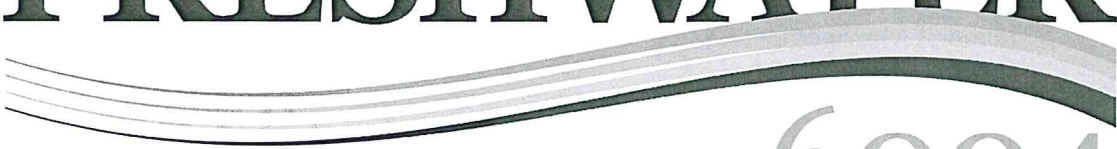


FRESHWATER



Education District 6004

Fiscal Procedures Manual

Reflects Adoption UGG Policy 721

Revision Dates

February 2024

April 2022

December 2020

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II. Freshwater Education District Positions and Employees

Superintendent – Eric Weber

Special Education (SPED) Director – Jamie Wothe

Business Manager – Jordan Anderson

Special Education (SPED) Finance Specialist – Dawn Wegscheid

Payroll Clerk – Jesse Ashbaugh

Administrative Assistant – Sharon Thiel

Accounts Payable (A/P) and Accounts Receivable (A/R) Clerk – Stacy DeMars

IEP Billing Specialist – Jenna Story

III. Preface

It is the intention of the Freshwater Education District and its member districts to comply with all federal, state, and local fiscal laws. It is also the intention of the Freshwater Education District and its member districts to ensure that all education expenses education expenditures are necessary, reasonable, and allowable. The procedures and practices used to accomplish these tasks are outlined in this manual. It is the goal of the management of the Education District and its member districts to ensure these practices and procedures are followed.

IV. Code of Conduct

Each staff member, through words and actions, will conduct oneself in the following manner:

1. Comply with all policies and procedures pertinent to one's job duties, and all state/federal laws, rules, and regulations.
2. Professionally carry out one's employment duties and responsibilities.
3. Cooperate fully with internal and external auditors in all areas of their examinations;
4. Report suspected code of conduct and ethics violations, significant internal control weaknesses, evidence of theft, embezzlement, unlawful use of public funds or property or other irregularities/wrongdoings to the District's Superintendent or Director of Special Education.

In order to assure accountability, Freshwater Education District, and each of its staff members will account for all activities, accept responsibility for those activities, and disclose information/results in a transparent manner.

All new staff members will certify knowledge of, and agreement to abide by the code of conduct within 60 days of initial contracted employment and once annually thereafter. By signing the code of conduct, the employee acknowledges that they will follow this code of conduct and are aware if they do not abide by this code of conduct, disciplinary action may take place as outlined in District Policy 403 – Discipline, Suspension and Dismissal of E.D. Employees.

V. Financial Management System and Internal Controls

The Superintendent and Business Manager of the Freshwater Education District are responsible for preparing a budget. The Director of Special Education and other designated program representatives will assist in this process. Quarterly and year-end financial reports are provided to the Superintendent by the Business Manager. Individual budgets by federal award are also submitted by finance codes to MDE for approval via the MN Special Education Data Reporting System (SEDRA) and Minnesota Education Grants System (MEGS).

District wide actual and revised budgets are board approved. The assessment manual is generated based on the board approved budgets and annual menu option selections of each district. The assessment manual is provided to each district.

VI. Cash Management

Requests of federal funds made by the Education District to the Minnesota Department of Education using the SERVS financial system are made after the District obligation has been met. Funds are requested on SERVS after the expenses are recognized and the SERVS draws are supported by reports from the financial accounting system. Requests for payments will be made on a monthly basis by the Business Manager and approved by the Superintendent.

VII. Cash Receipts

The Administrative Assistant or AP/AR Clerk will record all receipts on a deposit slip. Each receipt is recorded on a receipt slip and matched with any corresponding invoices and supporting documentation. The Administrative Assistant or AP/AR clerk will run the deposits to the bank once or twice per week or as needed. All wire receipts are recorded on a receipt slip by the Business Manager and matched with corresponding invoices and/or supporting documentation. The Business Manager records receipts in SMART. At the end of the month the bank accounts are reconciled in a timely manner (within 30 days of month end) and reviewed by the Superintendent.

VIII. Conflict of Interest

(UGGC CFR 200.318)

No Freshwater Education District employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or 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 here in, has a financial or other interest in or tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to sub contracts. Violation of the above standard for a conflict of interest will result in a letter of deficiency and reprimand for the employee, officer, or agent of Freshwater Education District. Communication of violations to MDE will be reported as required. Employees will be notified through the Freshwater Employee handbook.

IX. Financial Record Retention

(UGGC CFR §200.333-337)

All records are maintained following the MN Records Retention Schedule.

X. Payroll Processing

Certified Staff

Classified and licensed employees are paid twice per month; once on the 15th (previous business day if the 15th falls on a holiday or weekend) and once on the last business day of the month. Employees can be paid via direct deposit or paper check. All Employees fall under a bargaining agreement or individual contract, which details rate of pay. The Payroll Clerk is responsible for updating the pay scales in SMART Systems (Region 3). Salary and benefit notices are reviewed and are used for budget and payroll set-up purposes. These notices are provided to employees for informational purposes.

All new hires are approved by the board, and the employee must have a valid teaching/professional license. Once these contingencies are met, new hire paperwork is given to Payroll Clerk to import into SMART Systems. In order to ensure that information is being entered correctly, the Payroll Clerk compares the salary and benefit notice to the “paycheck calculate” report in SMART Systems and reviews any differences.

Staff enter their work hours into the Time Tracker system each week. They also enter leave requests in this system. The hours are entered to verify the contract hours/days and schedule for salaried pay and benefits. Supervisors approve leave requests and payroll hours. Any discrepancies are verified to the correct hours and then adjusted by the designated department administrative assistant or the payroll clerk. Once all payroll is approved and verified, the payroll process is completed.

Non-Certified Staff

Hourly employees clock in on a computerized time clock system (Time Tracker). Employees’ time is approved by their supervisor. Before the Payroll Clerk imports the Time Tracker data, the Payroll Clerk will review all employees’ time cards for supervisor approvals. The Payroll Clerk occasionally makes manual adjustments to the imported data for UFARS coding purposes or to account for overtime. After the import into SMART Systems is completed and the typical payroll steps are completed, the Payroll Clerk will calculate the payroll (but not finalize). The Payroll Clerk will send the payroll proofs to all department heads to review. Department heads review to see that employees’ hours and coding are correct. Any adjustments noted are communicated to the Payroll Clerk and the necessary adjustments are made. After all corrections are made and supervisors have approved the proof, the Payroll Clerk will run a final calculation of the payroll. The final payroll register and payroll liability amounts are reviewed and approved by the Business Manager. **Payroll Process flowchart**

XI. Procurement

When approving materials or services, the Superintendent, Special Education Director, or designated official will verify the following requirements:

- The purchase is necessary for the provision of services
- There is no conflict of interest in selecting the vendor

If a Freshwater employee authorized to approve purchases is related to the vendor submitting for payment, then that employee must notify their direct supervisor so that another designated representative will be provided to approve purchase.

The Accounts Payable Clerk will verify any new vendor or vendor that has remained dormant for two or more years has not been debarred/suspended from being awarded with federal dollars. The link to the System for Award Management (SAM) is <https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf>

- There is no soliciting or acceptance of gratuities, favors, or anything of monetary value from contractors or subcontractors
- All procurement transactions provide full and open competition to the maximum extent practicable. Is this an opportunity to use a minority business listed on the state's directory of Targeted Groups, Economically Disadvantaged, and Veteran Owned vendors (<http://www.mmd.admin.state.mn.us/process/search/>)
- The Business Office employees will review and share the most up to date Minority Directory twice per fiscal year. For purchases in excess of \$10,000, the Freshwater Education District will review options on the Minority Directory and obtain quotes as available.
- Opportunities to use an intergovernmental agreement or cooperative purchasing entity for purchases will be explored.

When verifying items for purchase the following criteria will be used:

- Is it necessary/allowable/eligible.
- Questions to ask if for special education are:
 - In the absence of special education needs, would this cost exist? Is this cost also generated by students without disabilities?
 - If the cost is child specific, is the service documented in the student's IEP?
 - Is this cost reasonable and necessary?
- Items to be noted on PO would include reason for use in special education and/or student initials with most current IEP date and a description of the need. (i.e. building blocks for motor skills for "student initials" on IEP dated ??/??/?? or used for student reinforcements in classroom)

Purchases of \$100 or less may be made by staff with written pre-approval of his or her supervisor. Documentation shall be provided through the expense reimbursement process.

Purchasing Supplies and Equipment flowchart

XII. Purchasing Procedures for Expenditures

Staff shall submit a description and estimated cost of the requested purchase via SMART Finance Requisition or Freshwater Education District's Purchase Requisition form. Upon receipt of signed requisition from the Superintendent or designated program representative, the Accounts Payable Clerk will generate a purchase order with the amount, vendor, and payment type. Purchase order coding shall be approved by the Sped Finance Manager or Business Manager. Upon receipt of an approved PO, the requesting staff may make the purchase. Invoices, packing slips, signed requisitions, and any other supporting documents shall be attached to the purchase order and submitted to the Accounts Payable Clerk for

payment processing. For services or items to be paid via direct pay, the department supervisor shall verify services and/or items purchased and approve payment by signing the supporting documentation.

Purchasing with a Procurement Card (P Card) can be used for purchases in store, online or otherwise, after confirming that tax will not be charged. As soon as possible, submit receipts and backup to the designated department representative. If the purchase is a purchase order, once the receipts and backup are received, the approval for the purchase order will be made and paperwork turned into the Accounts Payable Clerk.

Purchasing Thresholds

The Freshwater Education District follows the requirements of the Minnesota State Statutes for the following:

- A. Micro-purchases under \$10,000: The document submitted for purchasing will be completed by the individual requesting funds and will include all necessary purchasing information and the reason why the purchase is needed. This will be completed through an open market.
- B. Small purchases of \$10,000 – \$35,000: It is good business practice to find the lowest price when purchasing capital items. These purchases are an open market with 2 quotations.
- C. Purchases of \$35,000 to \$175,000 (2CFR §200.317 – §200.326) will require 3 quotations. It is good business practice to find the lowest price when purchasing capital items. The quote will be awarded to the lowest responsible, qualified vendor taking into consideration the quality of the product and the ability to perform given the needs of the district. Sole Source requirements are followed.
- D. Purchases exceeding \$175,000 shall be with sealed bids, public notice and Governing Board approval. Notice is to include an explanation of services being sought, criteria for selection, and the application and selection process. Minnesota State Statutes regarding Competition, Contract Administration, Quotes, Sealed Bids, and Sole Source requirements are followed.

RFP Instructions flowchart

- E. For Property/Casualty Insurance and Workers Compensation bids, the Freshwater Education District shall follow the above requirements based on Minnesota State Statutes for purchase thresholds. The Freshwater Education District shall grant the incumbent agent no more than three initial insurance carrier selections that shall be restricted to the incumbent agent. All other carriers are available to the participating agents at the time of the release of the request for proposal. The Freshwater Education District may deny the incumbent agent the right to any restricted carrier selections at its discretion.

Procedure for Purchasing Equipment with Federal Funds

Staff will complete a purchase requisition with specified reason for need. This will be submitted to the Superintendent, Special Ed Director or designated program representative. Once an equipment purchase has been approved an order will be placed using either a purchase order or a PCARD. Once the equipment arrives in the school district an inventory number is assigned to the equipment and tagged with a Freshwater Education District inventory tag if it meets the criteria listed previously. An inventory record is kept by year with all information required. Purchases needing prior approval from the Minnesota

Department of Education include Construction, Equipment (single item \$5,000 and above) and Vehicles.

Receipt of Materials

1. When orders are received, they will be checked in by someone other than the requisitioning employee or the person that placed the order. This is done by verifying that the purchase order matches what was actually ordered and received. If there is a packing slip included with the order, it will be attached.
2. Purchase orders should be signed and dated by the individual verifying the receipt of merchandise and given to the person processing the purchase order. This person then attaches the PO with the invoice and submits to the business office for payment.
3. If the purchase meets the equipment category, it will be tagged and inventoried (see inventory section) and then directed to the person it was requested from.
4. If the purchase is a supply it will be directed to the person it was requested from.

XIII. Fixed Assets and Inventory Management

IDEA 34 80.20(b)(3)

IDEA 34 CFR 80.32 (d) 1

UGG 2 CFR §200.313(d)(1)

The Freshwater Education District will keep a listing of fixed assets purchased with any local, state, or federal funds. “Fixed Asset” is defined tangible piece of property, plant, or equipment that has a useful life greater than one year and an acquisition cost greater than or equal to \$5,000. Fixed assets shall be tracked in SMART Finance and recorded in the financial statements as required by Generally Accepted Accounting Principles (GAAP).

The Freshwater Education District will keep an internal listing of inventory items purchased. “Inventory Items” are defined as tangible items that have a useful life of at least one year and an acquisition cost greater than or equal to \$100. Items that do not meet these requirements may be tracked as Inventory Items as deemed necessary. Inventory Items shall exclude consumable supplies. Inventory Items shall be tracked in a file accessible to the Accounts Payable Clerk, SPED Program Assistant, and the Business Manager.

All items not meeting the definition of a Fixed Asset or Inventory Item shall be considered “Supplies.” Supplies shall not be inventoried; however, each employee shall be responsible to effectively control and account for all supplies trusted to their care. Each employee shall properly safeguard supplies and ensure they are used solely for authorized purposes.

Inventory Records

UGG 2 CFR §200.313(d)(1)

Property records must be maintained that include the inventory tag number, a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and the cost of the property, percentage of federal participation in the cost of the property, the location (including staff name, building and room), use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property. The Freshwater Education District inventory form will be used to aide in this process. (See Appendix for Fixed Asset Information Sheet)

Inventory Reconciliation
UGG 2 CFR §200.313(d)(2)

A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

Inventory Records Retention

UGG 2 CFR §200.333(c)

Records for real property and equipment acquired with federal funds shall be retained for three years after final disposition. **Inventory Process flowchart**

Procedures for Disposition of Fixed Assets in Excess of \$5,000

1. The LEA shall establish a Uniform Finance Accounting and Reporting Standards (UFARS) unique Course Code for the purpose of tracking the receipt(s) and expenditures of the sale of a piece of equipment that was federally funded.
2. The LEA will notify the Division of School Finance in writing of the equipment sale. The notice shall include a description of the equipment, the date of sale, the proceeds of the sale, and the unique Course Code established by the LEA that will designate the use of these funds.
3. The LEA shall receipt the funds from the sale of the equipment with the appropriate UFARS Source Code and established Course Code.
4. The LEA may use a general journal entry to transfer \$500 or ten percent of the proceeds, whichever is less, for the LEA's selling and handling expenses.
5. The remaining funds from the sale of the equipment shall be used only for the purpose of the delivery of federally funded program and related services and shall be accounted for using the UFARS Program Code 400, Course code established with the appropriate expenditure UFARS Object Code. For example, special education instruction supplies would be coded: 21-XXX-400-000-433-YYY where YYY=unique UFARS Course Code.
6. The LEA has to expend the funds from the sale of the equipment in the current fiscal year.
7. The LEA needs to be aware that these expenditures shall not be included in the calculation of the Maintenance of Effort requirement of the Individuals with Disabilities Education Act (IDEA).
8. The LEA must submit an "Activity Report" to the Division of School Finance at the end of the fiscal year to document expenditures.
9. If an item in excess of \$5000.00 becomes lost, damaged, or stolen, the employee should notify their supervisor immediately. They also fill out a fixed asset inventory form explaining the loss, damage, or theft. The business manager or designated representative will be responsible for submitting any claims to the insurance company upon direction from the superintendent. These items will be listed on the disposal list of Freshwater Education District.

Procedures for Disposition of Fixed Assets with a Value of less than \$5,000

UGG 2 CFR §200.313(e)(1)

If current pre-unit fair market value is less than \$5,000, the equipment may be retained, sold or otherwise disposed of with no further obligation.

A record of the date, reason, and method of disposal or sale must be maintained with the equipment inventory.

Staff Travel

Refer to Freshwater Education District Policy #412 for Authorization and Reimbursement policies.

Mileage and expense forms must be turned in monthly to claim appropriate expenses. Employee's shall submit the prior month's claims by the first Friday of the month. Assigned Personnel shall approve mileage by the second Friday of the month. Approved mileage and expense reimbursements shall be paid on the second payroll of the month. Employee expense claims submitted for reimbursement more than 60 days after the expense is incurred may be taxable and appropriate withholdings will be made. Claims older than 60 days require written approval of the Superintendent or Special Education Director as attached documentation. The Freshwater Education District has the right to deny mileage/expense claims that are older than 120 calendar days as well as any claims submitted later than 10 days into the new fiscal year.

Mileage Calculation for Reimbursement

Staff are annually assigned a home-base school/location. All mileage is based from that location to the destination and back or your starting/ending location whichever is the lesser."

Beyond Freshwater:

Business travel reimbursement for mileage to and from events/meetings outside of the Freshwater membership area will be paid, upon Supervisor review and approval, with the current mileage reimbursement rate being paid per mile for the lesser of the distance from the employees' home or "Assigned Office" work site.

Within Freshwater from Assigned Office:

Business travel reimbursement is based from that assigned office location to the destination and back.

Within Freshwater from Home:

Business travel reimbursement will occur between Freshwater sites following the first stop of the day. The first stop is deemed a personal commute. Mileage will be allowed if the second and additional stops of the day are to Freshwater sites for business purposes. In cases where an employee's "first stop" causes mileage beyond their normal morning commute to their assigned office, the excess mileage may be claimed.

When Working Remotely:

Employees designated home base for mileage remains the same as when working on site. Employees do not receive mileage from their remote site to their home base.

When a staff member determines that it would be beneficial to attend a conference or workshop, the staff member completes a Staff Development Request form and submits it to the Supervisor. The request includes justification for the travel and an estimate of costs associated with the travel. The Supervisor either approves or denies the request. If the request is approved, the employee will be notified of the approval and registration completion. Upon return, itemized receipts for travel expenses will be submitted as part of the employee's monthly mileage reimbursement request. The Freshwater Education District follows meal limits outlined in the employee handbook for breakfast, lunch, and dinner. Same day meals do not qualify for reimbursement. If travel is occasioned with one or more overnight stays away from home, the employee may claim not more than one evening meal, either the day of travel before the stay (if afternoon travel is required), or the evening meal on the return home following the meeting, if the meeting ends after normal business hours. Qualified meal reimbursement requires an attached document substantiating the business purpose. An individual, itemized receipt indicating the amount, date, food establishment, and method of payment, will also be required. **Claiming Mileage and Expenses flowchart**

Time and Effort Reporting

Time and effort reporting will be completed for all employees of the District. Upon completion, the Certifications and PARs reports will be kept by each department for semi-annual comparison.

For employees funded through a single cost objective, a semi-annual certification stating that the employee worked solely on activities related to a single cost objective will be kept. This certification will be signed by the supervisor after-the-fact.

The Special Education Services and its member districts will use a system with two or more objectives. The system is for those staff with 2 or more objectives but have a consistent set schedule of when they work in the different programs. For employees paid through multiple cost objectives, a monthly time report consisting of a two-week period or Personnel Activity Report (PAR) will be kept. The report will be prepared and signed by the employee after-the-fact, reflecting actual work performed.

Due to the unique settings of Alternative Learning Centers (ALCs), the ALC special education staff may record their service time with students each hour. This may be recorded in increments of 5 minutes or more. These minutes when totaled, will match the service time required on the students' IEPs. This documentation will be used to verify the percentages of staff needed and coded to special education for reimbursement. Time spent on all other special education duties such as assessment and IEP meetings can also be used for justification. This system has been approved as a documentation method by the MDE special education finance division.

All Freshwater Education District special education staff will complete a weekly or monthly schedule and submit at the beginning of the year of which copies will be kept by the Special Education Director and the Special Education Finance Manager.

Time and Effort flowchart

XIV. Periodic Certification/PARs Report

At the beginning of each fiscal year the Special Education Finance Manager will prepare an estimated budget based on the previous year of expenditure report that includes the staff allocation amounts and disability coding. This information will be entered into SEDRA.

No later than the start of the school year, the Special Education Finance Manager will review employee assignment/work schedules and payroll records to determine which special education employees are working in single or multiple activities or cost objectives. This information will be used to establish reasonable budget estimates. A SEDRA staff breakdown of identified employees and the appropriate designation will be provided to each district's bookkeeper. Anytime a staff person is hired midyear, the Special Education Finance Manager will be notified to determine if working in a single or multiple activities or cost objective.

New employees identified as working under multiple activities or cost objectives will be trained by the Special Education Finance Manager or designated sub-grantee to accurately complete Personnel Activity Reports (PARs) or the system of Time and Effort Report (SSR).

All full time special education staff working under a single cost objective will be reported on a Semi-Annual Certification Report each December and May. A copy of their schedule will be requested and maintained. After review for accuracy the Director will approve with signature. The reports will be kept on file in the Special Education Finance Managers office. Employees who work in multiple cost objectives but have a clearly set schedule will complete Time & Effort documentation. This includes providing the schedule and signing the appropriate form.

Employees who work multiple activities or cost objectives without a set schedule will complete a monthly PARs report consisting of a two-week period. The Special Education Finance Manager will then review that the PARs reports are accurate based on their current teacher schedule or work assignment when compared to the corresponding activity log. These staff will keep a daily log of all activities performed under each cost objective. Each identified employee will sign and complete the report. These reports will be turned in to the Director who will review the report, sign and send to the Special Education Finance Manager.

Should the Director determine that variances from the original schedule have happened; the supervisor will first confirm with the employee that a change in activities has occurred. Once confirmed adjustments will be made to the percentage attested to on the monthly PARs report, and the Special Education Finance Manager will be notified to adjust the budget if necessary.

On a semi-annual basis, the Special Education Finance Manager will review the PARs reports to compare the actual costs to the budget distribution for all employees and make necessary adjustments on SEDRA and UFARS for all federal employees if the actual costs are greater than 5%. If the difference between budgeted and actual costs is less than 5%, the adjustments will be made annually.

XV. Adjustments/Journal Entries

Adjustments will be processed through AR, AP, and SHR entries when possible. The Business Manager or assigned employee may post manual journal entries as needed. The Superintendent shall review and approve all manual journal entries posted.

XVI. Third Party Billing

Introduction

On behalf of its member districts, Freshwater shall seek reimbursement from third parties for the cost of services provided by district or Freshwater staff whenever the services provided are otherwise covered by the child's health coverage.

Regulatory Citations:

This will be done in accordance with Minn. Stat. Sec. 125A.21, Subd.2.

Responsibility:

The Director of Special Education is responsible for the oversight of the third party reimbursement procedures. The Freshwater Education District IEP Billing Specialist is responsible for billing for IEP health-related services and retaining the required documents as designated in the procedure.

Other responsibilities are explained in detail in the "IEP Billing procedures."

Background:

Freshwater Education District follows the most current policies issued by MHCP in its "IEP Provider Manual". This manual identifies eligible services, establishes licensing and other requirements for health providers, outlines training and supervision requirements, and details necessary documentation and billing procedures. Our district complies with all aspects of the manual as written, including its stipulations for coverage of telemedicine.

Covered Services:

- Assistive Technology Devices
- Oral Language & Sign Language Interpreter Services
- Mental Health Services
- Nursing Services
- Occupational Therapy or Physical Therapy
- Speech/Language Pathology and Audiology
- Personal Care Assistants
- Special Transportation

Consents:

For students with disabilities in Part B and C, parents agree to allow the district to seek payment from their insurer and the parents complete the Consent to Share Data and Seek Payment for Individualized IFSP/IEP Health-Related Services. This written consent is done initially and is kept on file at the Freshwater Education District office. Annual notice is provided via procedural safeguards.

Private Insurers:

Private insurers do not cover the following services:

- IEP Personal Care Assistance
- IEP Special Transportation
- All other IEP health-related services could be covered by private insurance.

Billing Procedures:

All MHCP claims will be submitted on a regular basis, but no later than 12 months from the date of the service.

Use of Funds:

Freshwater Education District and its member districts will use third-party revenue to:

- Pay for the cost of obtaining the revenue;
- Secure or provide training and technical assistance to obtain third-party revenue or increase the amount of their third-party revenue; and/or
- For purchases or costs that benefit students with special needs.

The revenue received from third-party sources will be tracked through the Uniform Financial Accounting and Reporting Standards (UFARS).

- UFARS Finance Code 372: Used to report expenditure using third-party revenue.
- UFARS Source Code 071: Used to report revenue received from MHCP (MA and MNCare).

XVII. Sub recipient Monitoring

Freshwater provides funds as a pass-through entity for eligible federal/state expenses to their member districts. Freshwater provides oversight of risk of non-compliance through the following procedures:

The Freshwater Special Education Finance Manager is the person who will enter the expenditures into the SEDRA system which will require verification of use of funds. Any questions will be reviewed by the Special Education Finance Manager and the Special Education Director.

The Special Education Director, Business Manager, and Special Education Finance Manger shall review the annual audit reports of all entities receiving pass-through federal funds. The audit reports of the pass-through entities shall be reviewed for audit opinions, single audit requirements, compliance findings, internal control deficiencies, verification of funds, and any other information relating to the funds passed through. Any concerns or missed requirements shall be communicated to the pass-through entities' Superintendent and Business Manager.

Pass-through entities shall provide detailed information including expense reports on the use of the pass-through funding. The Freshwater Education District shall not pass through funds without proper supporting documentation. Supporting documentation shall be reviewed and approved by the Special Education Finance Manager for payment.

XVIII. Proportionate Share for Parentally Placed Students Enrolled in Private Schools

The Freshwater Education District will control and administer federal special education funds used to provide equitable participation services to parentally-placed private school children with disabilities.

A timely and meaningful consultation will occur in August-September with representatives of private schools located in the member districts that will include discussion of the child find process, the calculation of proportionate amount, and how the services will be provided.

The member district will maintain control over the property and program decisions and the Freshwater Education District will maintain control over the funds. The Education District will ensure that proportionate share funds are used to meet the special education and related services needs of eligible students with disabilities and are not used for the general needs of the private school. The Education District will track the required expenditures by fiscal year. Any unused funds at the end of the fiscal year will be spent during the following one-year carryover period.

A report will be run once a year by the designated staff person to verify the nonpublic school students receiving special education services. This is given to the Special Education Finance Manager. Upon receipt of the report the Special Education Finance Manager will:

- Verify that a Time and Effort is completed
- The business office of the staff's employing district will maintain the record
- Track expenditures by Fiscal Year to demonstrate how the LEA spent the proportionate share of Federal Flow Through funds on providing special education and related services to parentally-placed private school children with disabilities.
- Special Education Finance Manager will contact member district Business Managers to relay coding of expenditures for any non-public special education students.
- The member district will maintain documentation of supplies and equipment purchased for the shared-time student.

XIX. Transporting Students with Disabilities

Regulatory Citations:

- A. IDEA 34 CFR §300.34 (a) and (c)(16)
- B. IDEA 34 CFR §300.202(a) – Use of Amounts
- C. EDGAR 34 CFR §80.20 (a)(6) – Standard for Financial Management Systems

Freshwater Education District transports students that are served in the Leaf River/White Pine Academies. Freshwater member districts transport students that are served in the Elm Tree Academy. The administration and team will determine if Freshwater will transport additional students needing this service.

(Transportation for a child receiving special education is a “related service” when because of the disability, the student requires special transportation in order to benefit from his/her specialized instruction.) When an Individualized Education Program (IEP) team determines that transportation is a related service for a student, it is written in the IEP.

Communication Process:

Upon approval for transportation from the authorized representative/IEP team approves special transportation. The case manager notifies the transportation director who ensures that transportation begins. The authorized representative or case manager will communicate with the building MARSS person regarding transportation who makes the necessary changes in the student management system to ensure proper reimbursement. This is also communicated to the

Freshwater will bill districts for transportation provided. Billing is based on days students being transported, length of route and specific addresses of pick up and drop off. Billing is completed from transportation logs provided by the drivers. The Special Education Finance Manager ensures that billing is done in a timely manner.

XX. Coordinated Early Intervening Services (CEIS)

Voluntary CEIS

April

The Freshwater Education District will contact districts and ask if they will be choosing to use Part B Federal Flow through Funds to implement Coordinated Early Intervening Services (CEIS). The Freshwater Education District will include that information in the annual Federal application and submit it to MDE by June 1.

The “Request for Coordinated Early Intervening Services (CEIS)” form will be completed by the LEA and returned to Freshwater Education District by May 15. Freshwater Education District will submit the CEIS form to MDE for Approval.

Freshwater Education District will enter the LEA’s application into MEGS for CEIS. The Freshwater Education District Special Education Finance Manager will assist districts in this process.

September – June

If CEIS funds are used for a staff person, the appropriate time and effort form will be completed.

The LEA will identify all students receiving CEIS services and enter them as a Special Education Evaluation Status 8 on MARSS.

June

The LEA will complete the “Coordinated Early Intervening Services (CEIS) Student Tracking Form.” This form identifies the students who received CEIS services during the school year that later were found eligible for special education services. This form is submitted to the Freshwater Special Education Finance Manager who will submit to MDE.

The deadline to submit this form is in mid-October. This data will be maintained in the LEA for audit and monitoring purposes and will be provided upon request.

Mandatory CEIS

Jan-Feb

MDE notifies Freshwater Education District if the district or any member district is disproportionate on any indicator. If any district is disproportionate in a third year consecutively, Freshwater will need to do mandatory CEIS programming. This also requires the use of 15% of its federal dollars for the entire education district for the CEIS program.

March-May

Freshwater will plan its programming for CEIS for the upcoming year. Freshwater will enter its application for CEIS into the MEGS system prior to the June 30 deadline.

September-June

If CEIS funds are used for a staff person, the appropriate time and effort form will be completed.

The LEA will identify all students receiving CEIS services and enter them as a Special Education Evaluation Status 8 on MARSS. Students with an IEP that are served in mandatory CEIS will be entered on the separate MDE spreadsheet.

June

The LEA will complete the “Coordinated Early Intervening Services (CEIS) Student Tracking Form.” This form identifies the students who received CEIS services during the school year that later were found eligible for special education services. This form is submitted to the Freshwater Special Education Finance Manager who will submit to MDE. The deadline to submit this form is by mid-October. This data will be maintained in the LEA for audit and monitoring purposes and will be provided upon request.

Coordinated Early Intervention Services flowchart

XXI. APPENDIX

PCARD procedure

Freshwater Education District Fixed Asset Information Sheet

Daily Personnel Activity Report (PARs Form)

Time and Effort Substitute form

Semi-Annual Certification form

Memo to Administration RE: Consultation with Private Schools

FRESHWATER

Education District 6004

Semi-Annual Certification Form

School Year 20XX-20XX

School/District Office: Freshwater Education District

Cost Objective: Providing SPED related services to students with IEP's

This completed form certifies that the following individuals have worked 100% of compensated time from 7/1/20XX to 12/31/20XX within a single cost objective.

Employee Name	Position

I have first-hand knowledge of the daily work activities performed by the above employees.

Supervisor Name, Supervisor Title

Signature: _____

Date: _____

Semi-Annual Certification Form

School Year 20XX-20XX

School/District Office: Freshwater Education District

Cost Objective: Providing SPED related services to students with IEP's

This completed form certifies that the following individuals have worked 100% of compensated time from 7/1/20XX to 12/31/20XX within a single cost objective.

Employee Name	Position
----------------------	-----------------

I have first-hand knowledge of the daily work activities performed by the above employees.

Supervisor Name, Supervisor Title

Signature: _____

Date: _____

Time & Effort Certification - Employees with Fixed Schedule

Certification Period: July – December, 20XX

School District _____

Employee: _____

Program or Cost Objective	
Food Service	20.00%
Transportation	10.00%
State or Local - Special Ed	70.00%
General Ed	
Total	100%

I certify that I performed work consistent with the attached schedule and as distributed in the above percentages during the Certification Period.

Employee Signature

Date

Employee: _____

Program or Cost Objective	
Food Service	
Transportation	
State or Local - Special Ed	
General Ed	
Total	0%

I certify that I performed work consistent with the attached schedule and as distributed in the above percentages during the Certification Period.

Employee Signature

Date

Employee: _____

Program or Cost Objective	
Food Service	
Transportation	
State or Local - Special Ed	
General Ed	
Total	0%

I certify that I performed work consistent with the attached schedule and as distributed in the above percentages during the Certification Period.

Employee Signature

Date

I certify that I have firsthand knowledge that the above employee performed work consistent with the attached schedule and as distributed in the above percentages during the Certification Period.

Supervisor Signature

Date

DAILY PERSONNEL ACTIVITY REPORT

FRESHWATER SPECIAL EDUCATION MEMBER DISTRICTS

EMPLOYEE NAME:	EMPLOYEE #
PROGRAM: Special Ed Program	
PAY PERIOD ENDING:	
FISCAL YEAR:	

DAY	HOURS WORKED BY PROGRAM					Activity Description
	LEAVE	SPED	Sped Nursing	Gen Ed students		
Monday	2/3/2022					
Tuesday	2/4/2022					
Wednesday	2/5/2022					
Thursday	2/6/2022					
Friday	2/7/2022					
Week Total						
Monday	2/10/2022					
Tuesday	2/11/2022					
Wednesday	2/12/2022					
Thursday	2/13/2022					
Friday	2/14/2022					
Week Total						

Business office use

By Signing this time sheet, I verify that the above reported hours worked and leave used are accurate for this pay period.

Employee	Date
Supervisory official having first hand knowledge of the activity performed by the employee.	Date
Responsible Official	Date

AFFIRMATION OF TIMELY AND MEANINGFUL CONSULTATIONS

I am a representative of a private school that is located within the geographic boundaries of the _____ School District. By signing below, I affirm that I have had timely and meaningful consultation with the _____ School District regarding the following topics:

- the child find process and how parentally placed private school children suspected of having a disability can participate equitably, including how parents, teachers, and private school officials will be informed of the process;
- the consultation process among the school district, private school officials, and representatives of parents of parentally placed private school children with disabilities, including how the process will operate throughout the school year to ensure parentally placed private school children with disabilities identified through child find can meaningfully participate in special education and related services;
- how, where, and by whom special education services will be provided for parentally placed private school children with disabilities, including a discussion of types of services, including direct services and alternate service delivery mechanisms; and
- how, if the school district disagrees with the views of the private school officials on the provision of services or the types of services, whether provided directly or through contract, the school district will provide private school officials a written explanation of the reasons why the school district chose not to provide services directly or through a contract.

Right to complain to the MN Dept. of Ed. (MDE) and appeal to the secretary.

A private school official shall have the right to submit a complaint to the MDE that ISD#6004 did not engage in consultation that was meaningful and timely, or did not give due to consideration to the views of the private school official. If the private school official wishes to submit a complaint, the official shall provide the basis of the noncompliance [regarding equitable participation] by ISD#6004 to the MDE, and ISD#6004 shall forward the appropriate documentation to the MDE. If the private school official is dissatisfied with the decision of the MDE, such official may submit a complaint to the secretary by providing the basis of the noncompliance [regarding equitable participation] by ISD#6004 to the secretary, and the MDE shall forward the appropriate documentation to the secretary. [612(a)(10)(A)(v)]

Name of Private School

Representative's Name (please print)

Date

Representative's Signature