

TOPIC	GRANTS	SUB-SECTION	22.10.20
SECTION	OVERVIEW	ISSUANCE DATE	JULY 1, 1998
SUB-SECTION	DEFINITIONS	REVISED -	2018

**Definition of a Grant**

DFA defines a “grant” as any receipt of monies for a specific purpose from another governmental entity or funding source. This definition applies if an agency has a Catalog of Federal Domestic Assistance (CFDA) number or not and no matter how the agency receives the funds. All grant activity must be accounted for in MAGIC using a 5-series fund number and must have a grant set up in MAGIC.

**Common Grant Terms**

Allowable Costs	To be allowable under a grant program, costs must meet the following criteria: (1) be authorized or not prohibited under state or local laws or regulations; (2) conform to any limitations or exclusions set forth in federal guidelines ;(3) be consistent with policies, regulations, and procedures that apply uniformly to both federally assisted and other activities of the government unit of which the grantee is a part ;(4) be accorded consistent treatment through the application of Generally Accepted Accounting Principles (GAAP); (5) not be allocable to or included as a cost of any other federally financed program; and (6) be net of all applicable credits.
Award	Grants, cost reimbursement contracts and other agreements between a State, local and Indian tribal government and the federal government.
CMIA	The Cash Management Improvement Act of 1990 (CMIA) provides the general rules and procedures for the effective, efficient and equitable use of state and federal funds on behalf of federal assistance programs.
CFDA Number	The number assigned to a federal program in the Catalog of Federal Domestic Assistance (CFDA).
Cluster or Programs	A grouping of closely related programs that share common compliance requirements. The types of clusters of programs are research and development (R & D), student financial aid (SFA), and other clusters. “Other clusters” are as defined by the Office of Management and Budget (OMB) in the compliance supplement, or as designated by a State for federal awards the State provides to its subrecipients, that meet the definition of a cluster of programs.
Compliance Supplement	Refers to 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards( 2 CFR 200), Appendix XI, or such documents as OMB or its designee may issue to replace it.
Cognizant Agency	The federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under 2 CFR 200 on behalf of all federal agencies. OMB publishes a list of cognizant agencies.
Common Rule	The Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
Cost Allocation Plan	A central service cost allocation plan, public assistance cost allocation plan, or indirect cost rate proposal.

**STATE OF MISSISSIPPI  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

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Federal Award	Federal financial assistance and federal cost reimbursement contracts that non-federal entities receive directly from federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts used to buy services from vendors. Any audits of such vendors shall be covered by the terms and conditions of the contract.
Federal Financial Assistance	Assistance that non-federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals.
Federal Program	<p>(1) All federal awards to a non-federal entity assigned a single number in the CFDA.</p> <p>(2) When no CFDA number is assigned, all federal awards from the same agency made for the same purpose should be combined and considered one program.</p> <p>(3) Notwithstanding paragraphs (1) and (2) of this definition, a cluster of programs. The types of clusters of programs are: Research and Development, Student Financial Aid and "other clusters".</p>
Indirect Cost Rate Proposal	The documentation prepared by a governmental unit or component thereof to substantiate its request for the establishment of an indirect cost rate.
Recipient	A non-federal entity that expends federal awards received directly from a federal awarding agency to carry out a federal program.
Single Audit	An audit which includes both the entity's financial statements and the federal awards as described in 2 CFR 200.
Subrecipient	A non-federal entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.