</u> |
| Net assets:                       |  |                 |                   |                   |
| 29                                | Unrestricted-available for general activities                    |                 | \$ 134,260        | \$ 100,693        |
| 30                                | Unrestricted-board designated endowment                          | (3)             | -                 | -                 |
| 31                                | Unrestricted-board designated for special purposes               |                 | -                 | -                 |
| 32                                | Unrestricted-invested in fixed assets                            | (6)             | <u>180,128</u>    | <u>196,023</u>    |
| 33                                | Total unrestricted   |                 | \$ 314,388        | \$ 296,716        |
| 34                                | Temporarily restricted for specific grants & activities          | (2)             | 26,357            | -                 |
| 35                                | Permanently restricted-donor restricted endowment                | (2)             | <u>-</u>          | <u>-</u>          |
| 36                                | Total net assets   |                 | <u>\$ 340,745</u> | <u>\$ 296,716</u> |
| 37                                | Total liabilities and net assets                                 |                 | <u>\$ 450,616</u> | <u>\$ 410,831</u> |



## Voluntary Not-For-Profit Organization

Example 8b

**Statement of Activities**  
**For the Years Ended June 30, 20X2 and 20X1**

| REVENUES, GAINS, AND OTHER SUPPORT   | Note No. | Unrestricted<br>(A) | Temporarily<br>Restricted<br>(B) | Permanently<br>Restricted<br>(C) | 20X2<br>Total<br>(D) | 20X1<br>Total<br>(E) |
|--|----------|---------------------|----------------------------------|----------------------------------|----------------------|----------------------|
| <b>Public support received directly:</b>   |          |                     |                                  |                                  |                      |                      |
| 51 Contributions, net of estimated uncollectible pledges of \$0 and \$200            | (2,8)    | \$ 145,358          | \$ 50,000                        | \$ -                             | \$ 195,358           | \$ 54,890            |
| 52 Special events, net of costs of direct benefit to participants of \$0 and \$8,500 |          | -                   | -                                | -                                | -                    | 9,234                |
| 53 Legacies and bequests   |          | -                   | -                                | -                                | -                    | 12,000               |
| 54 Donated services and use of facilities  | (4)      | 13,000              | -                                | -                                | 13,000               | 8,900                |
| 55 Gifts in kind (tangible)  | (4)      | 8,795               | -                                | -                                | 8,795                | 7,845                |
| <b>Public support received indirectly:</b>   |          |                     |                                  |                                  |                      |                      |
| 56 United Way allocations  |          | 18,500              | -                                | -                                | 18,500               | 18,500               |
| 57 Total public support  |          | \$ 185,653          | \$ 50,000                        | \$ -                             | \$ 235,653           | \$ 111,369           |
| 58 Government grants   | Sched. A | \$ 395,951          | \$ -                             | \$ -                             | \$ 395,951           | \$ 316,875           |
| 59 Program service fees and revenue  |          | 71,101              | -                                | -                                | 71,101               | 189,076              |
| <b>Other revenue:</b>  |          |                     |                                  |                                  |                      |                      |
| 60 Interest on savings & temporary cash investments                                  | (5)      | 7,423               | -                                | -                                | 7,423                | 4,689                |
| 61 Endowment & other interest & dividends from securities                            | (5)      | -                   | -                                | -                                | -                    | -                    |
| 62 Realized gain (loss) on investments   | (5)      | -                   | -                                | -                                | -                    | -                    |
| 63 Unrealized gain (loss) in value of investments                                    | (5)      | -                   | -                                | -                                | -                    | -                    |
| 64 Other revenue   |          | -                   | -                                | -                                | -                    | 3,600                |
| 65 Net assets released from restrictions   | (2)      | 23,643              | (23,643)                         | -                                | -                    | -                    |
| 66 Total revenues, gains, & other support  |          | \$ 683,771          | \$ 26,357                        | \$ -                             | \$ 710,128           | \$ 625,609           |
| <b>EXPENSES AND CHANGES IN NET ASSETS</b>  |          |                     |                                  |                                  |                      |                      |
| <b>Program service expenses:</b>   |          |                     |                                  |                                  |                      |                      |
| 81 A - Adult activity center   |          | \$ 386,120          | \$ -                             | \$ -                             | \$ 386,120           | \$ 334,854           |
| 82 B - Residential services  |          | 108,826             | -                                | -                                | 108,826              | 107,890              |
| 83 C - Rehabilitation services   |          | 56,358              | -                                | -                                | 56,358               | 51,600               |
| 84 D - Special projects  |          | 23,643              | -                                | -                                | 23,643               | -                    |
| 85 Total program services  |          | \$ 574,947          | \$ -                             | \$ -                             | \$ 574,947           | \$ 494,344           |
| <b>Supporting service expense:</b>   |          |                     |                                  |                                  |                      |                      |
| 86 Management and general  |          | \$ 83,668           | \$ -                             | \$ -                             | \$ 83,668            | \$ 63,800            |
| 87 Fundraising   |          | 7,484               | -                                | -                                | 7,484                | 54,600               |
| 88 Total supporting services   |          | \$ 91,152           | \$ -                             | \$ -                             | \$ 91,152            | \$ 118,400           |
| 89 Total expenses  |          | \$ 666,099          | \$ -                             | \$ -                             | \$ 666,099           | \$ 612,744           |
| 90 Increase (decrease) in net assets   |          | \$ 17,672           | \$ 26,357                        | \$ -                             | \$ 44,029            | \$ 12,865            |
| 91 Other changes in net assets   |          | -                   | -                                | -                                | -                    | -                    |
| 92 Changes in net assets   |          | \$ 17,672           | \$ 26,357                        | \$ -                             | \$ 44,029            | \$ 12,865            |
| 93 Net assets at beginning of year   |          | 296,716             | -                                | -                                | 296,716              | 283,851              |
| 94 Net assets at year end  |          | \$ 314,388          | \$ 26,357                        | \$ -                             | \$ 340,745           | \$ 296,716           |

Voluntary Not-For-Profit Organization

Example 8c

Statement of Functional Expenses  
For the Years Ended June 30, 20X2 and 20X1

| Object Expense Category                   | Program Services            |                         |                            |                     |            | Supporting Services     |             |           | Total Proj<br>Supportin: |
|---|-----------------------------|-------------------------|----------------------------|---------------------|------------|-------------------------|-------------|-----------|--------------------------|
|   | Adult<br>Activity<br>Center | Residential<br>Services | Rehabilitation<br>Services | Special<br>Projects | Total      | Management<br>& General | Fundraising | Total     | 20X2<br>Total            |
|   | (A)                         | (B)                     | (C)                        | (D)                 | (E)        | (F)                     | (G)         | (H)       | (I)                      |
| 121 Salaries & wages                      | \$ 223,515                  | \$ 72,383               | \$ 34,137                  | \$ 12,079           | \$ 342,114 | \$ 38,703               | \$ 4,183    | \$ 42,886 | \$ 385,000               |
| 122 Employee benefits & payroll taxes     | 54,966                      | 16,441                  | 7,734                      | 2,778               | 81,919     | 8,721                   | 941         | 9,662     | 91,581                   |
| 123 Total personnel expenses              | \$ 278,481                  | \$ 88,824               | \$ 41,871                  | \$ 14,857           | \$ 424,033 | \$ 47,424               | \$ 5,124    | \$ 52,548 | \$ 476,581               |
| 124 Professional fees                     | \$ 17,840                   | \$ 403                  | \$ 178                     | \$ 92               | \$ 18,513  | \$ 11,853               | \$ 31       | \$ 11,884 | \$ 30,397                |
| 125 Supplies                              | 20,010                      | 4,889                   | 8,193                      | 323                 | 33,415     | 3,989                   | 109         | 4,098     | 37,513                   |
| 126 Telephone                             | 3,726                       | 1,108                   | 489                        | 253                 | 5,576      | 794                     | 86          | 880       | 6,456                    |
| 127 Postage & shipping                    | 1,289                       | 383                     | 169                        | 88                  | 1,929      | 275                     | 486         | 761       | 2,690                    |
| 128 Occupancy                             | 7,607                       | 2,263                   | 999                        | 517                 | 11,386     | 1,622                   | 175         | 1,797     | 13,183                   |
| 129 Rental & maintenance of equipment     | 8,588                       | 1,160                   | 512                        | 265                 | 10,525     | 831                     | 90          | 921       | 11,446                   |
| 130 Printing & publications               | 12,008                      | 2,207                   | 975                        | 504                 | 15,694     | 5,633                   | 939         | 6,572     | 22,266                   |
| 131 Travel & transportation               | 9,254                       | -                       | -                          | -                   | 9,254      | -                       | -           | -         | 9,254                    |
| 132 Conferences, conventions, & meetings  | 987                         | 829                     | 58                         | 30                  | 1,904      | 2,672                   | 10          | 2,682     | 4,586                    |
| 133 Interest                              | -                           | -                       | -                          | -                   | -          | -                       | -           | -         | -                        |
| 134 Insurance                             | 6,263                       | 1,863                   | 823                        | 426                 | 9,375      | 1,336                   | 144         | 1,480     | 10,855                   |
| 135 Grants & awards                       | 6,246                       | -                       | -                          | -                   | 6,246      | -                       | -           | -         | 6,246                    |
| 136 Specific assistance to individuals    | -                           | -                       | -                          | 5,432               | 5,432      | -                       | -           | -         | 5,432                    |
| 137 Depreciation of buildings & equipment | 11,391                      | 3,388                   | 1,496                      | 774                 | 17,049     | 2,429                   | 262         | 2,691     | 19,740                   |
| 138 Other nonpersonnel expenses           | 2,430                       | 1,509                   | 595                        | 82                  | 4,616      | 4,810                   | 28          | 4,838     | 9,454                    |
| 139 Total functional expenses             | \$ 386,120                  | \$ 108,826              | \$ 56,358                  | \$ 23,643           | \$ 574,947 | \$ 83,668               | \$ 7,484    | \$ 91,152 | \$ 666,099               |

Voluntary Not-For-Profit Organization

Example 8c

Statement of Functional Expenses  
For the Years Ended June 30, 20X2 and 20X1

Program and  
Management Services

|  | <u>20X1<br/>Total<br/>(J)</u> |
|--|-------------------------------|
|  | \$ 300,857                    |
|  | <u>71,368</u>                 |
|  | \$ 372,225                    |
|  | \$ 68,365                     |
|  | 40,487                        |
|  | 5,789                         |
|  | 3,287                         |
|  | 12,845                        |
|  | 9,487                         |
|  | 28,746                        |
|  | 11,757                        |
|  | 5,487                         |
|  | 200                           |
|  | 9,845                         |
|  | 8,790                         |
|  | 6,489                         |
|  | 17,467                        |
|  | <u>11,478</u>                 |
|  | <u><u>\$ 612,744</u></u>      |

## Voluntary Not-For-Profit Organization

Example 8d

Statement of Cash Flows (Indirect Method)  
For the Year Ended June 30, 20X2 and 20X1

|   | <u>20X2</u>             | <u>20X1</u>              |
|---|-------------------------|--------------------------|
| Reconciliation of change in net assets to net cash used by operating activities:        |                         |                          |
| 250 Change in net assets  | \$ 44,029               | \$ 12,865                |
| Adjustments to reconcile change in net assets to net cash used by operating activities: |                         |                          |
| 251 Depreciation  | 19,740                  | 17,467                   |
| 252 Decrease (increase) in accounts receivable  | (5,424)                 | (6,058)                  |
| 253 Decrease (increase) in pledges receivable   | 4,800                   | (2,450)                  |
| 254 Decrease (increase) in grants receivable  | (50,949)                | -                        |
| 255 Decrease (increase) in inventories for sale   | 835                     | (105)                    |
| 256 Decrease (increase) in prepaid expenses and deferred charges                        | (909)                   | 7,530                    |
| 257 Decrease (increase) in other assets   | 1,143                   | 24                       |
| 258 Increase (decrease) in accounts payable and accrued expenses                        | (2,378)                 | (12,250)                 |
| 259 Increase (decrease) in unearned revenue   | 1,980                   | (973)                    |
| 260 Net cash used by operating activities   | <u>\$ 12,867</u>        | <u>\$ 16,050</u>         |
| Cash flows from investing activities:   |                         |                          |
| 261 Purchase of fixed assets  | \$ -                    | \$ -                     |
| 262 Proceeds from sale of investments   | -                       | 12,425                   |
| 263 Purchase of investments   | (40,000)                | -                        |
| 264 Net cash used by investing activities   | <u>\$ (40,000)</u>      | <u>\$ 12,425</u>         |
| Cash flows from financing activities:   |                         |                          |
| 265 Payments on long-term debt  | <u>\$ (3,845)</u>       | <u>\$ (3,845)</u>        |
| 266 Net cash used by financing activities   | <u>\$ (3,845)</u>       | <u>(3,845)</u>           |
| 267 Net increase (decrease) in cash and cash equivalents                                | \$ (30,978)             | \$ 24,630                |
| 268 Cash and cash equivalents at beginning of year                                      | <u>109,700</u>          | <u>85,070</u>            |
| 269 Cash and cash equivalents at end of year  | <u><u>\$ 78,722</u></u> | <u><u>\$ 109,700</u></u> |

## **DISCLOSURES IN NOTES TO FINANCIAL STATEMENTS**

Notes to financial statements are generally essential to the complete understanding of any financial report. Following is a list of possible disclosures. The list is not intended to be all-inclusive. Any information necessary for the full understanding of your financial statements should be included in a note if it is not included in the statements themselves. On the other hand, do not include any note that is not needed for a full understanding of your organization's financial report.

### **1. Summary of Significant Accounting Policies**

The note should identify and describe all accounting principles followed by your organization that materially affect the presentation of its financial information. The policies described in the note may include (1) the method of accounting, (2) the basis of accounting, (3) the capitalization policy for fixed assets, (4) method(s) of depreciation, (5) methods of inventory valuation, (6) the policy concerning the valuation of donated assets or services, (7) method(s) of allocating expenses among functions, projects, and grants, (8) the policy regarding loss allowances for various types of receivables, (9) other unusual or significant accounting policies for material revenues and expenses, (10) the policy concerning vacation, sick leave, and other compensated absences, (11) the definition of cash and cash equivalents in the statement of cash flows, (12) the policy regarding implied time restrictions on long-lived assets received without donor restrictions, (13) the policy regarding the classification of donor-restricted revenues when the restrictions are met in the same reporting period as the donation, (14) the policy regarding capitalization of collection items, and (15) disclosures concerning the liquidity of contributions receivable. This list of examples is not intended to be all-inclusive.

### **2. Donor-Restricted Contributions and Net Assets**

Unless adequate information concerning donor-restricted contributions and net assets is disclosed in the financial statements, you should have a note describing the donor-restricted contributions your organization received during the period covered and the temporarily and permanently restricted net assets the organization had on the date of the statement of financial position. Information about donor-restricted contributions and net assets may be aggregated according to categories of donor restrictions. Include (1) the nature and description of the donor restriction, (2) a grant period if applicable, (3) the amount of contribution increasing the restricted net asset, (4) the amount of expense released from restriction and decreasing the restricted net asset, (5) beginning and (6) ending balance in the restricted net asset account for the contribution for the reporting period, and (7) whether the donor restriction is accounted for as temporarily restricted or permanently restricted. The name(s) of donors may be included.

3. **Donor-Restricted Contributions and Cash**

Unless adequate information about the nature and amount of limitations on the use of cash and cash equivalents is disclosed in the financial statements, such restrictions should be disclosed in the notes. Examples of situations requiring disclosure include: special borrowing arrangements, requirements imposed by donors that cash be held in separate accounts, and known significant liquidity problems.

4. **Contributions Receivable**

Disclosures relating to the liquidity of the organization's contributions receivable should include the following:

- Contributions receivable pledged as collateral or otherwise limited as to use.
- A schedule of unconditional promises to give (showing the total amount separated into amounts receivable in less than one year, in one to five years, and in more than five years) and the related allowance for uncollectible promises receivable arising from subsequent decreases due to changes in the quantity or nature of assets expected to be received, and the unamortized discount.
- The amount of conditional promises to give--in total and, with descriptions, the amount of each group of similar promises (for example, those conditioned upon the development of new programs, upon the purchase or construction of new property and equipment, and upon the raising of matching funds within a specified time period).

5. **Board-Designated Unrestricted Endowment and Reserves**

Unless adequate information concerning unrestricted net assets your board has formally designated for investment in endowment or reserves is disclosed in the financial statements, you should have a note describing the board-designated unrestricted endowment and reserves the organization had on the date of the statement of financial position. Information about board-designated unrestricted endowment and reserves may be aggregated according to categories of board designations. Include (1) nature and description of the board designation, (2) total amount of increase in the related board-designated unrestricted net asset account, (3) total amount of decrease in the account, and (4) beginning and (5) ending balance in the account for the reporting period.

6. **Donated Materials and Services**

The notes should include disclosure regarding (1) the nature and extent of contributed services, (2) the program or activities for which the services were used, and (3) the amount of contributed services recognized during the period. If practical, the entity is encouraged to report the fair value of contributed services received but not recognized.

## 7. Investments

Generally, your notes concerning investments should disclose: (1) the basis of valuation on which investments are presented in the financial statements, (2) types of investments held, (3) amount of the investments at cost, (4) amount of the investments at fair value, (5) a summary of realized and unrealized investment gains and losses, and (6) income derived from investments during the reporting period. Refer to FASB Statement No. 124 for further guidance on reporting investments in the financial statements and accompanying notes.

## 8. Property, Equipment, and Depreciation

If the following information is not disclosed on the face of the financial statements, present it in a note, if applicable. The note should show (1) depreciation expense, if any, for the period, (2) balances of major classes of depreciable assets at the date of the statement of financial position, (3) accumulated depreciation, either by major classes of depreciable assets or in total, at the date of the statement of financial position, (4) a general description of the method(s) and estimated lives used in computing depreciation on major classes of depreciable assets. Separate disclosure should also be made of the following items:

- Nondepreciable assets
- Property and equipment not held for use in operations, for example, items held for sale or for investment purposes or construction in process
- Assets restricted by donors to investment in property and equipment
- Improvements to leased facilities and equipment
- Assets (and related obligations) recognized under capital leases (in conformity with FASB Statement No. 13)
- Capitalized interest (in conformity with FASB Statements Nos. 34, *Capitalization of Interest Cost*, and 62, *Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*)
- Disclosures required by FASB Statement No. 121, if applicable

The notes to the financial statements should also include disclosures concerning the liquidity of the organization's property and equipment, including information about limitations on their use. For example, information should be provided about--

- Property and equipment pledged as collateral or otherwise subject to lien

- Property and equipment acquired with restricted assets where title may revert to another party, such as a resource provider
- Donor or legal limitations on the use of or proceeds from the disposal of property and equipment

**9. Functional Classification of Expenses**

FASB Statement No. 117 requires the presentation, in either a statement of activities or the notes to the financial statements, of information about expenses (but not losses) reported by their functional classification, such as major classes of program services and supporting activities.

**10. Nonmonetary Transactions**

If your organization has been involved in nonmonetary transactions during the reporting period, include (1) the nature of such transactions, (2) the basis of accounting for the assets transferred, and (3) any gains or losses recognized on such transfers.

**11. Contingencies**

Whenever it is reasonably possible that an asset has been impaired or that a liability has been incurred as of the statement of financial position date, a loss contingency must be reported in the notes to the financial statements. Litigation, unreported claims, and potential disallowances for noncompliance with grant or contractual agreements or donor-imposed restrictions are all examples of common loss contingencies that may need to be disclosed and/or accrued. Moreover, all guarantees of the indebtedness of others must be reported, even if the possibility of loss is considered to be remote. Other circumstances that may require disclosure include problems with the organization's tax-exempt status, or that a determination letter regarding that status has not been received.

**12. Commitments**

The nature and amount of any commitments should be disclosed in the financial statements. Some examples of commitments are assets pledged as security for loans, commitment of funds for the acquisition or construction of plant assets or for the reduction of liabilities, commitments under pension plans, or commitment of funds to maintain working capital.

The notes to the financial statements should include a schedule of unconditional promises to give that shows the total amount separated into amounts payable in less than one year, in one to five years, and in more than five years and the unamortized discount.



13. **Leases**

The following disclosures should be made for leases:

- 1) For capital leases, disclosures should include (a) current book value of assets recorded by major classes as of the date of each statement of financial position presented, (b) future minimum lease payments as of the latest statement of financial position presented in the aggregate and for each of the five succeeding fiscal years with appropriate deductions therefrom for executory costs and imputed interest to reduce net minimum lease payments to present value, (c) total future minimum sublease rentals under noncancelable subleases as of the date of the latest statement of financial position presented, and (d) total contingent rentals actually incurred for each period for which a statement of activities is presented.
- 2) For all operating leases, disclosure of rental expense for each period a statement of activities is presented (with separate amounts for minimum rentals, contingent rentals, and sublease rentals) is required.
- 3) For operating leases that have initial or remaining noncancelable lease terms in excess of one year, disclosures should include (a) future minimum rental payments required as of the latest statement of financial position presented in the aggregate and for each of the five succeeding fiscal years, and (b) total future minimum rentals under noncancelable subleases as of the latest statement of financial position presented.
- 4) Also required is disclosure of a general description of the organization's leasing arrangements including but not limited to (a) basis for determination of contingent rentals, (b) terms of any renewal or purchase options or escalation clauses, and (c) restrictive covenants.

14. **Debt**

Make adequate disclosure of interest rates, maturities (including next five years' principal and interest payments and total aggregate thereafter), and other significant conditions of loans, mortgages, and other short-term and long-term debt agreements. For each debt agreement, include disclosure of (a) purpose of the debt; (b) explanation of sources of repayment if not obvious from the description of the debt; (c) debt due in less than one year, due in 1 to 5 years, and due in greater than 5 years; and (d) description of land, buildings, equipment, or other assets pledged as security for the debt, including the book value of the assets as of the date of the statement of financial position. Additionally, if short-term obligations are to be excluded from current liabilities pursuant to a debt refinancing agreement, then (a) a general description of the financing agreement, and (b) the terms of a new obligation incurred or expected to be incurred as a result of the refinancing should be disclosed in a note to the financial statements.

**15. Violations of Finance-Related Legal And Contractual Provisions**

Significant violations of finance-related legal and contractual provisions should be disclosed in the notes. Disclosure should include a description of the nature of the violation and its effect on the reporting organization. Potential violations that may require disclosure are (a) failure to adhere to the provisions of a debt resolution, (b) failure to issue notes in compliance with controlling statutes, (c) failure to adhere to controlling statutes governing the organization's operations, and (d) violations of grant contract provisions.

**16. Accounting Changes**

Once you adopt an accounting principle, it normally should not be changed. You may, however, change from one accounting principle to another if the other accounting principle is "preferable." When such a change is made to a preferable accounting principle, the notes should disclose the nature of the change and justify why it is preferable. Also, the statement of activities should disclose the effect of the change in accounting principle on changes in net assets. It is not necessary to disclose the effects of changes in estimates made each period in the ordinary course of business (e.g., change in estimate of uncollectible accounts). However, such disclosure is recommended if the change in estimate is material.

**17. Financially Interrelated Organizations**

If your organization has a financially interrelated organization not appropriately included in the financial statements, you should disclose the existence of the related organization and the nature of the relationship in the notes.

**18. Correction of an Error**

The correction of an error (which includes the change from an unacceptable accounting principle to a generally accepted accounting principle) should be presented in the financial statements as a prior-period adjustment. The nature of the error in the previously issued financial statements and the effect of its correction on changes in net assets should be disclosed in the period that it is detected and corrected.

**19. Pensions and Other Retirement and Post Employment Employee Benefits**

The disclosure requirements for these benefits vary according to the type of organization and the type of plan that is administered. If your organization offers any of these types of benefits, you should be guided by the disclosure requirements set forth in FASB Statement No. 87, *Employers' Accounting for Pensions*; Statement No. 106, *Employer's Accounting for Post Retirement Benefits Other Than Pensions*; and Statement No. 112, *Employer's Accounting for Post Employment Benefits*.

**20. Subsequent Events**

If it is evident that a liability has been incurred or an asset has been impaired after the date of the financial statements but before they are issued, disclosure of this information may be necessary. Disclosure may be needed even if it is only reasonably possible that a liability may have been incurred or an asset may have been impaired after the date of the financial statements. The disclosure of these subsequent events should include the nature of the loss and the amount of the loss or estimated loss contingency, or a range of loss or possible loss, or a statement that such an estimate cannot be made. Typical events that should be considered for disclosure are (1) authorization of an act that has significant financial impact (e.g., bond authorizations), (2) significant property damage due to natural causes such as a tornado, flood, or fire, (3) approval of a significant grant application, (4) commencement of a new activity, or (5) a situation causing the filing of litigation for which the potential liability could be substantial.

**21. Use of Estimates**

AICPA Statement of Position 94-6 states that “financial statements should include an explanation that the preparation of financial statements in accordance with GAAP requires the use of management’s estimates.” The notes should also identify any estimates that meet the criteria for disclosure under SOP 94-6.

**22. Concentration of Risks**

AICPA Statement of Position 94-6 outlines criteria that, if met, require disclosure in the financial statements regarding concentration of risks.

**23. Other Disclosures to Consider**

- Split-interest agreements
- Derivatives
- Investment disclosure required by FASB Statement No. 119
- Collection items.

Voluntary Not-For-Profit Organization

Schedule of Expenditures of Federal Awards and State/Other Grants  
For the Year Ended June 30, 20X2

| CFDA No.                       | Program Name               | Grant Number | Grantor Agency   | Balance July 1, 20X1 | Cash Receipts        | Expenditures         | Grants (Receivable)/ Deferred Revenue June 30, 20X2 |
|--------------------------------|----------------------------|--------------|--|----------------------|----------------------|----------------------|---|
| <b>GOVERNMENT GRANTS:</b>      |                            |              |  |                      |                      |                      |   |
| 93.045                         | Food Services for Seniors* | GR97695014   | U.S. Dept. of Health & Human Services through TN Commission on Aging | \$ (5,423.00)        | \$ 310,051.72        | \$ 332,322.42        | \$ (27,693.70)                                      |
| 93.049                         | Education for Seniors      | GR97694013   | U.S. Dept. of Health & Human Services through TN Dept. of Health     | -                    | 30,544.77            | 33,321.74            | (2,776.97)  |
| 93.196                         | Rehabilitation Services    | Z60781046    | U.S. Dept. of Health & Human Services through TN Dept. of Health     | (1,624.05)           | 29,405.72            | 30,307.09            | (2,525.42)  |
| <b>Total Government Grants</b> |                            |              |  | <u>\$ (7,047.05)</u> | <u>\$ 370,002.21</u> | <u>\$ 395,951.25</u> | <u>\$ (32,996.09)</u>                               |

**PRIVATE FOUNDATION GRANTS:**

| Program Name                   | Grant Number | Grantor                | Temp. Restr. Net Asset Balance | Cash Receipts | Promises     | Total Grants FY 20X2 | Expenses FY 20X2 | Temp. Restr. Net Asset Balance | Grants (Receivable)/ Deferred Revenue 12/31/20X2 |
|--------------------------------|--------------|------------------------|--------------------------------|---------------|--------------|----------------------|------------------|--------------------------------|--|
| Special Project                | 204          | XYZ Private Foundation | \$ -                           | \$ 25,000.00  | \$ 25,000.00 | \$50,000.00          | \$ 23,642.91     | \$ 26,357.09                   | \$ (25,000.00)                                   |
| <b>Total Grants Receivable</b> |              |                        | <u>\$ (7,047.05)</u>           |               |              |                      |                  |                                | <u>\$ (57,996.09)</u>                            |

\*\$6,246 of this grant was passed through to a subrecipient, the Senior Citizens Center.

Note: This schedule is prepared on the accrual basis of accounting.

This schedule presents only information and grant types applicable to the example organization. Other organizations may have noncash assistance, performance based assistance, or loans which will require columnar headings to be changed. Additional footnotes may also be required. Although the basic structure of this schedule must be maintained, the guidance in AICPA *Statement of Position 98-3* and OMB *Circular A-133* provide additional information regarding this schedule and should be referred to, as applicable.

## Section 9

# Tennessee Uniform Subrecipient Reporting

|  |             |
|--|-------------|
| <b>Policy 03 Uniform Reporting Requirements</b>                              | <b>9-1</b>  |
| <b>Exhibit 9: Department of Finance and Administration-Policy 03</b>         | <b>9-3</b>  |
| <b>Example 9: Illustrative Policy 03 Program Expense and Revenue Reports</b> | <b>9-33</b> |

**Requirement #1-A (from Section 1):** *The organization must comply with the uniform reporting requirements and guidelines for cost allocation plans set forth in F&A Policy 03.*

**Requirement #1-B (from Section 1):** *The organization must use the same policies, procedures, and methods for all accounting, including cost allocation, and for all financial reporting, including grant reporting to State funding agencies, annual reporting to the Tennessee Secretary of State, Division of Charitable Solicitations, (including IRS Form 990), and general purpose financial reporting.*

Uniform reporting requirements are set forth in Schedules A, B, and C, and Exhibits 1 and 2 of Policy 03.

### **I. Program Expense Report (PER)**

Schedule A is used for submitting detailed and total expense budgets and expense reports (its line items are aligned with the object expense categories of IRS Form 990 Part II, OMB *Circular A-122*, and Statement of Functional Expenses).

### **II. Program Revenue Report (PRR)**

Schedule B is used for submitting revenue budgets and for reporting revenue by source with reconciliation between total expenses and reimbursable expenses.

Final Program Expense Summary, Schedule C, is used to recap all direct program expenses on all of the Schedule A reports. The uniform invoice, Exhibit 2 of the policy, is used for all requests for reimbursements.

## **Policy 03 Uniform Reporting Requirements**

The Tennessee Department of Finance and Administration's Policy 03 for subrecipients requires uniformity in reporting.

Your grant reports will generally be consistent with your GAAP and IRS Form 990 financial statements. However, there is one major exception--reporting matching funds. GAAP sharply limits the acceptability of some types of donated services that are often acceptable to state

agencies as matching funds. IRS Form 990 does not allow any donated services or use of facilities to be reported as revenues and expenses. This inconsistency must be taken into consideration when your auditors reconcile your grant reports with your GAAP reports. Refer to the Chart of Accounts in Chapter 3 which cross-references to F&A Policy 03.

Under F&A Policy 03, the reporting requirements of every state agency from which you receive grants are basically the same. However, each grantor may require supplemental schedules to meet their specific reporting needs.

Refer to illustrative Policy 03 program expense and revenue reports at the end of this section that were prepared using the financial information from Sections 3 and 8.

# DEPARTMENT OF FINANCE AND ADMINISTRATION

## POLICY 03

### *Policy 3 - Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies* (Revised 12/97)

#### **Introduction to Policy 03**

1. Generally, this Policy Statement 03 establishes uniform reporting requirements for all subrecipients affected as defined below. This policy statement calls for the development of efficient and effective cost allocation plans and methods of cost determination, under the supervision of the cognizant state agency as determined by the Department of Finance and Administration. Uniform reporting requirements are set forth in Schedules A, B, and C, and Exhibits 1 and 2 of this Policy Statement 03. Guidelines for cost allocation plans are set forth in the Policy for Cost Allocation Plans For Subrecipients of Federal and State Grant Monies section of this Policy Statement 03.

#### **Applicability**

2. This Policy Statement 03 is applicable to all subrecipients other than cities, counties (and subdivisions thereof), and state colleges, universities, and technology centers. Subrecipients affected include private not-for-profit entities that are subject to accounting and financial reporting standards promulgated by the Financial Accounting Standards Board (FASB), and governmental not-for-profit entities that are subject to Governmental Accounting Standards Board (GASB) standards. Fee-for-service and performance-based contracts are exempt.

#### **Purpose of Policy 03**

3. The primary purpose of this policy statement is to provide uniformity in the reporting of, and improve controls over, costs associated with the delivery of services by subrecipients of federal and state grant monies.
4. This uniformity and improved control is necessary for state agencies as recipients of federal and state grant monies and is beneficial to the subrecipient. In the past, the Revenue, Expenditure, and Budget Reports required of subrecipients have been individualized and “tailor-made” to the needs of the state agency, causing subrecipients to prepare a variety of reports for each state agency to which it reported.
5. Further, these reports have not been sufficiently detailed to provide the state granting agency with adequate controls over the use of the grant monies.

6. This policy statement streamlines the reporting requirements for subrecipients of federal and state grant monies, and will provide cost savings to both subrecipients and state funding agencies in three ways.

**First**, there will be a reduction in costs related to the processing of the information.

**Second**, there will be a reduction in costs associated with grant matching requirements due to increased accuracy in the credit received for monies expended in the administration of the grant--i.e., releasing funds otherwise expended in meeting grant matching requirements.

**Third**, there will be a reduction in costs associated with failure to accurately report reimbursable expenditures.

### **Basis for Authority - Federal Requirements**

7. OMB *Circulars A-122* and *A-87* require the development of a plan for allocation of costs to support the distribution of any joint costs related to the grant program. All costs included in the plan will be supported by formal accounting records, which will substantiate the propriety of eventual charges (Federal Register, Vol. 60, No. 95, *Accounting and Financial Reporting for Not-for-Profit Recipients of Grant Funds in Tennessee*, 1998 Edition<sup>1</sup>).

### **Effective Date**

8. The requirements of this Policy Statement 03 are effective for fiscal years beginning after June 30, 1997, and any budget documents prepared which relate to such fiscal years.

### **Policy for Cost Allocation Plans for Subrecipients Of Federal and State Grant Monies**

9. This Policy Statement 03 sets forth the guidelines to be used in the allocation of costs for recipients of grants from state departments or agencies. Acceptable allocation methods to be used by grantee agencies shall be determined by the cognizant state agency. Methods used for allocating costs may differ between types of entities, and may even be different for the same type of entity. However, once an entity receives approval for its particular method of cost allocation, all other state agencies are to accept its application to their programs. This does not mean that all state agencies are required to fully fund the costs that are charged to a particular program under the methods if such costs are not allowable under their agreement with the entity or exceed the prescribed funding percentage or budgets.

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<sup>1</sup> *The Accounting and Financial Reporting for Not-for-profit Recipients of Grant Funds in Tennessee* , 1998 Edition is scheduled to be issued mid 1998.



**Definition of Cost Allocation Plans**

- 10. A cost allocation plan is a means of distributing to various programs, costs which benefit more than one program and are not directly assigned. Cost allocation is basically a mathematical exercise to distribute costs to programs in a manner that the costs are proportional to the benefit received.
- 11. Unless cost allocation plans are identical in nature and substance, comparing plans only on percentage rates is not valid. The total amount of costs, both direct and indirect, must be carefully reviewed before any comparisons are made. Cost rates alone will not provide meaningful information as to which agency may have the lower cost of administration. Factors such as the types of items in the cost pools, the direct charges, and the overall operation of the agency must also be considered.

**Definition of Costs**

- 12. An agency will incur basically three kinds of costs: direct, administrative, and allocable direct. Specific examples of each type of cost follow the definitions.

**Direct Costs:**

**Direct costs** are those costs that can be identified to benefit a specific program.

- A. Salaries of persons who provide direct services to program beneficiaries and work on only one program (e.g., Aging Director, Transportation Program Director, etc.).
- B. Travel costs that can be specifically identified to benefit a particular program.
- C. Equipment purchased to be used in only one program.
- D. Maintenance and/or insurance for the above equipment.
- E. Supplies which are only used in one program.
- F. A contract for professional services which benefits a single program.
- G. Printing which benefits a single program.

**Administrative Costs:**

**Administrative costs** are costs that benefit the operations of the entire agency, but cannot be identified to specific programs.

- A. Executive Director's salary and benefits (or administrative portion thereof if the Executive Director spends time on program-related activities).

- B. Fiscal Officer's salary and benefits.
- C. Purchasing staff's salary and benefits.
- D. Secretarial support of administrative employees.
- E. Supplies of administrative employees.
- F. Travel of administrative employees.
- G. Occupancy costs (e.g., rent and utilities) of administrative employees.
- H. Postage and telephone costs of administrative employees.
- I. Liability insurance.

**Allocable Direct Costs:**

**Allocable direct costs** are simply costs which benefit more than one program, but do not fall under the criteria of administrative costs.

- A. Salaries and benefits of program employees whose work benefits more than one program (i.e., nurses, eligibility workers, etc.).
- B. Travel costs of employees whose work benefits more than one program.
- C. Occupancy costs of programs.
- D. Telephone costs of programs.
- E. Supplies used by more than one program.
- F. Contract for professional services that benefit more than one program.
- G. Rental and maintenance for equipment used by more than one program.
- H. Audit costs

**Allocation Methods**

13. The periodic allocation of actual expenditures, rather than use of a fixed or provisional indirect cost rate, is the most appropriate and equitable method of cost allocation.

The following are allowable methods to allocate administrative costs and allocable direct costs. Exceptions will be allowed, providing prior approval of the alternative method is granted from the cognizant state agency.

**Administrative Costs**

14. Administrative costs allocable to programs should be accumulated in a separate cost pool. After allocating the administrative cost pool its share of the allocable direct costs, the total should be periodically allocated to the programs based on the percentage of direct program salaries vs. total direct salaries, applied to total administrative costs.

Another method of allocation is using total costs to distribute administrative costs. The actual administrative costs are allocated to each program based on its percentage of total actual direct costs for the period after allocation of allocable direct costs.

It is recognized that the above methods of allocation of administrative costs may not be the most appropriate in all situations.

**Allocable Direct Costs**

15. Most likely, the appropriate time for allocation of allocable direct costs will be when they are recorded on the books. However, cost pools may be used for various categories of allocable direct costs for periodic allocation to programs and the administrative cost pool.

Several different methods may be acceptable for the allocation of allocable direct costs. The following are specific examples:

**Salaries and benefits** -- allocate on the basis of time records, records of the number of clients served, or other approved bases.

**Travel** -- allocate on the same basis as salaries and benefits.

**Occupancy costs for program areas** -- allocate based on the number of square feet occupied by the program area as a percentage of total square feet allocated to all program areas.

**Telephone costs** -- allocate based on the number of personnel, number of lines, or other equitable method for local service.

**Supplies** -- allocate based on the number of personnel per program, number of clients served, or other equitable method.

**Contracts for services, which benefit more than one program** -- allocate based on the number of clients served, or other equitable method.

**Equipment rental and maintenance** -- allocate based on usage logs or other equitable method.

### **Cognizant State Agency**

16. The cognizant state agency shall be responsible for approval of the cost allocation plan of the grantee. Other state funding agencies, which also have funds at the grantee agency, must abide by the methods of cost allocation approved by the cognizant state agency. The cognizant state agency is generally defined to be the state agency whose funds compose the greatest percentage of state grant funds received by a grantee agency. Determination of the cognizant state agency shall be made by the Department of Finance and Administration. Once assigned, the term of responsibility shall be indefinite, although responsibility may be reassigned upon written request and justification to the Department of Finance and Administration by either the cognizant state agency or the grantee agency.

### **Instructions for Cost Allocation Plans**

17. Each subrecipient must prepare a narrative describing in detail the methods used to allocate costs to the various programs. The plan should include an organizational chart and documents and schedules to support the allocation methods.
18. The following guidelines should be used in the preparation of the plan.
  - A. The nature of the charges to be allocated will depend on the sophistication of the accounting system. The more sophisticated the system, the fewer the types of charges that will be treated as allocable direct expense and included for distribution. For example, if each employee keeps a detailed time report, the payroll expenditures might be charged directly to each program, and cost allocation per se would not be involved.
  - B. The cost allocation plan must include plans for allocation of allocable direct costs as well as administrative costs. Allocable direct costs will be included with other direct costs of the program in reports to the grantor. Allocations that are reported in separate line items on the grantor reports should involve the administrative cost pool only.
  - C. An entity may wish to have more than one cost allocation pool so that certain types of costs are allocated on different bases.
  - D. All proposed cost allocation plans developed by the contractor/grantee must be reviewed and approved by the entity's designated cognizant state agency.

- E. Once the cost allocation plan has been approved by the cognizant state agency, all other funding state agencies must accept the approved plans. Where a contracting state agency has reason to believe that special factors affecting its awards necessitates special consideration, the contracting state agency should communicate this to the cognizant state agency.
- F. If a dispute arises between the cognizant state agency and a contracting state agency, the dispute shall be resolved through an appeals process headed by the Commissioner of Finance and Administration or his/her designee.

**Approved:**

**Commissioner of Finance and Administration**

I, John D. Ferguson, hereby approve this revision of Policy Statement 03 of the Department of Finance and Administration, and as such agree with and authorize actions necessary to implement its requirements.

Signed: \_\_\_\_\_  
John D. Ferguson, Commissioner

Date: \_\_\_\_\_

**Approved:**

**Comptroller of the Treasury**

I, William R. Snodgrass, hereby approve this revision of Policy Statement 03 of the Department of Finance and Administration, and as such agree with and authorize actions necessary to implement its requirements.

Signed: \_\_\_\_\_  
W. R. Snodgrass, Comptroller of the Treasury

Date: \_\_\_\_\_

**POLICY 03 - APPENDIX A**

**Instructions for Completing Program Expense Reports (PER) and Program Revenue Reports (PRR) State of Tennessee Contracting Agencies**

*Notes*

1. *Explanations are provided for each line-item in the Program Expense and Program Revenue Reports which correspond to similar line-items in Office of Management and Budget (OMB) Circular A-122, "Cost Principles for Nonprofit Organizations," revised May 14, 1997 and Internal Revenue Service Form 990, "Return of Organization Exempt from Income Tax". IRS Form 990 is also an annual financial reporting requirement of the Division of Charitable Solicitations of the Secretary of State's Office.*
  2. *Use of the term "expense" is inclusive of either expenses or expenditures depending on the accounting method used.*
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Program Expense Report (PER), Schedule A, is used (a) for submitting detailed and total expense budgets and (b) for detailed and total expense reports (see Schedule A, Parts 1 and 2).

Program Revenue Report (PRR), Schedule B, is used (a) for submitting revenue budgets and (b) for revenue reports by source with reconciliation between total expenses and reimbursable expenses (see Schedule B, Parts 1 and 2).

The Schedule B revenue and reconciliation pages are intended to be extensions of the Schedule A expense pages, in that the columns should match up by contract/attachment number and program title. That is, each revenue column should be aligned with its corresponding expense column from the previous page.

**Basis for Reporting Expenses/Expenditures**

Total expenses may be reported on either the cash or accrual basis consistently applied. An expense may be accrued only if the goods or services have been received and billed for by the end of the reporting period. Once elected, the basis of reporting may be changed only with the approval of the cognizant state agency. If the report at the end of the grant period is on the accrual basis, the final report prepared after all accruals have been cleared with cash receipts and disbursements must include a reconciliation to the accruals reported in the end-of-period grant report.

Expense and revenue reports must be submitted in the same format each quarter. The final Program Expense Report must be approved by the contracting state agency.

**Form Headings (for Schedules A and B)**

At the top of each page are spaces for the name of the reporting contractor/grantee agency, the period covered by the report, the name of the contracting state agency, and the reporting agency's federal employer identification number. The period of the report should always be the current quarter. Report programs in the same sequence each quarter.

**Column Headings**

At the head of each column are spaces for the contract number, grant period, program name, and service name (if the grant or programs are divided into two or more services for reporting purposes). The contract number is the number assigned by the contracting state agency, and should include the amendment number, if any. The grant period field contains the beginning and ending dates for the grant. The program name is the title you use to describe the program in correspondence with the contracting state agency. The service name, if applicable, is the name of the service used when there are two or more services or activities related to a single grant.

**Program Columns**

Cumulative expenses for several grants, programs, or services may be reported on each Total Expense page.

Do not report programs of two different state departments or agencies on the same page. Total the cumulative year-to-date expenses for all of the department's programs in a total column on the page for each department. If more than one page is used for a department, then the totals must be placed on the last page.

Program expense columns are for reporting direct program expenses. Direct service expenses that apply to more than one program (i.e., allocable-direct costs) may be allocated to those programs within the expense categories and thereby included in program expenses. The cognizant state agency should approve the method used for cost allocations.

**FINAL PROGRAM EXPENSE SUMMARY PAGE  
(Schedule C-Final Page)**

The Final Program Expense Summary Page is intended to recap all direct program expenses in one column and separately identify non grant/unallowable expenses and administrative expenses in other columns, as well as to determine a grand total of all expenses. The Summary Page includes the following columns:

**Total Direct Program Expenses**

This is the summary of all the individual program cumulative year-to-date expenses as identified separately under the respective program titles.

**Total Non Grant/Unallowable Expenses**

The non grant/unallowable expense column includes the following expenses:

- I. The cumulative year-to-date total expenses for all other programs not funded by any contracting state agency.
- II. The cumulative year-to-date expenses for fund-raising activities, if any
- III. Other cumulative year-to-date expenses not allowable for reimbursement under the terms of the grants.

**Total Administrative Expenses**

The administrative expenses column is for reporting the cumulative year-to-date expenses to be allocated on the administrative expenses line of the report (PER, Line 22).

**Grand Total**

The Grand Total column of this final page contains the cumulative year-to-date totals for the entire reporting agency. The year-to-date expenses must be traceable to the reporting agency's general ledger.

**PROGRAM EXPENSE REPORT (PER)  
SCHEDULE A  
EXPENSE BY OBJECT LINE-ITEMS**

There are seventeen specific object expense categories; two subtotals (Line 3, Total Personnel Expenses, and Line 19, Total Nonpersonnel Expenses); and Reimbursable Capital Purchases (Line 20), above Line 21, Total Direct Program Expenses. All expenses should be included in one or more of the specific categories, or in an additional expense category entered under Line 18, Other Nonpersonnel Expenses. The contracting state agency may determine these requirements.

With the exception of depreciation, everything reported in Lines 1 through 21 must represent an actual cash disbursement or accrual as defined in the Basis For Reporting Expenses/Expenditures section on page 13.

**Line 1 Salaries and Wages**

On this line, enter compensation, fees, salaries, and wages paid to officers, directors, trustees, and employees. An attached schedule may be required showing client wages or other included in the aggregations.



References:

Related A-122 paragraphs: 6, 28, & 45  
Related Form 990 line items: Part II; 25 & 26

**Line 2 Employee Benefits & Payroll Taxes**

Enter (a) the organization’s contributions to pension plans and to employee benefit programs such as health, life, and disability insurance; and (b) the organization’s portion of payroll taxes such as social security and Medicare taxes and unemployment and workers’ compensation insurance. An attached schedule may be required showing client benefits and taxes or other included in the aggregations.

References:

Related A-122 paragraphs: 6, 15, & 45  
Related Form 990 line items: Part II; 27, 28, & 29

**Line 3 Total Personnel Expenses**

Add lines 1 and 2.

**Line 4 Professional Fees**

Enter the organization’s fees to outside professionals, consultants, and personal-service contractors. Include legal, accounting, and auditing fees. An attached schedule may be required showing the details in the aggregation of professional fees.

References:

Related A-122 paragraphs: 20, 41, & 49  
Related Form 990 line items: Part II; 30, 31, 32, & 43

**Line 5 Supplies**

Enter the organization’s expenses for office supplies, housekeeping supplies, food and beverages, and other supplies. An attached schedule may be required showing food expenses or other details included in the aggregations.

References:

Related A-122 paragraph: 24  
Related Form 990 line item: Part II; 33

**Line 6 Telephone**

Enter the organization's expenses for telephone, cellular phones, beepers, telegram, FAX, E-mail, telephone equipment maintenance, and other related expenses.

References:

- Related A-122 paragraph: 5 & 22
- Related Form 990 line item: Part II; 34

**Line 7 Postage and Shipping**

Enter the organization's expenses for postage, messenger services, overnight delivery, outside mailing service fees, freight and trucking, and maintenance of delivery and shipping vehicles. Include vehicle insurance here or on line 14.

References:

- Related A-122 paragraphs: 5, 23, & 50
- Related Form 990 line item: Part II; 35

**Line 8 Occupancy**

Enter the organization's expenses for use of office space and other facilities, heat, light, power, other utilities, outside janitorial services, mortgage interest, real estate taxes, and similar expenses. Include property insurance here or on line 14.

References:

- Related A-122 paragraphs: 19, 23, 43, 46 & 47
- Related Form 990 line item: Part II; 36

**Line 9 Equipment Rental and Maintenance**

Enter the organization's expenses for renting and maintaining computers, copiers, postage meters, other office equipment, and other equipment, except for telephone, truck, and automobile expenses, reportable on lines 6, 7, and 11, respectively.

References:

- Related A-122 paragraphs: 23 & 43
- Related Form 990 line item: Part II; 37

**Line 10 Printing and Publications**

Enter the organization's expenses for producing printed materials, purchasing books and publications, and buying subscriptions to publications.

References:

- Related A-122 paragraphs: 26 & 38
- Related Form 990 line item: Part II; 38

**Line 11 Travel**

Enter the organization's expenses for travel, including transportation, meals and lodging, and per diem payments. Include gas and oil, repairs, licenses and permits, and leasing costs for company vehicles. Include travel expenses for meetings and conferences. Include vehicle insurance here or on line 14.

References:

- Related A-122 paragraphs: 41 & 51
- Related Form 990 line item: Part II; 39

**Line 12 Conferences and Meetings**

Enter the organization's expenses for conducting or attending meetings, conferences, and conventions. Include rental of facilities, speakers' fees and expenses, printed materials, and registration fees (but not travel).

References:

- Related A-122 paragraphs: 24, 25, & 49
- Related Form 990 line item: Part II; 40

**Line 13 Interest**

Enter the organization's interest expense for loans and capital leases on equipment, trucks and automobiles, and other notes and loans. Do not include mortgage interest reportable on line 8.

References:

- Related A-122 paragraph: 19
- Related Form 990 line item: Part II; 41

**Line 14 Insurance**

Enter the organization's expenses for liability insurance, fidelity bonds, and other insurance. Do not include employee-related insurance reportable on line 2. Do not include property and vehicle insurance if reported on lines 7, 8, or 11.

References:

- Related A-122 paragraphs: 4 & 18
- Related Form 990 line item: Part II; 43

**Line 15 Grants and Awards**

Enter the organization's awards, grants, subsidies, and other pass-through expenditures to individuals and to other organizations. Include allocations to affiliated organizations. Include in-kind grants to individuals and organizations. Include scholarships, tuition payments, travel allowances, and equipment allowances to clients and individual beneficiaries.

Pass-through funds are not included when computing administrative expenses reported on Line 22.

References:

- Related A-122 paragraph: 30
- Related Form 990 line item: Part II; 22

**Line 16 Specific Assistance to Individuals**

Enter the organization's direct payment of expenses of clients, patients, and individual beneficiaries. Include such expenses as medicines, medical and dental fees, children's board, food and homemaker services, clothing, transportation, insurance coverage, and wage supplements.

References:

- Related A-122 paragraph: 30
- Related Form 990 line item: Part II; 23

**Line 17 Depreciation**

Enter the expenses the organization records for depreciation of equipment, buildings, leasehold improvements, and other depreciable fixed assets.

References:

Related A-122 paragraph: 9  
Related Form 990 line item: Part II; 42

**Line 18 Other Nonpersonnel Expenses**

NOTE: Expenses reportable on lines 1 through 17 should not be reported in an additional expense category on line 18. A description should be attached for each additional category entered on line 18. The contracting state agency may determine these requirements.

Enter the organization's allowable expenses for advertising (1), bad debts (2), contingency provisions (7), fines and penalties (14), independent research and development (reserved) (17), organization (27), page charges in professional journals (29), rearrangement and alteration (39), recruiting (41), and taxes (47). Include the organization's and employees' membership dues in associations and professional societies (26). Include other fees for the organization's licenses, permits, registrations, etc. (See related A-122 allowable cost principles, the paragraph numbers are in parenthesis above.)

References:

Related A-122 paragraphs: 1, 2, 7, 14, 17, 26, 27, 29, 39, 41, & 47  
Related Form 990 line item: Part II; 43

**Line 19 Total Nonpersonnel Expenses**

Add lines 4 through 18.

**Line 20 Reimbursable Capital Purchases**

Enter the organization's purchases of fixed assets. Include land, equipment, buildings, leasehold improvements, and other fixed assets. An attached schedule may be required showing the details for each such purchase.

References:

Related A-122 paragraph: 13  
Related Form 990 line item: capitalized on line 55a, not reported as an expense.

**Line 21 Total Direct Program Expenses**

Add lines 3, 19, and 20.  
Includes direct and allocated direct program expenses.

Reference:

Related Form 990 line item: Part II, Column B.

**Line 22 Administrative Expenses**

The distribution will be made in accordance with an allocation plan approved by your cognizant state agency.

References:

Related A-122 paragraphs: 11, 12, 16, 19, 20, 21, 32, 33, 36, 40, 41, 43, 45, & 47

Related Form 990 line item: Part II; Column C

**Line 23 Total Direct and Administrative Expenses**

Line 23 is the total of Line 21, Total Direct Program Expenses, and Line 22, Administrative Expenses. Line 23, Total Direct and Administrative Expenses Year-to-Date should agree with the Total of Column B, Year-to-Date Actual Expenditures of the *Invoice for Reimbursement* - (see Exhibit 2).

**Line 24 In-Kind Expenses**

In-kind Expenses (Line 24) is for reporting the value of contributed resources applied to the program. Approval and reporting guidelines for in-kind contributions will be specified by those contracting state agencies who allow their use toward earning grant funds.

References:

Related A-122 paragraph: 10

Related Form 990 line items: Part I; 1a, & Part VI; 82

**Line 25 Total Expenses**

The sum of Line 23, Total Direct and Administrative Expenses, and Line 24, In-kind Expenses, goes on this line.

**PROGRAM REVENUE REPORT (PRR)  
SCHEDULE B  
SOURCES OF REVENUE**

The revenue page is intended to be an extension of the total expenses page, in that the columns should match up by contract/attachment number and program title. There are ten revenue sources (Schedule B, Part 1) and three subtotals (Lines 33, 41, and 43). Additional supplemental schedules for one or more of the line items may be attached, if needed. Each revenue column should be aligned with its corresponding expense column from Schedule A.

**Reimbursable Program Funds**

**Line 31 Reimbursable Federal Program Funds**

Enter the portion of Total Direct & Administrative Expenses reported on Line 23, Schedule A, that is reimbursable from federal program funds. The state funding agency may require an attached detail listing and reconciliation schedule.

Reference:

Related Form 990 line item: Part I; 1c

**Line 32 Reimbursable State Program Funds**

Enter the portion of Total Direct & Administrative Expenses reported on Line 23, Schedule A, that is reimbursable from state program funds. The state funding agency may require an attached detail listing and reconciliation schedule.

Reference:

Related Form 990 line item: Part I; 1c

**Line 33 Total Reimbursable Program Funds**

Add lines 31 and 32.

**Matching Revenue Funds**

**Line 34 Other Federal Funds**

Enter the portion of matching revenues reported on Line 54, Subtract Matching Expenses (Equals Line 41), that is from other federal funds. The state funding agency may require an attached detail listing and reconciliation schedule.

Reference:

Related Form 990 line item: Part I; 1c

**Line 35 Other State Funds**

Enter the portion of matching revenues reported on Line 54, Subtract Matching Expenses (Equals Line 41), that is from other state funds. The state funding agency may require an attached detail listing and reconciliation schedule.

Reference:

Related Form 990 line item: Part I; 1c

**Line 36 Other Government Funds**

Enter the portion of matching revenues reported on Line 54, Subtract Matching Expenses (Equals Line 41), that is from other government funds. The state funding agency may require an attached detail listing and reconciliation schedule.

Reference:

Related Form 990 line items: Part I; 1c

**Line 37 Cash Contributions (Nongovernment)**

Enter the portion of matching revenues reported on Line 54, Subtract Matching Expenses (Equals Line 41), that is from such sources of cash contributions as corporations, foundations, trusts, individuals, United Ways, other not-for-profit organizations, and from affiliated organizations. The state funding agency may require an attached detail listing and reconciliation schedule.

References:

Related Form 990 line items: Part I; 1a and 1b

**Line 38 In-Kind Contributions (Equals Schedule A, Line 24)**

Enter the portion of matching revenues reported on Line 54, Subtract Matching Expenses (Equals Line 41), that is from direct and administrative in-kind contributions. The state funding agency may require an attached detail listing and reconciliation schedule.

Approval and guidelines for valuation and reporting of in-kind contributions will be specified by those grantor agencies who allow their use toward earning grant funds.



References:

Related Form 990 line items: Part I; 1a and Part VI; 82

**Line 39 Program Income**

Enter the portion of matching revenues reported on Line 54, Subtract Matching Expenses (Equals Line 41), that is from program income related to the program funded by the state agency. The state funding agency may require an attached detail listing.

Reference:

Related Form 990 line item: Part I; 2

**Line 40 Other Matching Revenue**

Enter the portion of matching revenues reported on Line 54, Subtract Matching Expenses (Equals Line 41), that is from other revenues not included in lines 34 through 39. The state funding agency may require an attached detail listing.

References:

Related Form 990 line items: Part I; 3 through 11

**Line 41 Total Matching Revenue Funds**

Add lines 34 through 40

**Line 42 Other Program Funds**

Enter program income related to the program funded by the state agency but not reported as matching revenue funds on Line 54.

References:

Related Form 990 line items: Part I; 1 through 11

**Line 43 Total Revenue**

Add lines 33, 41, and 42

References:

Related Form 990 line items: Part I; 12

**RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES**  
**SCHEDULE B - (Lines 51 to 59)**

This section, at the bottom of Schedule B, is for subtracting nonreimbursable amounts included in Total Expenses (Line 25, Schedule A and Line 51, Schedule B).

The first line of this section, Line 51, Total Expenses, is brought forward from the last line of the corresponding Schedule A Total Expense Page.

There are three categories of adjustments for which titled lines are provided:

**Line 52 Other Unallowable Expenses:**

Some program expenses may not be reimbursable under certain grants. This is a matter between the contracting parties, and will vary according to the state agency involved and the type of grant or contract. Consult your contract or the department that funds the program for guidelines.

**Line 53 Excess Administration:**

This adjustment line may be used to deduct allocated Administration and General expenses in excess of an allowable percentage specified in the grant contract. It may also be used to deduct an adjustment resulting from limitations on certain components of Administration and General expenses. Again, the specific guidelines of the department and grant involved are the controlling factor.

**Line 54 Matching Expenses**

Since the goal is to arrive at a reimbursable amount, the expenses paid out of other sources of funding, local support and program user fees for example, will have to be deducted. The amount left should be only that which is to be paid for by the contracting state agency.

**Line 55 Reimbursable Expenses** (Line 51 less Lines 52, 53, and 54)

This is the amount that the contracting state agency will pay for the quarter's operations of the program. The cumulative column is what the grant actually paid to date.

**Line 56 Total Reimbursement-to-Date**

In the quarter-to-date column, this is the total received for this quarter from filing of the Invoice For Reimbursement. The cumulative column's amount is the total received for the grant year-to-date.

**Line 57 Difference** (Line 55 less Line 56)

This is the portion of Reimbursable Expenses not yet paid.

**Line 58 Advances**

Any advance payments for a grant should appear on this line.

**Line 59 This Reimbursement** (Line 57 less 58)

The remainder should be the amount due under the grant contract. Actual payments are made through the invoicing process and not through the filing of this report.

**POLICY 03 - APPENDIX B**

**Instructions for Completing Form State of Tennessee Contracting Agencies Projection of Agency Personnel And Salary (Exhibit 1)**

This form is to reflect the total salaries of all persons employed, either full or part time, by the agency. This form is typically used on an annual basis only. The form is utilized to reflect budgeted salaries.

The completed form must be submitted as part of the budget proposal, reflecting the estimated total salary by position and by program.

To complete the form, indicate each individual position, position number, if applicable, employee's name, and total salary for the period covered. Full time employees are defined as employees working at least 37.5 hours per week. If an employee is hired on a part time basis for less than 37.5 hours per week, indicate the regular work week hours in parentheses next to the employee's name.

The projected percentage of time spent in each program area must be noted in the spaces provided. The proportionate amount of salary expense should then be calculated and projected for the respective programs. The total salaries projected in each program must equal the corresponding amount budgeted in the salary category of the budget.

If salary increases are to be made at a point in time rather than the beginning date of the contract period, a schedule showing the effective dates of the increases, by position, must be attached to the budget package.

**POLICY 03 - APPENDIX C**

**Instructions for Completing Form State of Tennessee Contracting Agencies Invoice For Reimbursement (Exhibit 2)**

This invoice is used to request advancement or reimbursement prior to submission of the quarterly report. Funds can only be disbursed by contracting state agencies to subrecipients upon receipt of a properly prepared and signed invoice. Funds cannot be disbursed based on the submission of quarterly reports.

1. Complete the heading filling in the contractor/grantee agency's name and address, federal employer identification number, contracting state agency, contract number, invoice number, invoice ending date, contract period, contact person and phone number, and the related program area.
2. The invoice provides flexibility in reporting the information -- in detail by cost categories or by reporting the total by program.
3. The contracting state agency will determine whether the information on the invoice will be reported by cost categories or by program. The contracting state agency will give specific instructions on which cost categories are required to be reported to them on a monthly basis. If information is provided by cost categories, list the various cost categories, the total contract budget for the cost categories, the cumulative year-to-date actual expenditures by the cost categories, and the monthly estimated/actual expenditures by the cost categories. If the information is reported by program, state the name of the program, the total amount of the contract budget for the program, the total year-to-date actual expenditures for the program, and the monthly estimated/actual expenditures by program as approved by the contracting state agency. Also state the monthly actual or estimated revenue for the program and the net amount due. Indicate the allotment code and cost center in the last column.
4. Sign the invoice and mail it to the contracting agency.

Schedule A, Part 1

STATE OF TENNESSEE  
PROGRAM EXPENSE REPORT  
FEDERAL ID# \_\_\_\_\_  
REPORT PERIOD \_\_\_\_\_

CONTRACTOR/GRANTEE

FEDERAL ID# \_\_\_\_\_  
REPORT PERIOD \_\_\_\_\_

Program B

Program A

CONTRACTING STATE AGENCY

CONTRACT NUMBER \_\_\_\_\_  
GRANT PERIOD \_\_\_\_\_  
PROGRAM NAME \_\_\_\_\_  
SERVICE NAME \_\_\_\_\_

Schedule A

Line

Item# EXPENSE BY OBJECT:

Quarter-to-Date

Year-To-Date

Quarter-to-Date

Year-To-Date

|    |  |  |  |  |  |
|----|--|--|--|--|--|
| 1  | Salaries and Wages .....                 |  |  |  |  |
| 2  | Employee Benefits & Payroll Taxes .....  |  |  |  |  |
| 3  | Total Personnel Expenses .....           |  |  |  |  |
| 4  | Professional Fees .....                  |  |  |  |  |
| 5  | Supplies .....                           |  |  |  |  |
| 6  | Telephone .....                          |  |  |  |  |
| 7  | Postage and Shipping .....               |  |  |  |  |
| 8  | Occupancy .....                          |  |  |  |  |
| 9  | Equipment Rental and Maintenance .....   |  |  |  |  |
| 10 | Printing and Publications .....          |  |  |  |  |
| 11 | Travel .....                             |  |  |  |  |
| 12 | Conferences and Meetings .....           |  |  |  |  |
| 13 | Interest .....                           |  |  |  |  |
| 14 | Insurance .....                          |  |  |  |  |
| 15 | Grants and Awards .....                  |  |  |  |  |
| 16 | Specific Assistance to Individuals ..... |  |  |  |  |
| 17 | Depreciation .....                       |  |  |  |  |
| 18 | Other Nonpersonnel Expenses .....        |  |  |  |  |
| a  |  |  |  |  |  |
| b  |  |  |  |  |  |
| c  |  |  |  |  |  |
| d  |  |  |  |  |  |
| 19 | Total Nonpersonnel Expenses .....        |  |  |  |  |
| 20 | Reimbursable Capital Purchases .....     |  |  |  |  |
| 21 | TOTAL DIRECT PROGRAM EXPENSES .....      |  |  |  |  |
| 22 | Administrative Expenses .....            |  |  |  |  |
| 23 | TOTAL DIRECT & ADMINISTRATIVE EXPENSES   |  |  |  |  |
| 24 | In-Kind Expenses .....                   |  |  |  |  |
| 25 | TOTAL EXPENSES .....                     |  |  |  |  |

Schedule A, Part 2

STATE OF TENNESSEE  
 Department of Finance and Administration  
 Policy 03: Uniform Reporting  
 Alignment Reference Table

| Schedule A<br>Line<br>Item# | EXPENSE BY OBJECT:                 | Related<br>A-122 Cost<br>Principle                         | Related<br>Uniform<br>Form 990<br>Line Items | Sub-line Item<br>And/or<br>Attached Schedule<br>When Required |
|-----------------------------|------------------------------------|--|--|---|
| 1                           | Salaries and Wages                 | 6, 28, 45  | Part II: 25, 26                              | e.g., 1.1 Client wages  |
| 2                           | Employee Benefits & Payroll Taxes  | 6, 15, 45  | Part II: 27, 28, 29                          | Client benefits/taxes   |
| 3                           | Total Personnel Expenses:          | N/A  | N/A  |   |
| 4                           | Professional Fees                  | 20, 41, 49   | Part II: 30, 31, 32, 43                      | Prof/audit/contract   |
| 5                           | Supplies                           | 24   | Part II: 33                                  | e.g., 5.1 - Food  |
| 6                           | Telephone                          | 5, 22  | Part II: 34                                  |   |
| 7                           | Postage and Shipping               | 5, 23, 50  | Part II: 35                                  |   |
| 8                           | Occupancy                          | 19, 23, 43, 46, 47   | Part II: 36                                  |   |
| 9                           | Equipment Rental and Maintenance   | 23, 43   | Part II: 37                                  |   |
| 10                          | Printing and Publications          | 26, 38   | Part II: 38                                  |   |
| 11                          | Travel                             | 41, 51   | Part II: 39                                  |   |
| 12                          | Conferences and Meetings           | 24, 25, 49   | Part II: 40                                  |   |
| 13                          | Interest                           | 19   | Part II: 41                                  |   |
| 14                          | Insurance                          | 4, 18  | Part II: 43                                  |   |
| 15                          | Grants and Awards                  | 30   | Part II: 22                                  |   |
| 16                          | Specific Assistance to Individuals | 30   | Part II: 23                                  |   |
| 17                          | Depreciation                       | 9  | Part II: 42                                  |   |
| 18                          | Other Nonpersonnel Expenses        | 1, 2, 7, 14, 17, 26, 27, 29, 39, 41, 47                    | Part II: 43                                  | Combined line items   |
| a                           |                                    |  |  |   |
| b                           |                                    |  |  |   |
| c                           |                                    |  |  |   |
| d                           |                                    |  |  |   |
| 19                          | Total Nonpersonnel Expenses:       | N/A  | N/A  |   |
| 20                          | Reimbursable Capital Purchases     | 13   | Capitalized                                  | Attached schedule   |
| 21                          | TOTAL DIRECT PROGRAM EXPENSES      | N/A  | Part II, Col B                               |   |
| 22                          | Administrative Expenses            | 11, 12, 16, 19, 20<br>21, 32, 33, 36, 40<br>41, 43, 45, 47 | Part II, Col C                               |   |
| 23                          | TOTAL DIRECT & ADMINISTRATIVE      | N/A  | N/A  |   |
| 24                          | In-Kind Expenses                   | 10   | Part I; 1a, Part VI; 82                      | Detail by expense category                                    |
| 25                          | TOTAL EXPENSES                     | N/A  | N/A  |   |

STATE OF TENNESSEE  
PROGRAM REVENUE REPORT  
REVENUE AND EXPENSE  
REPORT

FEDERAL ID#  
REPORT PERIOD

Program 3

Program A

CONTRACTING STATE AGENCY

CONTRACT NUMBER  
GRANT PERIOD  
PROGRAM NAME  
SERVICE NAME

Schedule B  
Line  
Item#

SOURCES OF REVENUE

Year-To-Date

Quarter-to-Date

Year-To-Date

Quarter-to-Date

Year-To-Date

Quarter-to-Date

Year-To-Date

| Item#                   | SOURCES OF REVENUE                                 | Year-To-Date | Quarter-to-Date | Year-To-Date | Quarter-to-Date | Year-To-Date | Quarter-to-Date |
|-------------------------|--|--------------|-----------------|--------------|-----------------|--------------|-----------------|
| 31                      | Reimbursable Federal Program Funds                 |              |                 |              |                 |              |                 |
| 32                      | Reimbursable State Program Funds                   |              |                 |              |                 |              |                 |
| 33                      | Total Reimbursable Program Funds (Equals Line 55)  |              |                 |              |                 |              |                 |
| Matching Revenue Funds: |  |              |                 |              |                 |              |                 |
| 34                      | Other Federal Funds                                |              |                 |              |                 |              |                 |
| 35                      | Other State Funds                                  |              |                 |              |                 |              |                 |
| 36                      | Other Government Funds                             |              |                 |              |                 |              |                 |
| 37                      | Cash Contributions (Nongovernment)                 |              |                 |              |                 |              |                 |
| 38                      | In-Kind Contributions (Equals Schedule A, Line 24) |              |                 |              |                 |              |                 |
| 39                      | Program Income                                     |              |                 |              |                 |              |                 |
| 40                      | Other Matching Revenue                             |              |                 |              |                 |              |                 |
| 41                      | Total Matching Revenue Funds                       |              |                 |              |                 |              |                 |
| 42                      | Other Program Funds                                |              |                 |              |                 |              |                 |
| 43                      | Total Revenue                                      |              |                 |              |                 |              |                 |

RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES

|    |   |  |
|----|---|--|
| 51 | Total Expenses (From Schedule A, Line 25)                             |  |
| 52 | Subtract Other Unallowable Expenses (Contractual)                     |  |
| 53 | Subtract Excess Administration (Contractual)                          |  |
| 54 | Subtract Matching Expenses (Equals Line 41)                           |  |
| 55 | Reimbursable Expenses (Line 51 Less 52, 53, & 54)<br>(Equals Line 33) |  |
| 56 | Total Reimbursement To Date   |  |
| 57 | Difference (line 55 less 56)  |  |
| 58 | Advances  |  |
| 59 | This Reimbursement (Line 57 Less 58)                                  |  |



Schedule B, Part 2

STATE OF TENNESSEE  
Policy 03: Uniform Reporting  
Alignment Reference Table

| Schedule B Line  | SOURCES OF REVENUE  | Related Uniform Form 990 | Sub-line Item And/Or Attached Schedule |
|--|---|--------------------------|--|
| Item#  | Line Items  | When Required            | e.g., 1.1 Client wages                 |
| <b>Reimbursable Program Funds:</b>                                     |   |                          |  |
| 31   | Reimbursable Federal Program Funds                                | Part I; 1c               | Detail/Recon. schedule                 |
| 32   | Reimbursable State Program Funds                                  | Part I; 1c               | Detail/Recon. schedule                 |
| 33   | Total Reimbursable Program Funds (Equals Line 55)                 |                          |  |
| <b>Matching Revenue Funds:</b>   |   |                          |  |
| 34   | Other Federal Funds   | Part I; 1c               | Detail/Recon. schedule                 |
| 35   | Other State Funds   | Part I; 1c               | Detail/Recon. schedule                 |
| 36   | Other Government Funds  | Part I; 1c               | Detail/Recon. schedule                 |
| 37   | Cash Contributions (Nongovernment)                                | Part I; 1a & 1b          |  |
| 38   | In-Kind Contributions (Equals Schedule A, Line 24)                | Part I; 1a, Part VI; 82  | Detail by expense category             |
| 39   | Program Income  | Part I; 2                | Detail                                 |
| 40   | Other Matching Revenue  | Part I; 3 thru 11        | Detail                                 |
| 41   | Total Matching Revenue Funds                                      | N/A                      |  |
| 42   | Other Program Funds   | Part I; 1 thru 11        | e.g., 42.1 Client fees                 |
| 43   | Total Revenue   | Part I; 12               |  |
| <b>RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES</b> |   |                          |  |
| 51   | Total Expenses (From Schedule A, Line 25)                         | See Schedule A           | See Schedule A                         |
| 52   | Subtract Other Unallowable Expenses (Contractual)                 | N/A                      |  |
| 53   | Subtract Excess Administration (Contractual)                      | N/A                      |  |
| 54   | Subtract Matching Expenses (Equals Line 41)                       | N/A                      |  |
| 55   | Reimbursable Expenses (Line 51 Less 52, 53, & 54/ Equals Line 33) | N/A                      |  |
| 56   | Total Reimbursement To Date                                       | N/A                      |  |
| 57   | Difference (Line 55 less 56)                                      | N/A                      |  |
| 58   | Advances  | N/A                      |  |
| 59   | This Reimbursement (Line 57 Less 58)                              | N/A                      |  |

**Schedule C--Final Page**

FEDERAL ID# \_\_\_\_\_

TOTAL EXPENSES \_\_\_\_\_

REPORT PERIOD \_\_\_\_\_

TOTAL \_\_\_\_\_

TOTAL DIRECT PROGRAM EXPENSES \_\_\_\_\_

ADMINISTRATIVE EXPENSES \_\_\_\_\_

GRAND TOTAL \_\_\_\_\_

TOTAL NONGRANT/UNALLOWABLE EXPENSES \_\_\_\_\_

ADMINISTRATIVE EXPENSES \_\_\_\_\_

GRAND TOTAL \_\_\_\_\_

CONTRACTING STATE AGENCY \_\_\_\_\_

CONTRACT NUMBER \_\_\_\_\_

GRANT PERIOD \_\_\_\_\_

PROGRAM NAME \_\_\_\_\_

SERVICE NAME \_\_\_\_\_

Schedule A

Line

Item# EXPENSE BY OBJECT:

-----

Year-To-Date

Year-To-Date

Year-To-Date

Year-To-Date

|    |  |  |  |  |  |
|----|--|--|--|--|--|
| 1  | Salaries and Wages .....                     |  |  |  |  |
| 2  | Employee Benefits & Payroll Taxes .....      |  |  |  |  |
| 3  | Total Personnel Expenses .....               |  |  |  |  |
| 4  | Professional Fees .....                      |  |  |  |  |
| 5  | Supplies .....                               |  |  |  |  |
| 6  | Telephone .....                              |  |  |  |  |
| 7  | Postage and Shipping .....                   |  |  |  |  |
| 8  | Occupancy .....                              |  |  |  |  |
| 9  | Equipment Rental and Maintenance .....       |  |  |  |  |
| 10 | Printing and Publications .....              |  |  |  |  |
| 11 | Travel .....                                 |  |  |  |  |
| 12 | Conferences and Meetings .....               |  |  |  |  |
| 13 | Interest .....                               |  |  |  |  |
| 14 | Insurance .....                              |  |  |  |  |
| 15 | Grants and Awards .....                      |  |  |  |  |
| 16 | Specific Assistance to Individuals .....     |  |  |  |  |
| 17 | Depreciation .....                           |  |  |  |  |
| 18 | Other Nonpersonnel Expenses .....            |  |  |  |  |
| a  |  |  |  |  |  |
| b  |  |  |  |  |  |
| c  |  |  |  |  |  |
| d  |  |  |  |  |  |
| 19 | Total Nonpersonnel Expenses .....            |  |  |  |  |
| 20 | Reimbursable Capital Purchases .....         |  |  |  |  |
| 21 | TOTAL DIRECT PROGRAM EXPENSES .....          |  |  |  |  |
| 22 | Administrative Expenses .....                |  |  |  |  |
| 23 | TOTAL DIRECT & ADMINISTRATIVE EXPENSES ..... |  |  |  |  |
| 24 | In-Kind Expenses .....                       |  |  |  |  |
| 25 | TOTAL EXPENSES .....                         |  |  |  |  |

Exhibit 1

STATE OF TENNESSEE  
PROJECTION OF AGENCY PERSONNEL AND SALARY

Agency Name \_\_\_\_\_  
For The Period \_\_\_\_\_

| Program Title | Title of Position | Position No. | Name of Employee | Total Salary | Program 1   |        | Program 2 |        | Program 3 |        | Program 4 |        | Program 5 |        | Program 6 |        |
|---------------|-------------------|--------------|------------------|--------------|-------------|--------|-----------|--------|-----------|--------|-----------|--------|-----------|--------|-----------|--------|
|               |                   |              |                  |              | %           | Amount | %         | Amount | %         | Amount | %         | Amount | %         | Amount | %         | Amount |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              |             |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              | Page Total  |        |           |        |           |        |           |        |           |        |           |        |
|               |                   |              |                  |              | Grand Total |        |           |        |           |        |           |        |           |        |           |        |



Schedule A, Part 1

STATE OF TENNESSEE  
PROGRAM EXPENSE REPORT

Page 1 of 7 Pages

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZ

TOTAL EXPENSES  
TOTAL BUDGET

FEDERAL ID# 62-888888888  
REPORT PERIOD 4/1/20x2 - 6/30/20x2

| Grant 101       |                      |
|-----------------|----------------------|
| CONTRACT NUMBER | GR97695014           |
| GRANT PERIOD    | 7/1/20x1 - 6/30/20x2 |
| PROGRAM NAME    | Residential Services |
| SERVICE NAME    | Meals at Home        |

| Grant 101       |                       |
|-----------------|-----------------------|
| CONTRACT NUMBER | GR97695014            |
| GRANT PERIOD    | 7/1/20x1 - 6/30/20x2  |
| PROGRAM NAME    | Adult Activity Center |
| SERVICE NAME    | Congregate Meals      |

| Grant 101       |                       |
|-----------------|-----------------------|
| CONTRACT NUMBER | GR97695014            |
| GRANT PERIOD    | 7/1/20x1 - 6/30/20x2  |
| PROGRAM NAME    | Adult Activity Center |
| SERVICE NAME    | Congregate Meals      |

| Line | Item# | EXPENSE BY OBJECT                      | Quarter-to-Date | Year-To-Date | Quarter-to-Date | Year-To-Date |
|------|-------|--|-----------------|--------------|-----------------|--------------|
| 1    |       | Salaries and Wages                     | 32,891.50       | 131,556.00   | 10,648.25       | 42,593.00    |
| 2    |       | Employee Benefits & Payroll Taxes      | 7,382.50        | 29,530.00    | 2,413.25        | 9,653.00     |
| 3    |       | Total Personnel Expenses               | 40,274.00       | 161,086.00   | 13,061.50       | 52,246.00    |
| 4    |       | Professional Fees                      | 871.75          | 3,437.00     | -               | -            |
| 5    |       | Supplies                               | 2,277.25        | 9,109.00     | 1,149.25        | 4,597.00     |
| 6    |       | Telephone                              | 672.50          | 2,690.00     | 219.75          | 879.00       |
| 7    |       | Postage and Shipping                   | 232.75          | 931.00       | 76.00           | 304.00       |
| 8    |       | Occupancy                              | 1,373.25        | 5,493.00     | 448.75          | 1,795.00     |
| 9    |       | Equipment Rental and Maintenance       | 1,876.00        | 7,504.00     | 230.00          | 920.00       |
| 10   |       | Printing and Publications              | 2,486.25        | 9,945.00     | 437.75          | 1,751.00     |
| 11   |       | Travel                                 | 169.50          | 678.00       | -               | -            |
| 12   |       | Conferences and Meetings               | 197.75          | 731.00       | 64.50           | 258.00       |
| 13   |       | Interest                               | -               | -            | -               | -            |
| 14   |       | Insurance                              | 1,130.50        | 4,522.00     | 369.50          | 1,478.00     |
| 15   |       | Grants and Awards                      | 1,561.50        | 6,246.00     | -               | -            |
| 16   |       | Specific Assistance to Individuals     | -               | -            | -               | -            |
| 17   |       | Depreciation                           | 2,056.25        | 8,225.00     | 672.00          | 2,688.00     |
| 18   |       | Other Nonpersonnel Expenses            | -               | -            | -               | -            |
| a    |       |  | 266.00          | 1,064.00     | 87.25           | 349.00       |
| b    |       |  | 219.00          | 876.00       | 80.75           | 323.00       |
| c    |       |  | -               | -            | -               | -            |
| d    |       |  | -               | -            | -               | -            |
| 19   |       | Total Nonpersonnel Expenses            | 15,390.25       | 61,561.00    | 3,835.50        | 15,342.00    |
| 20   |       | Reimbursable Capital Purchases         | -               | -            | -               | -            |
| 21   |       | TOTAL DIRECT PROGRAM EXPENSES          | 55,664.25       | 222,657.00   | 16,897.00       | 67,588.00    |
| 22   |       | Administrative Expenses                | 7,946.75        | 31,787.00    | 2,572.75        | 10,291.00    |
| 23   |       | TOTAL DIRECT & ADMINISTRATIVE EXPENSES | 63,611.00       | 254,444.00   | 19,469.75       | 77,879.00    |
| 24   |       | In-Kind Expenses                       | -               | -            | -               | -            |
| 25   |       | TOTAL EXPENSES                         | 63,611.00       | 254,444.00   | 19,469.75       | 77,879.00    |

FEDERAL ID# 62-88888888  
REPORT PERIOD 7/1/20x2 - 6/30/20x2

BUDGET X REPORT  
Grant 101

CONTRACTING STATE AGENCY TN, Commission On Aging

Schedule B CONTRACT NUMBER GR97695014  
Line GRANT PERIOD 7/1/20x1 - 6/30/20x2  
Item# PROGRAM NAME Adult Activity Center  
SOURCES OF REVENUE Congregate Meals

| Line Item#  | SOURCES OF REVENUE  | Grant 101   |   | Grant 101   |   | Grant 101    |              |
|---|---|---|---|---|---|--------------|--------------|
|   |   | GR97695014<br>7/1/20x1 - 6/30/20x2<br>Adult Activity Center<br>Congregate Meals | GR97695014<br>7/1/20x1 - 6/30/20x2<br>Adult Activity Center<br>Congregate Meals | GR97695014<br>7/1/20x1 - 6/30/20x2<br>Residential Services<br>Meals at Home | GR97695014<br>7/1/20x1 - 6/30/20x2<br>Residential Services<br>Meals at Home | Year-To-Date | Year-To-Date |
| 31  | Reimbursable Federal Program Funds                                    | 63,611.00   | 254,444.00  | 19,469.50   | 77,878.00   |              |              |
| 32  | Reimbursable State Program Funds                                      | -   | -   | -   | -   |              |              |
| 33  | Total Reimbursable Program Funds (Equals Line 55)                     | 63,611.00   | 254,444.00  | 19,469.50   | 77,878.00   |              |              |
| 34  | Matching Revenue Funds:   |   |   |   |   |              |              |
| 35  | Other Federal Funds   |   |   |   |   |              |              |
| 36  | Other State Funds   |   |   |   |   |              |              |
| 37  | Other Government Funds  |   |   |   |   |              |              |
| 38  | Cash Contributions (Nongovernment)                                    |   |   |   |   |              |              |
| 39  | In-Kind Contributions (Equals Schedule A, Line 24)                    |   |   |   |   |              |              |
| 40  | Program Income  |   |   |   |   |              |              |
| 41  | Other Matching Revenue  |   |   |   |   |              |              |
| 42  | Total Matching Revenue Funds  |   |   |   |   |              |              |
| 43  | Other Program Funds   |   |   |   |   |              |              |
| 44  | Total Revenue   | 63,611.00   | 254,444.00  | 19,469.50   | 77,878.00   |              |              |
| RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES |   |   |   |   |   |              |              |
| 51  | Total Expenses (From Schedule A, Line 25)                             | 63,611.00   | 254,444.00  | 19,469.75   | 77,879.00   |              |              |
| 52  | Subtract Other Unallowable Expenses (Contractual)                     |   |   |   |   |              |              |
| 53  | Subtract Excess Administration (Contractual)                          |   |   |   |   |              |              |
| 54  | Subtract Matching Expenses (Equals Line 41)                           |   |   |   |   |              |              |
| 55  | Reimbursable Expenses (Line 51 Less 52, 53, & 54)<br>(Equals Line 33) | 63,611.00   | 254,444.00  | 19,469.75   | 77,879.00   |              |              |
| 56  | Total Reimbursement To Date   |   |   |   |   |              |              |
| 57  | Difference (line 55 less 56)  | 63,611.00   | 254,444.00  | 19,469.75   | 77,879.00   |              |              |
| 58  | Advances  |   |   |   |   |              |              |
| 59  | This Reimbursement (Line 57 Less 58)                                  | 63,611.00   | 254,444.00  | 19,469.75   | 77,879.00   |              |              |

**Schedule A, Part 1**

STATE OF TENNESSEE  
PROGRAM EXPENSE REPORT

Page 2 of 7 Pages

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZ

FEDERAL ID# 62-88888888

REPORT PERIOD 7/1/20x1 - 6/30/20x2

Grant 103

Grant 102

CONTRACTING STATE AGENCY Dept. of Health

CONTRACT NUMBER  
GRANT PERIOD  
PROGRAM NAME  
SERVICE NAME

Z60731046  
7/1/20x1 - 6/30/20x2  
Rehabilitation Center  
Rehabilitation Serv.

GR97694013  
7/1/20x1 - 6/30/20x2  
Adult Activity Center  
Nutrition Education

GR97694013  
7/1/20x1 - 6/30/20x2  
Adult Activity Center  
Nutrition Education

Schedule A

Line

EXPENSE BY OBJECT:

Quarter-to-Date

Year-To-Date

Year-To-Date

| Line | EXPENSE BY OBJECT:                     | Quarter-to-Date | Year-To-Date | Year-To-Date |
|------|--|-----------------|--------------|--------------|
| 1    | Salaries and Wages                     | 4,332.75        | 17,331.00    | 13,801.00    |
| 2    | Employee Benefits & Payroll Taxes      | 995.75          | 3,983.00     | 3,093.00     |
| 3    | Total Personnel Expenses               | 5,328.50        | 21,314.00    | 16,894.00    |
| 4    | Professional Fees                      | -               | -            | -            |
| 5    | Supplies                               | 115.75          | 463.00       | 1,145.00     |
| 6    | Telephone                              | 90.75           | 363.00       | 282.00       |
| 7    | Postage and Shipping                   | 31.50           | 126.00       | 97.00        |
| 8    | Occupancy                              | 185.25          | 741.00       | 575.00       |
| 9    | Equipment Rental and Maintenance       | 95.00           | 380.00       | 295.00       |
| 10   | Printing and Publications              | 180.75          | 723.00       | 561.00       |
| 11   | Travel                                 | -               | -            | 8,576.00     |
| 12   | Conferences and Meetings               | 26.75           | 107.00       | 82.00        |
| 13   | Interest                               | -               | -            | -            |
| 14   | Insurance                              | 152.50          | 610.00       | 474.00       |
| 15   | Grants and Awards                      | -               | -            | -            |
| 16   | Specific Assistance to Individuals     | -               | -            | -            |
| 17   | Depreciation                           | 277.25          | 1,109.00     | 861.00       |
| 18   | Other Nonpersonnel Expenses            | 36.00           | 144.00       | 111.00       |
| a    |  | 10.75           | 43.00        | 33.00        |
| b    |  | -               | -            | -            |
| c    |  | -               | -            | -            |
| d    |  | -               | -            | -            |
| 19   | Total Nonpersonnel Expenses            | 1,202.25        | 4,809.00     | 3,092.00     |
| 20   | Reimbursable Capital Purchases         | -               | -            | -            |
| 21   | TOTAL DIRECT PROGRAM EXPENSES          | 6,530.75        | 26,123.00    | 29,986.00    |
| 22   | Administrative Expenses                | 1,046.75        | 4,187.00     | 3,336.00     |
| 23   | TOTAL DIRECT & ADMINISTRATIVE EXPENSES | 7,577.50        | 30,310.00    | 33,322.00    |
| 24   | In-Kind Expenses                       | -               | -            | -            |
| 25   | TOTAL EXPENSES                         | 7,577.50        | 30,310.00    | 33,322.00    |

CONTRACTING STATE AGENCY Dept. of Health

Grant 103

Schedule B CONTRACT NUMBER  
Line GRANT PERIOD  
Item# PROGRAM NAME  
SOURCES OF REVENUE SERVICE NAME

260781046 260781046 GR97694013 GR97694013  
7/1/20x1 - 6/30/20x2 7/1/20x1 - 5/30/20x2 7/1/20x1 - 6/30/20x2 7/1/20x1 - 6/30/20x2  
Rehabilitation Center Rehabilitation Center Adult Activity Center Adult Activity Center  
Rehabilitation Serv. Rehabilitation Serv. Nutrition Education Nutrition Education

| Contract Number | Grant Period | Program Name  | Service Name | Quarter-to-Date | Year-To-Date | Quarter-to-Date | Year-To-Date |
|-----------------|--------------|---|--------------|-----------------|--------------|-----------------|--------------|
| 31              |              | Reimbursable Federal Program Funds                                    |              | 7,576.75        | 30,307.00    | 8,330.50        | 33,322.00    |
| 32              |              | Reimbursable State Program Funds                                      |              | -               | -            | -               | -            |
| 33              |              | Total Reimbursable Program Funds (Equals Line 55)                     |              | 7,576.75        | 30,307.00    | 8,330.50        | 33,322.00    |
| 34              |              | Matching Revenue Funds:   |              |                 |              |                 |              |
| 35              |              | Other Federal Funds   |              | -               | -            | -               | -            |
| 36              |              | Other State Funds   |              | -               | -            | -               | -            |
| 37              |              | Other Government Funds  |              | -               | -            | -               | -            |
| 38              |              | Cash Contributions (Nongovernment)                                    |              | -               | -            | -               | -            |
| 39              |              | In-Kind Contributions (Equals Schedule A, Line 24)                    |              | -               | -            | -               | -            |
| 40              |              | Program Income  |              | -               | -            | -               | -            |
| 41              |              | Other Matching Revenue  |              | -               | -            | -               | -            |
| 42              |              | Total Matching Revenue Funds  |              | -               | -            | -               | -            |
| 43              |              | Other Program Funds   |              | -               | -            | -               | -            |
| 44              |              | Total Revenue   |              | 7,576.75        | 30,307.00    | 8,330.50        | 33,322.00    |
| 51              |              | RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES       |              |                 |              |                 |              |
| 52              |              | Total Expenses (From Schedule A, Line 25)                             |              | 7,577.50        | 30,310.00    | 8,330.50        | 33,322.00    |
| 53              |              | Subtract Other Unallowable Expenses (Contractual)                     |              | -               | -            | -               | -            |
| 54              |              | Subtract Excess Administration (Contractual)                          |              | -               | -            | -               | -            |
| 55              |              | Subtract Matching Expenses (Equals Line 41)                           |              | -               | -            | -               | -            |
| 56              |              | Reimbursable Expenses (Line 51 Less 52, 53, & 54)<br>(Equals Line 33) |              | 7,577.50        | 30,310.00    | 8,330.50        | 33,322.00    |
| 57              |              | Total Reimbursement To Date   |              | 7,577.50        | 30,310.00    | 8,330.50        | 33,322.00    |
| 58              |              | Difference (line 55 less 56)  |              | -               | -            | -               | -            |
| 59              |              | Advances  |              | -               | -            | -               | -            |
| 60              |              | This Reimbursement (Line 57 Less 58)                                  |              | 7,577.50        | 30,310.00    | 8,330.50        | 33,322.00    |



Schedule A, Part 1

STATE OF TENNESSEE  
PROGRAM EXPENSE REPORT  
X TOTAL EXPENSES  
TOTAL BUDGET

Page 3 of 7 Pages

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZ

FEDERAL ID# 62-88888888  
REPORT PERIOD 7/1/20x1 - 6/30/20x2

Grant 204 (NonGrant)

| CONTRACTING STATE AGENCY | CONTRACT NUMBER         | GRANT PERIOD            | Year-To-Date            | Quarter-To-Date      | Year-To-Date         |
|--------------------------|-------------------------|-------------------------|-------------------------|----------------------|----------------------|
| Non Grant                | 7/1/20x1 - 6/30/20x2    | 7/1/20x1 - 6/30/20x2    | 7/1/20x1 - 6/30/20x2    | 7/1/20x1 - 6/30/20x2 | 7/1/20x1 - 6/30/20x2 |
| Schedule A               | Rehabilitation Center   | Rehabilitation Center   | Rehabilitation Center   | Special Projects     | Special Projects     |
| Line                     | Rehabilitation Services | Rehabilitation Services | Rehabilitation Services | Seniors Project      | Seniors Project      |

| EXPENSE BY OBJECT:                        | Quarter-to-Date | Year-To-Date | Quarter-To-Date | Year-To-Date |
|---|-----------------|--------------|-----------------|--------------|
| 1 Salaries and Wages                      | 4,201.50        | 16,806.00    | 3,019.75        | 12,079.00    |
| 2 Employee Benefits & Payroll Taxes       | 937.75          | 3,751.00     | 694.50          | 2,778.00     |
| 3 Total Personnel Expenses                | 5,139.25        | 20,557.00    | 3,714.25        | 14,857.00    |
| 4 Professional Fees                       | -               | -            | -               | -            |
| 5 Supplies                                | 1,932.50        | 7,730.00     | 80.75           | 323.00       |
| 6 Telephone                               | 31.50           | 126.00       | 63.25           | 253.00       |
| 7 Postage and Shipping                    | 10.75           | 43.00        | 22.00           | 88.00        |
| 8 Occupancy                               | 64.50           | 258.00       | 129.25          | 517.00       |
| 9 Equipment Rental and Maintenance        | 33.00           | 132.00       | 66.25           | 265.00       |
| 10 Printing and Publications              | 63.00           | 252.00       | 126.00          | 504.00       |
| 11 Travel                                 | -               | -            | -               | -            |
| 12 Conferences and Meetings               | 118.00          | 472.00       | 18.50           | 74.00        |
| 13 Interest                               | -               | -            | -               | -            |
| 14 Insurance                              | 53.25           | 213.00       | 106.50          | 426.00       |
| 15 Grants and Awards                      | -               | -            | -               | -            |
| 16 Specific Assistance to Individuals     | -               | -            | 1,358.00        | 5,432.00     |
| 17 Depreciation                           | 96.75           | 387.00       | 193.50          | 774.00       |
| 18 Other Nonpersonnel Expenses            | -               | -            | -               | -            |
| a   | 12.50           | 50.00        | 25.00           | 100.00       |
| b   | 3.75            | 15.00        | 7.50            | 30.00        |
| c   | -               | -            | -               | -            |
| d   | -               | -            | -               | -            |
| 19 Total Nonpersonnel Expenses            | 2,419.50        | 9,678.00     | 2,196.50        | 8,786.00     |
| 20 Reimbursable Capital Purchases         | -               | -            | -               | -            |
| 21 TOTAL DIRECT PROGRAM EXPENSES          | 7,558.75        | 30,235.00    | 5,910.75        | 23,643.00    |
| 22 Administrative Expenses                | -               | -            | -               | -            |
| 23 TOTAL DIRECT & ADMINISTRATIVE EXPENSES | 7,558.75        | 30,235.00    | 5,910.75        | 23,643.00    |
| 24 In-Kind Expenses                       | -               | -            | -               | -            |
| 25 TOTAL EXPENSES                         | 7,558.75        | 30,235.00    | 5,910.75        | 23,643.00    |

CONTRACTOR CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZATION

CONTRACTING STATE AGENCY \_\_\_\_\_

CONTRACT NUMBER \_\_\_\_\_  
GRANT PERIOD \_\_\_\_\_  
PROGRAM NAME \_\_\_\_\_  
SERVICE NAME \_\_\_\_\_

| Schedule B Line Item#   | SOURCES OF REVENUE   | Non Grant            |                      | Grant 204 (NonGrant) |                      | Year-To-Date |
|---|--|----------------------|----------------------|----------------------|----------------------|--------------|
|   |  | 7/1/20x1 - 6/30/20x2 | 7/1/20x1 - 6/30/20x2 | 7/1/20x1 - 6/30/20x2 | 7/1/20x1 - 6/30/20x2 |              |
| 31  | Reimbursable Federal Program Funds                                 | -                    | -                    | -                    | -                    | -            |
| 32  | Reimbursable State Program Funds                                   | -                    | -                    | -                    | -                    | -            |
| 33  | Total Reimbursable Program Funds (Equals Line 55)                  | -                    | -                    | -                    | -                    | -            |
| Matching Revenue Funds:   |  |                      |                      |                      |                      |              |
| 34  | Other Federal Funds  | -                    | -                    | -                    | -                    | -            |
| 35  | Other State Funds  | -                    | -                    | -                    | -                    | -            |
| 36  | Other Government Funds   | -                    | -                    | -                    | -                    | -            |
| 37  | Cash Contributions (Nongovernment)                                 | 10,750.00            | 43,000.00            | 12,500.00            | 50,000.00            | 50,000.00    |
| 38  | In-Kind Contributions (Equals Schedule A, Line 24)                 | -                    | -                    | -                    | -                    | -            |
| 39  | Program Income   | 2,619.50             | 10,478.00            | -                    | -                    | -            |
| 40  | Other Matching Revenue   | -                    | -                    | -                    | -                    | -            |
| 41  | Total Matching Revenue Funds                                       | 13,369.50            | 53,478.00            | 12,500.00            | 50,000.00            | 50,000.00    |
| 42  | Other Program Funds  | -                    | -                    | -                    | -                    | -            |
| 43  | Total Revenue  | 13,369.50            | 53,478.00            | 12,500.00            | 50,000.00            | 50,000.00    |
| RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES |  |                      |                      |                      |                      |              |
| 51  | Total Expenses (From Schedule A, Line 25)                          | 7,558.75             | 30,235.00            | 5,910.75             | 23,643.00            | 23,643.00    |
| 52  | Subtract Other Unallowable Expenses (Contractual)                  | -                    | -                    | -                    | -                    | -            |
| 53  | Subtract Excess Administration (Contractual)                       | -                    | -                    | -                    | -                    | -            |
| 54  | Subtract Matching Expenses (Equals Line 41)                        | -                    | -                    | -                    | -                    | -            |
| 55  | Reimbursable Expenses (Line 51 Less 52, 53, & 54) (Equals Line 33) | 7,558.75             | (23,243.00)          | 12,500.00            | (26,357.00)          | (26,357.00)  |
| 56  | Total Reimbursement To Date  | -                    | -                    | -                    | -                    | -            |
| 57  | Difference (line 55 less 56)                                       | 7,558.75             | (23,243.00)          | (6,589.25)           | (25,357.00)          | (25,357.00)  |
| 58  | Advances   | -                    | -                    | -                    | -                    | -            |
| 59  | This Reimbursement (Line 57 Less 58)                               | 7,558.75             | (23,243.00)          | (6,589.25)           | (26,357.00)          | (26,357.00)  |

**Schedule A, Part 1**

STATE OF TENNESSEE  
PROGRAM EXPENSE REPORT  
X TOTAL EXPENSES  
TOTAL BUDGET

Page 4 of 7 Pages

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZATION

FEDERAL ID# 52-88888888  
REPORT PERIOD 4/1/20x2 - 5/30/20x2

CONTRACTING STATE AGENCY

NonGrant

NonGrant

CONTRACT NUMBER  
GRANT PERIOD  
PROGRAM NAME  
SERVICE NAME

7/1/20x1 - 6/30/20x2  
Adult Activity Center

7/1/20x1 - 6/30/20x2  
Residential Services

7/1/20x1 - 6/30/20x2  
Residential Services

Schedule A

Line

Item# EXPENSE BY OBJECT:

Quarter-to-Date

Year-To-Date

Quarter-to-Date

Year-To-Date

|    |  |           |            |           |           |
|----|--|-----------|------------|-----------|-----------|
| 1  | Salaries and Wages                     | 19,537.00 | 78,148.00  | 7,447.50  | 29,790.00 |
| 2  | Employee Benefits & Payroll Taxes      | 5,585.75  | 22,343.00  | 1,697.00  | 6,788.00  |
| 3  | Total Personnel Expenses               | 25,122.75 | 100,491.00 | 9,144.50  | 36,578.00 |
| 4  | Professional Fees                      | -         | -          | -         | -         |
| 5  | Supplies                               | 240.25    | 961.00     | 73.00     | 292.00    |
| 6  | Telephone                              | 188.50    | 754.00     | 57.25     | 229.00    |
| 7  | Postage and Shipping                   | 65.25     | 261.00     | 9.75      | 79.00     |
| 8  | Occupancy                              | 384.75    | 1,539.00   | 117.00    | 468.00    |
| 9  | Equipment Rental and Maintenance       | 197.25    | 789.00     | 60.00     | 240.00    |
| 10 | Printing and Publications              | 375.50    | 1,502.00   | 114.00    | 456.00    |
| 11 | Travel                                 | -         | -          | -         | -         |
| 12 | Conferences and Meetings               | 308.75    | 1,235.00   | 388.50    | 1,554.00  |
| 13 | Interest                               | -         | -          | -         | -         |
| 14 | Insurance                              | 316.75    | 1,267.00   | 96.25     | 385.00    |
| 15 | Grants and Awards                      | -         | -          | -         | -         |
| 16 | Specific Assistance to Individuals     | -         | -          | -         | -         |
| 17 | Depreciation                           | 576.25    | 2,305.00   | 175.00    | 700.00    |
| 18 | Other Nonpersonnel Expenses            | 122.25    | 489.00     | 57.50     | 230.00    |
| a  |  | 22.25     | 89.00      | 6.75      | 27.00     |
| b  |  |           |            |           |           |
| c  |  |           |            |           |           |
| d  |  |           |            |           |           |
| 19 | Total Nonpersonnel Expenses            | 2,797.75  | 11,191.00  | 1,165.00  | 4,660.00  |
| 20 | Reimbursable Capital Purchases         | -         | -          | -         | -         |
| 21 | TOTAL DIRECT PROGRAM EXPENSES          | 27,920.50 | 111,682.00 | 10,309.50 | 41,238.00 |
| 22 | Administrative Expenses                | -         | -          | -         | -         |
| 23 | TOTAL DIRECT & ADMINISTRATIVE EXPENSES | 27,920.50 | 111,682.00 | 10,309.50 | 41,238.00 |
| 24 | In-Kind Expenses                       | -         | 43,295.00  | -         | 18,500.00 |
| 25 | TOTAL EXPENSES                         | 27,920.50 | 154,977.00 | 10,309.50 | 59,738.00 |

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZATION

CONTRACTING STATE AGENCY

NonGrant

NonGrant

| CONTRACT NUMBER | GRANT PERIOD         | PROGRAM NAME  | SOURCES OF REVENUE    | CONTRACTING STATE AGENCY | Year-To-Date | Quarter-to-Date | Year-To-Date | Quarter-to-Date |
|-----------------|----------------------|---|-----------------------|--------------------------|--------------|-----------------|--------------|-----------------|
| Schedule B      | 7/1/20x1 - 6/30/20x2 | Adult Activity Center   | Adult Activity Center | Adult Activity Center    | -            | -               | -            | -               |
| Line            | 7/1/20x1 - 6/30/20x2 | Residential Services  | Residential Services  | Residential Services     | -            | -               | -            | -               |
| Item#           | 7/1/20x1 - 6/30/20x2 | Residential Services  | Residential Services  | Residential Services     | -            | -               | -            | -               |
| 31              |                      | Reimbursable Federal Program Funds                              |                       |                          |              |                 |              |                 |
| 32              |                      | Reimbursable State Program Funds                                |                       |                          |              |                 |              |                 |
| 33              |                      | Total Reimbursable Program Funds (Equals Line 55)               |                       |                          |              |                 |              |                 |
| 34              |                      | Matching Revenue Funds:   |                       |                          |              |                 |              |                 |
| 35              |                      | Other Federal Funds   |                       |                          |              |                 |              |                 |
| 36              |                      | Other State Funds   |                       |                          |              |                 |              |                 |
| 37              |                      | Other Government Funds  |                       |                          |              |                 |              |                 |
| 38              |                      | Cash Contributions (Nongovernment)                              |                       |                          | 60,000.00    | 7,500.00        | 30,000.00    |                 |
| 39              |                      | In-Kind Contributors (Equals Schedule A, Line 24)               |                       |                          | 43,295.00    | 4,625.00        | 18,500.00    |                 |
| 40              |                      | Program Income  |                       |                          | 33,589.00    | 6,733.50        | 26,534.00    |                 |
| 41              |                      | Other Matching Revenue  |                       |                          |              |                 |              |                 |
| 42              |                      | Total Matching Revenue Funds                                    |                       |                          | 136,884.00   | 18,858.50       | 75,434.00    |                 |
| 43              |                      | Other Program Funds   |                       |                          |              |                 |              |                 |
| 44              |                      | Total Revenue   |                       |                          | 136,884.00   | 18,858.50       | 75,434.00    |                 |
| 51              |                      | RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES |                       |                          |              |                 |              |                 |
| 52              |                      | Total Expenses (From Schedule A, Line 25)                       |                       |                          | 154,977.00   | 14,934.50       | 59,738.00    |                 |
| 53              |                      | Subtract Other Unallowable Expenses (Contractual)               |                       |                          |              |                 |              |                 |
| 54              |                      | Subtract Excess Administration (Contractual)                    |                       |                          |              |                 |              |                 |
| 55              |                      | Subtract Matching Expenses (Equals Line 41)                     |                       |                          | 136,984.00   | 18,858.50       | 75,434.00    |                 |
| 56              |                      | Reimbursable Expenses (Line 51 Less 52, 53, & 54)               |                       |                          | 17,993.00    | (3,924.00)      | (15,696.00)  |                 |
| 57              |                      | (Equals Line 33)  |                       |                          |              |                 |              |                 |
| 58              |                      | Total Reimbursement To Date                                     |                       |                          | 17,993.00    | (3,924.00)      | (15,696.00)  |                 |
| 59              |                      | Difference (line 55 less 56)                                    |                       |                          |              |                 |              |                 |
| 60              |                      | Advances  |                       |                          |              |                 |              |                 |
| 61              |                      | This Reimbursement (Line 57 Less 58)                            |                       |                          | 17,993.00    | (3,924.00)      | (15,696.00)  |                 |

Schedule A, Part 1

STATE OF TENNESSEE  
PROGRAM EXPENSE REPORT

FEDERAL ID# 62-83888888  
REPORT PERIOD 4/1/20x2 - 6/30/20x2

TOTAL EXPENSES  
 TOTAL BUDGET

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZ

Combined Grant :01

CONTRACTING STATE AGENCY TN, Commission On Aging  
CONTRACT NUMBER GR97695014  
GRANT PERIOD 7/1/20x1 - 6/30/20x2  
PROGRAM NAME Adult Act. & Residential Serv  
SERVICE NAME Congregate Meals & Meals at Home

| Line Item# | EXPENSE BY OBJECT:                           | Quarter-to-Date | Year-To-Date | Quarter-to-Date | Year-To-Date |
|------------|--|-----------------|--------------|-----------------|--------------|
| 1          | Salaries and Wages .....                     | 43,539.75       | 174,153.00   | -               | -            |
| 2          | Employee Benefits & Payroll Taxes .....      | 5,795.75        | 39,183.00    | -               | -            |
| 3          | Total Personnel Expenses .....               | 53,335.50       | 213,342.00   | -               | -            |
| 4          | Professional Fees .....                      | 871.75          | 3,487.00     | -               | -            |
| 5          | Supplies .....                               | 3,426.50        | 13,705.00    | -               | -            |
| 6          | Telephone .....                              | 892.25          | 3,569.00     | -               | -            |
| 7          | Postage and Shipping .....                   | 308.75          | 1,235.00     | -               | -            |
| 8          | Occupancy .....                              | 1,822.00        | 7,289.00     | -               | -            |
| 9          | Equipment Rental and Maintenance .....       | 2,106.00        | 8,424.00     | -               | -            |
| 10         | Printing and Publications .....              | 2,924.00        | 11,695.00    | -               | -            |
| 11         | Travel .....                                 | 169.50          | 679.00       | -               | -            |
| 12         | Conferences and Meetings .....               | 262.25          | 1,049.00     | -               | -            |
| 13         | Interest .....                               | -               | -            | -               | -            |
| 14         | Insurance .....                              | 1,500.00        | 6,000.00     | -               | -            |
| 15         | Grants and Awards .....                      | 1,561.50        | 6,246.00     | -               | -            |
| 16         | Specific Assistance to Individuals .....     | -               | -            | -               | -            |
| 17         | Depreciation .....                           | 2,728.25        | 10,913.00    | -               | -            |
| 18         | Other Nonpersonnel Expenses .....            | -               | -            | -               | -            |
| a          |  | 353.25          | 1,413.00     | -               | -            |
| b          |  | 299.75          | 1,199.00     | -               | -            |
| c          |  | -               | -            | -               | -            |
| d          |  | -               | -            | -               | -            |
| 19         | Total Nonpersonnel Expenses .....            | 19,225.75       | 76,903.00    | -               | -            |
| 20         | Reimbursable Capital Purchases .....         | -               | -            | -               | -            |
| 21         | TOTAL DIRECT PROGRAM EXPENSES .....          | 72,561.25       | 290,245.00   | -               | -            |
| 22         | Administrative Expenses .....                | 10,519.50       | 42,078.00    | -               | -            |
| 23         | TOTAL DIRECT & ADMINISTRATIVE EXPENSES ..... | 81,080.75       | 332,323.00   | -               | -            |
| 24         | In-Kind Expenses .....                       | -               | -            | -               | -            |
| 25         | TOTAL EXPENSES .....                         | 81,080.75       | 332,323.00   | -               | -            |

STATE OF TENNESSEE  
PROGRAM REVENUE REPORT

FEDERAL ID# 62-88988888

CONTRACTOR/GRANTEE VOUNTARY NCT-FOR-PROFIT ORGANIZATION

REPORT PERIOD 7/1/20x2 - 6/30/20x2

BUDGET X REPORT Combined Grant 101

CONTRACTING STATE AGENCY TN. Commission on Aging  
CONTRACT NUMBER GR97695014  
GRANT PERIOD 7/1/20x1 - 6/30/20x2  
PROGRAM NAME Adult Act. & Residential Serv  
SERVICE NAME Congregate Meals & Meals at Home

| Line   | SOURCES OF REVENUE  | Quarter-to-Date | Year-To-Date | Quarter-to-Date | Year-To-Date |
|--|---|-----------------|--------------|-----------------|--------------|
| 31   | Reimbursable Federal Program Funds                                    | 83,080.50       | 332,322.00   | -               | -            |
| 32   | Reimbursable State Program Funds                                      | -               | -            | -               | -            |
| 33   | Total Reimbursable Program Funds (Equals Line 55)                     | 83,080.50       | 332,322.00   | -               | -            |
| 34   | Matching Revenue Funds:   |                 |              |                 |              |
| 35   | Other Federal Funds   | -               | -            | -               | -            |
| 36   | Other State Funds   | -               | -            | -               | -            |
| 37   | Other Government Funds  | -               | -            | -               | -            |
| 38   | Cash Contributions (Nongovernment)                                    | -               | -            | -               | -            |
| 39   | In-Kind Contributions (Equals Schedule A, Line 24)                    | -               | -            | -               | -            |
| 40   | Program Income  | -               | -            | -               | -            |
| 41   | Other Matching Revenue  | -               | -            | -               | -            |
| 42   | Total Matching Revenue Funds  | -               | -            | -               | -            |
| 43   | Other Program Funds   | -               | -            | -               | -            |
| 44   | Total Revenue   | 83,080.50       | 332,322.00   | -               | -            |
| <b>RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES</b> |   |                 |              |                 |              |
| 51   | Total Expenses (From Schedule A, Line 25)                             | 83,080.75       | 332,323.00   | -               | -            |
| 52   | Subtract Other Unallowable Expenses (Contractual)                     | -               | -            | -               | -            |
| 53   | Subtract Excess Administration (Contractual)                          | -               | -            | -               | -            |
| 54   | Subtract Matching Expenses (Equals Line 41)                           | -               | -            | -               | -            |
| 55   | Reimbursable Expenses (Line 51 Less 52, 53, & 54)<br>(Equals Line 33) | 83,080.75       | 332,323.00   | -               | -            |
| 56   | Total Reimbursement To Date   | -               | -            | -               | -            |
| 57   | Difference (Line 55 less 56)  | 83,080.75       | 332,323.00   | -               | -            |
| 58   | Advances  | -               | -            | -               | -            |
| 59   | This Reimbursement (Line 57 Less 58)                                  | 83,080.75       | 332,323.00   | -               | -            |

Schedule A, Part 1

STATE OF TENNESSEE

PROGRAM EXPENSE REPORT

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZ

X TOTAL EXPENSES

FEDERAL ID# 62-888888888

TOTAL BUDGET

REPORT PERIOD 7/1/20x2 - 6/30/20x2

CONTRACTING STATE AGENCY N/A

CONTRACT NUMBER N/A  
 GRANT PERIOD 7/1/20x1 - 6/30/20x2  
 PROGRAM NAME NonGrant  
 SERVICE NAME NonGrant

NONGRANT

Year-To-Date  
 7/1/20x1 - 6/30/20x2  
 NonGrant  
 NonGrant

Schedule A  
 Line

Item# EXPENSE BY OBJECT:

Quarter-to-Date

Year-To-Date

Quarter-to-Date

Year-To-Date

|    |  |           |            |   |
|----|--|-----------|------------|---|
| 1  | Salaries and Wages                     | 31,186.00 | 124,744.00 | - |
| 2  | Employee Benefits & Payroll Taxes      | 8,220.50  | 32,882.00  | - |
| 3  | Total Personnel Expenses               | 39,406.50 | 157,626.00 | - |
| 4  | Professional Fees                      | -         | -          | - |
| 5  | Supplies                               | 2,245.75  | 8,983.00   | - |
| 6  | Telephone                              | 277.25    | 1,109.00   | - |
| 7  | Postage and Shipping                   | 95.75     | 383.00     | - |
| 8  | Occupancy                              | 566.25    | 2,265.00   | - |
| 9  | Equipment Rental and Maintenance       | 290.25    | 1,161.00   | - |
| 10 | Printing and Publications              | 552.50    | 2,210.00   | - |
| 11 | Travel                                 | -         | -          | - |
| 12 | Conferences and Meetings               | 817.75    | 3,271.00   | - |
| 13 | Interest                               | -         | -          | - |
| 14 | Insurance                              | 502.25    | 2,009.00   | - |
| 15 | Grants and Awards                      | -         | -          | - |
| 16 | Specific Assistance to Individuals     | -         | -          | - |
| 17 | Depreciation                           | 913.50    | 3,654.00   | - |
| 18 | Other Nonpersonnel Expenses            | -         | -          | - |
| a  |  | 199.25    | 797.00     | - |
| b  |  | 32.75     | 131.00     | - |
| c  |  | -         | -          | - |
| d  |  | -         | -          | - |
| 19 | Total Nonpersonnel Expenses            | 6,493.25  | 25,973.00  | - |
| 20 | Reimbursable Capital Purchases         | -         | -          | - |
| 21 | TOTAL DIRECT PROGRAM EXPENSES          | 45,899.75 | 183,599.00 | - |
| 22 | Administrative Expenses                | 8,516.75  | 34,087.00  | - |
| 23 | TOTAL DIRECT & ADMINISTRATIVE EXPENSES | 56,662.25 | 217,666.00 | - |
| 24 | In-Kind Expenses                       | 15,448.75 | 61,795.00  | - |
| 25 | TOTAL EXPENSES                         | 72,111.00 | 275,461.00 | - |

Schedule B, Part 1

CONTRACTOR/GRANTEE **VOLUNTARY NOT-FOR-PROFIT ORGANIZATION**

CONTRACTING STATE AGENCY N/A

STATE OF TENNESSEE  
PROGRAM REVENUE REPORT  
REVENUE AND EXPENSE  
BUDGET x REPORT

FEDERAL ID# 62-88888888  
REPORT PERIOD 7/1/20x2 - 6/30/20x2

**NonGrant**

| 7/1/20x1 - 6/30/20x2 | 7/1/20x1 - 6/30/20x2 | Year-To-Date | Quarter-to-Date | Year-To-Date | Quarter-to-Date |
|----------------------|----------------------|--------------|-----------------|--------------|-----------------|
| MonGrant             | NonGrant             | MonGrant     | NonGrant        | MonGrant     | NonGrant        |
| -                    | -                    | -            | -               | -            | -               |
| -                    | -                    | -            | -               | -            | -               |
| -                    | -                    | -            | -               | -            | -               |
| 45,750.00            | 183,000.00           | 45,750.00    | 183,000.00      | -            | -               |
| 15,448.75            | 61,795.00            | 15,448.75    | 61,795.00       | -            | -               |
| 17,775.25            | 71,101.00            | 17,775.25    | 71,101.00       | -            | -               |
| -                    | -                    | -            | -               | -            | -               |
| 78,974.00            | 315,896.00           | 78,974.00    | 315,896.00      | -            | -               |
| -                    | -                    | -            | -               | -            | -               |
| 78,974.00            | 315,896.00           | 78,974.00    | 315,896.00      | -            | -               |
| -                    | -                    | -            | -               | -            | -               |
| 69,019.25            | 276,077.00           | 69,019.25    | 276,077.00      | -            | -               |
| -                    | -                    | -            | -               | -            | -               |
| -                    | -                    | -            | -               | -            | -               |
| 69,019.25            | 315,896.00           | 69,019.25    | 315,896.00      | -            | -               |
| -                    | -                    | -            | -               | -            | -               |
| 69,019.25            | (35,819.00)          | 69,019.25    | (35,819.00)     | -            | -               |
| 69,019.25            | (35,819.00)          | 69,019.25    | (35,819.00)     | -            | -               |
| 69,019.25            | (35,819.00)          | 69,019.25    | (35,819.00)     | -            | -               |

| CONTRACT NUMBER   | GRANT PERIOD  | PROGRAM NAME | SERVICE NAME |
|---|---|--------------|--------------|
| Schedule B  |   |              |              |
| Line  |   |              |              |
| Item#   | SOURCES OF REVENUE  |              |              |
| -----   | -----   |              |              |
| 31  | Reimbursable Program Funds:   |              |              |
| 32  | Reimbursable Federal Program Funds                                    |              |              |
| 33  | Reimbursable State Program Funds                                      |              |              |
| 33  | Total Reimbursable Program Funds (Equals Line 55)                     |              |              |
| 34  | Matching Revenue Funds:   |              |              |
| 35  | Other Federal Funds   |              |              |
| 36  | Other State Funds   |              |              |
| 36  | Other Government Funds  |              |              |
| 37  | Cash Contributions (Nongovernment)                                    |              |              |
| 38  | In-Kind Contributions (Equals Schedule A, Line 24)                    |              |              |
| 39  | Program Income  |              |              |
| 40  | Other Matching Revenue  |              |              |
| 41  | Total Matching Revenue Funds  |              |              |
| 42  | Other Program Funds   |              |              |
| 43  | Total Revenue   |              |              |
| RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES |   |              |              |
| 51  | Total Expenses (From Schedule A, Line 25)                             |              |              |
| 52  | Subtract Other Unallowable Expenses (Contractual)                     |              |              |
| 53  | Subtract Excess Administration (Contractual)                          |              |              |
| 54  | Subtract Matching Expenses (Equals Line 41)                           |              |              |
| 55  | Reimbursable Expenses (Line 51 Less 52, 53, & 54)<br>(Equals Line 33) |              |              |
| 56  | Total Reimbursement To Date   |              |              |
| 57  | Difference (Line 55 less 56)  |              |              |
| 58  | Advances  |              |              |
| 59  | This Reimbursement (Line 57 Less 58)                                  |              |              |



Schedule A, Part 1

STATE OF TENNESSEE  
PROGRAM EXPENSE REPORT

Page 7 of 7 Pages

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZ

A TOTAL EXPENSES  
TOTAL BUDGET

FEDERAL ID# 62-88888888  
REPORT PERIOD 4/1/20x2 - 6/30/20x2

CONTRACTING STATE AGENCY N/A

NonGrant

CONTRACT NUMBER  
GRANT PERIOD  
PROGRAM NAME  
SERVICE NAME

7/1/20x1 - 6/30/20x2  
FUND RAISING  
N/A

7/1/20x1 - 6/30/20x2  
FUND RAISING  
N/A

Schedule A

Line  
Item# EXPENSE BY OBJECT:

Quarter-to-Date

Year-To-Date

Quarter-to-Date

Year-To-Date

|    |  |          |          |   |   |
|----|--|----------|----------|---|---|
| 1  | Salaries and Wages                     | 1,045.75 | 4,183.00 | - | - |
| 2  | Employee Benefits & Payroll Taxes      | 235.25   | 341.00   | - | - |
| 3  | Total Personnel Expenses               | 1,281.00 | 5,124.00 | - | - |
| 4  | Professional Fees                      | -        | -        | - | - |
| 5  | Supplies                               | 27.25    | 109.00   | - | - |
| 6  | Telephone                              | 21.50    | 86.00    | - | - |
| 7  | Postage and Shipping                   | 121.50   | 486.00   | - | - |
| 8  | Occupancy                              | 43.75    | 175.00   | - | - |
| 9  | Equipment Rental and Maintenance       | 22.50    | 90.00    | - | - |
| 10 | Printing and Publications              | 234.75   | 939.00   | - | - |
| 11 | Travel                                 | -        | -        | - | - |
| 12 | Conferences and Meetings               | 6.25     | 25.00    | - | - |
| 13 | Interest                               | -        | -        | - | - |
| 14 | Insurance                              | 36.00    | 144.00   | - | - |
| 15 | Grants and Awards                      | -        | -        | - | - |
| 16 | Specific Assistance to Individuals     | -        | -        | - | - |
| 17 | Depreciation                           | 65.50    | 262.00   | - | - |
| 18 | Other Nonpersonnel Expenses            | 8.50     | 34.00    | - | - |
| a  |  | 2.50     | 10.00    | - | - |
| b  |  |          |          |   |   |
| c  |  |          |          |   |   |
| d  |  |          |          |   |   |
| 19 | Total Nonpersonnel Expenses            | 590.00   | 2,360.00 | - | - |
| 20 | Reimbursable Capital Purchases         | -        | -        | - | - |
| 21 | TOTAL DIRECT PROGRAM EXPENSES          | 1,871.00 | 7,484.00 | - | - |
| 22 | Administrative Expenses                | -        | -        | - | - |
| 23 | TOTAL DIRECT & ADMINISTRATIVE EXPENSES | 1,871.00 | 7,484.00 | - | - |
| 24 | In-Kind Expenses                       | -        | -        | - | - |
| 25 | TOTAL EXPENSES                         | 1,871.00 | 7,484.00 | - | - |

CONTRACTOR/GRAUNTEE VOLUNTARY NOI FOR PROIT ORGANIZATION

FEDERAL ID# 62-88888888

REPORT PERIOD 7/1/20x2 - 6/30/20x2

CONTRACTING STATE AGENCY N/A

NonGrant SUMMARY

| Schedule B Line Item# | SOURCES OF REVENUE                                | CONTRACT NUMBER | GRANT PERIOD         | PROGRAM NAME | SERVICE NAME |
|-----------------------|---|-----------------|----------------------|--------------|--------------|
| 31                    | Reimbursable Federal Program Funds                |                 | 7/1/20x1 - 6/30/20x2 | FUND RAISING | N/A          |
| 32                    | Reimbursable State Program Funds                  |                 |                      |              |              |
| 33                    | Total Reimbursable Program Funds (Equals Line 55) |                 |                      |              |              |

Reimbursable Program Funds:

|    |  |  |  |  |  |
|----|--|--|--|--|--|
| 34 | Other Federal Funds                                |  |  |  |  |
| 35 | Other State Funds                                  |  |  |  |  |
| 36 | Other Government Funds                             |  |  |  |  |
| 37 | Cash Contributions (Nongovernment)                 |  |  |  |  |
| 38 | In-Kind Contributions (Equals Schedule A, Line 24) |  |  |  |  |
| 39 | Program Income                                     |  |  |  |  |
| 40 | Other Matching Revenue                             |  |  |  |  |
| 41 | Total Matching Revenue Funds                       |  |  |  |  |
| 42 | Other Program Funds                                |  |  |  |  |
| 43 | Total Revenue                                      |  |  |  |  |

RECONCILIATION BETWEEN TOTAL EXPENSES AND REIMBURSABLE EXPENSES

|    |   |          |          |  |  |
|----|---|----------|----------|--|--|
| 51 | Total Expenses (From Schedule A, Line 25)                             | 1,871.00 |          |  |  |
| 52 | Subtract Other Unallowable Expenses (Contractual)                     |          | 7,484.00 |  |  |
| 53 | Subtract Excess Administration (Contractual)                          |          |          |  |  |
| 54 | Subtract Matching Expenses (Equals Line 41)                           |          |          |  |  |
| 55 | Reimbursable Expenses (Line 51 Less 52, 53, & 54)<br>(Equals Line 33) | 1,871.00 | 7,484.00 |  |  |
| 56 | Total Reimbursement To Date   |          |          |  |  |
| 57 | Difference (line 55 less 56)  | 1,871.00 | 7,484.00 |  |  |
| 58 | Advances  |          |          |  |  |
| 59 | This Reimbursement (Line 57 Less 58)                                  | 1,871.00 | 7,484.00 |  |  |



PROGRAM EXPENSE REPORT

FEDERAL ID# 62-888883888

CONTRACTOR/GRANTEE VOLUNTARY NOT-FOR-PROFIT ORGANIZ

X TOTAL EXPENSES

REPORT PERIOD 7/1/20x2 - 6/30/20x2

TOTAL BUDGET

TOTAL DIRECT GRANT PROGRAM EXPENSES

TOTAL ADMINISTRATIVE EXPENSES

NONGRANT/UNALLOWABLE EXPENSES

GRAND TOTAL

CONTRACTING STATE AGENCY

CONTRACT NUMBER

GRANT PERIOD

PROGRAM NAME

SERVICE NAME

Schedule A

Line

Item# EXPENSE BY OBJECT:

Year-To-Date

Year-To-Date

Year-To-Date

| Item# | EXPENSE BY OBJECT:                     | Year-To-Date | Year-To-Date | Year-To-Date | Year-To-Date |
|-------|--|--------------|--------------|--------------|--------------|
| 1     | Salaries and Wages                     | 205,291.00   | 141,006.00   | 38,703.00    | 385,000.00   |
| 2     | Employee Benefits & Payroll Taxes      | 46,259.00    | 36,601.00    | 8,721.00     | 91,581.00    |
| 3     | Total Personnel Expenses               | 251,550.00   | 177,607.00   | 47,424.00    | 476,581.00   |
| 4     | Professional Fees                      | 3,487.00     | -            | 11,353.00    | 15,340.00    |
| 5     | Supplies                               | 15,314.00    | 9,415.00     | 3,989.00     | 28,718.00    |
| 6     | Telephone                              | 4,214.00     | 1,448.00     | 794.00       | 6,456.00     |
| 7     | Postage and Shipping                   | 1,458.00     | 957.00       | 275.00       | 2,690.00     |
| 8     | Occupancy                              | 8,604.00     | 2,957.00     | 1,522.00     | 13,183.00    |
| 9     | Equipment Rental and Maintenance       | 9,099.00     | 1,516.00     | 331.00       | 11,446.00    |
| 10    | Printing and Publications              | 12,580.00    | 3,653.00     | 5,533.00     | 22,266.00    |
| 11    | Travel                                 | 9,254.00     | -            | -            | 9,254.00     |
| 12    | Conferences and Meetings               | 1,238.00     | 3,360.00     | 2,572.00     | 7,270.00     |
| 13    | Interest                               | -            | -            | -            | -            |
| 14    | Insurance                              | 7,684.00     | 2,435.00     | 1,336.00     | 10,855.00    |
| 15    | Grants and Awards                      | 6,246.00     | -            | -            | 6,246.00     |
| 16    | Specific Assistance to Individuals     | -            | 5,432.00     | -            | 5,432.00     |
| 17    | Depreciation                           | 12,883.00    | 4,428.00     | 2,429.00     | 19,740.00    |
| 18    | Other Nonpersonnel Expenses            | -            | -            | 4,310.00     | 4,810.00     |
| a     |  | 1,668.00     | 903.00       | -            | 2,571.00     |
| b     |  | 1,275.00     | 171.00       | -            | 1,446.00     |
| c     |  | -            | -            | -            | -            |
| d     |  | -            | -            | -            | -            |
| 19    | Total Nonpersonnel Expenses            | 94,804.00    | 36,675.00    | 36,244.00    | 167,723.00   |
| 20    | Reimbursable Capital Purchases         | -            | -            | -            | -            |
| 21    | TOTAL DIRECT PROGRAM EXPENSES          | 346,354.00   | 214,282.00   | 83,568.00    | 644,304.00   |
| 22    | Administrative Expenses                | 49,601.00    | 34,067.00    | (83,668.00)  | -            |
| 23    | TOTAL DIRECT & ADMINISTRATIVE EXPENSES | 395,955.00   | 248,349.00   | -            | 644,304.00   |
| 24    | In-Kind Expenses                       | -            | 61,795.00    | -            | 61,795.00    |
| 25    | TOTAL EXPENSES                         | 395,955.00   | 310,144.00   | -            | 706,099.00   |