

Policy Committee Agenda
January 6, 2026 – 7:00 p.m.
Room 200, T/E Administration Offices

- **Review of Minutes of the November 5, 2025 Policy Committee Meeting**
- **Public Comment on Agenda Items**
- **Review of Policies for 2nd Reading**
 - Policy and Regulation 3160: Transfer of Funds Within the Budget
 - Regulation 3170: Expenditures Within the Budget
 - Policy and Regulation 3180: Capital Projects Fund - Non-Bond Funds
 - Policy 3181: Capital Projects Fund - Bond Funds
 - Policy and Regulation 3185: Fund Balances Management
 - Policy 3231: Federal Fiscal Compliance
 - Regulation 3231: Federal Fiscal Compliance – Allowability of Costs
 - Regulation 3232: Federal Fiscal Compliance – Cash Management
 - Regulation 3233: Federal Fiscal Compliance – Procurement
 - Regulation 3234: Federal Fiscal Compliance – Subrecipient Monitoring
 - Regulation 3235: Federal Fiscal Compliance – Types of Costs, Obligations and Property Management
 - Policy and Regulation 3292: Investments
 - Policy 6130: Curriculum, Curricular Materials and Resource Materials
- **Information**
 - None
- **Follow Up from Previous Policy Committee Meetings**
 - None
- **Policies and Regulations for Review and Discussion**
 - Regulation 5311: Eligibility for Participation in School-Related Activities
 - Policy and Regulation 1340: Weapons Possession and Use (General Public)
 - Policy and Regulation 5410: Weapons Possession and Use (Students)
- **Public Comment on Non-Agenda Items**
- **Summary of Action Items from the Meeting**
- **Future Meetings**

Future Policy Committee meetings for the 2025-2026 school year are scheduled for February 3, March 3, April 7, and May 5. Unless advertised otherwise, all meetings are held at the Tredyffrin/Easttown Administration Offices, 940 West Valley Road, Suite 1700, in Room 200 at 7:00 p.m.

2025-2026 Policy Committee Goals:

1. Identify and examine critical issues facing the District from a Policy and Regulation perspective.
2. Review Policies and Regulations for alignment with the District's racial equity and cultural awareness goals, as well as potential negative and disproportionate impacts on persons of color, and to revise those Policies and Regulations as needed.
3. Review existing and develop new Policies and Regulations in response to legal requirements, administrative recommendations, Board priorities, community input, and external issues.
4. Communicate Policy and Regulation revisions to stakeholders via webpage postings, email messages, and oral reports at Board meetings.
5. Continue with a cyclical review of Board Policies and Regulations in determining if they should be revised, updated, or repealed.

Draft Pending Approval
Policy Committee Meeting Minutes
Wednesday, November 5, 2025
T/E Administrative Offices, Room 200
7:00 p.m.

Board Committee Members: Susan Audrain, Chair; Yolanda Allen, Maryann Piccioni, Rachel Weil

Other Board Members: Todd Kantorczyk, Sue Tiede, Roberta Hotinski

T/E School District Representatives: Rich Gusick, Mark Cataldi, Art McDonnell, Ken Roos

Attendees: Mimi Terman

Review of Minutes

The minutes of the October 7, 2025 meeting were reviewed and recommended for approval at the next Board meeting.

Public Comment on Agenda Items

None

Review of Policies for 2nd Reading

Policy and Regulation 4340: Electronic Communication Devices: Use by Employees

The Policy and Regulation are being revised because of the change in state law which prohibits drivers from holding or using handheld mobile devices while operating a vehicle, even when stopped. The Policy will be sent to the Board of School Directors for a second reading at their meeting on November 24, 2025. The Regulation will go into effect upon adoption of the Policy.

Information

None

Follow Up from Previous Policy Committee Meeting

Policy and Regulation 3160: Transfer of Funds Within the Budget

Regulation 3170: Expenditures Within the Budget

Policy and Regulation 3180: Capital Projects Fund - Non-Bond Funds

Policy 3181: Capital Projects Fund - Bond Funds

Policy and Regulation 3185: Fund Balances Management

Policies/Regulations #s 3160, 3170, 3180, and 3181 are recommended to be repealed/rescinded as they are being consolidated into Policy and Regulation 3185. The Policies will be sent to the Board of School Directors for a first reading at their meeting on November 24, 2025. The Regulations will go into effect upon adoption of the Policies.

Policies and Regulations for Review and Discussion

The following Policies either had no revisions or non-substantive revisions and will be marked as reviewed or revised accordingly along with accompanying Regulations:

Policy 3210: Revenue from Local Sources

Policy 3220: Revenue from State Sources

Policy and Regulation 3230: Revenue from Federal Sources

Policy and Regulation 3240: Tuition Charges

Policy 3250: Revenue from Sale or Disposal of District Property

Policy and Regulation 3260: Commercial Advertising**Policy 3291: Short-Term Loans****Policy and Regulation 3380: Travel Reimbursement**

The Policy had no revisions and will be marked as reviewed. The Regulation was revised to update the current mileage rate reimbursement.

Policy and Regulation 7095: Service Animals in Schools

The Policy had no revisions and will be marked as reviewed. The Regulation was revised to explain the differences in the nature of service animal accommodations available depending on whether the individual is a District student, District employee, or visitor to the District, as well as to include a new section on therapy dogs.

Policy 3231: Federal Fiscal Compliance**Regulation 3231: Federal Fiscal Compliance – Allowability of Costs****Regulation 3232: Federal Fiscal Compliance – Cash Management****Regulation 3233: Federal Fiscal Compliance – Procurement****Regulation 3234: Federal Fiscal Compliance – Subrecipient Monitoring****Regulation 3235: Federal Fiscal Compliance – Types of Costs, Obligations and Property Management**

Revisions to the Policy and Regulations clarify terminology, update certain requirements to comply with new federal requirements, and add new sections to comply with related federal fiscal requirements. The Policy will be sent to the Board of School Directors for a first reading at their meeting on November 24, 2025. The Regulations will go into effect upon adoption of the Policy.

Policy and Regulation 3292: Investments

The section titled *Investments Permitted by the Public School Code* was moved from the Policy to a newly created Regulation. The Regulation also contains sections titled *Investments Permitted by Act 10 of 2016*, *Management of Investments*, and *Protection of Savings Accounts, Time Deposits, Share Accounts or Other Depository Balances in Excess of FDIC Insurance Limits*. The Policy will be sent to the Board of School Directors for a first reading at their meeting on November 24, 2025. The Regulation will go into effect upon adoption of the Policy.

Policy 6130: Curriculum, Curricular Materials and Resource Materials

A revision was made to address the purchase of textbooks during the summer break for timeliness. The Policy will be sent to the Board of School Directors for a first reading at their meeting on November 24, 2025.

Public Comment on Non-Agenda Items

None.

Future Meetings

Future Policy Committee meetings for the 2025-2026 school year are scheduled for January 6, February 3, March 3, April 7, and May 5. Unless advertised otherwise, all meetings are held at the Tredyffrin/Easttown Administration Offices, 940 West Valley Road, Suite 1700, in Room 200 at 7:00 p.m.

Adjournment

The meeting was adjourned at 7:54 p.m.

Transfer of Funds within the Budget

Budgetary transfers during the school year are made to redirect budgeted funds from one account to another for unforeseen events or changes in priorities.

Transfer of funds from one class of expenditure may only be approved by the Board as set forth in the accompanying regulation.

Adopted: September 8, 1969
Revised: January 24, 1994
Adopted: April 23, 2007
Revised: November 25, 2013

Tredyffrin/Easttown School District

Transfer of Funds within the Budget

Transfers are processed to prevent budgeted accounts from being in a deficit position and to maintain a balanced budget. Transfers should be made during the year prior to processing a requisition for a purchase order that will place the account in a deficit position. Transfers may not be made after the end of the fiscal year. All budget transfers must be formally adopted by the Board and recorded in the minutes of the board meeting. Pursuant to the School Code, a legal transfer of funds from one class of expenditure to another may only be approved by the Board

- 1) By at least six (6) affirmative votes in the first three months of the fiscal year.
- 2) By majority vote in the last nine months of the fiscal year.

The timing of Board approval for budgetary transfers are as follows:

For transfers between subfunctions, prior Board approval is required. For transfers between major objects within the same subfunction, subsequent Board approval is required.

Cross Reference: 22 P.S. § 6-609
22 P.S. § 6-687(d)

Expenditures Within the Budget

A bidding schedule will be prepared by the Board Secretary early in August setting forth dates for the receipt, opening and analysis of bids for supplies and equipment. The major portion of all supplies and equipment will be purchased as a result of this bidding which must be authorized and opened by action of the Tredyffrin/Easttown Board of School Directors and after analysis, recommended to the Board for purchase. Continuing purchase of supplies (not included in the above) at various times during the school year may be done in accordance with Section 807.1 of the Pennsylvania School Code, with the distinct understanding that all Principals/Directors must keep an accurate record of expenditures within categories according to their own budget allotments. No Principal/Director shall knowingly make any expenditure exceeding budgetary allotment without the express approval of the Superintendent or the Secretary of the Board.

Textbooks and library books may be ordered directly by the Principals'/Directors' offices within budget limitations, but only after careful checking of prices in order to obtain the best possible discounts. The Principals/Directors are cautioned to reserve sufficient funds in this budget category to take care of the expense of transportation of textbooks to the school system.

Capital Projects Fund- Non-Bond Funds

Definition

Capital Projects Fund – Non-Bond Funds consist of funds not derived from the issuance of bonds which are transferred from any revenue source. Sources include surplus monies in the Operating Budget's General Fund at the end of any fiscal year and other sources as the Board may designate.

Purpose

The monies in the Capital Project Fund – Non-Bond Funds may be expended only for capital improvements, capital replacements, deferred maintenance of facilities and for the replacement of school buses, consistent with applicable law and guidelines issued by the Pennsylvania Department of Education.

Administration

Capital Projects Fund- Non-Bond Funds shall be administered by the Superintendent or designee in accordance with law and Administrative Regulation.

Reports to School Board

The Treasurer will submit monthly reports to the School Board to monitor and review the District's Capital Projects Fund- Non-Bond Funds activity. The reports shall list: 1) the depository or depositories in which District Capital Projects Fund- Non-Bond Funds are deposited, 2) the transfers into the fund; and 3) withdrawals from the fund.

Adopted: August 27, 1990
Revised: January 24, 1994
Revised: November 30, 2006
Revised: April 23, 2007
Revised: January 27, 2014

Tredyffrin/Easttown School District

Capital Reserve Fund

The monies in the Capital Reserve Fund may be expended only for capital improvements, capital replacements, deferred maintenance of facilities and for the replacement of school buses, consistent with applicable law and guidelines issued by the Pennsylvania Department of Education.

Maintenance work means work that is performed to keep a capital asset at its original capacity and functionality over the course of its useful-life. Deferred maintenance means work that is more than one (1) fiscal year beyond its originally budgeted or scheduled date. Deferred maintenance includes budgeted, uncompleted work at the end of a fiscal year, scheduled preventative maintenance not included in the budget by the administration or cut from the budget by the board of school directors in the year it is originally scheduled. This fund would not be used for routine preventative maintenance in the year originally scheduled.

Capital Projects Fund - Bond Funds

Definition

Capital Projects Funds – Bond Funds consist of funds generated through the issuance of bonds by the District.

Purpose

The monies in the Capital Project Fund – Bond Funds may be expended only for purposes authorized by the terms of the issuance.

Administration

Capital Projects Funds – Bond Funds shall be administered by the Superintendent or designee in accordance with law and Administrative Regulation.

Reports to School Board

The Treasurer will submit monthly reports to the School Board to monitor and review the District's Capital Projects Fund – Bond Funds activity. The reports shall list: 1) the depository or depositories in which District Capital Projects Fund – Bond Funds are deposited, 2) the transfers into the fund and 3) withdrawals from the fund.

Adopted: August 27, 1990
Revised: January 24, 1994
Revised: November 30, 2006
Revised: April 23, 2007
Revised: January 27, 2014

Tredyffrin/Easttown School District

Fund Balances Management

The Board of School Directors (“Board”) contributes to the successful education of students through sound fiscal management. The Board adheres to Pennsylvania state statutes and the Pennsylvania Department of Education (PDE) Manual of Accounting.

The fund balances addressed in this Policy are General, Capital, and Food Service. Fund balances allow the District to be responsive to unexpected financial conditions, to generate interest income, to meet emergency needs, to provide funding for capital expenditures and maintenance and construction projects, and to protect the high bond rating of the District.

General Fund Balance:

The General Fund accounts for the current operating revenues and expenditures of the District. The General Fund Balance is the accumulation over time of recognized revenue over operating expenditures. Operating contingency expenses may be funded through a contribution from the General Fund Balance. The General Fund Balance should not be utilized to fund recurring operating expenses.

1. Committed General Fund Balance:

This is the portion of the General Fund Balance which by Board action has been committed by the Board for future specific, identified needs or any other purposes the Board deems appropriate. This commitment is determined no less than annually.

2 Assigned General Fund Balance:

The monies in this General Fund Balance are constrained by the Board’s intent to be used for specific purposes and are not otherwise committed by Board action.

3. Unassigned General Fund Balance:

The monies in this unassigned General Fund Balance will only be expended with the specific authorization of the Board .

Capital Fund Balances:

The Capital Fund Balance consists of General Fund transfers, bond proceeds, or major private donations. Capital improvements, acquisition or construction of capital facilities, bond proceeds for capital projects and the servicing of debt are represented in one of these funds: Capital Reserve Fund, Capital Projects Fund, Capital Projects Fund – Non-Bond Funds or Debt Service Fund.

Food Service Fund Balance:

The Food Service Fund Balance is the net difference between the revenues from providing goods and services and the cost of the Food Service operation. The Food Service Fund Balance will be utilized for the improvement or maintenance of the District's Food Service operation.

Periodic Fund Balance Allocations

Determinations as to fund balance allocation will be made by the Board on a periodic basis as part of the budget development process.

Transfer of Funds within the Budget

Budgetary transfers during the school year are made to redirect budgeted funds from one account to another for unforeseen events or changes in priorities.

Transfer of funds from one class of expenditure may only be approved by the Board as set forth in the accompanying regulation.

Delegation of Authority

The Administration will develop regulations to manage the District's Fund Balances consistent with this Policy, Pennsylvania School Code, the PDE Manual of Accounting and other applicable law.

Fund Balances Management

The fund balances addressed in this Regulation are General, Capital and Food Service.

General Fund Balance:

The **General Fund** accounts for the current operating revenues and expenditures of the District. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund.

The **General Fund Balance** is the accumulated difference between General Fund assets and General Fund liabilities.

Other than pursuant to the budget development process, the General Fund Balance should not be utilized as a revenue source to offset operating expense deficiency. However, operating contingency expenses may be funded through a contribution from the General Fund Balance. The District maintains both committed and unassigned General Fund Balances.

1. Committed General Fund Balance:

This is the portion of the General Fund Balance which has been specifically set aside by the Board for future identified needs or any other purposes the Board deems appropriate.

2. Unassigned General Fund Balance:

For ongoing financial security, Pennsylvania law currently requires the District to maintain an unassigned General Fund Balance that is less than eight percent of the next fiscal year's budgeted expenditures as a condition of increasing real estate property taxes. The monies in this unassigned General Fund Balance will only be expended with the specific authorization of the Board of School Directors for unexpected financial obligations.

At the close of each fiscal year, the Business Manager shall determine whether the unassigned General Fund Balance exceeds eight percent (8%) of the following year's budgeted expenditures as certified by the local auditors of the District. The Superintendent shall submit to the Board for its consideration, proposals to commit any unassigned or currently assigned General Fund Balance in one or more of the following ways;

- The following budget year's operating contingencies;
- The District's capital plan;
- The long-term liabilities (e.g. Other Post Employee Benefits), as determined by the actuarial report of the most current fiscal year available or as

recommended by the Administration with input from the Board Finance Committee;

- The District's self-funded medical and prescription drug program's liabilities;
- The mandatory contributions to the Pennsylvania School Employee's Retirement System;
- Other obligations as approved by the Board.

Capital Fund Balances:

Capital Funds account for revenues and expenditures of the District related to capital assets such as land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital Fund Balances consist of, among other sources, General Fund transfers, bond proceeds, and major private donations

Capital improvements, acquisition or construction of capital facilities, bond proceeds for capital projects and the servicing of debt are represented in one of these funds: Capital Reserve Fund, Capital Projects Fund or Debt Service Fund.

Capital Reserve Fund Balance

The Capital Reserve Fund is established to reserve funds to be used only for providing resources for capital expenditures. The funds are committed and may be spent only on capital improvements; replacement of, addition to and improvements to land and buildings; deferred maintenance and for the replacement of school buses. Receipts of this type of capital reserve fund come from transfers during the fiscal year from appropriations in the general fund. Receipts may also come from the general fund at the end of the fiscal year. The interest earnings on monies in this fund remain within the Capital Reserve Fund.

Maintenance work means work that is performed to keep a capital asset at its original capacity and functionality over the course of its useful-life. Deferred maintenance means work that is more than one (1) fiscal year beyond its originally budgeted or scheduled date. Deferred maintenance includes budgeted, uncompleted work at the end of a fiscal year, scheduled preventative maintenance not included in the budget by the administration or cut from the budget by the board of school directors in the year it is originally scheduled. This fund would not be used for routine preventative maintenance in the year originally scheduled.

Capital Projects Fund Balances – Bond Funds

Capital Projects Funds consist of funds generated through the issuance of bonds by the District. These funds are used for the purchase or construction of major capital facilities.

and may be expended only for purposes authorized by the terms of issuance. Separate capital projects funds are used for individual capital projects to maintain financial management. These funds are not used to account for minor maintenance or construction costs, or for the acquisition of furniture or equipment, unless authorized by a bond indenture.

The Treasurer will submit monthly reports to the School Board to monitor and review the District's Capital Projects Fund – Bond Funds activity. The reports shall list: 1) the depository or depositories in which District Capital Projects Fund – Bond Funds are deposited, 2) the transfers into the fund and 3) withdrawals from the fund.

Capital Projects Fund Balances – Non-Bond Funds

Non-Bond Funds consist of funds not derived from the issuance of bonds which are transferred from any revenue source. Sources include surplus monies in the Operating Budget's General Fund at the end of any fiscal year and other sources as the Board may designate.

Non-Bond Funds may be expended only for capital improvements, capital replacements, deferred maintenance of facilities and for the replacement of school buses, consistent with applicable law and guidelines issued by the Pennsylvania Department of Education.

The Treasurer will submit monthly reports to the School Board to monitor and review the District's Capital Projects Fund- Non-Bond Funds activity. The reports shall list: 1) the depository or depositories in which District Capital Projects Fund- Non-Bond Funds are deposited, 2) the transfers into the fund; and 3) withdrawals from the fund.

Debt Service Fund Balance

These funds, formerly known as Sinking Funds, account for and accumulate resources for the payment of general long-term debt principal and interest. Bonds are repayable, both interest and principal, in installments; interest is usually paid semi-annually and principal annually on bonds. Thus debt service for bonds requires accumulation of resources only for current year payments of principal and interest. School Districts are required under the Pennsylvania Local Government Unit Debt Act to maintain a sinking fund for each bond issue. This may be done through the Debt Service Fund. If debt payments are not reported in a debt service fund, they must be reported in the general fund.

Food Service Fund Balance:

The **Food Service Fund Balance** is the net difference between the cost of the Food Service operation and the revenues from providing goods and services. Food Service Fund Balance will be utilized for the improvement or maintenance of the District's Food Service operation.

Adopted: September 22, 2008

Revised: September 28, 2011

Revised: October 17, 2011

Reviewed: October 7, 2025

The Food Service Fund provides goods and services to the students on a continuing basis and is financed through user charges where the intent is that the costs (expenses, including depreciation and indirect cost) of providing goods or services on a continuing basis be financed or recovered primarily through fees and user charges rather than taxes or similar revenues. The District will attempt to maintain an adequate fund balance, consistent with State and Federal guidelines in an attempt to maintain operations and provide contributions to the District's capital needs of the Food Service operation.

Transfer of Funds within the Budget

Transfers are processed to prevent budgeted accounts from being in a deficit position and to maintain a balanced budget. Transfers should be made during the year prior to processing a requisition for a purchase order that will place the account in a deficit position. Transfers may not be made after the end of the fiscal year. All budget transfers must be formally adopted by the Board and recorded in the minutes of the board meeting. Pursuant to the School Code, a legal transfer of funds from one class of expenditure to another may only be approved by the Board

1. By at least six (6) affirmative votes in the first three months of the fiscal year.
2. By majority vote in the last nine months of the fiscal year.

The timing of Board approval for budgetary transfers are as follows: For transfers between subfunctions, prior Board approval is required. For transfers between major objects within the same subfunction, subsequent Board approval is required.

Expenditures Within the Budget

A bidding schedule will be prepared by the Board Secretary early in August setting forth dates for the receipt, opening and analysis of bids for supplies and equipment. The major portion of all supplies and equipment will be purchased as a result of this bidding which must be authorized and opened by action of the Tredyffrin/Easttown Board of School Directors and after analysis, recommended to the Board for purchase. Continuing purchase of supplies (not included in the above) at various times during the school year may be done in accordance with Section 807.1 of the Pennsylvania School Code and Board Policy 6130, with the distinct understanding that all Principals/Directors must keep an accurate record of expenditures within categories according to their own budget allotments. No Principal/Director shall knowingly make any expenditure exceeding budgetary allotment without the express approval of the Superintendent or the Secretary of the Board.

Textbooks and library books may be ordered directly by the Principals'/Directors' offices within budget limitations, but only after careful checking of prices in order to obtain the best possible discounts. The Principals/Directors are cautioned to reserve sufficient funds in this budget category to take care of the expense of transportation of textbooks to the school system.

[Cross Reference:](#)

Adopted: September 22, 2008

Revised: September 28, 2011

Revised: October 17, 2011

Reviewed: October 7, 2025

Policy and Regulation 6130: Curriculum, Curricular Materials and Resource Materials

Adopted: September 22, 2008
Revised: September 28, 2011
Revised: October 17, 2011
Reviewed: October 7, 2025

Federal Fiscal Compliance

Authority

The Board shall ensure federal funds received by the District are administered in accordance with federal requirements, including but not limited to the federal Uniform Grant Guidance.

The Board shall review and approve all applications for federal funds submitted by the District.

Delegation of Responsibility

The Board designates the Business Manager or designee as the District contact for all federal programs and funding.

The Superintendent, or designee(s), shall establish and maintain a sound financial management system to include internal controls and federal grant management standards covering the receipt of both direct and state-administered federal grants, and to track costs and expenditures of funds associated with grant awards.

The Superintendent, to assist in the proper administration of federal funds and implementation of this policy, shall develop and adopt additional procedures implementing this policy.

Guidelines

The District's financial management system shall be designed with strong internal controls, a high level of transparency and accountability, and documented procedures to ensure that all financial management system requirements are met.

The District's financial management system is subject to periodic internal and external audits. For any fiscal year in which the District expends \$1,000,000 or more in federal awards, the District is required to have a single or program-specific audit in compliance with federal requirements.

District financial management standards and procedures shall ~~assure that the following responsibilities are fulfilled~~ include requirements for the following:

1. Identification – The District must identify, in its accounts, all federal awards received and expended, and the federal programs under which they were received.
2. Financial Reporting – Accurate, current, and complete disclosure of the financial results of each federal award or program must be made in accordance with the financial

reporting requirements of ~~the Education Department General Administrative Regulations (EDGAR)~~federal regulations.

3. Accounting Records – The District must maintain records which adequately identify the source and application of funds provided for federally-assisted activities.

4. Internal Controls – Effective control and accountability must be maintained for all funds, real and personal property and other assets. The District must adequately safeguard all such property and ~~must take steps to~~ assure that it is used solely for authorized purposes. Reasonable cybersecurity and other measures must be in place to protect personally identifiable information and other types of information.

5. Budget Control – Actual expenditures or outlays must be compared with budgeted amounts for each federal award. Procedures shall be developed to establish determination for allowability of costs for federal funds.

6. Cash Management – The District shall maintain written procedures to implement the cash management requirements found in ~~EDGAR~~federal regulations.

7. Allowability of Costs – The District shall ensure that allowability of all costs charged to each federal award is accurately determined and documented.

Standards of Conduct

The District shall maintain standards of conduct covering conflicts of interest and the actions of employees and District officials engaged in the selection, award and administration of contracts.

All employees shall be informed of conduct that is required for federal fiscal compliance and the disciplinary actions that may be applied for violation of District policies, administrative regulations, rules and procedures.

Employees - Time and Effort Reporting

All District employees paid with federal funds shall document ~~the time they expend in work performed~~working in support of each federal program, in accordance with law. Time and effort reporting requirements do not apply to contracted individuals.

District employees shall be reimbursed for travel costs incurred in the course of performing services related to official business as a federal grant recipient.

The District shall establish and maintain employee policies on hiring, benefits and leave and outside activities, as approved by the Board.

Record Keeping

The District shall develop and maintain a Records Management Plan and related Board Policy and Administrative Regulations for the retention, retrieval and disposition of manual and electronic records, including emails.

The District shall comply with federal record conversion and quality control review requirements to safeguard the integrity of electronic records.

The District shall ensure the proper maintenance of federal fiscal records documenting:

1. Amount of federal funds;
2. How funds are used;
3. Total cost of each project;
4. Share of total cost of each project provided from other sources;
5. Other records to facilitate an effective audit;
6. Other records to show compliance with federal program requirements; and
7. Significant project experiences and results to:-
 - Determine progress.
 - Inform periodic review and continuous improvement of project plan.
 - Revise project objectives, if necessary.

All records must be retrievable and available for programmatic or financial audit.

The District shall provide the federal awarding agency, Inspectors General, 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 District records which are pertinent to the federal award. The District shall also permit timely and reasonable access to the District's personnel for the purpose of interview and discussion related to such documents.

Records shall be retained for a minimum of ~~seven-three~~ (73) years from the date ~~on which the final Financial Status Report is submitted~~ of submission of the final financial report, or as otherwise specified in the requirements of the federal award, unless a written extension is provided by the awarding agency, cognizant agency for audit, oversight agency for audit or cognizant agency for indirect costs.

If any litigation, claim or audit is started before the expiration of the standard record retention period, the records shall be retained until all litigation, claims or audits have been resolved and final action taken.

Records for property and equipment acquired with federal funds shall be retained for three (3) years after final disposition of the property or equipment.

As part of the Records Management Plan, the District shall develop and maintain a records retention schedule, which shall delineate the record retention format, retention period and method of disposal.

The Records Management Plan shall include identification of staff authorized to access records, appropriate training, and preservation measures to protect the integrity of records and data.

The District shall ensure that all personally identifiable data protected by law or regulations is handled in accordance with the requirements of applicable law, regulations, Board Policy and Administrative Regulations.

Subrecipient Monitoring

In the event the District awards subgrants, the District shall establish procedures to:

1. Assess the risk of fraud and noncompliance.
2. Monitor grant subrecipients to ensure compliance with federal, state, and local laws and Board Policy and Administrative Regulations.
3. Ensure the District's record retention schedule addresses document retention on assessment and monitoring.

Compliance Violations

Employees and contractors involved in federally funded programs and subrecipients shall be made aware that failure to comply with federal law, regulations or terms and conditions of a federal award may result in the federal awarding agency or pass-through entity imposing additional conditions or terminating the award in whole or in part.

Mandatory Reporting of Violations

An applicant, recipient or subrecipient of a federal award must promptly disclose whenever, in connection with the federal award (including any related activities or subawards) it has credible evidence of a violation of federal criminal law involving fraud, conflict of interest, bribery or gratuity violations under Title 18 of the United States Code or a violation of the federal civil False Claims Act. The written disclosure must be made to the federal agency, the agency's Office of Inspector General, and pass-through entity (if applicable). Recipients and subrecipients are also required to report issues related to a recipient integrity and performance in accordance with Appendix XII to 2 CFR Part 200. Failure to make required disclosures can result in compliance violations.

Whistleblower Protections

District employees may not be discharged, demoted or otherwise discriminated against as a reprisal for making a protected disclosure of information that the employee reasonably believes to be:

1. Evidence of gross mismanagement of a federal contract or grant; or
2. Gross waste of federal funds; or
3. An abuse of authority relating to a federal contract or grant; or
4. A substantial and specific danger to public health or safety; or
5. A violation of law, rule or regulation related to a federal contract, including the competition for or negotiation of a contract or grant.

District employees may disclose such information to any of the following:

1. The Superintendent or designee authorized to investigate, discover or address such misconduct.
2. A federal employee responsible for contract or grant oversight or management of the relevant agency.
3. An authorized official of the United States Department of Justice or other law enforcement agency.
4. A member of Congress or a representative of a committee of Congress.
5. A federal Inspector General.
6. The federal Government Accountability Office.
7. A court or grand jury, including providing evidence of misconduct in any judicial or administrative proceeding relating to waste, fraud or abuse on a federal contract or grant.

A District employee who believes that they have been subjected to a reprisal for making a protected disclosure may submit a complaint to the Inspector General of the federal executive agency that is responsible for the relevant federal funding or federal contract. The federal agency and the agency's Inspector General have the authority to investigate such complaints and provide appropriate remedies for substantiated complaints.

The District shall provide written notification to employees of their rights and protections under the Whistleblower Law.

References

Uniform Administrative Requirements for Federal Awards, Title 2, Code of Federal Regulations – 2 CFR Part 200

Department of Education Direct Grant and State-Administered Programs, Title 34, Code of Federal Regulations – 34 CFR Part 75, Part 76

Federal Fiscal Compliance – Allowability of Costs

Expenditures must 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 Superintendent or designee(s) 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. The decision for such determination shall be in writing and provide justification for the allowability determination.

Allowability Determinations

All costs supported by federal education funds must meet the standards outlined in ~~EDGAR~~ applicable laws and regulations, including but not limited to, 2 CFR Part 3474 and 2 CFR Part 200, Subpart E, which are listed below. The Superintendent's designee(s) must consider these factors when making an allowability determination. A section entitled, *Helpful Questions for Determining Whether Costs are Allowable*, is located at the end of this document.

Part 200 sets forth general cost guidelines that must be considered, as well as rules for specific types of items, both of which must be considered when determining whether a cost is an allowable expenditure of federal funds. The expenditure must also be allowable under the applicable program statute (e.g., Title I of the Elementary and Secondary Education Act (ESEA), or the Carl D. Perkins Career and Technical Education Act (Perkins)), along with accompanying program regulations, nonregulatory guidance and grant award notifications.

Restrictions in state and local rules or policy also must be considered. Whichever allowability requirements are stricter will govern whether a cost is allowable.

~~General-Except where otherwise authorized by law, allowability~~ determination factors for allowability of costs include the following:

1. **Be Necessary and reasonable for the performance of the federal award.** 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 individual incurring the cost acted with prudence in the circumstances considering 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 CFR Sec. 200.404)

Whether a cost is **necessary** will be 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 school entity 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 federal award 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.

2. **Allocable to the federal award.** A cost is allocable to the federal award or other cost objective if the ~~goods or services involved are chargeable or~~ the cost is assignable to the federal award or other cost objective 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 CFR Sec. 200.405)

For example, if fifty percent (50%) of a teacher's salary is paid with grant funds, then that teacher must spend at least fifty percent (50%) of his/her time on the grant program.

3. **Consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the school entity.**

4. **Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the federal award.**
5. **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.
6. **Adequately documented.** All expenditures must be properly documented per the requirements in 2 CFR §200.300 through 200.309.

Direct cost allocation principles: If a cost benefits two (2) or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two (2) or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefitted projects on any reasonable documented basis.

7. **Be calculated in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in Part 200.**
8. **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 nonfederal entity to contribute a certain amount of nonfederal resources to be eligible for the federal program.

8.9.9. Administrative closeout costs may be incurred until the due date of the final report(s). If incurred, closeout costs must be liquidated prior to the due date of the final report(s) and charged to the final budget period of the award unless otherwise specified by the federal agency. All other costs must be incurred during the approved budget period.

- 9.10. **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~~ direct or indirect costs 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-recipient or subrecipient 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 CFR Sec. 200.406)

Selected Items of Cost

Subpart E of Part 200 sets forth principles to be applied in establishing the allowability of fifty-five (55) specific cost items (commonly referred to as Selected Items of Cost), at 2 CFR Sec. 200.420-200.475. These specific cost items are listed in the chart below along with the citation to the section of Subpart E addressing the allowability of that item.

These principles are in addition to the other general allowability standards, and apply whether or not a particular item of cost is properly treated as direct cost or indirect (F&A) cost. Meeting the specific criteria for a listed item does not by itself mean the cost is allowable, as it may be unallowable under other standards or for other reasons, such as restrictions contained in the terms and conditions of a particular grant or restrictions established by the state recipient or subrecipient or in Board policy. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

The fact that a particular item of cost is not listed is not intended to imply that it is either allowable or unallowable; rather, determination as to allowability in each case should be based on the treatment provided for similar or related items of cost and based on the principles described in applicable law and regulations. In case of discrepancy between the provisions of a specific federal award and the provisions below, the federal award governs.

District personnel responsible for spending federal grant funds and for determining allowability must be familiar with and refer to the Part 200 selected items of cost section. These rules must be followed when charging these specific expenditures to a federal grant. When applicable, employees must check costs against the selected items of cost requirements to ensure the cost is allowable, and also check staterecipient, subrecipient, District and program-specific rules.

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

Prior Written Approval

A request for prior written approval to ensure reasonableness and allocability of any expense related to a federal award before incurring the cost is permissible. The elements listed below require prior written approval:

<u>Reason Requiring Prior Written Approval</u>	<u>Citation</u>
<u>Cost sharing</u>	<u>2 CFR § 200.306</u>

<u>Program income</u>	<u>2 CFR § 200.307</u>
<u>Revision of budget and program plans</u>	<u>2 CFR § 200.308</u>
<u>Fixed amount subawards</u>	<u>2 CFR § 200.333</u>
<u>Compensation – personal services</u>	<u>2 CFR § 200.430</u>
<u>Compensation – fringe benefits</u>	<u>2 CFR § 200.431</u>
<u>Equipment and other capital expenditures</u>	<u>2 CFR § 200.439</u>
<u>Exchange rates</u>	<u>2 CFR § 200.440</u>
<u>Fines, penalties, damages and other settlements</u>	<u>2 CFR § 200.441</u>
<u>Fund raising and investment management costs</u>	<u>2 CFR § 200.442</u>
<u>Goods or services for personal use</u>	<u>2 CFR § 200.445</u>
<u>Insurance and indemnification</u>	<u>2 CFR § 200.447</u>
<u>Organization costs</u>	<u>2 CFR § 200.455</u>
<u>Pre-award costs</u>	<u>2 CFR § 200.458</u>
<u>Rearrangement and reconversion costs</u>	<u>2 CFR § 200.462</u>
<u>Travel costs</u>	<u>2 CFR § 200.475</u>

Helpful Questions for Determining Whether Costs are Allowable

In addition to applying the cost principles and standards described above, District staff involved in expending federal funds should ask the following questions when assessing the allowability of a particular cost:

1. Is the proposed cost allowable under the relevant program?
2. Is the proposed cost consistent with an approved program plan and budget?
3. Is the proposed cost consistent with program specific fiscal rules? For example, the school entity may be required to use federal funds only to supplement the amount of funds available from nonfederal (and possibly other federal) sources, or only as a match for funds from nonfederal sources.
4. Is the proposed cost consistent with ~~EDGAR~~applicable laws and regulations?
5. Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

6. Is the proposed cost consistent with the underlying needs of the program? For example, program funds must benefit the appropriate population of students for which they are allocated. This means that, for instance, funds allocated under Title III of the Elementary and Secondary Education Act (ESEA) governing language instruction programs for Limited English Proficient (LEP) students must only be spent on LEP students and cannot be used to benefit non-LEP students.

7. Will the cost be targeted at addressing specific areas of weakness that are the focus of the program, as indicated by available data?

8. Has this expenditure been reviewed by legal for compliance if there is any uncertainty?

7.9.

Any questions related to specific costs should be forwarded to the Business Manager and/or Superintendent's designee(s) who shall consult with the District solicitor for clarification as appropriate.

Federal Fiscal Compliance – Cash Management

Generally, the District receives payment from the Pennsylvania Department of Education (PDE) in advance, provided the District maintains both written procedures that minimize the time elapsing between the transfer of funds and disbursement, and financial management systems that meet the standards for fund control and accountability. In circumstances where the requirements for advance payment cannot be met, the District may use the reimbursement method, on a reimbursement basis. In some circumstances, the District may receive an advance of federal grant funds. This following regulations detail responsibilities of the District and District staff under those alternative payment methods. In either case, the District shall maintain accounting methods and internal controls and procedures that assure those responsibilities are met.

This Regulation addresses the responsibilities of the District and District staff under those alternative payment methods. In accordance with 2 CFR §200.305(b)(1), advance payments are the preferred method of payment. Reimbursement is used only when the requirements for advance payment cannot be met, as outlined in 2 CFR §200.305(b)(3). In either case, the District shall maintain accounting methods and internal controls and procedures that assure those responsibilities are met.

When available, the District shall use existing resources within a program before requesting additional cash payments. Such resources include program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds. (2 CFR 200.305(b)(5)).

Payment Methods**Reimbursements -**

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

The Business Manager or designee will request reimbursement for actual expenditures incurred under the federal grants.

Such requests shall be submitted with appropriate documentation and signed by the requestor.

Reimbursement will be submitted on the appropriate form to the PDE portal. All reimbursements are based on actual disbursements, not on obligations. PDE will process reimbursement requests within the timeframes required for disbursement.

Consistent with state and federal requirements, the District will maintain source documentation supporting the federal expenditures (invoices and receipts, time sheets, payroll ~~stubs~~records, grant award letters, budget justifications, etc.) and will make such documentation available for PDE to review upon request.

Reimbursements of actual expenditures do not involve interest calculations.

Advances -

When the District receives advance payments of federal grant funds, it must minimize the time elapsing between the transfer of funds to the District and the expenditure of those funds on allowable costs of the applicable federal program. (2 CFR Sec. 200.305(b)) The District shall attempt to expend all advances of federal funds within seventy-two (72) hours of receipt.

Whenever possible, advance payment requests must be consolidated to cover anticipated cash needed for all federal awards received by the District. (2 CFR 200.305(b)(2)).

The District shall submit payment requests as often as necessary when electronic fund transfers are used or at least monthly when electronic transfers are not used. (2 CFR 200.305(b)(2)(ii)).

~~When applicable, the District shall use existing resources available within a program before requesting additional advances. Such resources include program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds. (2 CFR Sec. 305(b)(5))~~

Accounting Methods/Internal Controls

The District shall hold federal advance payments in insured, interest-bearing accounts.

The District is permitted to retain for administrative expense up to \$500 per year of interest earned on federal grant cash balances. Regardless of the federal awarding agency, interest earnings exceeding \$500 per year shall be remitted annually to the Department of

Health and Human Services Payment Management System (PMS) through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment. (2 CFR Sec. 200.305(b)(9)).

Pursuant to federal guidelines, interest earnings shall be calculated from the date that the federal funds are drawn down from the G5 system until the date on which those funds are disbursed by the District. Consistent with state guidelines, interest accruing on total federal grant cash balances shall be calculated on cash balances per grant and applying the actual or average interest rate earned.

Remittance of interest shall be responsibility of the Business Manager or designee.

Federal Fiscal Compliance - Procurement

This document is intended to integrate standard District purchasing procedures with additional requirements applicable to procurements that are subject to the federal Uniform Grant Guidance regulations and/or U.S. Department of Agriculture (USDA) regulations governing school food service programs. The District maintains the following purchasing procedures, in accordance with federal and state laws, regulations and Board policy. The Superintendent is authorized to update the amounts in this regulation as determined by the applicable governmental agency without the necessity to present the item for review to the Policy Committee.

Responsibility for Purchasing

The Board has outlined standard ~~district~~District purchasing responsibility, methods of purchasing, price quotations and bid requirements in Board Policy 3323 and the accompanying Administrative Regulation.

Purchase Methods

When a request for purchase of equipment, supplies or services has been submitted and approved as outlined below, the procurement method to be used will be determined based on the total cost of the purchase as further outlined below. This procedure outlines how the cost thresholds for determining when the quote or formal bidding procedures that are required by state law as reflected in Board Policy 3323 and the accompanying Administrative Regulation must be modified when making purchases for federally funded purposes to which the Uniform Grant Guidance or USDA regulations apply, so as to comply with both state and federal requirements. At each point where requirements for food service-related procurement under USDA regulations differ, a note will refer to the Food Service Program Notes at the end of this procedure. Final determination of which purchasing procedures are to be applied is delegated to the Business Manager or designee under the authority of the Board.

Standard Procurement Documents and Purchase Request Process

The District shall use purchase orders and/or requisitions for purchase requests in accordance with the applicable purchase method.

The District shall use paper and/or electronic purchasing records, which are pre-numbered and accessible to designated purchasing staff in the District office.

Purchase requests by an employee must be submitted to the building administrator or immediate supervisor. Purchase of all budgeted items or items approved by an administrator or supervisor must be initiated by use of a purchase order or requisition submitted to the Business Manager or designee.

Purchase orders and requisitions shall contain information including, but not limited to:

1. Description of the services to be performed or goods to be delivered.
2. Location of where services will be performed or goods will be delivered
3. Appropriate dates of service or delivery.

Documentation on purchase orders and requisitions shall be maintained in accordance with the District's Records Management Policy and records retention schedule.
(Policy/AR 8210)

Contracts shall be reviewed by the Business Manager, Superintendent, and/or District solicitor prior to submission to the Board for approval.

Contracts to which the Uniform Grant Guidance apply shall contain the clauses specified in Appendix II to 2 CFR Part 200 (Contract Provisions for Non-Federal Entity Contracts Under Federal Awards), when applicable.

[See Food Service Program Notes below for specific clauses required by USDA regulations to be included in cost reimbursable procurement contracts.]

Micro-Purchases Not Requiring Quotes or Bidding (up to \$50,000)

For purposes of this Administrative Regulation, **micro-purchase** means a purchase of equipment, supplies or services for use in federally funded programs using simplified acquisition procedures, the aggregate amount of which does not exceed a base amount of \$50,000. The micro-purchase dollar threshold is adjusted periodically by the federal government, and the threshold most recently established and published in the Federal Register shall apply if other than \$50,000. (48 CFR Subpart 2.1)

Note: The micro-purchase maximum for federal purposes is lower than the amount below which the School Code allows purchase for nonfederal purposes to be made without obtaining at least three (3) written or telephonic quotes or using formal competitive bidding.

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 equipment, supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold.

To the extent practicable, the District distributes micro-purchases equitably among qualified suppliers when the same or materially interchangeable products are identified and such suppliers offer effectively equivalent rates, prices and other terms. The Business Manager or designee will be responsible ~~to determine~~for determining the equitable distribution of micro-purchases.

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Micro-purchases may be awarded without soliciting competitive quotations if the District considers the price to be reasonable. The District will maintain evidence of this reasonableness in the records of all micro-purchases. **Reasonable** can be demonstrated through means that sound business practices were followed and the purchase is comparable to market prices for the geographic area documenting research, experience, purchase history, or other information. Such determinations of reasonableness may include comparison of the price to previous purchases of the same item or comparison of the price of items similar to the item being purchased. The comparison of prices of similar items or prices paid in the best past shall be recorded in a memorandum with the other documentation of the purchase.

Even if the cost of a purchase qualifies it as a micro-purchase, bidding or small purchase procedures may be used optionally when those procedures may result in cost savings.

Small Purchase Procedures (between \$10,000 and \$22,500) Simplified Acquisition Procedures

For purposes of this administrative regulation, **small purchase procedures simplified acquisition procedures** are those relatively simple and informal procurement methods for securing equipment, services, or supplies that cost more than the amount qualifying as a micro-purchase and do not cost ~~\$22,500~~23,800 or more. ~~Small purchase~~Simplified acquisition procedures cannot be used for purchases of equipment or supplies or for construction, repair or maintenance services costing ~~\$22,500~~23,800 or more because the School Code requires formal competitive bidding at that level of cost.

The base amount at which bidding is required under state law is adjusted for inflation annually, and the amount most recently established and published in the Pennsylvania Bulletin shall apply if other than ~~\$22,500~~23,800. (24 P.S. Sec. 120)

Because state law does not require bidding for the purchase of services other than construction, maintenance or repairs on school facilities regardless of total cost, ~~small purchase procedures, including a request for proposal (RFP) procedure,~~simplified acquisition may be used for procurement of such other services except when the estimated total cost will be at or over the federal threshold at which formal competitive bidding is required (\$250,000).

A request for proposal (RFP) may be made for small purchases; however, the procurement process must comply with formal RFP procedures, including public notice.

[See Food Service Program Notes below for exemption from bidding for purchases of perishable food items costing less than \$250,000.]

If small purchases simplified acquisition procedures are used, written or telephonic price or rate quotations are obtained from at least three (3) qualified sources and records of quotes are maintained as provided in Policy/AR 3323.

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Formal Competitive Bidding (~~\$22,500 or more~~)

Publicly Solicited Sealed Competitive Bids:

For purchases of equipment or supplies, or of services for construction, maintenance or repairs of school facilities, sealed competitive bids are publicly solicited and awarded to the lowest responsive and responsible bidder as provided in Policy/AR 3323 when the total cost is estimated to be \$~~22,500~~23,800 or more.

Note: The amount at which formal competitive bidding is required by federal regulations is much higher than the base amount at which the School Code requires competitive bidding. Therefore, the lower base amount specified by the School Code, as annually adjusted, is used to determine when bidding will be used for purchases of equipment or supplies, or for obtaining services for construction, maintenance or repairs on school facilities. (24 P.S. Sec. 120)

State law does not require bidding for the purchase of services other than construction, maintenance or repairs on school facilities regardless of total cost. For procurement of such other services for federally funded purposes to which the Uniform Grant Guidance applies, formal competitive bidding will be used when the estimated total cost will be at or over the federal threshold of \$250,000.

The federal competitive bidding dollar threshold is adjusted periodically by the federal government, and the threshold most recently established and published in the Federal Register shall apply if other than \$250,000. (48 CFR Subpart 2.1)

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 a sound documented reason.

[See Food Service Program Notes below for reference to state requirements regarding contracts with food service management companies and contractors of pre-plated meals.]

Competitive Proposals

State law does not require public school entities to solicit competitive bids for services other than construction, repairs or maintenance of school facilities, for which competitive bidding is required if the cost will be a base amount of \$~~22,500~~23,800 or more. State law allows competitive proposals relating to work on facilities in lieu of bidding only in the context of guaranteed energy savings contracts.

Federal regulations allow the use of competitive proposals as an alternative when formal bidding would otherwise be required only to procure architectural and engineering

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services. Other types of services for federally funded purposes to which the Uniform Grant Guidance applies, professional or otherwise, must be procured using competitive bidding when the cost would meet or exceed the federal threshold for competitive bidding (\$250,000).

In the case of services other than for construction, repairs or maintenance of school facilities costing less than that threshold, the District may use ~~small purchases~~simplified acquisition procedures or micro-purchase procedures as applicable based on total cost. A request for proposal (RFP) process can also meet or exceed the small purchase competition requirements under state law and Policy/AR 3323 for the acquisition of services other than for construction, repairs or maintenance of school facilities, and can be used if the total cost will be less than \$250,000.

When permitted, the technique of competitive proposals is normally conducted with more than one (1) source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. Competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The District shall comply with other applicable state and federal law and regulations, Board policy and administrative regulations regarding purchasing; the District may consult with the District solicitor in determining the required process for purchasing through competitive proposals when necessary.

If this method is used, the following requirements apply:

1. 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.
2. Proposals must be solicited from an adequate number of qualified sources.
3. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

Competitive proposals shall be evaluated by the Business Manager or designee based on factors including but not limited to: cost, experience of contractor, availability, personnel qualifications, financial stability, minority business, women's business enterprise, veteran-owned business or labor surplus area firm status, project management expertise, and understanding of District needs.

Evaluations shall be completed in a timely manner, documented and shall be reviewed by the Business Manager or designee.

Contract/Price Analysis:

The District performs a cost or price analysis in connection with every procurement action in excess of \$250,000, including contract modifications. (2 CFR Sec. 200.323(a)).

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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 Business Manager or designee must come to an independent estimate prior to receiving bids or proposals. (2 CFR Sec. 200.323(a)). As part of the analysis, established business practices will be enacted which may include evaluation of similar prior procurements and a review process.

Negotiated Profit

In any procurement in which there has been no price competition, or in which a cost-analysis is performed, profit must be negotiated separately as an element of price. Accordingly, solicitations of bids, proposals or quotes shall require that bids, proposals or quotes be limited to costs other than profit, and exclude profit.

When ~~performing a cost analysis~~ profit must be negotiated as a separate element of the total price, it shall be negotiated by the Business Manager or designee ~~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 CFR Sec. 200.323(b)).

Noncompetitive Proposals (Sole Sourcing)

Procurement by noncompetitive proposals means procurement through solicitation of a proposal from only one (1) source and may be used only when one or more of the following circumstances apply:

1. The aggregate amount of the procurement transaction does not exceed the micro-purchasing provisions.
- 1.2. The ~~item is available only from~~ procurement transaction can only be fulfilled by a single source.
- 2.3. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation. An **emergency** exists whenever the time required for the Board to act in accordance with regular procedures would endanger life or property or threaten continuance of existing school classes.
- 3.4. The federal awarding agency or pass-through entity ~~expressly authorizes~~ provides written approval noncompetitive ~~proposals procurement~~ in response to a written request from the ~~District~~ recipient or subrecipient.

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4.5. After solicitation of a number of sources, the ~~District~~ recipient or subrecipient determines the competition is inadequate.

In addition to standard procurement policy and procedures, the District will ~~document~~ provide the grounds, including analysis and documentation, for using the noncompetitive method in lieu of an otherwise required competitive method of procurement, ~~which may include~~ A written confirmation from the contractor as the sole source of the item may be included as a supplement to the District's record of analysis. Documentation must be submitted to and maintained by the Business Office.

All noncompetitive proposals will ultimately be approved by the Board. The District may utilize legal advice from the solicitor regarding noncompetitive proposals.

A cost or price analysis will be performed for noncompetitive proposals when the price exceeds \$250,000.

Purchase Cards

The District approves the use of procurement cards for permissible purchases by designated employees to improve the efficiency of purchasing activities, reduce processing expenses, improve controls for small-dollar purchases, and streamline contractor payment.

Procurement cards may be used for purchases under federal programs.

Full and Open Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with 2 CFR Sec. 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:

1. Placing unreasonable requirements on firms in order for them to qualify to do business.
2. Requiring unnecessary experience and excessive bonding.
3. Noncompetitive pricing practices between firms or between affiliated companies.
4. Noncompetitive contracts to consultants that are on retainer contracts.
5. Organizational conflicts of interest.
6. 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.

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7. Any arbitrary action in the procurement process.

~~Scoring mechanisms that reward bidders that commit to specific numbers and types of U.S. jobs, minimum compensation, benefits, on-the-job-training for employees making work products or providing services on a contract, and other worker protections, may be assigned when consistent with established practices and legal requirements. (2 CFR 300.319)EDGAR further requires the following to ensure adequate competition.~~

Minority Businesses, Women's Business Enterprises, Veteran-Owned Businesses, Labor Surplus Area Firms

The District must take necessary affirmative steps to assure that minority businesses, women's² business enterprises, veteran-owned businesses, and labor surplus area firms are ~~used-considered~~ when possible. ~~Affirmative steps must include~~Such consideration means: (2 CFR Sec. 200.321)

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

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.~~

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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 offerors must fulfill and all other factors to be used in evaluating bids or proposals.

Avoiding Acquisition of Unnecessary or Duplicative Items

The District must avoid the acquisition of unnecessary or duplicative items. Additionally, consideration must be 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. Such considerations are accessible in the administrative regulation attached to Policy 3231– Allowability of Costs.

Use of Intergovernmental Agreements and Cooperative Purchasing

To foster greater economy and efficiency, the District enters into state and local intergovernmental agreements where appropriate for cooperative purchasing or use of common or shared goods and services, as permitted by the Intergovernmental Cooperation Act and the Commonwealth Procurement Code. (53 Pa. C.S. Ch. 23; 62 Pa. C.S. Ch. 19, [2 CFR 200.318 \(e\)](#)).

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When procuring supplies or services for federally funded purposes to which the Uniform Grant Guidance applies, the District shall verify and document that the organization conducting the procurement pursuant to such agreements complies with the applicable requirements and standards of the Uniform Grant Guidance as outlined in this procedure.

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.

Recovered Materials

The recipient or subrecipient should, to the greatest extent practicable and consistent with law, purchase, acquire or use products and services that can be reused, refurbished or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. (2 CFR 200.323)

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 contractor with whom the District intends to do business is not excluded or disqualified. (2 CFR Part 200, Appendix II, and 2 CFR Sec. 180.220 and 180.300).

All successful contractors must provide written certification that they have not been suspended or debarred from federal projects. The Director of Business Affairs will be responsible for verification. to determine whether a potential subrecipient is subject to any suspension or debarment restrictions must include one of the following: Such verification may include

1. Accessing the online federal System for Award Management (SAM) to determine whether any relevant party is subject to any suspension or debarment restrictions; or
2. Collecting a certification from that person; or
- 1.3. Adding a clause or condition to the covered transaction with that person. (2 CFR 180.300)-

Maintenance of Procurement Records

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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.

Maintenance of records of procurement will be governed by Board Policy 8210 Records Management and established Administrative Regulations. (Pol. 8210)

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. Protest procedures will be acted on in accordance with current state law and regulations, established District administrative regulations and the advice of the District solicitor.

Food Service Program Notes:

Exemption from Bidding for Perishable Food Items -

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The School Code exempts purchases of perishable food items from bidding requirements. Bidding for perishable food items is required only if the cost would be at or over the federal threshold at which formal competitive bidding is required (\$250,000). Small purchase procedures may be used for purchases below \$250,000, or micro-purchase procedures for purchases below \$12,200. Use of bidding should be considered as an option if it is feasible and likely to result in cost savings. (24 P.S. Sec. 504(d))

Geographic Preferences -

The District is permitted to apply a geographic preference when procuring unprocessed locally grown or locally raised agricultural products. When a geographic preference is applied, the District has discretion to determine the local area to which the geographic preference option will be applied.

Unprocessed locally grown or locally raised agricultural products means only those agricultural products that retain their inherent character. The effects of the following food handling and preservation techniques shall not be considered as changing an agricultural product into a product of a different kind or character: cooling; refrigerating; freezing; size adjustment made by peeling, slicing, dicing, cutting, chopping, shucking, and grinding; forming ground products into patties without any additives or fillers; drying/dehydration; washing; packaging (such as placing eggs in cartons), vacuum packing and bagging (such as placing vegetables in bags or combining two (2) or more types of vegetables or fruits in a single package); the addition of ascorbic acid or other preservatives to prevent oxidation of produce; butchering livestock and poultry; cleaning fish; and the pasteurization of milk. (7 CFR Sec. 210.21, 215.14a, 220.16)

Buy American -

The District shall purchase, to the maximum extent practicable, domestic commodities or products for food service purposes. The term **domestic commodity or product** means: (7 CFR Sec. 210.21, 220.16)

1. An agricultural commodity that is produced in the United States; and
1. A food product that is processed in the United States substantially using agricultural commodities that are produced in the United States, meaning over 51% of a food product must consist of agricultural commodities that were grown domestically.

All procurement procedures, solicitations and contracts related to food service programs must include language regarding the Buy American requirements for food purchases.

The two main exceptions to the Buy American requirements are:

1. The product is not produced or manufactured in the United States in sufficient and reasonably available quantities of a satisfactory quality; or

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2. Competitive bids reveal the costs of a United States product are significantly higher than the non-domestic product.

Mandatory Contract Clauses -

The following provisions shall be included in all cost reimbursable contracts for food services purchases, including contracts with cost reimbursable provisions, and in solicitation documents prepared to obtain offers for such contracts: (7 CFR Sec. 210.21, 215.14a, 220.16)

1. Allowable costs will be paid from the nonprofit school food service account to the contractor net of all discounts, rebates and other applicable credits accruing to or received by the contractor or any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the school food authority;
2. (a) The contractor must separately identify for each cost submitted for payment to the school food authority the amount of that cost that is allowable (can be paid from the nonprofit school food service account) and the amount that is unallowable (cannot be paid from the nonprofit school food service account); or

(b) The contractor must exclude all unallowable costs from its billing documents and certify that only allowable costs are submitted for payment and records have been established that maintain the visibility of unallowable costs, including directly associated costs in a manner suitable for contract cost determination and verification;
3. The contractor's determination of its allowable costs must be made in compliance with the applicable departmental and program regulations and Office of Management and Budget cost circulars;
4. The contractor must identify the amount of each discount, rebate and other applicable credit on bills and invoices presented to the school food authority for payment and individually identify the amount as a discount, rebate, or in the case of other applicable credits, the nature of the credit. If approved by the state agency, the school food authority may permit the contractor to report this information on a less frequent basis than monthly, but no less frequently than annually;
5. The contractor must identify the method by which it will report discounts, rebates and other applicable credits allocable to the contract that are not reported prior to conclusion of the contract; and

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6. The contractor must maintain documentation of costs and discounts, rebates and other applicable credits, and must furnish such documentation upon request to the school food authority, the state agency, or the department.

Contracts with Food Service Management Companies -

Procedures for selecting and contracting with a food service management company (FSMC) shall comply with guidance provided by the Pennsylvania Department of Education, Division of Food and Nutrition, including standard forms, procedures and timelines for solicitation, selection and approval of proposals and contracts. (7 CFR Sec. 210.16, 210.19, 210.21, 215.14a, 220.16)

Pre-Plated Meals -

Procedures for selecting and contracting with contractors of pre-plated meals shall comply with guidance provided by the Pennsylvania Department of Education, Division of Food and Nutrition, including standard forms, procedures and timelines for solicitation, selection and approval of proposals and contracts. (7 CFR Sec. 210.16, 210.19, 210.21, 220.16)

Standards of Conduct -

The District will comply with the written standards of conduct in Board policy which governs the actions of employees and Board members regarding the selection, award and administration of contracts.

No employee or Board member may participate in the selection, award or administration of a contract supported by a federal award if they have a real or apparent conflict of interest as well as any other circumstance in which the employee, Board member, any member of their immediate family, their business partner, or an organization which employs or is about to employ any of them, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. (2 CFR 200.318)

Violations of the standards of conduct by employees may result in disciplinary action up to and including discharge, fines and possible criminal charges. Disciplinary actions shall be consistent with Board policies, procedures, applicable collective bargaining agreements and state and federal law.

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Cross References:

Regulation 3323 “Procurement”

Regulation 3324 “Procurement Cards”

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Federal Fiscal Compliance – Subrecipient Monitoring

In the event the District disperses federal funds received through a federal award to other entities and assigns responsibilities to the outside entity to conduct a portion of the work, the District shall be responsible for determining, on a case-by-case basis, whether the agreement with such entity places the outside entity in the role of a subrecipient receiving a subaward of federal funding, or the role of a contractor.

If the District grants subawards of federal funding to other entities as subrecipients, the District shall be responsible for:

1. Evaluating the entity for risk of noncompliance to determine appropriate monitoring practices.
2. Monitoring the subrecipient entity's implementation to ensure compliance with federal, state and local laws, conditions of the federal funding award, and Board policies and administrative regulations.
3. Notifying the subrecipient entity of identified deficiencies found during the monitoring process and ensuring that identified deficiencies are corrected.
4. Documenting and retaining records on subrecipient identification, notification, evaluation, monitoring and corrective actions taken.

Definitions

For purposes of policies and procedures related to federal programs, the following definitions shall apply:

Contract – for the purpose of federal financial assistance, a legal instrument by which a recipient or subrecipient conducts procurement transactions under a federal award. —a legal instrument by which a non-federal entity purchases property or services needed to carry out the project or program under a federal award. The term as used here does not include a legal instrument, even if the entity considers it a contract, when the substance of the transaction meets the definition of a federal program award or subaward. (2 CFR 200.22)

Contractor – an entity that receives a contract, as defined in law and regulations, by which a non-federal entity purchases property or services needed to carry out the project or program under a federal award. (2 CFR 200.23)

Participant – generally an individual participating in or attending program activities under a federal award, such as trainings or conferences, but who is not responsible for implementation of the federal award. Examples include community members participating in a community outreach program, students, conference attendees or a member of the public whose input is sought.

Pass-through entity – a ~~non-federal entity~~ recipient or subrecipient that provides a subaward to a subrecipient to carry out part of a federal program. The District serves as the pass-through entity in cases where it awards federal funding to a subrecipient as defined in this procedure. (2 CFR 200.74)

Subaward – an award provided by a pass-through entity to a subrecipient in order to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor, participant, or payments to an individual that is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract. (2 CFR 200.92)

Subrecipient – an ~~non-federal~~ entity that receives a subaward from a pass-through entity to carry out part of a federal program; but does not include a participant or an individual that is a beneficiary of such program. (A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.) (2 CFR 200.93)

Subrecipient Versus Contractor

The District must determine, on a case-by-case basis, whether an entity receiving funds from the District as part of a federal funding program serves in a role of subrecipient or contractor. (2 CFR 200.3310)

The Business Manager or designee shall be responsible for analyzing the criteria listed in the chart below and evaluating the relationship with the entity based on the substance of the legal agreement a relationship, rather than the form of the agreement. The designee(s) may consult with the District solicitor in making such determination.

Subrecipient	Contractor
<u>Purpose: To carry out a portion of the federal award and create a federal financial assistance relationship</u>	<u>Purpose: To obtain goods and services for the recipient's or subrecipient's own use and create a procurement relationship</u>
<u>Subrecipient Characteristics</u> <u>Include but are not limited to when the entity :</u>	<u>Contractor Characteristics</u> <u>Include but are not limited to when the contractor:</u>
~~Creates a Federal assistance relationship~~	~~Purpose is to obtain goods and services for the non-Federal entity's own use and creates a procurement relationship~~
Determines who is eligible to receive what Federal assistance	Provides the goods and services within normal business operations
Has its performance measured in relation to whether objectives of a Federal program	Provides similar goods or services to many different purchasers

were met	
Has responsibility for programmatic decision making	Normally operates in a competitive environment
Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and	Provides goods or services that are ancillary to the operation of the Federal program; and
In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity (PTE)	Is not subject to compliance requirements of the Federal program as a result of the agreement, <u>although</u> similar requirements may apply for other reasons

**chart provided by © American Institute of CPAs (AICPA)*

Qualification Verification

The district must verify that the subrecipient is not excluded or disqualified by: (2 CFR 180.300)

- Checking SAM.gov;
- Collecting a certification from subrecipient; or
- Adding a clause or condition to the subaward.

Subaward Notification and Information

~~The~~ After verification, the District shall notify subrecipients that they have been identified as a subrecipient and that the funding qualifies as a subaward. The District shall provide the subrecipient with the following information as specified at 2 CFR Sec. 200.3321(a) regarding the federal funding award, and any subsequent changes:

- 1) Federal Award Identification information, including:
 - (i) Subrecipient name (which must match the name associated with its unique entity identifier);
 - (ii) Subrecipient's unique entity identifier;
 - (iii) Federal Award Identification Number (FAIN);
 - (iv) Federal award date – the date the Federal agency officially signed the Federal award or when an authorized alternative is reached with the recipient; (see §200.39 federal award date) of award to the recipient by the federal agency;

- (v) Subaward period of performance start and end Date;
 - ~~(v)~~(vi) Subaward budget period start and end Date
 - ~~(vi)~~(vii) Amount of federal funds ~~obligated by this action by the pass-through entity to the subrecipient~~ in the subaward;
 - ~~(vii)~~(viii) Total amount of federal funds obligated to the subrecipient by the pass-through entity including the current financial obligation;
 - ~~(viii)~~(ix) Total amount of the federal award committed to the subrecipient by the pass-through entity;
 - ~~(ix)~~(x) Federal award project description, as required ~~to be responsive to~~ by the Federal Funding Accountability and Transparency Act (FFATA);
 - ~~(x)~~(xi) Name of federal awarding agency, pass-through entity, and contact information for awarding official of the pass-through entity;
 - ~~(xi)~~(xii) ~~CFDA Number and Name~~ Assistance Listing Title and Number; the pass-through entity must identify the dollar amount made available under each federal award and the ~~CFDA Assistance Listing #~~ Number at time of disbursement;
 - ~~(xii)~~(xiii) Identification of whether the award is R&D for research and development; and
 - ~~(xiii)~~(xiv) Indirect cost rate for the federal award (including if the de minimis rate is charged per §2 CFR 200.414 Indirect (F&A) costs).
- 2) All requirements ~~imposed by the pass-through entity on the subrecipient so that the federal award is used in accordance with~~ of the subaward including requirements imposed by federal statutes, regulations and the terms and conditions of the federal award;
 - 3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the federal awarding agency including ~~identification of any~~ information and certifications required for submitting financial and performance reports;
 - 4) An approved federally recognized indirect cost rate negotiated between the subrecipient and the federal government or, if no ~~such approved~~ rate exists, either a rate negotiated between the pass-through entity and the subrecipient (~~in compliance with this part~~ 2 CFR 200.332), or a de minimis indirect cost rate as defined in §200.414 Indirect (F&A) costs, paragraph (f) The pass-through entity must not require the use of the de minimis indirect cost rate if the subrecipient has an approved indirect cost rate negotiated with the federal government. Subrecipients may elect to use the cost allocation method to account for indirect costs;

- 5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary ~~for the pass-through entity to meet the requirements of this part~~ to fulfill its monitoring requirements; and
- 6) Appropriate terms and conditions concerning closeout of the subaward.

Evaluation of Risk

The District shall evaluate each subrecipient's fraud risk and risk of noncompliance with law, regulations and the terms and conditions of the subaward to determine appropriate monitoring practices. (2 CFR 200.332~~+~~)

The Business Manager or designee shall be responsible for evaluating risk based on the following factors:

1. The subrecipient's prior experience with the same or similar subawards;
2. The results of previous audits, including whether the subrecipient receives a single audit and the extent to which the same or similar subaward has been audited;
3. Whether the subrecipient has new personnel, or new or substantially changed systems and processes;
4. The extent and results of any federal award agency's monitoring of the subrecipient.

The Business Manager or designee shall request adequate documentation from the subrecipient to conduct the evaluation of risk; such documentation may include, but shall not be limited to, audit reports, financial reports, policies and procedures, detailed descriptions or users' guides of current systems and processes.

The District shall evaluate subrecipients for risk of noncompliance as specified in the legal agreement and/or contract.

Based on the results of the risk evaluation, the District may consider imposing specific conditions on implementation of the subaward and shall notify the federal agency of the specific conditions, in accordance with applicable law and regulations. (2 CFR 200.207, 200.332~~+~~)

Monitoring

The District shall monitor the overall performance, including implementation and activities of each subrecipient as necessary to ensure that the subaward is used for authorized purposes and that the performance goals are achieved, in accordance with law, regulations and the terms and conditions of the subaward. The District shall notify

subrecipients of monitoring requirements, and may provide technical assistance to subrecipients in complying with monitoring requirements.

As part of the monitoring process, the District shall complete the following steps: (2 CFR 200.332~~4~~)

1. Review financial and performance reports required by the District.
- ~~2.~~ 2. Ensure that the subrecipient takes corrective action on all significant developments that negatively affect the subaward. Significant developments include Single Audit findings related to the subaward, other audit findings, site visits, and written notifications from a subrecipient of adverse conditions which will impact their ability to meet the milestones or the objectives of a subaward. When significant developments negatively impact the subaward, a subrecipient must provide the pass-through entity with information on their plan for corrective action and any assistance needed to resolve the situation. Follow-up and ensure that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the subaward detected during monitoring through audits, on-site reviews and other means.
3. Issue a management decision for audit findings pertaining to the subaward provided to the subrecipient, in accordance with applicable law and regulations. (2 CFR 200.521)
4. Resolve audit findings specifically related to the subaward. However, the pass-through entity is not responsible for resolving cross-cutting audit findings that apply to the subaward and other federal awards or subawards. If the subrecipient has a current Single Audit report and has not been excluded from receiving federal funding, the pass-through entity may rely on the subrecipient's cognizant agency findings. (2 CFR 200.513)

Monitoring – Delegation of Responsibility

The Business Manager or designee shall be responsible for monitoring of subrecipients. Monitoring activities may include, but shall not be limited to:

1. Providing training and technical assistance
- ~~1.~~ 2. Review of progress reports, financial reports and data quality.
- ~~2.~~ 3. On-site visits.
- ~~3.~~ 4. Review of federal or state debarment lists.
- ~~4.~~ 5. Review of other agreed-upon procedures specified in the legal agreement or contract. (2 CFR 200.425)

The District shall verify that subrecipients are audited as required by applicable law and regulations. (2 CFR 200.332~~4~~, 2 CFR 200.500-200.521, Pol. 619)

Follow-Up Actions –

The Business Manager or designee shall provide subrecipients with written documentation detailing their monitoring results and listing any identified deficiencies. The District shall consider whether the results of monitoring indicate the need to revise existing District policy and procedures or the need to take other enforcement actions. (2 CFR 200.33~~2~~4)

The District may impose specific conditions on the subrecipient, in accordance with applicable law and regulations. (2 CFR 200.208)

The District shall require subrecipients to take immediate action on issues involving ineligible or illegal use of federal funding, and notify the District of corrective action taken.

The District shall require subrecipients to develop a corrective action plan to address other identified deficiencies or noncompliance issues; such plan shall be submitted to the District as specified in the agreed-upon procedures, and the District shall evaluate and monitor the activities taken by the subrecipient under the corrective action plan. The District may provide technical assistance and/or training to subrecipients in complying with corrective action requirements.

The Business Manager or designee shall maintain all documentation on monitoring of subrecipients and corrective action taken during the monitoring process.

The District shall report issues of noncompliance to the appropriate federal agency where required by law, regulations, or requirements of the federal funding program.

Remedies for Noncompliance –

When monitoring activities identify issues of noncompliance that are not addressed through corrective action, the District may take the following actions: (2 CFR 200.~~331~~332, 200.~~338~~339)

~~1. Impose specific conditions on the subrecipient, in accordance with applicable law and regulations. (2 CFR 200.207)~~

~~2.1.~~ Temporarily withhold cash payments, until the recipient or subrecipient takes corrective action in accordance with applicable law and regulations.

~~3.2.~~ Disallow or deny use of funds for all or part of the cost of the activity or action ~~not in compliance associated with noncompliance of the recipient or subrecipient.~~

~~4.3.~~ Wholly or partially suspend or terminate the agreement for the federal award.

~~5.4.~~ Recommend that the federal agency initiate suspension and debarment proceedings.

~~6.5.~~ Withhold further federal funds (new awards or continuation of funding) agreements for the project or program.

~~7.6.~~ Take other remedies legally available, in consultation with the District solicitor or other qualified counsel.

Record Retention

The Business Manager or designee shall ensure that all documentation regarding subrecipient identification, notification, evaluation, monitoring activities and corrective action is maintained in accordance with Board policy and procedures. (Pol. 8210)

Records shall be retained in accordance with applicable law, regulations, specific requirements of the federal program and the District's records retention schedule. (2 CFR 200.33~~43~~-200.33~~87~~, Pol. 8210)

Federal Fiscal Compliance – Types of Costs, Obligations and Property Management

The District establishes and maintains Board policies, administrative regulations and procedures on administration of federal funds in federal programs as required by the Uniform Grant Guidance and other federal, state and local laws, regulations and requirements. The District's financial management system includes internal controls and grant management standards in the following areas.

Direct and Indirect Costs

Direct costs – 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.

Examples of direct costs may include, but are not limited to, salaries and benefits of staff working directly on the federal program, travel costs for program-related training and equipment purchased specifically for the program.

Indirect costs – costs incurred for a common or joint purpose benefiting more than one (1) cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

Examples of indirect costs may include, but are not limited to, salaries and benefits of Human Resource staff, network infrastructure and building maintenance and repairs.

Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. (2 CFR Sec. 200.405, 200.413)

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.

Direct and indirect costs shall be determined in accordance with law, regulations, the terms and conditions of the federal award, and the District's negotiated indirect cost rate.

The District shall develop an indirect cost rate proposal and cost allocation plan in accordance with law, regulations and the terms and conditions of the federal award.

Timely **Financial** Obligation of Funds

Financial Obligations – orders placed for property and services, contracts and subawards made, and similar transactions that require payment by a recipient or subrecipient under a federal award that will result in expenditures by a recipient or subrecipient under a federal award. ~~during a given period that require payment by the District during the same or a future period.~~

The following table illustrates when funds must be obligated under federal regulations:

<u>Financial</u> Obligation is for:	<u>Financial</u> Obligation is made:
Acquisition of <u>real or personal</u> property	On the date on which the District makes a binding written commitment to acquire the property
Personal services by a District employee	When the services are performed
Personal services by a contractor who is not a District employee	On the date on which the District makes a binding written commitment to obtain the services
<u>Work other than personal services</u>	<u>On the date on which the District makes a binding written commitment to obtain the services</u>
Public utility services	When the District receives the services
Travel	When the travel occurs
Rental of <u>real or personal</u> 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 CFR §75.707; ~~34 CFR §76.707~~

All financial obligations must occur between the beginning and planned ending dates of the federal award project, which is known as the period of performance. The period of performance is dictated by law and regulations and will be indicated in the federal award. Specific requirements for carryover funds may be specified in the federal award and must be adhered to by the District. (2 CFR Sec. 200.77, 200.309)

The District will handle financial obligations and carry over of state-administered and direct grants in accordance with state and federal law and regulations, and the terms and conditions of the federal award. Carryover will be calculated and documented by the Business Manager or designee.

The District may exercise an extension of the period of performance under a direct grant in accordance with law, regulations and the terms and conditions of the federal award when written notice is provided to the federal awarding agency at least ten (10) calendar days prior to the end of the period of performance. (2 CFR Sec. 200.308(d)(2))

The Business Manager or designee will decide when an extension of the period of performance is necessary and will recommend that the Superintendent approve this process.

The Business Manager or designee will develop the required written notice, including the reasons for the extension and revised period of performance; the notice will be issued no later than ten (10) calendar days prior to the end of the currently documented period of performance in the federal award.

The District must seek approval from the federal awarding agency for an extension of the period of performance when the extension is not contrary to federal law or regulations, and the following conditions apply:

1. The terms and conditions of the federal award prohibit the extension;
2. The extension requires additional federal funds; or
3. The extension involves any change in the approved objectives or scope of the project. (2 CFR Sec. §200.308)

The Business Manager or designee will determine when an extension must be requested for approval by the federal awarding agency, draft the written request and notify the Superintendent or designee(s) of the requested extension.

When an extension to a federal award is approved, the period of performance will be amended to end at the completion of the extension. If termination occurs, the period of performance will be amended to end upon the effective date of termination. The start date of a renewal award begins a new and distinct period of performance.

Management of Property Acquired With Federal Funds

Definitions -

Equipment – tangible personal property, including information technology systems, having a useful life of more than one (1) year and a per unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the recipient or subrecipient for financial statement purposes, or \$10,000.

Real Property – land, including land improvements, structures, and appurtenances, and legal interest in land, including fee interest, licenses, rights of way and easements. Real property excludes moveable machinery and equipment.

Personal Property – tangible or intangible property other than real property.

Supply – all tangible personal property other than those defined as equipment. Computing devices costing less than \$10,000 per unit qualify as supplies.

Insurance Coverage -

The recipient or subrecipient must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with federal funds as it provides to property and equipment owned by the recipient or subrecipient.

Contract and Purchasing Administration -

The District maintains internal controls, administrative regulations and procedures to ensure that contractors deliver goods and services in accordance with the terms, conditions and specifications of the designated contract, purchase order or requisition.

Property Classifications -

Property shall be classified as **equipment, supplies, computing devices and capital assets** as defined and specified in accordance with law and any applicable Board policy or administrative regulation.

Inventory Control/Management -

All property purchased with federal funds, regardless of cost, will be inventoried as a safeguard.

Inventory will be received by the department or program requesting the item; designated staff will inspect the property, compare it to the applicable purchase order or requisition, and ensure it is appropriately logged and tagged in the District's property management system.

Items acquired will be physically labeled by source of funding and acquisition date.

Inventory records of ~~equipment and computing devices~~property must be current and available for review and audit, and include the following information:

1. Description of the item, including any manufacturer's model number.
2. Manufacturer's serial number or other identification number.

3. Identification of funding source.

3.4. Who holds title of the property.

4.5. Acquisition date and unit cost.

5.6. Source of items, such as company name.

6.7. Percentage of federal ~~funds~~ contribution used in the purchase and identification of the federal award.

7.8. Present location, use, condition of item, and date information was reported.

8.9. Pertinent information on the ultimate transfer, replacement or disposition of the item and sale price of the property.

Inventory will be updated as items are sold, lost or stolen, or cannot be repaired, and new items are purchased.

Equipment must be used in the program or project for which it was acquired for as long as needed, whether or not the project or program continues to be supported by a federal award.

During the time that equipment is used on the project or program for which it was acquired, the recipient or subrecipient must also make the equipment available for use on other programs or projects supported by the federal government, provided that such use will not interfere with the purpose for which it was originally acquired. First preference for other use of the equipment must be given to other programs or projects supported by the federal agency that financed the equipment. Second preference must be given to programs or projects under federal awards from other federal agencies. Use for nonfederally-funded projects is also permissible, provided such use will not interfere with the purpose for which it was originally acquired. The recipient or subrecipient should consider charging user fees as appropriate.

Physical Inventory -

Physical inventory of property will be completed by designated District staff in accordance with applicable federal and state laws and regulations and any applicable Board policy or administrative regulation.

The physical inventory of items will be conducted annually at least every two (2) years or more often if required by law or Board policy, and the results will be reconciled with the inventory records and reported to the federal awarding agency.

Maintenance -

The District establishes adequate-regular maintenance procedures to ensure that property is maintained in good condition in accordance with law, regulation and Board policy.

Safeguards -

The District ensures that adequate safeguards are in place to prevent loss, damage or theft of property:

1. Any loss, damage or theft must be investigated, fully documented and reported to the federal agency or pass-through entity of any loss, damage or theft that will have an impact on the program. will be reported to the Superintendent or designee(s) and investigated and fully documented, and may be reported may also report the loss, damage, or theft to local law enforcement.
2. If stolen items are not recovered, the District will submit copies of the investigative report and insurance claim to the federal awarding agency.
3. The District may be responsible for replacing or repairing lost, damaged, destroyed or stolen items.
4. Replaced equipment is property of the originally funded program and should be inventoried accordingly.
5. District property may only be loaned in accordance with Board policy and administrative regulations.

Disposition of Property Acquired with Federal Funds –

When the District determines that real property, including land, land improvements structures and accessories thereto, acquired under a federal award is no longer needed for the originally authorized purpose, the District must obtain disposition instructions from the federal awarding agency or pass-through entity administering the program, in accordance with applicable law and regulations. (2 CFR Sec. 200.311)

When the District determines that equipment or supplies acquired under a federal award are no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the Business Manager or designee will follow the terms and conditions of the federal award, the disposition instructions in the Department of Federal Programs Administrative Manual on the PA Department of Education's website, and may contact the federal awarding agency or pass-through entity administering the program to obtain disposition instructions, ~~based on the fair market value of the equipment or supplies.~~

~~Generally, items with a fair market value of \$5,000 or less that are no longer effective may be retained, sold, purged, or transferred to the District. For items with a fair market value greater than \$5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.~~

Equipment with a current fair market value of \$10,000 or less per unit may be retained, sold or otherwise disposed of with no further responsibility to the federal agency or pass-through entity. For items with a fair market value greater than \$10,000 per unit, the federal awarding agency or pass-through entity is entitled to the federal share of the

current market value or sales proceeds, in accordance with applicable law and regulations.

Supplies acquired under a federal award will vest upon acquisition in the recipient or subrecipient. After the period of performance, if there is a residual inventory of supplies exceeding \$10,000 in total aggregate value, and the supplies are not needed for any other federal award the recipient or subrecipient may retain or sell the unused supplies which are new, have never been used or opened. The aggregate value of supplies consists of all supply types, not just like-item supplies.

The federal agency or pass-through entity is entitled to compensation in an amount calculated by multiplying the percentage of the federal agency's or pass-through entity's contribution towards the cost of the original purchase(s) by the current market value or proceeds from the sale.

The district may retain \$1,000 to cover expenses associated with the selling and handling of the equipment or supplies.

If the District will be replacing the equipment or supplies, the District may use the existing equipment or supplies as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

The Business Manager or designee will be responsible for contacting the federal awarding agency and determining the process for disposition of equipment or supplies.

The District may use the following methods in disposing of unnecessary equipment or supplies acquired with federal funds:

- Public auction and/or online sale – generally conducted by a licensed auctioneer.
- Salvage – scrap sold to local dealers.
- Negotiated sale – normally used when disposing of items of substantial value.
- Sealed bid – normally used for items of substantial value or unique qualities.
- Pre-priced sale – large quantities of obsolete or surplus equipment or supplies may be sold by this method.
- Donation to charitable organizations, for equipment or supplies with little to no value.
- Disposition to trash for equipment or supplies with no value.

The Business Manager or designee will be responsible for maintaining records of obsolete and surplus property disposed of, and will report to the federal awarding agency when required.

Monitoring Program Performance

The District will monitor activities of federally-funded programs to assure compliance with applicable laws, regulations, and federal requirements, and to ensure that performance expectations and cost-effective practices are being achieved.

Data on compliance and program performance shall be provided in the form, and at the time intervals required by the state and federal law or the federal awarding agency.

*Investments*Purpose

The principal purpose of this policy is to insure that the School Board invests district funds consistent with sound business practice. The school district's funds shall be invested at minimal risk in accordance with applicable law. The secondary purpose of this policy is to direct the Treasurer to maximize the interest income on such investments.

Delegation of Responsibility

The Board designates the Business Manager as the District's Investment Officer. As the District Investment Officer, the Business Manager shall have the authority to implement the District's investment program in accordance with this Policy and applicable law without further action of the Board, subject to the following condition: Board approval is required prior to the investment of District funds in investments permitted by Act 10 of 2016 that are not among the types of investments permitted under the Public School Code of 1949.

The accompanying Administrative Regulation details the specific categories of investments that require prior Board approval, and those that do not. Any investments not specifically referenced in the accompanying Administrative Regulation shall require Board approval prior to the Investment Officer investing in such funds.

In addition to the Business Manager/District Investment Officer, the following individuals are authorized to invest District funds:

- a. Assistant Business Manager, and
- b. Treasurer if not the Assistant Business Manager.

Permitted Investments

The following are the only permitted investments for school district funds:

1. United States Treasury bills.
2. Short term obligations (12 months or less) of the United States of America or any of its agencies or instrumentalities.
3. Deposits in savings accounts or time deposits or share accounts of financial institutions, to the extent such deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or the National Credit Union Share Insurance Fund.
4. To the extent that such deposits described in paragraph 3 exceed amounts covered by federal deposit insurance, approved collateral as provided by law shall be pledged by the depository. These financial institutions are to be approved annually by the Board of School Directors.
5. Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the USA, the Commonwealth of Pennsylvania or any of its

- ~~agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.~~
6. ~~Shares of an investment company registered under the Investment Company Act of 1940 whose shares are registered under the Securities Act of 1933, provided that the following are met:~~
- ~~(a) Only investments of that company are in the authorized investments for school districts' funds listed in paragraphs 1-4, and repurchase agreements fully collateralized by such agreements.~~
 - ~~(b) The investment company is managed so as to maintain its share at a constant net asset value in accordance with federal regulations relating to money market funds (17 C.F.R. 270.2a-7)~~
 - ~~(c) The investment company is rated in the highest category by a nationally recognized rating agency.~~
 - ~~(d) The investment company will provide independently audited financial statements prior to obtaining Board approval and annually while doing business with the school district.~~
7. ~~Pennsylvania local government investment pools provided that the Board of School Directors specifically adopts a resolution under the Intergovernmental Cooperation Act approving participation in the pool. The School District's investments in the local government investment pool shall be in accordance with the policies and guidelines set forth in the pool's information statement.~~
8. ~~Any other investments which a Pennsylvania public school district is expressly permitted to make by law.~~

Restrictions

~~Unless otherwise specifically permitted by the Board of School Directors, an investment must comply with the following restrictions:~~

- ~~1. Unless covered by federal deposit insurance, the aggregate amount of deposits in any financial institution shall not exceed the lesser of two-tenths of 1% of the assets of that institution or \$10,000,000. This restriction does not apply to funds invested in the Pennsylvania Local Government Investment Trust (PLGIT) and the Pennsylvania School District Liquid Asset Fund (PSDLAF).~~
- ~~2. The maturities of the various investments shall correspond to the cash requirements of the school district, but, in any event, the maturity of any investment shall not exceed one year.~~
- ~~3. Only the following individuals are authorized to invest school district funds: Chief Operations Officer, Treasurer, and Secretary of the Board of School Directors as directed by~~

Adopted: September 24, 1973

Revised: January 24, 1994

Revised: February 24, 2003

First Reading: September 25, 2006

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~~the Chief Operations Officer (if the Secretary and Chief Operations Officer are not the same person).~~

- ~~4. All securities shall be purchased in the name of the school district except in the case of a purchase of shares of an investment company that is or conducts business voluntarily in compliance with SEC section 2a7.~~

Other Requirements

1. The Treasurer will submit detailed monthly reports sufficient to enable the school board to adequately monitor and review the district's investment activity. The reports should list the depository or depositories in which district funds are deposited, the types and amounts of investments made and the investment interest rates and interest earned.
2. The school district's independent auditing firm will perform an audit of the investments in conjunction with its annual audit of school district finances. The auditor will verify the value of any school district pooled investments and confirm the value with the pool depository.
3. ~~The investment companies referred to in paragraph 6 above~~ Any investment companies authorized by the accompanying regulation must provide proof of National Association of Securities Dealers certification and proof of state registration before approval and while doing business with the school district.
4. Investment contracts must be reviewed by the Solicitor or other authorized legal counsel and, where applicable, by bond counsel and must also be approved by the school board.
5. Bond proceeds shall be invested in accordance with the Local Government Unit Debt Act and applicable federal and state laws.
6. All investment advisors or bidders shall be provided with a copy of this policy.
7. District funds shall not be invested in foreign currency and shall not have any related risk that would require disclosure pursuant to Governmental Accounting Standards Board Statement 40.
8. District investments shall limit the exposure to loss of principal due to market changes in interest rates.
9. District investments in authorized instruments that are not backed by the "full faith and credit" of the federal or state government shall be limited to those with the highest credit rating available for such instruments issued by a recognized

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organization. If, after purchase, the rating of any instrument is reduced and is no longer in compliance with this policy, the individual responsible for district investments shall advise the Board at the earliest opportunity of such action and make recommendations for altering investments.

10. When school district funds are invested in any one (1) issuer other than designated depository accounts, the amount of the investment shall be unlimited, but the Board shall be notified of such investment monthly.
11. For purposes of interest rate disclosure in the annual financial report, the method of determining interest rate risk shall be based on weighted average maturity.

Investments

Investments Permitted by the Public School Code

Note: Board approval is not required prior to the Investment Officer investing in the following investments:

1. Obligations issued by the U.S. Government and its agencies which carry the full faith and credit guarantee of the United States of America.
2. Short-term obligations of the United States Government or its agencies or instrumentalities.
3. Deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) or the National Credit Union Share Insurance Fund (NCUSIF) to the extent that such accounts are so insured, and, for any amount above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.
4. Obligations of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.
5. Shares of an investment company registered under the Investment Company Act of 1940, whose share are registered under the Securities Act of 1933, provided that the following conditions are met:
 - a. The only investments of that company are in the authorized investments for District funds as listed in items 1-4 above and repurchase agreements fully collateralized by such investments.
 - b. The investment company is managed so as to maintain its shares at a constant net asset value in accordance with 17 CFR Sec. 270 2a-7 (relating to money market funds).
 - c. The investment company is rated in the highest category by a nationally recognized statistical rating organization.
6. Local Government Investment Pools organized by groups of political subdivisions or municipal authorities pursuant to Section 521 of the Public School Code or the Intergovernmental Cooperation Law.
7. Repurchase agreements with respect to U.S. Treasury bills or obligations, participations or other instruments of or guaranteed by the U.S. or any federal agency, instrumentality or U.S. government-sponsored enterprise.

Investments Permitted by Act 10 of 2016

Note: Board approval is required prior to the Investment Officer investing in the following investments:

1. Obligations, participations or other instruments of any federal agency, instrumentality or U.S. government-sponsored enterprise if the debt obligations are rated at least "A" or its equivalent by at least two nationally recognized statistical ratings agencies.
2. Commercial paper issued by corporations or other business entities organized in accordance with federal or state law, with a maturity not to exceed 270 days, if the issuing corporation or business entity is rated in the top short-term category by at least two nationally recognized statistical ratings agencies.
3. Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances, if the bankers' acceptances do not exceed 180 days maturity and the accepting bank is rated in the top short-term category by at least two nationally recognized statistical ratings agencies.
4. Shares of an investment company registered under the Investment Company Act of 1940, whose share are registered under the Securities Act of 1933, provided that the following conditions are met:
 - a. The investments of the company are authorized investments under 53 P.S. 5410.1, subsection (a) (Act 10, Section 1.1.(a))
 - b. The investment company is managed in accordance with 17 CFR Sec. 270 2a-7 (relating to money market funds).
 - c. The investment company is rated in the highest category by a nationally recognized rating agency.
5. Negotiable certificates of deposit or other evidences of deposit, with a remaining maturity of three years or less, issued by a nationally or State-chartered bank, a Federal or State savings and loan association or a State-licensed branch of a foreign bank. For obligations with a maturity of one year or less, the debt obligations of the issuing institution or its parent must be rated in the top short-term rating category by at least two nationally recognized statistical ratings organizations. For obligations with a maturity in excess of one year, the senior debt obligations of the issuing institution or its parent must be rated at least "A" or its equivalent by at least two nationally recognized statistical ratings organizations. Since Negotiable Certificates of Deposit are negotiable instruments and not bank deposits or bank accounts, policies regarding deposit insurance and collateral requirements do not apply.

Management of Investments

All securities purchased as investments shall be purchased in the name of the District and held in custody for the benefit of the District. The plan may make exceptions to such requirements for investments in Local Government Investment Pools (LGIPs) or for the purchase of shares of an

investment company (i.e. mutual funds/open-end management investment companies, unit investment trusts (UITs), and closed-end funds/closed-end management investment companies.)

Protection of Savings Accounts, Time Deposits, Share Accounts or Other Depository Balances in Excess of FDIC Insurance Limits

When District cash is invested in any savings account, time deposit, share account or other authorized depository account other than a LGIP, if the cash balance exceeds FDIC insurance limits, District funds shall be collateralized in one or more of the following ways:

1. An Irrevocable Letter of Credit (LOC) issued by a Federal Home Loan Bank (FHLB)
2. Tri-Party Collateral consisting of the following underlying securities only:
 - a. U.S. Treasury Securities
 - b. Obligations, participations or other investments of any federal agency, instrumentality or U.S. government-sponsored enterprise if the debt obligations are rated at least “A” or its equivalent by at least two nationally recognized statistical rating organizations.
3. Assets pledged as collateral in accordance with 72 P.S. Sec. 3836-1 et seq. (relating to pledges of assets to secure deposits of public funds, whether or not pooled)

The Investment Officer shall be responsible for verifying with the appropriate depository the value of any collateral instruments based on such instruments being marked to market.

Following a review of valuation, the Investment Officer may request an additional review by the District’s investment advisors or financial consultant and shall require additional collateral if the existing collateral has declined in value and exposes the District to potential loss of principal.

Curriculum, Curricular Materials and Resource Materials

All schools shall be organized under the standards set forth by the current *Pennsylvania Public School Code of 1949*, as amended.

Curriculum consistent with the Philosophy of Education of the District (Policy #6121) and state law shall be developed in sufficient breadth and depth to serve all students attending our schools. This program of studies shall be sufficiently varied to prepare students for both civic responsibility and occupational competency.

It is our objective to provide educational programs and opportunities of the highest quality.

Definitions

Curriculum means a series of planned instruction that is coordinated, articulated and implemented to result in achievement of specific knowledge and skills in accordance with the District's educational philosophy and strategic plan.

Curricular materials mean those resources, including textbooks, which are to be used as a source of information in a course. **Textbooks** mean those books including, but not limited to, those in electronic format which are to be used as the source of information in a course.

Resource materials include library books, periodicals and newspapers, audiovisual materials, computer software and other technological resources such as online resources, subscriptions and artificial intelligence enhancements (collectively "technological resources"), classroom reference books, maps, tests, manipulatives and any materials used for instruction not included in the category of curricular materials.

Curriculum Development

The Board recognizes its responsibility for the development, assessment and improvement of the educational program of the schools. To this end, the curriculum shall be evaluated, adapted, and developed on a continuing basis and in accordance with a plan for curriculum improvement.

As educational leader of the District, the Superintendent shall be responsible to the Board for the development of curriculum. The Superintendent shall establish procedures for curriculum development which ensure effective participation of the various school constituencies and draw upon available outside resources as appropriate.

District Selection and Review of Curriculum, Curricular Materials and Resource Materials

Consistent with the District's Philosophy of Education to promote intellectual, cultural, social, and ethical development of its students, the District shall provide materials which will contribute to the realization of this philosophy and which are aligned with state law.

In fulfilling this responsibility, the District shall:

1. Provide materials that will enrich and support the curriculum, taking into consideration the varied interests, abilities, and maturity levels of the students served.
2. Provide materials that will stimulate growth in factual knowledge, literary appreciation, aesthetic values, and ethical standards.
3. Provide a background of information which will enable students to make intelligent judgments in their daily life.
4. Provide materials representing opposing sides of controversial issues so that young citizens may develop, under guidance, the practice of critical reading and thinking.
5. Provide materials representative of the many religious, ethnic, and cultural groups and their contributions to our American heritage.
6. Place principle above personal opinion and reason above prejudice in the selection of materials of the highest quality.*

Materials shall be selected using these guidelines. Criteria for selection, review, and budgetary projection shall be defined and disseminated by the administration. The administration shall annually present to the Board listings and recommendations on classroom textbooks which have been selected for purchase by the staff and recommended by the Superintendent of Schools or designee. ~~During the months, acting as the School Board's authorized representative, the Superintendent has the authority to approve textbook selections as necessary to ensure timely purchases for the start of the school year.~~ A classroom textbook is considered any book purchased for classroom use in quantities of fifteen copies or more. Supplementary textbooks, six to fourteen copies of a single title, shall be recommended for adoption and purchased as needed.

During the months of summer break, acting as the School Board's authorized representative, the Superintendent has the authority to approve textbook selections as necessary to ensure timely purchases for the start of the school year. Textbooks approved in such a manner will be included on the agenda of the next scheduled Board meeting.

Access to Curriculum Information

This Policy is established to comply with the requirement of the State Board of Education that school districts provide access to information about the curriculum. The Board desires to provide opportunities to review curricular materials and resource materials and have access to information about curriculum, including academic standards to be achieved, curricular materials and resource materials and assessment techniques.

Upon request, the District will promptly make available existing information about the curriculum, including academic standards to be achieved, curricular materials, resource materials and assessment techniques.

In accordance with the procedure set forth in the accompanying regulation, parents and guardians may request a District review of the curriculum, including academic standards to be achieved, curricular materials, resource materials, and assessment techniques.

Parents and guardians have the right to inspect curricular materials and resource materials. Requests to review such materials shall be made in writing to the Director of Curriculum, Instruction and Professional Learning and shall be granted within a reasonable time from receipt of the written request. Curricular materials and resource materials may be reviewed at the District administration building or applicable school and in the presence of the Director of Curriculum, Instruction and Professional Learning or designee.

Parents and guardians shall have the right to have their children excused from specific instruction which conflicts with their religious beliefs, upon receipt by the School District of a written request specifically outlining the topics from which the student is to be excused.

Religion in the Curriculum

Religious institutions and orientations are central to human experience, past and present. An education excluding such a significant aspect would be incomplete. It is essential that the teaching about--and not of--religion be conducted in a factually objective, balanced and respectful manner.

Therefore, the practice of the District shall be as follows:

1. The District supports the inclusion of religious literature, music, drama and the arts in the curriculum and school activities provided these are intrinsic to the learning experience in the various fields of study, represent selections from a variety of cultures, and are presented objectively.
2. The emphasis on religious themes in the arts, literature and history shall be only as extensive as necessary for a balanced and comprehensive study of these areas. Such studies shall never foster any particular religious tenet or demean any religious belief or non-belief.
3. When students respond to questions or assignments in ways which reflect their beliefs or non-beliefs, they shall be accommodated unless there is compelling concern that would prevent such accommodation. For example, students are free to express religious belief or non-belief in compositions, art forms, music, speech and debate.

Controversial Issues in the Curriculum

A controversial issue involves a problem about which different individuals and groups urge conflicting courses of action. It is an issue for which society has not found a solution, and it is of sufficient significance that each proposed way of dealing with it is objectionable to some sector of the citizenry. The objection may result from a feeling that a cherished belief, an economic interest, or a basic principle is threatened.

Because the development of rational thinking and preparation for citizenship are among the educational goals of the school system, the District has a responsibility to include, in various curriculum areas at all grade levels, content dealing with current critical issues, some of which will be controversial.

The District, as an educational institution, and the individual classroom teacher have a responsibility to give the student:

- An opportunity to study controversial issues which have political, economic or social significance about which students will begin to have an opinion.
- Access to all relevant information, including the materials that circulate freely in the community.
- Competent instruction balancing the various points of view in an atmosphere free from bias and prejudice.
- The right to form and express opinions on controversial issues without jeopardizing relations with teachers or the schools.

In fulfilling this responsibility, the teacher shall make a deliberate effort to achieve balance within a reasonable period of time in the viewpoints and information to which students are exposed.

In selecting certain controversial issues to be included in the instructional program the staff shall use the following guidelines:

- The issue should contribute toward helping students develop techniques for examining other controversial issues.
- The issue should be suitable for students of the maturity and background represented in the class.
- The issue should be related to the course content and help achieve course objectives.
- The issue should be of continuing significance.

In instances where a controversial issue arises on an unanticipated basis during the course of a class discussion, as the result of a student's question, or in the coverage of current events, and where that issue is neither directly related to the course content nor specified as a part of the curriculum, the staff member may deal with the issue on a limited basis, recognizing the existence of legitimate student interest and devoting sufficient time to the question to assure balanced, impartial coverage. Recognizing the difficult position in which teachers will sometimes be placed in carrying out this Policy and in giving students an opportunity to study a controversial issue, the Board places trust and confidence in its employees and will support their actions in such a manner that they are protected insofar as possible from anonymous, unreasonable, or ill-considered complaints.

* Adapted from the School Library Bill of Rights of the American Association of School Librarians

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Eligibility for Participation in School-Related Activities

District Policy No. 5311 entitled “Eligibility for Participation in School-Related Activities” limits participation in the District’s educational program, curricular activities, athletics, school organizations, student publications, or extracurricular activities, with the exception of Conestoga High School club sports, to students enrolled in the District on a full-time basis unless participation is mandated by law.

Participation in the District’s Educational Program

To the extent required by Section 502 of the School Code, students who reside in the District but who receive their education in a setting other than a public school may participate in District offerings for which they would be eligible if they attended school in the District such as vocational schools, technical schools, and other educational departments.

Participation in the District’s Extracurricular Activities

Students Enrolled in Private Schools

Students enrolled in private schools may not participate in any District extracurricular activities with the following exceptions and limitations:

1. Unless the school they attend fields a team in the club sport in which they wish to participate, District residents who do not attend Conestoga High School but who previously played for a club team in that sport while attending a District school, may participate in Conestoga High School club sports that do not make roster cuts appropriate to their age or grade, whichever applicable. Private school students who wish to participate in Conestoga High School club sports must meet the same eligibility criteria, or its equivalent, as students enrolled in school, meet the try-out criteria, or its equivalent, and comply with all policies, rules and regulations of the governing organization of the activity. No more than two non-Conestoga High School students may be rostered on a club sports team unless mandated by law. The club coach will make the decision as to which players are eligible if more than two non-Conestoga High School students request to be on the team.

or

2. To the extent required by PIAA bylaws, students attending ~~faith-based-private~~ schools may participate in PIAA governed interscholastic activities.

As is the case with students regularly attending Conestoga, the staff of the athletic office will contact the head of the private school periodically to determine if the individual student is meeting the academic and attendance eligibility requirements that Conestoga High School students must meet in order to continue participation in their sport.

Students in Intermediate Unit Placements, Approved Private Schools, Non-Traditional Placements, or other alternative placements

Students in approved private schools, non-traditional placements or other alternative placements who have been placed in these placements by the District are permitted to participate in the extracurricular activities offered by the District as if the students were attending District schools. Such student may also participate in the District's educational program or in co-curricular experiences if permitted or required by the student's Individualized Education Program ("IEP").

Charter Schools

Students in charter schools have a right to participate in the District's extracurricular activities if the charter school does not provide the same extracurricular activity. Charter school students who wish to participate in such activities must meet the same eligibility criteria, or its equivalent, as students enrolled in school, meet the try-out criteria, or its equivalent, and comply with all policies, rules and regulations of the governing organization of the activity. These criteria policies, rules and regulations are contained in the student handbook for the applicable school.

For interscholastic athletics, as is the case with students regularly attending Conestoga, the staff of the athletic office will contact the head of the charter school periodically to determine if the individual student is meeting the academic and attendance eligibility requirements specified by PIAA.

While in school or at school activities, charter school students are responsible to meet the guidelines, as established by Board policy, in the student handbook, and/or in classroom/course/activity procedures. They will be subject to the same disciplinary measures, grading, class, and attendance regulations required of fully enrolled students.

Home Educated

Home-educated students are permitted to participate in District activities such as clubs, musical ensembles, athletics (such as varsity sports) and theatrical productions, and up to two hours of District academic courses a day. Where a co-curricular activity requires that a District student take an academic or co-curricular class for credit, a home-educated student will be given the opportunity to participate on the same basis as other students enrolled in the District. The District assumes no obligation to transport a home-educated student to such a class. Home-educated students who wish to participate in such activities must meet the same eligibility criteria, or its equivalent, as students enrolled in school, meet the try-out criteria, or its equivalent, and comply with all policies rules and regulations of the governing organization of the activity. These criteria policies, rules and regulations are contained in the student handbook for the applicable school. In order to enroll in an academic or co-curricular class, the student must satisfy the enrollment, residency and other registration requirements of Policy 5001 Enrollment and Registration Requirements and Verification of Student Residency.

For interscholastic athletics, as is the case with students regularly attending Conestoga, the staff of the athletic office will contact the parent periodically to determine if the individual student is meeting the academic eligibility requirements specified by PIAA.

While in school or at school activities, home-educated students are responsible to meet the guidelines, as established by Board policy, in the student handbook, and/or in

classroom/course/activity procedures. They will be subject to the same disciplinary measures, grading, class, and attendance regulations required of fully enrolled students.

If the District offers a physical exam or medical test as a condition of participation in the specific activity, then the exam or test will be available to home-educated students. The dates and times of such physicals or tests shall be made available on the District's website or a general circulation publication.

In regard to home-education students identified as needing special education services pursuant to provisions of the Individuals with Disabilities Education Improvement Act, the home education program shall (1) address the specific needs of the exceptional student and (2) be approved by a teacher with a valid certificate from the state to teach special education or a licensed clinical or certified school psychologist. As such, the supervisor of a home education program may request that the District or the intermediate unit provide services that address the specific needs of the exceptional student in the home education program. When the provision of services is agreed to by both the supervisor and the District or intermediate unit, all services shall be provided in the public schools of the District or in a private school licensed to provide such programs and services.

Students on Homebound Instruction

Students on homebound instruction due to a physician's note may be allowed to participate in the District's educational program or in any co-curricular experiences or extracurricular activities provided that the participation is not inconsistent with the medical reasons for the absence from school.

Other Alternative Placements (Residential Treatment Facilities, Partial Hospitalization, Private Residential Rehabilitative Institutions).

These students may participate in academic programs and courses as if they were in private schools to the extent that their medical condition permits them. Unless the District makes the placement, they may not participate in extracurricular activities, unless the placement is of short duration and failure to allow participation could be construed as a violation of Section 504 of the Rehabilitation Act.

**ELIGIBILITY FOR PARTICIPATION
IN SCHOOL-RELATED ACTIVITIES ASSUMING STUDENT MEETS STUDENT
ELIGIBILITY REQUIREMENTS APPLICABLE TO IN-DISTRICT STUDENTS**

Location of Enrollment	Extracurricular Activities	Co-curricular experiences	Educational Program
1. Private School	No, except for Conestoga HS club sports**	Yes*	Yes*
2. Charter School	Yes #	No	No
3. Home-educated###	Yes	Yes	Yes, subject to certain time limitations.
4. Homebound	Yes, subject to medical limitations	Yes, subject to medical limitations	Yes, subject to medical limitations
5. Approved Private School or Non-Traditional Placement	Yes	Yes*	Yes*
6. Alternative Placement (Intermediate Unit, RTF, Partial Hospitalization, PRRI)	Yes, subject to medical limitations	Yes, subject to medical limitations	Yes, subject to medical limitations

* To the extent required by Section 502 of the School Code, students who reside in the District but who receive their education in a setting other than a public school may participate in District offerings for which they would be eligible if they attended school in the District such as vocational schools, technical schools, and other educational departments.

Students in charter schools have a right to participate in the District's extracurricular activities if the charter school does not provide the same extracurricular activity. Charter school students who wish to participate in such activities must meet the same eligibility criteria, or its equivalent, as students enrolled in school, meet the try-out criteria, or its equivalent, and comply with all policies, rules and regulations of the governing organization of the activity. These criteria policies, rules and regulations are contained in the student handbook for the applicable school.

Home-educated students are permitted to participate in District activities such as clubs, musical ensembles, athletics (such as varsity sports) and theatrical productions, and up to two hours of District academic courses daily. Where an academic or co-curricular activity requires that a District student take a class for credit, a home-educated student will be given the opportunity to participate on the same basis as the other students enrolled in the District. The District assumes no obligation to transport a home-educated student to such a class. Home-educated students who wish to participate in such activities must meet the same eligibility criteria, or its equivalent, as students enrolled in school, meet the try-out criteria, or its equivalent, and comply with all policies rules and regulations of the governing organization of the activity. These criteria policies, rules and regulations are contained in the student handbook for the applicable school.

**To the extent required by PIAA bylaws, private ~~faith-based~~ school students may participate in the District's PIAA governed interscholastic sports if the ~~faith-based~~private school does not provide the same sport. Private ~~faith-based~~ school students who wish to participate in such sports must meet the same eligibility criteria, or its equivalent, as students enrolled in school, meet the try-out criteria, or its equivalent, and comply with all PIAA policies, rules and regulations.

Adopted: February 28, 2006
Revised: August 28, 2009
Revised: November 14, 2014
Revised: May 18, 2017
Revised: October 3, 2023
Revised: October 7, 2025

Weapons: Possession and Use (General Public)

The use, possession or transfer of weapons by persons on District property is prohibited, with the exception of weapons under the control of law enforcement personnel who are on official business in the District or unless the weapon has been approved by the building principal or supervising administrator for possession in conjunction with a lawful, supervised activity or course.

For purposes of this Policy, District property means on District grounds, school-sponsored activities or public conveyances providing transportation to a school or school-sponsored activity.

For purposes of this Policy, the term 'weapon' shall include, but not be limited to:

1. any knife, cutting instrument, cutting tool, nunchaku, firearm, shotgun, and rifle, and
2. any other tool, instrument or implement capable of inflicting serious bodily injury possessed with the intent to threaten or harm another person.

Appropriate legal action will be taken against any person who possesses an unapproved weapon, or who assists possession in any way. Persons possessing any unapproved weapon will be reported to the police.

Any weapon possessed on or about a person while on District property in violation of this Policy is subject to seizure and/or forfeiture.

The District shall notify appropriate parties of any incident on District property, on District transportation, or at a District-sponsored activity which involves possession of a weapon, as defined in Board policy and state law.

The Superintendent or designee will report to the Office for Safe Schools within the Pennsylvania Department of Education all incidents relating to acts of violence or unapproved possession of a weapon by any person on school property as required.

Weapons – Possession and Use

Purpose

This regulation is intended to comply with section 1303.2-A of the Pennsylvania School Code, which requires the District to send a notification in the event an incident involving possession of a weapon occurs on District property, on District-provided transportation, or at a District-sponsored activity.

Definitions

Incident involving a weapon - any incident which violates the District's weapons policies or state law that involves possession of a weapon as defined in Board policy and state law.

Weapon - the term shall include but not be limited to any knife, cutting instrument, cutting tool, nunchaku, firearm, shotgun, rifle, replica of a weapon, and any other tool, instrument or implement capable of inflicting serious bodily injury.

For purposes of this policy, weapons do not include items that are approved by the Superintendent or designee in advance for use in a pre-approved District program that would otherwise constitute a weapon under this policy. Examples include but are not limited to the following:

- Utensils used for eating
- Tools and equipment used in their intended capacity in District classes and activities

General Notifications

In the event an incident involving a weapon occurs, the District will issue a general notification within twenty-four (24) hours of the incident in the following contexts:

- *On a District campus.* A notification shall be issued to the parents/guardians of students and to employees in a District program in District building in which the incident occurred, in accordance with statutory requirements.

In the event a District program shares building space with another school entity, as a courtesy, the District shall also notify the lead administrator or designee of the school entity in that space.

- *At a District-sponsored event.* A notification shall be issued to the parents/guardians of students in and employees of the District program or class involved in the event.
- *On District transportation.* A notification shall be issued to the appropriate population of parents, guardians, and employees, in line with the statutory requirements for school entities.

This notification shall inform recipients that there was an incident involving the possession of a weapon. This notification may not include any information that could lead to the identification of any student involved.

Notifications to Assigned Employees

If the incident involves a student possessing a weapon, the school employees to whom that student is assigned (e.g. their classroom teachers, school counselor, etc.) shall receive a notice that includes the student's identity and any other relevant information from the student's record regarding the incident. These notifications are FERPA protected, and may not be shared with unauthorized parties.

Weapons: Possession and Use (Students)

The use, possession or transfer of weapons by students on District property is prohibited unless the weapon has been approved by the building principal for possession in conjunction with a lawful, supervised activity or course.

For purposes of this Policy, District property means on District grounds, at school-sponsored activities or on public conveyances providing transportation to a school or school-sponsored activity.

For purposes of this Policy, the term 'weapon' shall be defined consistent with state law and shall include, but not be limited to:

1. any knife, cutting instrument, cutting tool, nunchaku, firearm, shotgun, and rifle and
2. any other tool, instrument or implement capable of inflicting serious bodily injury possessed with the intent to threaten or harm another person.

Appropriate disciplinary and or legal action will be taken against any student who possesses an unapproved weapon, or who assists possession in any way. Students possessing any unapproved weapon will be reported to the police.

Any weapon possessed by a student while on District property in violation of this Policy is subject to seizure and/or forfeiture.

The District shall notify appropriate parties of any incident on District property, on District transportation, or at a District-sponsored activity which involves possession of a weapon, as defined in Board policy and state law.

The Superintendent will report to the Office for Safe Schools within the Pennsylvania Department of Education all incidents relating to acts of violence or unapproved possession of a weapon by any student on school property as required.

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