Policies and Procedures Manual

Used By

Clark County School District No. 161

To Administer Federal Funds

ADOPTED: 2/2021 UPDATED: 6/2021

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Introduction

This manual sets forth the policies and procedures used by the Clark County School District #161 (the District) to administer federal funds. The manual contains the internal controls and grant management standards used by the District to ensure that all federal funds are lawfully expended. It describes in detail the District's financial management system, including cash management procedures; procurement policies; inventory management protocols; procedures for determining the allowability of expenditures; time and effort reporting; record retention; and sub-recipient monitoring responsibilities. New employees of the District, as well as incumbent employees, are expected to review this manual to gain familiarity and understanding of the District's rules and practices.

Overview

Federal regulations require grantees to use fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for federal funds (34 CFR 76.702 and 2 CFR 200.302). Implementing and maintain a proper accounting system is a fiduciary responsibility associated with receiving a federal award. The acceptance of an award creates a legal duty on the part of the LEA to use the funds or property made available under the award in accordance with the terms and conditions of the grant. The approved grant application itself constitutes an accounting document that establishes the purposes and amount of the awarding agency's obligation to the grantee. In turn, it establishes a commitment by the LEA to perform and expend funds in accordance with the approved grant agreement and the applicable laws, regulations, rules, and guidelines. 2 CFR 200.306(b)

Financial management requirements for Idaho school LEAs are established by the following:

- Local, State and SDE Policies
- Federal Regulations
- Idaho Code
- IDAPA Rules
- Idaho's Financial Reporting Management System (IFARMS)

IFARMS provides the basis for complete financial and cost accounting, for the development of program budgets, and for the preparation of periodic financial reports. The uniformity of the system will enable small or large school LEAs to fulfill state requirements and give each LEA the flexibility to obtain program and account detail to meet their management needs.

Financial Management System

The District maintains a proper financial management system in order to receive both direct and state-administered grants and to expend funds associated with a grant award. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in return of funds or termination of the award.

Idaho Financial Reporting Management System (IFARMS)

IFARMS provides the basis for complete financial and cost accounting, for the development of program budgets, and for the preparation of periodic financial reports. The uniformity of the system enables the District to fulfill state requirements and provides the flexibility to obtain program and account detail to meet management needs.

Financial Management Standards

The standards for financial management systems are found at 2 C.F.R. § 200.302. The required standards include:

Identification

The District will identify, in its accounts, all federal awards received and expended and the federal programs under which they were received. Federal program and award identification will include, as applicable, the CFDA title and number, federal award identification number and year, name of the federal agency, and, if applicable, name of the pass-through entity.

Financial Reporting

Accurate, current, and complete disclosure of the financial results of each federal award or programs will be made in accordance with the financial reporting requirements set forth in the *Education Department General Administrative Regulations* (EDGAR).

Accounting Records

The District will maintain records that adequately identify the source and application of funds provided for federally-assisted activities. These records will contain information pertaining to grant or subgrant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest, and be supported by source documentation.

Internal Controls

Effective control and accountability will be maintained for all funds, real and personal property, and other assets. The District will adequately safeguard all such property and will assure that it is used solely for authorized purposes.

"Internal controls" are tools to help program and financial managers achieve results and safeguard the integrity of their program. Internal controls should be designed to provide reasonable assurance that the following objectives are achieved:

- Effectiveness and efficiency of operations;
- Adequate safeguarding of property;
- Assurance property and money is spent in accordance with grant program and to further the Selected objectives; and
- Compliance with applicable laws and regulations.

Budget Control

Actual expenditures or outlays are compared with budgeted amounts for each federal award.

Cash Management

The District will maintain written procedures to implement the cash management requirements found in EDGAR.

Please see page 13 for these written cash management procedures.

Allowable Costs

The District must maintain written procedures for determining allowability of costs in accordance with EDGAR.

Please see page 7 for these written allowability procedures.

Overview of the Financial Management/Accounting System

The District accounting system is established to present, with full disclosure, the financial position and results of the financial operations of the District in conformity with generally accepted accounting principles. The accounting system currently used is 2M Data Software. The system is in compliance with the Idaho Financial Account Reporting Management System (IFARMS), as required by Idaho statute. IFARMS is used as the basis for developing program budgets and the preparation of periodic financial reports. The District Business manager and/or Superintendent and/or Asst. Superintendent are responsible for managing budgets and accounts payable. As required by 34 CFR 200.302, the District maintains on file award letters that include CFDA title and number, federal award identification number and year, name of the federal awarding agency, and the name of the State Department of Education (the pass-through entity), for each federal award. The funds are given unique identification numbers in the IFARMS system. The Business manager and/or Director of Finance is responsible for preparing financial reports, as required for local, state and federal agencies, for review and approval by the Board of Trustees. The financial reports shall reflect the financial activity and status of the District. These reports will include monthly and cumulative expenditures, program budgets and balances remaining.

Budgeting

The Planning Phase: Meetings and Discussions

Before Receiving the Grant Award Notice (GAN):

The Superintendent/Asst. Superintendent, assisted by the Business Manager, is responsible for initial budget development. Initial budget development will be based upon estimates of federal program award amounts as provided by the State Department of Education, as well as input from program and administrative staff with respect to individual program staff needs, number and assignments of paraprofessionals relative to program allocations, and need for instructional supplies, equipment. The primary considerations of initial budget development shall be the educational needs of students and the availability of existing District resources for meeting these needs.

Policies and Procedures for determining Allowability of costs are described beginning on page 7.

Budgets shall be prepared and presented in a format that clearly identifies revenue sources and amounts and budgeted expenditures in accordance with IFARMS accounting codes and shall be open for public inspection.

The District Superintendent/Asst. Superintendent will present the proposed budget to the Board of Trustees for final approval over the budget and the policies reflected therein, such as proposed changes or additions to instructional programs and proposed salary schedules. Consideration of the proposed budget shall take place in an open meeting with opportunity for public comment. The approved budget shall be included in the minutes of the Board of Trustees as documentation of its acceptance and approval.

After Receiving the GAN

If the Superintendent/Asst. Superintendent determines that final program allocations necessitate revisions to program budgets, he/she, assisted by the Business Manager with input from federal programs staff, shall discuss, review and propose budget revisions. If proposed revisions require amendment proposals, the Superintendent will follow protocols of the amendment process.

Amending the Budget

The Superintendent/Asst. Superintendent will review and approve any necessary budget amendments and will submit those amendments to the Board of Trustees at least seven days in advance of the meeting at which the amendment will be considered. The Board of Trustees shall have final approval of the amended budget and consideration of the proposed budget shall take place in an open meeting with opportunity for public comment. The approved amended budget shall be included in the minutes of the Board of Trustees as documentation of its acceptance and approval.

Budget Control

The Business Manager and/or Asst. Superintendent will prepare monthly financial reports that monitor budget performance by comparing actual to budgeted revenues and expenditures. Monthly financial reports indicate budgeted amounts, monthly expenditures, year-to-date- expenditures and percentage of budget spent. The Superintendent/Asst. Superintendent reviews these reports for the preceding month prior to presentation to the Board of Trustees.

Accounting Records

The Business Manager and/or Asst. Superintendent are responsible for the maintenance of accounting records. Electronic accounting records are maintained in the 2M Data Software system and paper records are maintained on file in the District office. All accounting records are reviewed by the District Superintendent and, where appropriate and required, the Board of Trustees. The District chart of Accounts and financial reports are established and maintained in accordance with Generally Accepted Accounting Principles (GAAP) and Idaho Financial Accounting Reporting System (IFARMS), as required by Idaho Code. Accounting records are available for public inspection at any time.

Spending Grant Funds

In determining what items will be included in individual program budgets, the Business Manager and/or Asst. Superintendent and the Superintendent will follow the federal cost principles outlined on pages 7 through 11 of this document, including selected items of cost, and individual program statutes and regulations, as the basis for determining whether individual expenditures are allowable,

While developing and reviewing the grant budget, the District will keep in mind the difference between direct costs and indirect costs.

Direct and Indirect Costs

Determining Whether a Cost is Direct or Indirect: Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. 2 C.F.R. § 200.413(a).

Indirect costs are those that have been incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. 2 C.F.R. § 200.56.

Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. 2 C.F.R. § 200.413(a).

Identification with the federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award. 2 C.F.R. § 200.413(b).

The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
- The costs are not also recovered as indirect costs. 2 C.F.R. § 200.413(c).

Indirect Cost Rate: It is at the discretion of the Clark County School District to use the indirect cost rate. It is the normal policy of the District not to take indirect costs on federal awards. If the District elects to take indirect costs, it will follow the procedures for calculating the indirect cost rate prescribed by the SDE and apply the policies and procedures outlined in the federal regulations below.

Applying the Indirect Cost Rate: Once the District has an approved indirect cost rate, the percentage is multiplied against the actual direct costs (excluding distorting items such as equipment, contracts in excess of $25,000, pass-through funds, etc.) incurred under a particular grant to produce the dollar amount of indirect costs allowable to that award. 34 C.F.R § 75.564; 34 C.F.R. § 76.569.

Once the District applies the approved rate, the funds that may be claimed for indirect costs have no federal accountability and may be used as if they were non-federal funds. For Direct Grants, reimbursement of indirect costs is subject to the availability of funds and statutory or administrative restrictions. 34 C.F.R. § 75.564.

Where a federal program has a specific cap on the percentage of administrative costs that may be charged to a grant, that cap must include all direct administrative charges as well as any recovered indirect charges.

Determining Allowability of Costs

Expenditures will be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from the state.

When determining how the District will spend its grant funds, the Business manager and/or Asst. Superintendent and District Superintendent will review the proposed cost to determine whether it is an allowable use of federal grant funds *before* obligating and spending those funds on the proposed good or service. All costs supported by federal education funds must meet the standards outlined in EDGAR, 2 CFR Part 3474 and 2 CFR Part 200 (Subpart E), which are provided in the bulleted list below. The Business manager and/or Asst. Superintendent and District Superintendent must consider these factors when making an allowability determination.

- **Be Necessary and Reasonable for the performance of the federal award.** District staff must consider these elements when determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the District or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state and other laws and regulations; and terms and conditions of the federal award.
- Market prices for comparable goods or services for the geographic area.
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the District, its employees, its students, the public at large, and the federal government.
- Whether the district significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award's cost. 2 C.F.R. §200.404.

While 2 C.F.R. §200.404 does not provide specific descriptions of what satisfies the "necessary" element beyond its inclusion in the reasonableness analysis above, necessary is determined based on the needs of

the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the district can demonstrate that the cost addresses an existing need, and can prove it. For example, the district may deem a language skills software program necessary for a limited English proficiency program.

When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant program.
- Whether the cost is identified in the approved budget or application.
- Whether there is an educational benefit associated with the cost.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- Whether the cost addresses program goals and objectives and is based on program data.

- **Allocable to the federal award.** A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. 2 C.F.R. §200.405. For example, if 50% of a teacher's salary is paid with grant funds, then that teacher must spend at least 50% of his or her time on the grant program.
- **Consistent with policies and procedures that apply uniformly to both federally financed and other activities of the District.**
- **Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the federal award.**
- **Consistent treatment.** A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.
- **Adequately documented.** All expenditures must be properly documented.
- **Be determined in accordance with general accepted accounting principles (GAAP), unless provided otherwise in Part 200.**
- **Not included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such.** Some federal program statutes require the non-federal entity to contribute a certain amount of non-federal resources to be eligible for the federal program.
- **Be the net of all applicable credits.** The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the state relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate. 2 C.F.R. §200.406.

Part 200's cost guidelines must be considered when federal grant funds are expended. In addition, as required by federal rules, the District will follow as appropriate all state and District-level requirements and policies regarding expenditures.

Selected Items of Cost

Part 200 examines the allowability of 55 specific cost items (commonly referred to as Selected Items of Cost) at 2 C.F.R. §§ 200.420-200.475. These cost items are listed in the chart below along with the citation where it is discussed whether the item is allowable. Please do not assume that an item is allowable because it is specifically listed in the regulation, as it may be unallowable despite its inclusion in the selected items of cost section. The expenditure may be unallowable for a number of reasons, including: the express language of the regulation states the item is unallowable; the terms and conditions of the grant deem the item unallowable; or State/local restrictions dictate that the item is unallowable. The item may also be unallowable because it does not meet one of the cost principles, such as being reasonable because it is considered too expensive. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

District personnel responsible for spending federal grant funds and for determining allowability will be familiar with the Part 200 selected items of cost section. The District Superintendent and Business manager and/or Asst. Superintendent follow these rules when charging these specific expenditures to a federal grant. When applicable, the Superintendent and/or Business manager and/or Asst. Superintendent will check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, State, District and program-specific rules may deem a cost as unallowable and District personnel will follow those non-federal rules as well.

The selected item of cost addressed in Part 200 includes the following (in alphabetical order):

Item of Cost	**Citation of Allowability Rule**
Advertising and public relations costs	2 CFR § 200.421
Advisory councils	2 CFR § 200.422
Alcoholic beverages	2 CFR § 200.423
Alumni/ae activities	2 CFR § 200.424
Audit services	2 CFR § 200.425
Bad debts	2 CFR § 200.426
Bonding costs	2 CFR § 200.427

Collection of improper payments	2 CFR § 200.428
Commencement and convocation costs	2 CFR § 200.429
Compensation – personal services	2 CFR § 200.430
Compensation – fringe benefits	2 CFR § 200.431
Conferences	2 CFR § 200.432
Contingency provisions	2 CFR § 200.433
Contributions and donations	2 CFR § 200.434
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435
Depreciation	2 CFR § 200.436
Employee health and welfare costs	2 CFR § 200.437
Entertainment costs	2 CFR § 200.438
Equipment and other capital expenditures	2 CFR § 200.439
Exchange rates	2 CFR § 200.440
Fines, penalties, damages and other settlements	2 CFR § 200.441
Fund raising and investment management costs	2 CFR § 200.442
Gains and losses on disposition of depreciable assets	2 CFR § 200.443
General costs of government	2 CFR § 200.444
Goods and services for personal use	2 CFR § 200.445
Idle facilities and idle capacity	2 CFR § 200.446
Insurance and indemnification	2 CFR § 200.447
Intellectual property	2 CFR § 200.448

Interest	2 CFR § 200.449
Lobbying	2 CFR § 200.450
Losses on other awards or contracts	2 CFR § 200.451
Maintenance and repair costs	2 CFR § 200.452
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454
Organization costs	2 CFR § 200.455
Participant support costs	2 CFR § 200.456
Plant and security costs	2 CFR § 200.457
Pre-award costs	2 CFR § 200.458
Professional services costs	2 CFR § 200.459
Proposal costs	2 CFR § 200.460
Publication and printing costs	2 CFR § 200.461
Rearrangement and reconversion costs	2 CFR § 200.462
Recruiting costs	2 CFR § 200.463
Relocation costs of employees	2 CFR § 200.464
Rental costs of real property and equipment	2 CFR § 200.465
Scholarships and student aid costs	2 CFR § 200.466
Selling and marketing costs	2 CFR § 200.467
Specialized service facilities	2 CFR § 200.468
Student activity costs	2 CFR § 200.469
Taxes (including Value Added Tax)	2 CFR § 200.470

Termination costs	2 CFR § 200.471
Training and education costs	2 CFR § 200.472
Transportation costs	2 CFR § 200.473
Travel costs	2 CFR § 200.474
Trustees	2 CFR § 200.475

Likewise, it is possible for the State and/or District to put additional requirements on a specific item of cost. Under such circumstances, the stricter requirements must be met for a cost to be allowable. Accordingly, District staff will consult federal, State and District requirements when spending federal funds.

In order for a cost to be allowable, the expenditure must also be allowable under the applicable program statute and accompanying program regulations, non-regulatory guidance and grant award notifications.

Frequent Types of Costs

Travel: Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of a grant recipient. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the recipient's non-federally funded activities and in accordance with the recipient's written travel reimbursement policies. 2 C.F.R §200.474(a).

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses will be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the District in its regular operations as the result of its written travel policy. In addition, if these costs are charged directly to the federal award, documentation will be maintained that justifies that (1) participation of the individual is necessary to the federal award; and (2) the costs are reasonable and consistent with the District's established policy. 2 C.F.R §200.474(b).

District employees will be reimbursed for travel expenses while traveling outside of the District and engaged in official District business. Travel must be approved by the Superintendent before the approved travel occurs. Travel expenses shall be reported on a district approved travel voucher form. The District will reimburse travel expenses for employees. The District will adhere to the State Travel Policy found at https://www.sco.idaho.gov/web/sbe/sbeweb.nsf/f733dcef19839b6a87256c41006dfab5/6dff5e28dcf4c31287258074004fe2f3/$FILE/BOE%20Travel%20Policy%20-%20Updated%201-3-2017.pdf.

Helpful Questions for Determining Whether a Cost is Allowable

In addition to the cost principles and standards described above, the Superintendent, Business manager and/or Asst. Superintendent and appropriate federal programs personnel can refer to this section for a useful framework when performing an allowability analysis. In order to determine whether federal funds may be used to purchase a specific cost, it is helpful to ask the following questions:

- Is the proposed cost allowable under the relevant program?
- Is the proposed cost consistent with an approved program plan and budget?
- Is the proposed cost consistent with program specific fiscal rules? For example, the District may be required to use federal funds only to supplement the amount of funds available from nonfederal (and possibly other federal) sources.
- Is the proposed cost consistent with EDGAR?
- Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

As a practical matter, the Superintendent, Business Manager and/or Asst. Superintendent and appropriate federal programs personnel should also consider whether the proposed cost is consistent with the underlying needs of the program. For example, program funds must benefit the appropriate population of students for which they are allocated.

Also, funds should be targeted to address areas of weakness, as necessary. To make this determination, the Superintendent, Business Manager and/or Asst. Superintendent and appropriate federal programs personnel should review data when making purchases to ensure that federal funds to meet these areas of concern.

Federal Cash Management Policy/Procedures

The District will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by the District, in accordance with the Cash Management Improvement Act at 31 CFR Part 205. The District receives payment from the Idaho State Department of Education on a reimbursement basis only. 2 CFR §200.305.

Payment Methods

Reimbursements: The District will initially charge federal grant expenditures to nonfederal funds.

The District Business Manager and/or Director of Finance will request reimbursement for actual expenditures incurred under the federal grants on a per monthly basis. Reimbursement requests will be submitted on the State form on the Idaho State Department of Education website. All reimbursements are based on actual disbursements, not on obligations.

The Idaho State Department of Education will process reimbursement requests within two weeks.

Consistent with state and federal requirements, the District will maintain source documentation supporting the federal expenditures (invoices, time sheets, payroll stubs, etc.) and will make such documentation available for the State Department of Education review upon request.

Reimbursements of actual expenditures do not require interest calculations.

Timely Obligation of Funds

When Obligations are Made

Obligations are orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period. 34 C.F.R. § 200.71

The following table illustrates when funds are determined to be obligated under federal regulations:

If the obligation is for:	**The obligation is made:**
Acquisition of property	On the date which the District makes a binding written commitment to acquire the property
Personal services by an employee of the District	When the services are performed
Personal services by a contractor who is not an employee of the District	On the date which the District makes a binding written commitment to obtain the services
Public utility services	When the District receives the services
Travel	When the travel is taken
Rental of property	When the District uses the property
A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 CFR part 200, Subpart E- Cost Principles.	On the first day of the project period.

34 C.F.R. §75.707; 34 C.F.R. §76.707.

Period of Performance of Federal Funds

All obligations must occur on or between the beginning and ending dates of the grant project. 2 C.F.R. §200.309. This period of time is known as the period of performance. 2 C.F.R. §200.77. The period of performance is dictated by statute and will be indicated in the GAN. Further, certain grants have specific requirements for carryover funds that must be adhered to.

State-Administered Grants: As a general rule, state-administered federal funds are available for obligation within the year that Congress appropriates the funds for. However, given the unique nature of educational institutions, for many federal education grants, the period of availability is 27 months. Federal education grant funds are typically awarded on July 1 of each year. While the District will always plan to spend all current grant funds within the year the grant was appropriated for, the period of obligation for any grant that is covered by the "Tydings Amendment" is 27 months, extending from July 1 of the fiscal year for which the funds were appropriated through September 30 of the second following fiscal year. This maximum period includes a 15-month period of initial availability, plus a 12-month period for carryover. 34 C.F.R. § 76.709. For example, funds awarded on July 1, 2015 would remain available for obligation through September 30, 2017.

Direct Grants: In general, the period of availability for funds authorized under direct grants is identified in the GAN.

For both state-administered and direct grants, regardless of the period of availability, the District must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period unless an extension is authorized. 2 C.F.R. § 200.343(b). Any funds not obligated within the period of availability or liquidated within the appropriate timeframe are said to lapse and must be returned to the awarding agency. 2 C.F.R. § 200.343(d). Consequently, the District closely monitors grant spending throughout the grant cycle.

Carryover

State-Administered Grants: As described above, the Tydings Amendment extends the period of availability for applicable state-administered program funds. Essentially, it permits recipients to "carryover" any funds left over at the end of the initial 15-month period into the next year. These leftover funds are typically referred to as carryover funds and continue to be available for obligation for an additional 12 months. 34 C.F.R. § 76.709. Accordingly, the District may have multiple years of grant funds available under the same program at the same time.

Any carryover in individual federal programs is determined in an annual audit performed each year according to GAAP and state statutes. After carryover amounts are determined, they are reported and administered according to specific federal award requirements as outlined in the individual program applications.

Program Income

Definition

Program income means gross income earned by a grant recipient that is directly generated by a supported activity or earned as a result of the federal award during the grant's period of performance. 2 C.F.R. § 200.80.

Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with federal award funds. Interest earned on advances of federal funds is not program income. Except as otherwise provided in federal statutes, regulations, or the terms and conditions of the federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. 2 C.F.R. § 200.80. Additionally, taxes, special assessments, levies, fines, and other such revenues raised by a recipient are not program income unless the revenues are specifically identified in the federal award or federal awarding agency regulations as program income. Finally, proceeds from the sale of real property, equipment, or supplies are not program income. 2 C.F.R. § 200.307.

Use of Program Income

The default method for the use of program income for the District is the deduction method. 2 C.F.R. § 200.307(e). Under the deduction method, program income is deducted from total allowable costs to

determine the net allowable costs. Program income will only be used for current costs unless the District is otherwise directed by the federal awarding agency or pass-through entity. 2 C.F.R. § 200.307(e)(1). The LEA may also request prior approval from the federal awarding agency to use the addition method. Under the addition method, program income may be added to the Federal award by the Federal agency and the non-Federal entity. The program income must then be used for the purposes and under the conditions of the Federal award. 2 C.F.R. § 200.307(e)(2).
While the deduction method is the default method, the District always refers to the GAN prior to determining the appropriate use of program income.

It is the policy of the District that no program income will be generated in federal programs. If program income is generated, the Business Manager and/or Asst. Superintendent will account for it in accordance with the District's normal accounting procedures, utilizing the special revenue accounting codes of IFARMS, and track as program income attributable to a specific federal program.

Procurement System

The District maintains the following purchasing procedures.

Responsibility for Purchasing

The District Superintendent is authorized by the Board of Trustees to initiate and direct purchases within the limits of the approved annual District budget. The Superintendent may delegate purchasing authority to the Business Manager and/or Asst. Superintendent. The Business Manager and/or Asst. Superintendent are responsible for processing purchase orders and contracts, with final approval resting with the Superintendent. No staff member shall obligate the District without the express approval of the Superintendent. Staff members who obligate the District without proper authorization may be held personally responsible for payment of such obligations.

Purchase Methods

The type of purchase procedures required depends on the cost of the item(s) being purchased:
The District will adhere to the procurement requirements and procedures set forth in Idaho Code and listed below.

Purchases up to $3,000 (Micro-Purchases)
Idaho Code 67-2803

Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount (not per unit) of which does not exceed $3,000. The micro-purchase method is used in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold.
Micro-purchases may be awarded without soliciting competitive quotations if the District considers the price to be reasonable. The District maintains evidence of this reasonableness in the records of all micro-purchases.

Procurement Documents

- The District uses pre-numbered Purchase Orders
- Purchases Orders are issued by the Business Manager and/or Asst. Superintendent with approval of the Superintendent
- Purchases Orders will be generated based upon approved budget amounts
- Purchase Orders include
    - Vendor name, vendor ID, and address
    - Description of goods to be delivered or services performed
    - Delivery location
    - Dates of service or delivery
- Purchase Orders and other documentations of the purchases are maintained by the Business Manager and/or Asst. Superintendent

Purchases between $3,000 and $25,000

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than $25,000. If small purchase procedures are used, price or rate quotations are obtained from an adequate number of qualified sources**.**

Purchases between $25,000 and $50,000
Idaho Code 67-2806 (1)

Purchases greater than $50,000 (sealed bids required)
Purchases Over $150,000
Idaho Code 67-2806

Sealed Bids (Formal Advertising): For purchases over $150,000, bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the following conditions apply:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business; and
- The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.
- The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- All bids will be opened at the at the time and place prescribed in the invitation for bids.
- A firm fixed price contract award must be made in writing to the lowest responsive and responsible bidder.

Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of. Any or all bids may be rejected if there is sound documented reason.

Competitive Proposals: The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- Proposals must be solicited from an adequate number of qualified sources; and
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

The District may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

Contract/Price Analysis: The District performs a cost or price analysis in connection with every procurement action in excess of $50,000, including contract modifications. A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the District Superintendent must come to an independent estimate prior to receiving bids or proposals. 2 C.F.R. § 200.323(a).

When performing a cost analysis, the District Superintendent negotiates profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. 2 C.F.R. § 200.323(b).

Noncompetitive Proposals (Sole Sourcing)

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- The item is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

- The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District; or
- After solicitation of a number of sources, competition is determined inadequate.

A cost or price analysis will be performed for noncompetitive proposals when the price exceeds $50,000.

Full and Open Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with 2 C.F.R §200.319. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

EDGAR further requires the following to ensure adequate competition.

Affirmative Steps for Small, Minority, or Women's Businesses Enterprises

Clark County School District takes affirmative steps as in 2 CFR 200.321 to assure that small, minority and women's business enterprises and labor surplus firms are used when possible. These steps include:

- Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development of Commerce; and
- Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

Geographical Preferences Prohibited

The District must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Prequalified Lists

The District must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the District must not preclude potential bidders from qualifying during the solicitation period.

Solicitation Language

The District must ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features, which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and identify all requirements which the offers must fulfill and all other factors to be used in evaluating bids or proposals. 2 C.F.R § 200.319(c).

Federal Procurement System Standards

Avoiding Acquisition of Unnecessary or Duplicative Items

The District must avoid the acquisition of unnecessary or duplicative items. Additionally, consideration is given to consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, an analysis must be made of leases versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

These considerations are given as part of the process to determine the allowability of each purchase made with federal funds.

Use of Intergovernmental Agreements

To foster greater economy and efficiency, the District enters into state and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.

Use of Federal Excess and Surplus Property

The District considers the use of federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

Debarment and Suspension

The District awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The District may not subcontract with or award subgrants to any person or company who is debarred or suspended. For all contracts over $25,000, the District verifies that the vendor with whom the District intends to do business with is not excluded of disqualified. 2 C.F.R. Part 200, Appendix II(1) and 2 C.F.R. § 180.220 and § 180.300. The Business Manager and/or Asst. Superintendent will be responsible for verification by checking the excluded parties list on Sam.gov.

Maintenance of Procurement Records

The District must maintain records sufficient to detail the history of all procurements. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price (including a cost or price analysis), and verification that the contractor is not suspended or debarred.

Please see pages 45-47 for more information on the District's record policies.

Time and Materials Contracts

The District may use a time and materials type contract only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to the District is the sum of: the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the District must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Settlements of Issues Arising Out of Procurements

The District alone is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the District of any contractual responsibilities under its contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

Protest Procedures to Resolve Dispute

The District maintains protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency.

If any participating bidder objects to such award, such bidder shall respond in writing to the notice from the political subdivision within seven (7) calendar days of the date of transmittal of the notice, setting forth in such response the express reason or reasons that the award decision of the governing board is in error. Thereafter, staying performance of any procurement until after addressing the contentions raised by the objecting bidder, the governing board shall review its decision and determine whether to affirm its prior award, modify the award, or choose to re-bid, setting forth its reason or reasons therefor. After completion of the review process, the political subdivision may proceed as it deems to be in the public interest. ***I.C.§ 67-2805 (3)(x)***

Conflict of Interest Requirements

Standards of Conduct

In accordance with 2 C.F.R. § 200.18(c)(1), the District maintains the following standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of the District may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value. The nominal gift value amount is set at $25.00.

Mandatory Disclosure

Upon discovery of any potential conflict, the District will disclose in writing the potential conflict to the federal awarding agency in accordance with applicable federal awarding agency policy.

Contract Administration

The District maintains the following oversights to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

Receipt of and property management is discussed on page 23.

The District Superintendent shall be responsible for ensuring that contracts for services are adequately fulfilled and completed prior to submission of requests for payment to the Board of Trustees.

Property Management Systems

Property Classifications

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the

capitalization level established by the District for financial statement purposes, or $5,000. 2 C.F.R. § 200.33.

Supplies means all tangible personal property other than those described in § 200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the District for financial statement purposes or $5,000, regardless of the length of its useful life. 2 C.F.R. § 200.94.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information. 2 C.F.R. § 200.20.

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year that are capitalized in accordance with GAAP. Capital assets include:

- Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
- Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance). 2 C.F.R. § 200.12.

Inventory Procedure

- All purchased goods shall be delivered to the District office and received by the Business Office. Upon receipt of goods, the Business Office shall notify the Superintendent of fulfillment of the Purchase Order. The Business Office checks all items against the invoice to ensure accuracy of delivery.
- Inventory items will be recorded on the Master Inventory list.
- All equipment and supplies with a useful life of more than 1 year, including computing devices, will be engraved and/or stamped with "Property of the Clark County School District."

Inventory Records

For each equipment and computing device purchased with federal funds, the following information is maintained in the District Office mastery inventory list. The list includes the following information:

- Serial number or other identification number;
- Source of funding for the property;
- Who holds title;
- Acquisition date and cost of the property;
- Percentage of federal participation in the project costs for the federal award under which the property was acquired;
- Location, use and condition of the property; and
- Any ultimate disposition data including the date of disposal and sale price of the property.

In the event the property is sold, lost or stolen, or cannot be repaired the item will be deducted from the master inventory list. The date of the change will be listed along with the sale price if the item is sold.

Physical Inventory

A physical inventory of the property must be taken and the results reconciled with the property records at least yearly.

Each staff member will inventory property items in their room at the end of each school year. The inventory sheet is signed by the staff member taking the inventory as verification and is reviewed by the Business Manager and/or Asst. Superintendent and kept in the vault. Computer and technology equipment is inventoried recorded in an Excel spreadsheet maintained by the Tech Director. Electronic equipment such as iPads are engraved/tagged with "Property of Clark County 161".

Any discrepancy between physical inventory and the master inventory sheet will be researched by the Business Manager and/or Asst. Superintendent and noted on the master inventory.

Maintenance

In accordance with 2 C.F.R. § 313(d)(4), the District maintains adequate maintenance procedures to ensure that property is kept in good condition. If an item needs repair the Business Manager and/or Asst. Superintendent will be notified and proper repair procedures will be determined, either in District or by sending the item to a qualified repair facility.

Lost or Stolen Items

The District maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property.

Use of Equipment

Equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the federal award, and the District will not encumber the property without prior approval of the federal awarding agency and the pass-through entity. During the time equipment is used on the project or program for which it was acquired, the equipment will also be made available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the federal awarding agency that financed the equipment. Second preference is given to programs or projects under federal awards from other federal awarding agencies. Use for non-federally funded programs or projects is also permissible.

When no longer needed for the original program or project, the equipment may be used in other activities supported by the federal awarding agency, in the following order of priority: (1) activities under a federal award from the federal awarding agency which funded the original program or project; then (2) activities under federal awards from other federal awarding agencies.

In the event that the District no longer needs real or personal or real property, it will follow the rules, policies and procedures as required by Idaho Code §33-601(4)(b).

Disposal of Equipment

When it is determined that original or replacement equipment acquired under a federal award is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the District Superintendent or Business manager and/or Director of Finance will contact the awarding agency (or pass-through for a state-administered grant) for disposition instructions.

Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of $5,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency. If the item has a current FMV of more than $5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.
If acquiring replacement equipment, the District may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.
The District will use whatever means available to ensure the highest possible return on any items sold.

Written Compensation Policies (Time and Effort)

Time and Effort

Time and Effort Standards

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. This includes an employee whose salary is paid with state or local funds but is used to meet a required "match" in a federal program. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.
The district's records will accurately reflect the work performed. These records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
- Encompass both federally assisted and all other activities compensated by the District on an integrated basis;
- Comply with the established accounting policies and practices of the District; and,
- Support the distribution of the employee's salary or wages among specific activities or costs objectives.

Time and Effort procedures:

Federal programs staff work in multiple programs and are paid from multiple federal awards. The initial budget for program personnel is determined according the relative percentage of the total of allocations of programs in which the staff member works. Each pay period, the staff member's salary and benefits are calculated and paid according to those initial budget percentages.
At a minimum quarterly, the staff member will submit a certification of actual hours worked in each federal program during that quarter. The certification will be signed by the employee and by the Business manager and/or Asst. Superintendent or other District staff with after-the-fact knowledge of the employee's activities.

The Business Manager and/or Asst. Superintendent will reconcile the certification of actual work performed to budgeted amounts and will make corresponding journal entries that reflect actual hours worked in and allowable activities of each federal program.

Multiple Cost Objective Time and Effort Certification example:

Time and Effort Documentation

Employee: _____

Position: _____

Reporting Period: _____

Cost Objective (Program Activity)	Fund Code or Program Function Code	Program	Distribution of Time (Percentage of Hours)

I hereby certify this report is an accurate representation of the total activity expended during the period indicated.

Employee Signature: _____

Date: _____

Reviewed by Supervisor: _____

Date: _____

If an employee works exclusively in a single federal program, that employee will, at least semi-annually complete a Federal Funds Semi-Annual Certification Form. The form must be completed at least twice each year and signed by the employee and staff member with after-the-fact knowledge of the employees activities.

Federal Funds Semi-Annual Certification Form example:

Clark County School District 161

Semi-Annual Blanket Certification

This is to certify that the following individuals have worked 100% of their time on the (Circle one program)
Schoolwide Plan - Target Assistance - Title !!A - IDEA Part B - 21st CCLC - Other:_____
program activity.
(Select only one programic activity.)
For the months of _____ 1, 20____ to _____ 3__, 20___

Position	Printed Name	Signature

Supervisors Printed Name	Supervisor's Signature	Date Signed

Form may be signed by each employee OR the supervisory official with first-hand knowledge of the work performed by each emplpoyee.
Time Distribution Records must be maintained for all employees whos salaries are paid in whole or in part with Federal Funds, 200-430(i)(1). The type of documentation depends on how many "cost objectives" the employees worked on. Cost objectives must be connected tothe employee's salary source.

Current Semi-Annual Certification Requirements
If a employee works on a single cost objective:
a. Semi-Annual Certification form must be completed
b. Semi-Annual Certification must be completed after the work has been performed.
c. Semi-Annual Certification must account for the total activity and identify the program/activity
d. Semi-Annual Certification must be sidned by the emlyee OR supervisor
e. Semi-Annual Certification must be completed every six months (at least twice a year)

Record Keeping

Record Retention

The District maintains all records that fully show: (1) the amount of funds under the grant or subgrant; (2) how the subgrantee uses those funds; (3) the total cost of each project; (4) the share of the total cost of each project provided from other sources; (5) other records to facilitate an effective audit; and (6) other records to show compliance with federal program requirements. 34 C.F.R. § 76.730-.731 and § 75.730-.731. The District also maintains records of significant project experiences and results. 34 C.F.R. § 75.732. These records and accounts must be retained and made available for programmatic or financial audit.

In accordance with State Department of Education record retention policy, the District maintains all fiscal and programmatic records for a minimum of five years and one additional audit.

The District will destroy paper records by shredding only. In the event of the disposition of computers or electronic equipment that may contain confidential student or personnel records, the District will ensure that hard drives are appropriately “wiped” clean of information prior to disposition.

The District retains records based on the schedule provided by the State of Idaho. http://history.idaho.gov/idaho-records-center-retention-schedules

Collection and Transmission of Records

The District maintains electronic records in the 2M Data Software accounting system, and paper records are maintained in the District office under the supervision of the Business Manager and/or Asst. Superintendent Electronic and/or paper records are provided to awarding agencies to meet reporting requirements and to auditors and monitors, as appropriate and required. Records that are kept electronically may be transmitted electronically as allowed by 2 CFR 200.335.

Access to Records

The District provides the awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives the right of access to any documents, papers, or other records of the District which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the District's personnel for the purpose of interview and discussion related to such documents.

Privacy

Access to both the2M Data Accounting Software, personnel files, the Student Management System, confidential student files, Special Education IEP files are password protected in the case of electronically maintained records and kept in locked filing cabinets in the case of paper records. These records are maintained under the supervision of the Superintendent and the Business Manager and/or Asst. Superintendent with exclusive access to paper files and passwords for electronic systems. Employees are trained in the requirements of the Family Educational Rights and Privacy Act (FERPA). If a request for confidential information is received from a source not having clear authority under FERPA or other statute, the District will consult appropriate legal counsel prior to providing records.

Legal Authorities and Helpful Resources

The following documents contain relevant grants management requirements. Staff should be familiar with these materials and consult them when making decisions related to the federal grant.

- Education Department General Administrative Regulations (EDGAR)
  - http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html
- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 200)
  - http://www.ecfr.gov/cgi-bin/text-idx?SID=ccccf77e01c9e6d4b3a377815f411704&node=pt2.1.200&rgn=div5
- USDE's Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 3474)
  - http://www.ecfr.gov/cgi-bin/text-idx?SID=ccccf77e01c9e6d4b3a377815f411704&tpl=/ecfrbrowse/Title02/2cfr3474_main_02.tpl
- Federal program statutes, regulations, and guidance
  - http://www.ed.gov/
- Family Education Rights and Privacy Act regulations
  - http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=34:1.1.1.1.33