MERCHANTVILLE BOARD OF EDUCATION **130 South Centre Street** **Merchantville, New Jersey 08109**	**File Code: 3220/3230** **Proposed: 04/15/00** **Adopted: 05/09/00** **Revised: 01/28/14** **Reviewed: 04/08/2024**

State Funds / Federal Funds

Each year, when it is believed that the school district is eligible for federal and/or state assistance under the provisions of public laws, application for said assistance may be submitted so long as acceptance of the funds does not include conditions contrary to the policies of the board of education. The chief school administrator shall inform the board about specific assurances which may be required in addition to those addressed in this policy, and will provide the required language for board adoption.

When the law requires the development and implementation of administrative procedures for submitting state and federal financial reports, with specified time schedules, the chief school administrator and board secretary shall ensure that the staff has properly completed the reports and that in each instance the reports have been submitted within the specified time.

The regular operating budget must include amounts anticipated to be received from state and/or federal sources, and a listing of projects describing how this money will be spent. These recommendations for expenditures will be approved by the board before projects are submitted.

If additional amounts become available during the year, additional projects will be recommended to the board and, with its approval, added to the budget.

Maintenance of Effort

The board of education will maintain a combined fiscal effort per pupil or aggregate expenditures of state and local funds with respect to the provision of the public education for the preceding fiscal year that is not less than the required amount of the combined fiscal effort per pupil or the aggregate expenditures for the second preceding fiscal year.

Equivalence

To be in compliance with the requirements of federal law, the board of education directs the chief school administrator to assign staff and distribute curriculum materials and instructional supplies to the schools in such a way that equivalence of personnel and materials is ensured among the schools.

Supplement not Supplant

Federal funds shall be used for supplementary services only and shall not be used to replace services that the district would supply eligible pupils, if state and federal funds were not available.

Parent/Guardian Participation

The district shall implement parent/guardian consultation and participation, advisory councils, etc., as mandated for the specific program.

Control of Equipment

Title to and control over equipment and/or property purchased with federal funds shall be maintained in accordance with the pertinent federal regulations. The chief school administrator shall develop written procedures outlining federal ownership and district use, loan, loss and disposal of such equipment/property for public and private/nonpublic schools.

Special Education Medicaid Initiative (SEMI) Program

The chief school administrator or designee shall ensure that the district follows all required procedures to

maximize its revenue from reimbursements under the Special Education Medicaid Initiative (SEMI) Program. This Program allows the district to recover a portion of the cost of certain health-related services considered medically necessary in a student's Individualized Education Program (IEP), including evaluation services, physical, occupational and speech therapy, and specialized transportation services.

Procedures to be followed are included in the SEMI Provider Handbook, found at www.state.nj.us/treasury/administration/SemiMac.htm. These procedures include maximizing the return rate of parental consent forms for all SEMI eligible students.

In accord with the Family Education Rights and Privacy Act (FERPA), the district shall obtain the parent/guardian's informed written consent prior to any disclosures of personally identifiable information from education records, including health information, to the Medicaid program for Medicaid claim submission.

All supporting documentation for Medicaid claims shall be maintained on file and available for state or federal audit for at least seven years from the date of service. Records shall fully document the basis upon which claims for reimbursement are made.

Reimbursement Requests

When school districts and other local educational agencies are subgrantees of grants awarded by the Federal government to the State of New Jersey, the subgrantees will submit reimbursement requests using the EWEG (Electronic Web-Enabled Grant) System. Expenditures must be supported by documentation at the subgrantee level. Documentation for salary expenditures will be according to the applicable federal circular. Expenditures must be for allowable costs. Expenditures must be related to the subgrantee's cost objectives.

Expenditures will be reviewed to determine that:

A. Adequate description of expenditures is provided;

B. No new budget category is created; and

C. Reimbursement does not exceed the allowable threshold for an amendment as a result of cumulative transfers among expenditure categories.

Reimbursement requests will be certified by the subgrantee as being in accordance with approved grant applications. EWEG reimbursement requests will meet NJDOE timelines and deadlines. The district assumes responsibility for assuring that all funds requested through the EWEG system either have already been expended, or will be expended according to the requirements of the Cash Management Improvement Act of 1990 (CMIA) and other applicable federal regulations.

District Financial Fraud and Theft Prevention

All district employees, board members, consultants, vendors, contractors and other parties maintaining a business relationship with the district shall act with integrity and due diligence in matters involving state grants, federal grants, and other district fiscal resources.

The chief school administrator shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety or fiscal irregularities within the district. Every member of the district's administrative team shall be alert for any indication of fraud, financial impropriety or irregularity within his/her areas of responsibility.

As used in this policy, "fraud" refers to intentionally misrepresenting, concealing or misusing information in an attempt to commit fiscal wrongdoing. Fraudulent actions include, but are not limited to:

A. Behaving in a dishonest or false manner in relation to district assets, including theft of funds, securities, supplies or other district properties;

B. Forging or altering financial documents or accounts illegally or without proper authorization;

C. Improper handling or reporting of financial transactions;

D. Personally profiting as a result of insider knowledge;

E. Disregarding confidentiality safeguards concerning financial information;

F. Violating board conflict of interest policies;

G. Mishandling financial records of district assets (destroying, removing or misusing).

The chief school administrator shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the parties and the facts. All employees involved in the investigation shall be advised to keep information about the investigation confidential.

In the event the concern or complaint involves the chief school administrator, the concern shall be brought to the attention of the president of the board of education who is hereby empowered to contact the district's legal counsel, auditing firm and any other agency to investigate the concern or complaint.

Key Words

State Funds, Federal Funds, Disposal of Equipment, State/Federal Funds

Legal References:

N.J.S.A. 18A:7F-1 et seq.	Comprehensive Education Improvement and Financing Act of 1996
N.J.S.A. 18A:7G-1 through –44 et al.	Educational Facilities Construction and Financing Act
N.J.S.A. 18A:11-1	General mandatory powers and duties
N.J.S.A. 18A:34-1	Textbooks; selection; furnished free with supplies; appropriations
N.J.S.A. 18A:38-7.7 through -7.14	Legislative findings and declarations (regarding impact aid)
N.J.S.A. 18A:38-7.7 through -7.14	Legislative findings and declarations (regarding impact aid)
N.J.S.A. 18A:38-7.7 through -7.14	Legislative findings and declarations (regarding impact aid)
N.J.S.A. 18A:38-7.7 through -7.14	Legislative findings and declarations (regarding impact aid)
N.J.S.A. 18A:38-7.7 through -7.14	Legislative findings and declarations (regarding impact aid)
N.J.S.A. 18A:54-20	Powers of board (county vocational schools)
N.J.S.A. 18A:58-7.1	School lunch program
N.J.S.A. 18A:58-7.2	School lunch program; additional state aid
N.J.S.A. 18A:58-11	Emergency aid
N.J.S.A. 18A:58-11.1	Loss of tuition to district due to establishment of regional district; state aid for one year
N.J.S.A. 18A:58-33.6 through -33.21	Additional State School Building Aid Act of 1970
N.J.S.A. 18A:58-37.1 through -37.7	Textbook Aid to Public and Nonpublic Schools
	N.J.S.A. 18A:59-1 through -3 Federal aid
N.J.A.C. 6A:10A-1.1 et seq.	*Improving Standards-Driven Instruction and Literacy and Increasing Efficiency in Abbott School Districts*
N.J.A.C. 6A:14-1.1 et seq.	Special Education
N.J.A.C. 6A:23-5.1 et seq.	State Aid
N.J.A.C. 6A:23-8.1 et seq.	Annual Budget Development, Review and Approval
N.J.A.C. 6A:23A-5.3	Accountability Regulations
N.J.A.C. 6A:26-1.1et seq.	Educational Facilities
N.J.A.C. 6A:27-8.1et seq.	State Aid

N.J.A.C. 6A:30-1.1 et seq.	Evaluation of the Performance of School Districts
N.J.A.C. 6A:32-14.1	Review of mandated programs and services

Abbott v. Burke, 149 N.J. 145 (1997) Hawkins-Stafford Elementary and Secondary School Improvement Amendments of 1988 (Pub. L. 100-97)

20 U.S.C.A. 1401 et seq. - Individuals with Disabilities Education Act

29 U.S.C.A. 794 et seq. - Section 504 of the Rehabilitation Act of 1973

Drug-Free Workplace Act of 1988

34 CFR Part 85, Governmentwide Debarment and Suspension (nonprocurement) and Government wide Requirements for Drug-Free Workplace (Grants)

34 CFR 200.1 et seq.

No Child Left Behind Act of 2001, Pub. L. 107-110, 20 U.S.C.A. 6301 et seq.

Manual for the Evaluation of Local School Districts

34 CFR 80 (7-1-05) monitoring districts' use of federal grant funds

Education Department General Administrative Regulations (EDGAR)

Possible Cross References:

*3100	Budget planning, preparation and adoption
*3160	Transfer of funds between line items/amendments/purchases not budgeted
3500.1	Energy
*3541.1	Transportation routes and services
*3542.31	Free or reduced-price lunches/milk
*3570	District records and reports
*4119.23	Employee substance abuse
*4219.23	Employee substance abuse
*6142.2	English as a second language; bilingual/bicultural
*6142.6	Basic skills
*6142.12	Career education
*6171.3	At-risk and Title 1
*6171.4	Special education
*9326	Minutes

*Indicates policy is included in the Critical Policy Reference Manual.

NJSBA Date: 09/08