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Bureau of Special Education FY'14 Memo #2

Date: July 24, 2013

To: Superintendents of Schools  
Special Education Directors

From: Office of the Commissioner of Education

Division of Instruction  
Bureau of Special Education

Re: *Online Grants Management System*

The New Hampshire Department of Education (NHDOE), Bureau of Special Education is offering guidance regarding the use and requirement of the Online Grants Management System. Effective with School Year 2013–2014, the following special rules for all grant recipients must be adhered to by the Local Education Agencies.

**ONLINE GRANTS MANAGEMENT SYSTEM HANDBOOK** Prepared 6/18/2010; Revised 7/18/2010; 2011

**There are special rules all grant recipients must be aware of:**

- ◆ When entering the budget line items the system will not permit you to exceed the allocated/limited amount or the amounts for which payment has been made.
- ◆ The 10% rule cannot be used with the online grants system.
- ◆ Grant recipients have 60 days to disburse all funds – this replaces the 90-days to disburse with the Form 2 system; grant recipients must have all expenses reported within 2 reporting cycles after the project end date.
- ◆ You cannot create function and object codes in the online grants system; those provided in the drop down lists are all that can be used.
- ◆ Budget changes can be made during the project period, but only to the amount that has not been paid.
- ◆ Changes can be made to an application up to fifteen (15) days before the project end date unless a grant program establishes a different cutoff date.

- ◆ “The useful life theory” must be applied to all activities within an application – you must make purchases during the project period that reflect useful life and not at the end of a grant just to prevent the return of funds as unused.
- ◆ Equipment purchases must be tagged with inventory labels.
- ◆ Indirect costs must be calculated using one of the two approved methods – whole or partial use of funds and the amount cannot be rounded up.
- ◆ There are no forward funding with the online grant system – it is reimbursement only.
- ◆ Federal Funds ledgers must be maintained for each project.
- ◆ Audit records must still be maintained. They do not, however, need to be on paper; electronic records are acceptable as long as the grant recipient can produce all of the documentation needed. Controls for having appropriate backup systems must be enforced.

In the Bureau of Special Education Memo #23, dated June 13, 2013, we have clarified “useful life of activities.”

Should you have questions or need further clarification, contact Ralph Tilton; [ralph.tilton@doe.nh.gov](mailto:ralph.tilton@doe.nh.gov) or (603) 271-3839.