

# NPO CONTRACT DATA SUBMISSION GUIDELINES

Georgia Department of Audits and Accounts  
(DOAA)

Fiscal Year 2024



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# Learning Objectives

- Be aware of the reporting requirements for state entities to Department of Audits and Accounts (DOAA) relating to agreements with nonprofit organizations
- Understand types of agreements to be reported
- Understand the file layout for contract data submission to DOAA
- Be aware of common reporting issues



# SESSION OUTLINE

- I. Reporting Requirements for State Entities
- II. Agreements Reported
- III. File Layout
- IV. Common Reporting Issues



# Session Outline - Detailed

## Reporting Requirements for State Entities

- A. Purpose
- B. State Law
- C. Reporting Deadlines

## Agreements Reported

- A. Definitions
- B. Types of Contracts
- C. Exemptions



# Session Outline – Detailed (continued)

## File Layout

- A. O.C.G.A. §50-20-5: State Organizations Required to Report to State Auditor
- B. Explanations of 15 Columns

## Common Reporting Issues

- A. Review Annual Memo
- B. Discuss “Red” Flags



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# Reporting Requirements for State Entities

## Purpose of Title 50, Chapter 20 of Georgia Code

- Provide auditing and reporting requirements for nonprofit organizations (NPO) which provide services and facilities to the state
- Ensure the financial accountability of nonprofit contractors
- Develop adequate information concerning nonprofit contractors
- Monitor NPOs which contract with the State
  - Ensure activities are in the public interest
  - Ensure public funds are used for proper purposes



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# Reporting Requirements for State Entities (continued)

State Law – Official Code of Georgia Annotated (O.C.G.A.), Section 50-20-5

- Requires state organizations entering into agreements with nonprofit organizations to report to the state auditor all such agreements
- Provide each individual NPO's name, fiscal year end, contract amount and other information as required by the state auditor

Requested information submitted to the NPO Contract Submission application at <https://www.audits.ga.gov/auth>

Required to use this application to certify that no contracts exist for your agency or any administratively attached organizations



# Reporting Requirements for State Entities (continued)

## Deadlines

- Annual submission – please note on calendar
- NPO Contract Data Submissions Collection System – opens after July 1 each year
  
- **Date of memo for 2024 reporting period – August 19, 2024**
- **Due date for 2024 submissions – September 23, 2024**
- **Reporting period July 1, 2023 – June 30, 2024**
- **Collection System – will close on October 22, 2024**



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# Agreements Reported

## Definitions:

- State organization – any organization included within the state financial reporting entity
  - State organizations include all departments, boards, bureaus, commissions authorities and others whose financial activities and balances are included within the State of Georgia Annual Comprehensive Financial Report (ACFR)



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# Agreements Reported (continued)

Definitions continued:

## ➤ Nonprofit Organization

- Any corporation, trust, association, cooperative or other organization that is operated primarily for scientific, educational, service, charitable or similar purposes in the public interest
- Corporation not organized primarily for profit
- Uses its net proceeds to maintain, improve, or expand its operations
- Includes nonprofit institutions of higher education and hospitals



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# Agreements Reported (continued)

Definitions continued:

➤ Nonprofit Organization continued

- Granted tax-exempt status by the Internal Revenue Service (IRS) because it furthers a social cause and provides a public benefit
- Sometimes called 501(c)(3) organizations based on the section of the tax code that permits them to operate
- NPOs may be researched on websites such as Melissa Lookups (federal resources) and the Georgia Secretary of State (corporations – business search)



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# Agreements Reported (continued)

Definitions continued:

- State funds:
  - Portion of contracts funded by state appropriations or other revenue sources retained by the contracting state organization
  - Does not include federal pass-through assistance
  - Represent the basis for determination of appropriate audit requirements
- State awards expended
  - Disbursement or obligation of state awards by a nonprofit organization



# Agreements Reported (continued)

Definitions continued:

- Schedule of state awards expended
  - Schedule arranged by state program name and contract number
  - Reflecting revenues, expenditures, or expenses
  - Amounts owed to or due from each state organization
  - Amounts listed for each program should include state or federal funds or both which pass through state organizations to the nonprofit contractor
- State awards
  - State or federal funds or both received from state organizations through contractual agreement



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# Agreements Reported (continued)

## Types of Contracts Reported:

- Contracts with entities normally engaging in nonprofit activities
- Organizations generally designed for the attainment of spiritual or cultural benefits or benefits of a philanthropic nature (furthers a social cause or provides a public benefit)
- Nonprofit contractors receiving public funds of any kind under the contract
- Not applicable to units of the University System of Georgia or the university system of another state (public institutions)
- Applicable to contracts with private colleges and universities



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# Agreements Reported (continued)

Exemptions listed in O.C.G.A. §50-20-8:

- Procurement contracts used to buy goods or services from vendors
- Individual employment contracts
- Benefits payments or other related payments made on behalf of individuals for health care or other services



# Agreements Reported (continued)

Exemptions listed in O.C.G.A. §50-20-8:

- NPOs affiliated with the University System of Georgia organized or operated primarily for the purpose of serving, soliciting, receiving, and investing gifts and donations in the name of the board of regents or individual units of the University System of Georgia
- NPOs affiliated with State Board of the Technical College System of Georgia or with postsecondary technical schools under the control of the Technical College System of Georgia which organizations are operated primarily for the purpose of serving, soliciting, receiving, and investing gifts and donations for the board and schools
- NPOs which expend less than \$25,000 in state awards



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# File Layout/Data Collected

- Data collected outlined in O.C.G.A. §50-20-5
- File layout has 15 columns corresponding to referenced Code Section
- ✓ Grant Contract Number
- ✓ Grant Contract Date
- ✓ Is Multi Year Payment
- ✓ Number of Payment Years
- ✓ SCOA



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# File Layout/Data Collected (continued)

- File layout has 15 columns corresponding to referenced Code Section
- ✓ State Payment Amount
- ✓ Total State Contract Amount
- ✓ Federal Payment Amount
- ✓ Total Federal Contract Amount
- ✓ Assistance Listing Number (ALN) – (if Federal Award)



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# File Layout/Data Collected (continued)

- File layout has 15 columns corresponding to referenced Code Section
  - ✓ NPO FEI
  - ✓ NPO Name
  - ✓ Purpose of Contract
  - ✓ Is Multi Year Contract
  - ✓ Number of Contract Years



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# File Layout Descriptions

- Grant Contract Number – required field - used more like a transaction identifier by entity
- Grant Contract Date – required field - must be in MM/DD/YYYY format
- Is Multi Year Payment – required field - 1 character, (Y = Yes or N = No)
- Number of Payment Years – required if Multi-Year Payment is Yes (Y) – number must be a number between 1-99
- SCOA – required field – must be 6 digits in length



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# File Layout Descriptions (continued)

- State Payment – maybe required field – For multiple year contracts, only the payments made for the reporting fiscal year should be included. Please note that the requested information submitted cover contract payments made during the entire State Fiscal Year (Include two decimals)
- Total State Contract Amount – required field – should include total for multiple year contracts (Include two decimals)
- Federal Payment – maybe required field – For multiple year contracts, only the payments made for the reporting fiscal year should be included. Please note that the requested information submitted cover contract payments made during the entire State Fiscal Year (Include two decimals)
- Total Federal Contract Amount – required field – should include total of multiple year contracts (Include two decimals)



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# File Layout Descriptions (continued)

- Assistance Listing Number (ALN) – Identification of any federal pass-through assistance included as part of the contract. Such identification should include the Assistance Listing Number (ALN). Example Program Code: 10.032 (Federal Agency Code + Program Code)
- NPO FEI – required field – field length 9 digits – no dashes – only valid FEI numbers allowed – FEI number checked with NPO table
- NPO Name – required field – maximum length 100 characters



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# File Layout Descriptions (continued)

- Purpose of Contract – required field – description of contract; maximum 255 characters; should be complete and easily readable; and abbreviations should be properly defined.

Examples of incomplete purposes:

- Renewal of contract/grant/agreement
- Extension of contract/grant/agreement
- Subaward performance
- Increase funds or amendment to contract/grant/agreement
- Vague purpose with no description (collaboration on research projects or research projects)



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# File Layout Descriptions (continued)

- Is Multi year Contract – required field – 1 character – (Y = Yes or N = No)
- Number of Contract Years – required if Multi-Year Payment is Yes (Y) – number must be a number between 1-99
- Note: if column 14 (Is Multi Year Contract) is N, and column 15 (Number of Contract Years) is left blank, then place comma after “N” in column 14



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# Common Reporting Issues – Annual Memo

Will payment span multiple State fiscal years? If so, how many fiscal years?

- Respond yes if payments made in at least two fiscal years
- Multiple year contracts include any contract awarded in one fiscal year with payments made in a subsequent year
- Contract data will be prepopulated for future date submissions for the duration of the contract or grant



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# Areas to Review Prior to Submission

Award amounts agree to agency records

- Review award amounts to ensure that amounts reported agree to agency records

Reasonableness of award amounts

- Award amounts should be reasonable and are not likely to be small amounts such as \$1, \$2, or \$10.
- Reasons will be required for reporting small amounts



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# Areas to Review Prior to Submission (continued)

## Reasonableness of payment amounts

- Payment amounts should be reasonable and are not likely to be small amounts such as \$1, \$2, or \$10
- Reasons will be required for reporting small amounts

## Contract payments reported

- Data submitted should cover contract payments made during the entire State Fiscal Year (July 1 through June 30)
- Contract payments outside of the fiscal year being reported should not be included



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# Areas to Review Prior to Submission (continued)

Contract payments reported – multiple-year contracts

- Only the payments made during the reporting fiscal year should be included

Contracts paid in subsequent year

- Multiple year contracts include any contract awarded in one state fiscal year with payments made in a subsequent year



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# Common Reporting Issues – Annual Memo (continued)

## Grant or contract number

- Grant or contract number must be printable characters.

Examples of characters not accepted are the Euro sign, dagger, double dagger, small tilde, modifier letter circumflex accent, etc.

## Grant or contract date

- Date must be within the reporting fiscal year unless multiple year contract is indicated



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# Common Reporting Issues – Annual Memo (continued)

## Federal Employer Identification Number (FEIN) of Nonprofit Organization (NPO)

- Based on information previously submitted to DOAA, the FEIN of the NPO will be populated when entering the contract data
- If the NPO does not exist in our database, you will receive an error message and make a request that the organization be added

## Name of NPO

- Based on information previously submitted to DOAA, the name of the NPO will be populated when entering the contract data
- If the NPO does not exist in our database, you will receive an error message



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# Common Reporting Issues – Annual Memo (continued)

## Date of the NPO's fiscal year end

- When requesting that an organization be added to our database, please ensure that the correct date of fiscal year for the NPO is entered
- Fiscal year end date will be used to determine their compliance status with reporting requirements of O.C.G.A. §50-20-3

## State Chart of Accounts (SCOA) number

- State chart of accounts includes accounts for contractual services and grants with nonprofit organizations
- Includes accounts 653200, 753100



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# Common Reporting Issues – Annual Memo (continued)

## Total State or Federal contract amount

- Enter the total State or Federal contract amount indicated in the agreement
- For multiple year contracts, the total contract amount for awards will be entered in the first year
- Total contract amounts will be prepopulated for subsequent years
- Note – multiple year contracts also include any contract awarded in one fiscal year with payments made in a subsequent year





# Common Reporting Issues – Annual Memo (continued)

State or Federal payment amount

- Payment information should include only the payments made for the reporting fiscal year

Assistance Listing Number (ALN) for Pass-Through Amounts

- Assistance Listing Number (ALN) formally called the CFDA number

Purpose of grant or contract

- Must be complete with printable characters and no abbreviations



# Areas to Review Prior to Submission

## Contract purpose

- Readability – should be easily readable and understandable to the users/readers of the contract report
- Completeness – include the reason for the contract or grant
- Abbreviations – should be properly defined to be understandable
- Acronyms – should be avoided to be understandable to readers



# General Areas to Review

## Grant

- A grant is a financial award given to an organization to be used toward a specific purpose

## Contract

- A contract is a legally binding agreement between two parties.



# General Areas to Review (continued)

Contract information, entity name, FEIN and date of entity's fiscal year end

- Contract information, entity name, FEIN, and NPO's fiscal year end date – should be reviewed very carefully
- FEIN – should be reviewed to ensure that the contract data is entered for the correct NPO
- Date of NPO's fiscal year end will be used to determine their compliance status with reporting requirements of O.C.G.A. §50-20-3



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# Contracts Not Included in Data Submission

- O.C.G.A. §50-20-8(b) identifies contracts not subject to the provisions
- Generally, exceptions are procurement contracts used to buy goods or services from vendors, individual employment contracts and benefit payments on behalf of individuals for health care or other services
- Contracts which meet the exception criteria should not be reported



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# Entities Not Considered Nonprofit Organizations

- Contracts with profit organizations should not be reported in DOAA's NPO Contract Data Submission application
- Contracts with the following should not be reported
  - County governments, municipalities, other political subdivisions (local government authorities), regional commissions (formerly regional development centers) – all have separate reporting requirements to DOAA
  - Local board of education or local school systems (public)
  - Community service boards
  - Housing authorities (unless a housing authority creates a NPO, then the contract to the NPO should be reported)



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# Entities Not Considered Nonprofit Organizations (continued)

- Contracts with the following should not be reported (continued)
  - Any entity that is part of the State of Georgia reporting entity, including units of the University System of Georgia
  - Federal government agencies



# Error Codes for “Red” Flags

## Conditions – Messages

- FEI does not exist in our system – FEI Number is not valid, the FEI does not exist
- FEI Number doesn’t match NPO name – FEI Number does not match the NPO name in our records
- NPO is in pending status – FEI Number is in pending status
- NPO (FEI) is in rejected status – FEI Number is not valid, it has been rejected
- Contract date is not within the report year – Contract date must be within the correct state fiscal year for reporting



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# Error Codes for “Red” Flags (continued)

## Conditions – Messages

- Number of years for multi-contract is  $\leq 1$  – Number of years should be at least  $> 1$  for multiple year contract
- State/Federal contract and State/Federal payment are all  $\leq 0$  – Please make sure at least one payment or contract amount field is greater than zero
- State contract amount is  $\leq 0$  while state payment is  $> 0$  – State contract amount must be greater than zero if state payment is entered
- Federal contract amount is  $\leq 0$  while federal payment is  $> 0$  – Federal contract amount must be greater than zero if federal payment is entered



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# Error Codes for “Red” Flags (continued)

## Conditions – Messages

- State contract amount is \$1 – State amount is not valid, it can not be \$1
- Federal contract amount is \$1 – Federal amount is not valid, it can not be \$1
- Purpose has less than 10 characters – purpose should be descriptive
- ALN is not valid – ALN(s) provided for the contract is not valid, if you entered multiple ALNs, one or more ALN is not valid



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# Final Considerations

- Due to the volume of requests to add NPOs, please allow sufficient time for analysis
- Due to the volume of contract payments entered, please allow sufficient time for completing the submission process by the specified deadline, keeping in mind that several steps may require DOAA approval prior to submission of your contract data



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# Submission Deadlines

- NPO Contract Data Submission Collection System opened in August 2024
- Annual Memo dated August 19, 2024
- Reporting deadline is September 23, 2024
- System will close October 22, 2024



# Contact Information

- If you have any questions or need any additional information, please email [npo@audits.ga.gov](mailto:npo@audits.ga.gov) or
- Contact Jackie Neubert at [neubertj@audits.ga.gov](mailto:neubertj@audits.ga.gov) or 404.651.8938 or
- Contact Karen Rodgers at [rodgersk@audits.ga.gov](mailto:rodgersk@audits.ga.gov) or 404.651.5397

