Community ISD



State & Federal Grants Manual

Contents

General Information 6

Business Department Mission 6

Business Department Staff 6

Organizational Chart 7

General Ledger Maintenance (†) 8

Journal Entries (†) 8

Data Entry and Validation (†) 9

General Ledger Transaction (Minimum Data Required) – (†) 9

End of Month Process 10

End of Fiscal Year Process – 10

Segregation of Duties (†) 12

Retention of Records (†) 12

Data System Security & Access to Records (†) 13

Assignment of Access and Passwords (†) 13

Revoking Access (†) 14

Business Staff Training (†) 14

State and Federal Grant Management (†) 16

Part I - State Grants 21

State Programs – Allotments 21

Gifted and Talented 27

Career and Technical Education (CTE) 27

Special Education 27

Compensatory Education (SCE) 28

Bilingual and ESL 29

New Allotments created by HB 3, 86th Legislative Session 29

Part II - Federal Grants 31

General Provisions (Conflict of Interest & Disclosure): 31

Pre-Federal Award Requirements: 33

Grant Application Process 34

General Provisions and Assurances..... 36
Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion.....37
Lobbying Certification.....37
Budgeting Grant Funds.....37
Financial and Program Management.....39
FFATA Reporting.....39
Financial Management System.....39
Records Retention.....40
List of Federal Grant Awards.....40
Internal Controls.....40
Bonds.....41
Payments from the Granting Agency and to Vendors.....41
Cost Sharing or Matching Funds.....42
Program Income.....42
Period of performance (Obligations).....43
Procurement Standards and Expenditure of Grant Funds.....44
Federal Regulations - Education Department General Administrative Regulations (EDGAR).....45
State-Administered Federal Grant Guidelines and Requirements.....45
Local Guidelines Related to Unallowable Costs - Optional.....46
Procurement Tracking and Documentation.....46
Purchasing Efficiency Strategies.....47
Conflict of Interest.....47
Vendor Competition.....48
Vendor Management.....49
Procurement Methods.....50
Property Standards and Management.....57
Federally-funded Capital Assets.....58
Federally-funded Capital Assets.....58
Federally-funded Supplies.....58
Capitalization Policy and Definitions.....59
Acquisition Cost.....59
Identifying and Tracking Federally-Funded Assets.....60

Cost Principles..... 61
Cost Allocation Plan and Indirect Cost Rate..... 62
Total Costs..... 63
Compensation & Benefit Costs..... 64
Compensation Plan..... 64
Documentation of Compensation and Benefit Costs..... 66
Approval of Payroll Expenditures..... 67
Selection of Grant-Funded Staff..... 67
Job description for all grant funded staff..... 69
Roster of all grant funded staff..... 69
Budgeting of grant funded staff..... 70
Time and Effort Documentation..... 70
Non-Payroll Costs..... 73
Purchase Requisitions..... 73
Purchase Orders..... 73
Approval of Purchase Orders..... 74
Purchase Order Deadline(s)..... 75
Receipts of Goods and/or Services..... 75
Non-Purchase Order Purchases..... 76
Approval of Disbursements/Expenditures..... 78
Selected Item of Cost – Contracted Services..... 78
Contracted Services - Definitions..... 78
Contract Review and Approval..... 79
Contractual Obligation..... 81
Selected Item of Cost – Travel Expenditures..... 81
Travel Expenditures with Grant Funds (Staff)..... 82
Travel Expenditures with Grant Funds (Students)..... 83
Allowable Travel Expenditures..... 83
Unallowable Travel Expenditures..... 84
Out-of-State Travel..... 85
Review and Approval of Travel Expenditures..... 85
Financial Monitoring and Reporting..... 85

Monitoring of Grant Purchases and Expenditures....86
Draw-down of Grant Funds....87
Grant Compliance Areas....91
Supplement, Not Supplant....91
Comparability....92
Indirect Cost....93
Maintenance of Effort....93
Single Audit....94
Reporting Requirements....95
Remedies for Non-Compliance....96
Grant Closeout Procedures....96
Grant Awards....97
List of Grant Awards (including grant funding source, grant period, and grant amount]....97

General Information

The district has established fiscal procedures that apply to all financial transactions regardless of the funding source. **Procedures that relate directly and/or indirectly to federal and state grant compliance are indicated with a (†).** A separate section in this Manual will include specific procedures related to acquiring, expending, and managing grant funds.

Per School Board Policy, BP Local, the Superintendent and administrative staff shall be responsible for developing and enforcing procedures for the operation of the District. These procedures shall constitute the administrative regulations of the District and shall consist of guidelines, handbooks, manuals, forms, and any other documents defining standard operating procedures. The Superintendent shall approve this State and Federal Grants Manual on an annual basis, or as appropriate, if federal, state or local changes in regulations or policy warrant immediate changes. **Administrative regulations [procedures] are subject to Board review but shall not be adopted by the Board. [Refer to BP Local]**

Business Department Mission

The Mission of the Community Independent School District Financial Services Department serves the students, staff, and community of the district by providing financial services that support the mission and goals of the school district. This is accomplished by protecting the financial assets of the district and communicating financial matters to all who need our services.

The Business Division's primary goal is to protect the assets of the district and to ensure that all financial transactions are performed in accordance with generally accepted accounting practices.

Business Department Staff

The Business Department staff shall perform multiple roles; however, adequate internal controls and separation of duties shall be maintained at all times regardless of the size of the business department staff. The staff consists of:

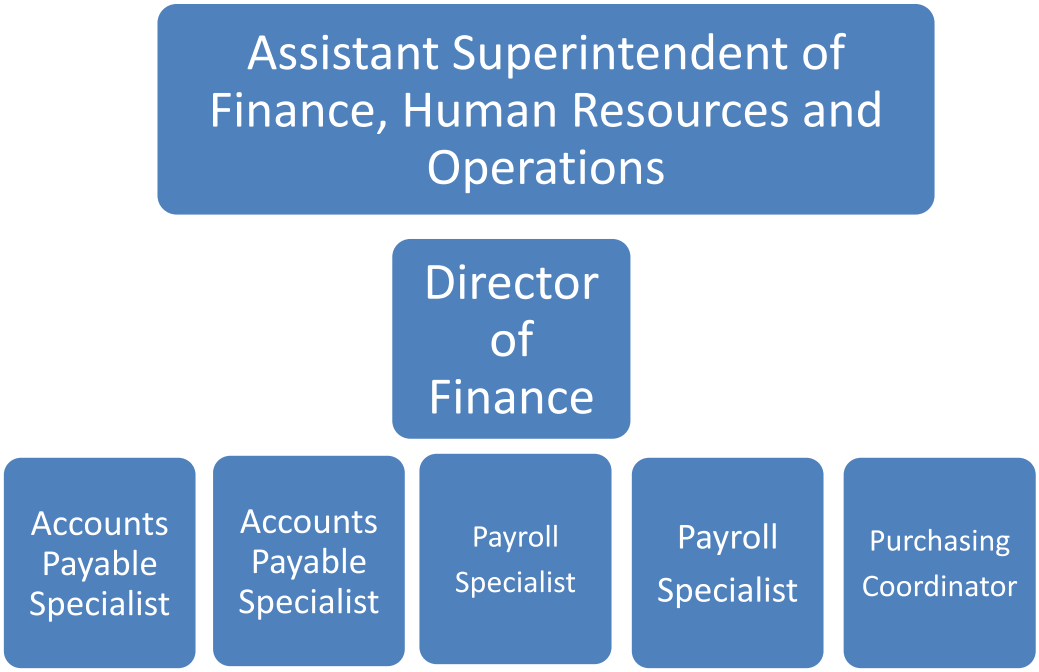
Assistant Supt of Finance, HR and Oper.	Extension 6015
Director of Finance	Extension 6014
Accounts Payable Specialist	Extension 6019
Accounts Payable Specialist	Extension 6016
Purchasing Coordinator	Extension 6018
Payroll Specialist	Extension 6017
Payroll Specialist	Extension 6020

All Business Department staff are expected to comply with the:

- **Code of Ethics and Standard Practices for Texas Educators [Board Policy DH (Exhibit),**
- **School Board Policies, especially CAA Local regarding fraud,**
- **Community ISD Employee Handbook,**
- **Community ISD Fiscal Manual, sub-manuals and procedures,**
- **Community ISD Confidentiality Agreement, and**
- **Community ISD Technology Responsible Use Guidelines.**

Each staff member shall have an up-to-date job description on file in the Human Resources department. In addition, each staff member should receive and sign a job description and corresponding evaluation instrument during the annual evaluation process. Changes to job descriptions should be made when substantial changes occur in job duties or responsibilities.

Organizational Chart



The Assistant Superintendent of Finance, Human Resources and Operations, Director of Finance are exempt positions under the FLSA. The Accounts Payable Specialist, Payroll Specialist, Purchasing Coordinator position is a non-exempt position under the FLSA.

General Ledger Maintenance (†)

General ledger entries shall be made on an on-going basis as needed. End-of-the-month and end-of-the-year entries shall be made on a timely basis. End-of-the-year entries shall be made prior to the completion of audit field work by the district's external audit firm.

The Assistant Superintendent of Finance, Human Resources and Operations shall be responsible for monitoring the general ledger maintenance on a monthly basis as part of the End-of-Month Process [Refer to End-of-Month Procedures]. The Assistant Superintendent of Finance, Human Resources and Operations shall have ultimate responsibility for the accuracy of the general ledger. The general ledger shall be reviewed for accuracy in areas such as, but not limited to the following:

- Cash and investment balances equal the respective bank or investment monthly statements
- Aged purchase orders, receivables and payables
- Verify that fund accounts are in balance
- Verify that bank account reconciling items are posted to the general ledger
- Verify that Refunds, Rebates, and/or other reductions in expenditures are posted to the general ledger.

Journal Entries (†)

All general ledger entries shall be in balance (debits shall equal credits). The Assistant Superintendent of Finance, Human Resources and Operations, shall be authorized to create journal entries. The Assistant Superintendent of Finance, Human Resources and Operations and Director of Finance shall be authorized to approve journal entries. All of the aforementioned business staff shall be authorized to submit journal entries impacting the general ledger.

Supporting documents shall be attached to journal entries to ensure that an audit trail exists for all reclassifications and other changes to the general ledger.

Reclassifications of federal grant and state allotment program expenditures shall be reviewed and approved by the Grant Manager, as appropriate, to ensure program compliance.

Note: As an internal control, the Assistant Superintendent of Finance, Human Resources and Operations shall not create and post journal entries. All journal entries shall be approved by a direct supervisor and posted by the Director of Finance.

All payroll general journals shall be interfaced to the finance system by the payroll department. The payroll department shall verify that the pre-post payroll general journals and the finance payroll general journals are in balance and posted accurately to the general ledger. All payroll general journals must be posted to the finance general ledger no later than the actual pay date.

All changes to the general ledger should be posted within the same month as the changes occurred, if possible, or as soon as practicable. At times, prior to closing the month, additional reconciling journal entries may be posted in accordance with the creation and approval guidelines.

School Board Reports and a detailed Check Payments report for the previous month should be generated by the Assistant Superintendent of Finance, Human Resources and Operations for board review. The financial reports and check payment list shall be approved by the School Board.

All reports should be filed for audit purposes including, but not limited to, the following [list should include critical finance report titles generated by finance system]:

- Cash General Journal
- General Journal
- Check Payments & Check Register
- Detail General Ledger
- Summary General Ledger

The Assistant Superintendent of Finance, Human Resources and Operations or designee shall review a Summary General Ledger on a monthly basis to ensure the accuracy of fund accounting.

Data Entry and Validation (†)

All data entry shall be from the appropriate source document(s). All data entry shall be validated (verified) with the source documents. A system of checks and balances shall be in place to ensure that all postings to the general ledger result in the desired outcome. . The posted cash receipts shall match the bank's validation of the deposit.

Ongoing, daily data entry validation greatly increases the accuracy of the fund accounting and facilitates reconciliation of the monthly bank statements with the general ledger.

General Ledger Transaction (Minimum Data Required) – (†)

All general ledger financial transactions shall require the following minimum data:

- **Date of the general ledger transaction** – the date of the transaction should be within the posting month and within the posting fiscal year.
- **Account code(s)** – the proper account code shall be used for all transactions
- **Journal [transaction] number** – the number assigned should be manually or automatically assigned in a sequential order. A log of the journal numbers utilized each fiscal year should be available in a manual or automated form. Automated, system-generated general ledger entries shall be easily distinguished from manual general ledger entries.
- **The credit and debit amounts**– the total debits must match the total credits
- **Reason for the general ledger transaction** – the reason should explain the reason for the transaction such as cash receipt number, adjustment to budget/expense, etc.
- **Supporting document** – supporting documentation, if any, shall be attached to the journal entry form for audit tracking purposes
- **Signature or initials, as appropriate – Automated by Skyward**

- Signature or initials of the appropriate approval(s)
- Signature or initials of the individual posting the transaction.

All general ledger payroll transactions shall require the following minimum data:

- **Check date –** the system-generated general ledger transaction should reflect the check date as part of the journal entry number
- **Account code(s) –** the account codes charged for all payroll disbursements, including liability accounts, should exist in the general ledger prior to posting the system-generated journal entries. [Note: During the payroll posting process, the payroll department must verify that all payroll accounts exist on the general ledger. If accounts do not exist on the general ledger, the accounts should be verified for accuracy and if accurate, the list of account codes must be submitted to the Assistant Superintendent of Finance, Human Resources and Operations or designee to ensure that the appropriate accounts are created in the finance system.

End of Month Process

Within 20 days after the end of the month, all end-of-month reports should be printed and verified and the end-of-month process completed. There are four (4) steps in completing the End-of-Month process as listed below:

- Reconciliation of all bank accounts
- EOM Activities (Report Generation & Verification)
- Run EOM Reports (archival purposes)
- Process the EOM Close

The Finance EOM Checklist and Procedures should be utilized to ensure that all critical steps are followed during the EOM Process.

End of Fiscal Year Process

All changes to the general ledger should be posted within the same month as the changes occurred, if possible, or as soon as practicable. Within 30 days after the fiscal year, all end-of-fiscal year reports should be printed and verified for audit purposes.

All end-of-fiscal year adjustments should be posted to the general ledger prior to closing out the fiscal year. Prior to the start of the audit field work, the following adjustments shall be posted to the general ledger:

- **Reconcile all cash and investment accounts –** all cash and investment accounts (11XX) shall match the corresponding bank or investment general ledger balances as of June 30th, as reflected on the respective monthly statement.

- **Reconcile all revenue accounts with amounts received and/or earned as of June 30th –** All measurable revenue should be posted to the general ledger. For example, all state aid earned as of the most recent Summary of Finance report from TEA shall be posted to the appropriate state revenue accounts.
- **Reconcile all state and federal grant revenue and expenditures –** the revenue and expenditures in every grant program (state and federal) should equal. The excess revenue if any should be reclassified to a payable (218X) to the granting agency, unless the excess revenue is an advance payment (deferred revenue - 2310). If expenditures exceed revenue, the amount due from the granting agency should be posted to the revenue account and accounts receivable accounts (124X).
- **Reconcile the final amended budget –** verify that all budget amendments (at the functional level) have been posted to the general ledger. The sum of the original budget, plus all budget amendments during the fiscal year shall equal the final amended budget.
- **Reconcile and post all accounts receivables –** all funds due from other sources, as of June 30th shall be posted to the general ledger. The other receivables (1290) shall be measurable and expected to be received within 60 days after the end of the fiscal year in accordance with the district's accounting standards.
- **Reconcile and post all accounts payables –** all payables due to others (such as vendors), as of June 30th shall be posted to the general ledger. The amounts due for all goods and/or services received as of June 30th are classified as accounts payable and paid during the next fiscal year. The district has established a August 1st cut-off for prior year accounts payables, unless the accounts payable expense exceeds $10,000 and is known prior to the end of the audit field work. [Note. The accounts payable account (2111.01) in the prior fiscal year and the next fiscal year must be in balance, except for construction retainage, if any.]
- **Reconcile all accrued wages and benefits as of June 30th –** All accrued wages and benefits (object codes 2161 and 2211) shall be posted to the general ledger, especially for all wages earned in June but scheduled to be paid in the next fiscal year (after July 1st).
- **Reconcile all TRS deductions and payments as of June 30th –** All TRS employee and employer deductions and expenses shall be posted to the general ledger and paid to TRS before the end of the fiscal year. Any funds remaining in object code 2155 shall be reconciled to identify under and/or overpayments to the TRS.
- **Reconcile all mandatory and voluntary deductions as of June 30th –** All mandatory (social security, withholding tax, and garnishments) and voluntary deductions (insurance and other benefits) shall be posted to the general ledger and disbursed as required by law. Any remaining funds in object codes 2151, 2153 and 2159 shall be reconciled at year end.
- **Reconcile all Due To and Due From accounts as of June 30th –** All Due To and Due From accounts shall be in balance throughout the year and at the end of the fiscal year. (object codes 217X and 126X).
- **Reconcile all prepaid expenses as of June 30th –** All prepaid expenses shall be posted to the general ledger to object code 1410. A prepaid expense is typically one that is represents a disbursement of funds (payment) for goods or services that will be received or utilized in the

next fiscal year. For example, a maintenance agreement that has a term of January 1st through December 31st, would have an expense for 6 months in the current fiscal and a prepaid expense of 6 months at the end of the fiscal year. [Note. The prepaid expenses should be cleared in the next fiscal year by posting the expense to the appropriate expense account code(s).

- **Reconcile the fixed assets ledger with all fixed asset additions, deletions, or changes –** All assets (as defined in the Fixed Asset Procedures) acquired during the fiscal year shall be added to the fixed asset ledger (database and/or Excel spreadsheet). Capital assets shall be recorded in object code 663X. All assets disposed of (sold or lost) shall be removed from the fixed asset ledger. Changes, if any, to the location, value, or category of assets shall be posted to the fixed asset ledger in Fund Code 901.
- **Reconcile the fund balance as of June 30th –** All changes, reductions, additions, and/or designations [restricted, committed, assigned, etc.] of fund balance accounts shall be posted to the general ledger. All budgetary fund balance accounts (object code 3700) shall be posted to the appropriate fund balance account (typically object code 3600). [Note. Changes to the budgeted and committed fund balances should be supported by minutes of Board approval. The Superintendent and Assistant Superintendent of Finance, Human Resources and Operations [are] authorized by the School Board to assign fund balances.]

Segregation of Duties (†)

At a minimum, the business office staff shall operate under a segregation of duties, including but not limited to, the following:

- **Endorsement of checks –** The same staff member shall not prepare **and** endorse accounts payable or payroll checks.
- **Bank reconciliations –** The same staff member shall not prepare cash disbursements, cash deposits, or other cash transactions **and** reconcile the district's bank accounts.
- **Maintain non-cash accounting records –** The same staff member shall not prepare, approve, and post non-cash general ledger transactions to the general ledger.
- **Purchasing and Receiving functions –** The same staff member shall not serve as the final approver of a purchase order **and** verify receipt of the goods.
- **Contract Management –** The same staff member shall not approve a contract for goods or services **and** have sole approval authority to disburse the payment for the contracted goods or services.
- **General Ledger Maintenance –** The same staff member shall not prepare, approve and post a general ledger transaction, unless a specific exception exists in the district procedures.

Retention of Records (†)

All financial records for the current fiscal year shall be retained for audit purposes in accordance with the district Local Records Retention Schedule at the district's administration building. Prior year records shall

be transferred to and archived at the district's Records Center. Destruction of records, at the expiration of the records, shall also be in accordance with the district's Local Records Retention Schedule. **Note: The Destruction Schedule [list of all records destroyed] is a permanent document.** Unless a record that has been destroyed is specifically listed on a Destruction Schedule, it is presumed to still exist. **The local retention period or federal retention period, whichever is longer, shall prevail.**

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a **period of five years** from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. The five year regulation is based on local policy, which is in line with the state retention requirement. **[2 CFR 200.333]**

The district shall maintain grant-related records in a combination of paper and electronic formats. The following records shall be maintained in format(s) specified below:

- Grant applications and grant award notifications (Paper and PDF files)
- Grant revenues and expenditures (Skyward Finance System)
- Grant purchasing records (Skyward Requisition & Finance systems, paper, PDF and Excel files)
- Grant expenditure draw-downs (reimbursements) – Paper, PDF, and Excel files

In accordance with federal regulations, the district shall maintain the grant-related records in an open and machine-readable format. Specifically, the district shall use the following formats to store electronic data. **[2CFR 200.335]**

- Microsoft products such as Word, Excel, Access, etc.
- Financial Management System, Skyward Finance, HR, Assets, Purchasing, etc. modules
- Digital PDFs of paper documents

The Records Custodian for the financial records of the district is the Director of Student Accounting & Compliance. All questions related to the retention, destruction, and/or addition of new record series shall be directed to the District's Records Management Officer (RMO), Director of Student Accounting & Compliance.

Data System Security & Access to Records (†)

The business department staff handles and/or processes a substantial amount of confidential information. All staff is strictly prohibited from revealing confidential information to an unauthorized individual. Unless required by Federal, state, and local statute, the district is not required to permit public access to their records. The district shall make all grant-related records available for access to the federal granting agency and/or pass-through entity upon request. **[2 CFR 200.336]**

All business office staff shall sign a Confidentiality Agreement on an annual basis. Among the most critical information is documentation related to employee's Personally-Identifiable Information (PII) such as health, benefits, financial, family members, or other personal information. **[2CFR 200.337]** Violators

will be subject to discipline, employment termination, and/or may be reported to the appropriate legal authorities. Violations of some protected information, such as health or medical information, is also protected by federal laws, such as HIPPA.

Unless notified otherwise by the federal granting agency, the district shall retain all financial and program records related to the grant award in accordance with the federal grant. Upon request from the federal granting agency, the district shall transfer the records to the requesting federal agency. **[2 CFR 200.334]**

The business office staff shall be authorized to access the district's financial and/or payroll system(s) for job-related purposes only. Use of the systems for personal reasons or benefit will result in disciplinary action, up to and including employment termination.

Each staff member shall take appropriate steps to ensure that their respective computer system is managed in a controlled environment to prevent unauthorized access. At no time (including lunch breaks) shall a computer system be logged on to a financial data system while unattended by the respective staff member. All computer systems shall revert to a screen lock after **30 minutes (or less) of nonuse**.

Assignment of Access and Passwords (†)

Access to data systems shall be based on the specific job duties and responsibilities of each staff member. Except for limited exceptions, staff will not be given unilateral access to all modules in the financial and payroll system. For example, a payroll staff member will not have access to the human resources modules unless the access is necessary to perform job duties. These restrictions to unilateral access are designed to prevent complete autonomy which could lead to fraud.

Each staff member shall be responsible for securing their assigned (selected) password. At no time shall passwords be shared with others or posted in visible locations within the staff member's work space. Violators of this restriction shall be subject to disciplinary action, including but not limited to employment termination.

Data system access to the authorized modules, shall be determined by the Director of Finance and the Assistant Superintendent of Finance, Human Resources and Operations. Each staff member shall have access to their respective database(s) and tabs within a database based on their position. Security roles will be established and assigned with the specific access to each module. In the event that a staff member gains access, due to human or software error, that he/she is not entitled to, it is the responsibility and duty of the staff member to notify the Security Administrator, Director of Finance and or Assistant Superintendent of Finance, Human Resources and Operations, regarding the ability to access the restricted database or module(s).

Revoking Access (†)

Access to data systems are subject to change and/or revocation when changes occur to a staff member's position, duties or responsibilities. Access to data systems are also subject to revocation when a staff

member violates the Responsible Use Guidelines. Each staff member shall sign a Responsible Use Guidelines every fiscal year.

Business Staff Training (†)

Every staff member will be scheduled to attend at least one training and/or conference opportunity per year.

An annual training calendar shall be developed that may include, but is not limited to, topics in the following areas:

- Account coding
- Payroll and Human Resources Compliance Issues
- PEIMS Data Reporting and Quality
- GASB
- Audit requirements
- Legal changes, such as Purchasing
- State and Federal Grants Management
- Data system (software)
- Travel Guidelines
- Other job-related area(s) requested by a staff member
- Other job-related area(s) assigned by the Assistant Superintendent of Finance, Human Resources and Operations as a growth opportunity

Staff members that have attained TASBO certification status will be afforded an opportunity to attend at least 20 hours per year (for a total of 60 every 3 years) through TASBO or a TASBO-approved CEU provider. Training opportunities for other certification or licensing programs, such as a CPA, shall be provided in a manner that seeks to meet the continuing education requirements for that specific certification or license.

Additional training requests should be submitted to the **Assistant Superintendent of Finance, Human Resources and Operations**. It is the employee's responsibility to request additional training that he/she feels will be beneficial in performing the assigned job tasks. At times, the immediate supervisor may also recommend or direct that a staff member attend specific training to improve their skills or comply with a Growth Plan.

In an effort to support compliance of fiscal policies and procedures, the business office shall conduct annual training for campus and department administrative and support staff, as appropriate. The **Assistant Superintendent of Finance, Human Resources and Operations** shall be responsible for developing the training calendar. Critical training areas shall include, but not be limited to:

- Activity Account Management
- Budget Development Process
- Cash Management
- State and Federal Grants Management
- Other area(s) requested by the Superintendent or department/campus administrator

State and Federal Grant Management (†)

The Department of Contracts, Grants and Financial Administration (CGFA) at the Texas Education Agency is responsible for overseeing all phase of federal and state contracts and grants awarded to TEA grantees, including independent school districts, or LEAs. The department houses the following divisions:

- Grants Administration Division
    - Provides centralized administration of all formula and discretionary state-appropriated funds and federal grant funds awarded to TEA.
- Federal Fiscal Compliance and Reporting Division
    - Oversees activities of federal grant programs to determine whether organizations are in compliance with fiscal requirements to ensure that grant recipients spend funds in the manner specified by the grant program.
- Federal Fiscal Monitoring Division
    - Monitors the expenditures of federal grant recipients to ensure federal funds are used for authorized purposes in compliance with federal statutes, regulations, and terms and conditions of the federal awards.
- Federal Program Compliance Division
    - Provides state administration and implementation of ESSA programs (Title I, Parts A and D); Migrant; Title II, Part A; Title IV, Part A; Titles V, VI, and VII; and ESSA PNP services).
- Special Monitoring Division
    - Monitors Disaster Relief and Federal Grant funds to ensure they are utilized to maximize project goals and objectives, to identify and prevent wasteful spending, and minimize waste, fraud, and abuse.

Compliance with all federal and state grant requirements is essential to ensure that all granted funds remain with the district. Failure to comply with grant requirements may result in denial of reimbursement requests and/or requests from the granting agency to return a portion or in some cases all grant funds. The Texas Education agency acts as the pass-thru entity for many of the United States Department of Education (USDE) federal grants.

TEA Grant Opportunities are posted on the TEA webpage to provide administrative guidance, timelines, due dates, program-specific guidelines, use of funds, and many more resources.

Federal Regulations for Federal Grant Awards

All federal grant funds are subject to the compliance with Administrative (EDGAR) and Programmatic (ESSA, IDEA, etc.) regulations for each federal grant award.

Title 34 of the Code of Federal Regulations (34 CFR), known as the Education Department General Administrative Regulations (EDGAR), pertains to TEA grants. For a complete description of the federal regulations that apply to federal education grant awards, visit USDE's EDGAR website. Refer to the EDGAR Materials and Resources page of the TEA website for details on new federal regulations, including their effective/applicability date, purpose, a list of the OMB circulars they replace, and links to related TEA grantee guidance.

For state-administered federal grants, TEA shall notify the district on the Notice of Grant Award (NOGA) of the applicable administrative regulations. For direct federal grants, the granting agency shall notify the LEA on a Grant Award Notice (GAN) of the grant award and applicable regulations.

When the district's local policies and/or procedures conflict with the federal regulations, the district shall comply with the more restrictive regulations in all aspects of federal and state grants management.

Overview of EDGAR

Overview of the Education Department General Administrative Regulations (EDGAR). The EDGAR, as amended on December 26, 2014, includes six (6) subparts and multiple appendices under 2 CFR Part 200 of EDGAR as noted below:

- Subpart A – Acronyms and Definitions
- Subpart B – General Provisions
- Subpart C – Pre-award Requirements
- Subpart D – Post-award Requirements
- Subpart E – Cost Principles
- Subpart F – Audit Requirements
- Appendices – I through XI

Generally, 2 CFR Part 200 applies to all programs under the Every Student Succeeds Act (ESSA) and may apply to other US Department of Education grants. **NOTE. The Title VII (Impact Aid) Program is specifically excluded from 2 CFR Part 200. [Reference: 34 Part 299.2]**

The EDGAR in its entirety can be accessed at: Education Department General Administrative Regulations (EDGAR) and Other Applicable Grant Regulations.

Grant awards, Regulations and Guidance can be accessed at: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards | U.S. Department of Education.

Revisions to the Uniform Grant Guidelines (UGG) are effective with new federal awards issued on or after October 1, 2024. Highlights of the changes are identified in an OMB Summary: Uniform Guidance Reference Guides FINAL 4-2024.pdf (cfo.gov)

The following resources are provided to aid grantees in the administration of Federal grants awarded by the Department of Education.

Grants 101 | Grants.gov

Grant Terminology | Grants.gov

To ensure consistency with the EDGAR, the district shall utilize the acronyms and definitions included in the EDGAR for general terms related to the management of federal grant funds. The EDGAR Acronyms and Definitions can be found in **CFR 200.0** through **200.1**, respectively.

Programmatic regulations for each of the district's federal grant awards are hyperlinked in the List of Grant Awards for easy access to the Fiscal Guidelines, Allowable Costs, and/or other programmatic regulations.

At the District level, managing State and Federal Grants shall be a collaborative process between the Finance (Accounting, Budgeting, Purchasing, Payroll, etc.), Human Resources and Grant Management Departments. Each respective department shall be responsible for their duties and responsibilities as they relate to the management of state and/or federal grants. The duties of each department are listed below in general terms. Additional, specific duties and responsibilities may be listed within an area of compliance within this Manual.

Finance Department

- Assisting the Chief of Learning with budgeting grants funds. Preparing and posting the initial budget and all amendments to the general ledger.
- Assisting the Human Resources, Payroll and Grants departments with determining the payroll distribution code(s) for all grant-funded staff.
- Preparing all grant-related financial reports (monthly, quarterly and/or annual).
- Preparing all financial records for the annual financial audit and single audit, as appropriate.
- Ensuring compliance with the FASRG in coding all payroll and non-payroll expenditures.
- Adjusting the general ledger, as appropriate, after the Chief of Learning's reconciliation of the time and effort reports, as appropriate if adjustments are necessary
- Developing and maintaining all salary schedules to ensure consistency between local and non-local pay rates (Includes base salaries, stipends and extra-duty rates of pay)
- Managing the day-to-day cash needs for grant expenditures and drawing-down cash reimbursements, as appropriate
- Managing all purchasing and contractual commitments in compliance with the grant periods and allowable cost principles
- Retaining all financial records for the required length of time (5 years) for audit purposes
- Managing all fixed assets and ensuring compliance with the inventory and disposition federal guidelines

Human Resources Department

- Assisting the Chief of Learning with the recruitment and hiring of all grant-funded staff
- Ensuring that all grant-funded staff meet the Highly Effective guidelines, as appropriate (and, all state certification requirements)
- Ensuring that all grant-funded staff have a job description with the grant-related duties and funding. (And, that all grant-funded staff sign a job description on an annual basis)
- Preparing any Highly Effective and/or certification reports as required by ESSA
- Maintaining audit-ready HR employee files for financial audit or single audit purposes, as appropriate
- Assisting the Chief of Learning with determining the position title, Role ID and other salary information for use in completing the grant application
- Retaining all personnel records for the required length of time (5 years) for audit purposes

Grant Management or Special Program Department

- Working cooperatively with the campus administrative staff to ensure that all grant activities are collaboratively planned and appropriate to each campus.
- Providing supporting documentation for budgeted grants funds. And, submitting all grant amendments to the finance department to facilitate budget amendments.
- Assisting the Human Resources/Payroll department with determining the payroll distribution code(s) for all grant-funded staff.
- Preparing all grant-related programmatic (evaluation) reports (monthly, quarterly and/or annual).
- Ensuring compliance with the FASRG in coding all payroll and non-payroll expenditures.
- Receiving and monitoring the time and effort reports, as appropriate, and submitting adjustments, if any, to the finance department
- Monitoring the spending thresholds throughout the grant period to ensure that the grant activities are being conducted systematically throughout the grant period
- Reviewing and approving all purchasing and contractual commitments in compliance with the grant periods and allowable cost principles
- Retaining all application and programmatic grant records for the required length of time (5 years) for audit purposes
- Providing information to the Human Resources/Payroll department regarding the number and type of grant-funded positions approved in the grant application by the granting authority
- Verifying with the HR department that all grant-funded staff meet the Highly Effective Staff federal guidelines, as appropriate (And, all state certification requirements)
- Verifying with the HR department that all grant-funded staff have a job description with the grant-related duties and funding. (And, that all grant-funded staff sign a job description on an annual basis)

- Verifying with the HR department the Highly Effective Staff Annual Report and conducting the required public notice or hearing, as appropriate
- Assisting the HR department with determining the position title, Role ID and other salary information for use in completing the grant application

Payroll Department

- Maintaining audit-ready payroll employee files for financial audit or single audit purposes, as appropriate
- Assisting the Chief of Learning with determining the position title, Role ID and other salary information for use in completing the grant application
- Retaining all payroll records for the required length of time (5 years) for audit purposes
- Assisting the Human Resources & Grants departments with determining the payroll distribution code(s) for all grant-funded staff.
- Receive and review Time and Effort documentation to compare to payroll distribution records.

Key Grant Management Personnel Training

All departments shall provide staff training for their respective staff and other staff, as appropriate, regarding the grant management duties and responsibilities for each staff member. All key grant management personnel shall attend at least one training per fiscal year. New key grant management personnel shall attend multiple grant training in the key areas noted below.

Key Grant Personnel include:

- Program Management: Chief of learning
- Compliance: Chief of learning
- Financial Reporting: Chief of learning & _Finance Department___

Training areas shall include:

- EDGAR Regulations
- General and Fiscal Guidelines and other TEA grant management resources
- State and Federal Grants Manual overview

Part I - State Grants

State Programs – Allotments

The Texas Education Agency's State Funding Division is responsible for administering the Foundation School Program (FSP) and wealth equalization provisions of the Texas Education Code. In addition to the FSP Basic Allotment, the district receives state program allotments to meet the needs of specific student populations. The special program allotments shall be used to ***supplement*** (beyond the basic program) the academic needs of students enrolled in a special program.

The FSP has two main components, **operations funding** and **facilities funding**. Each component is tied to the tax efforts of school districts. These components provide funding for school district operations and school facilities. This overview briefly describes the main components of the FSP.

1. The operations funding component of the FSP assists school districts in financing their maintenance and operations (M&O) through the following two formulas:

   o Tier One of the FSP provides school districts (and open-enrollment charter schools) with a basic level of funding through several allotments, including those for regular basic education, special education (SPED), dyslexia, compensatory education, bilingual education (including dual language programs), career and technology education (CTE), public education grants, early education, college, career, or military readiness, fast growth, small and mid-sized districts, teacher incentives, transportation, and new instructional facilities.

   o Tier Two of the FSP is intended to supplement the basic funding provided by Tier One. Tier Two guarantees a specific level of funding per student in weighted average daily attendance, or WADA, (to be discussed later) for each penny of tax effort above a school district's maximum Tier One tax rate (also referred to as the state maximum compressed tax rate, or MCR). The funding provided by this additional tax effort is also referred to as enrichment.

2. The facilities funding component of the FSP provides school districts (excluding open-enrollment charter schools) with assistance for debt service related to funding school facilities through the following two programs:

   o The Instructional Facilities Allotment (IFA) program provides funding to school districts for debt service payments on debt associated with the purchase, construction, renovation, and expansion of instructional facilities. Districts use this funding to make annual debt service payments on qualifying bonds and lease-purchase agreements.

o The Existing Debt Allotment (EDA) program provides funding to school districts for debt service payments on eligible bonded debt.

TEA State Allotment Programs Overview

The supplemental state program allotments expenditures should be attributed to programs and services to the eligible identified students and/or appropriate strategies. The programs are structured on an annual basis, and the Foundation School Program (FSP) allotments are paid annually. Therefore, the focus of compliance testing by the Local Education Agency's (LEA)'s external auditor during the annual financial audit for the FSP supplemental state allotment program should be for that one-year time period. The required percentages of direct program expenditures made annually per program are listed below.

If a school purchases an item with state program allotment funds, then it must **not be** used for any other purposes. If the item is used for other purposes, then they must split fund the item based on a systematic method, i.e., time of use or they may reimburse the program for usage of the item.

Additional information related to program intent code (PIC), Texas Education Code (TEC) and direct program expenditures required annually are available at: State Allotment Programs | Texas Education Agency

Note. Refer to TEA's FASRG, FAR Appendices to determine the appropriate PIC to use for enhanced services (Pages 230-252). Financial Accounting and Reporting Appendices (texas.gov)

State Program allotments are estimated and paid to school districts through a Summary of Finance template created by the Texas Education Agency. A settle-up process occurs at the end of each fiscal year – funds owed to a district are paid by TEA and funds owed by a district are paid to TEA (or TEA reduces the following fiscal year funds by the amount owed to the state).

A percentage of each state allotment must be spent on "direct" expenditures for the given special program. The current percentages and program intent code (PIC) are noted below by program:

▪ **Gifted and Talented**	**100%**	**PIC 21**
▪ **Special Education**	**55%**	**PIC 23**
▪ **Career & Technical Education**	**55%**	**PIC 22**
▪ **State Compensatory Education (SCE)**	**55%**	**PIC 24-30 (except 25& 27)**
▪ **Bilingual/ESL Education**	**55%**	**PIC 25**
▪ **Dyslexia**	**100%**	**PIC 37**
▪ **Early Education Allotment**	**100%**	**PIC 36**
▪ **CCMR Outcomes Bonus**	**55%**	**PIC 38**

Budgeting Special Program Allotments

As a best practice, the district shall ensure that the appropriate program intent code (PIC) and campus/department organization codes are used during the budget and expenditure processes. Expenditures coded to PIC 99 (undistributed) and Organization Code 999 will be distributed by TEA using a methodology that may include: student enrollment by campus, staff FTEs, square footage of buildings (for functions such as 34, 35, 51, etc.), or other methodology as may be determined by TEA.

During the budget process, the estimated state allotment shall be calculated by the **Assistant Superintendent of Finance, Human Resources and Operations** based on prior year special program enrollment, average daily attendance (ADA), and projected revenue based on the most current Summary of Finance template. The estimated state allotment by special program shall be provided to the Assistant Superintendent of Curriculum and Instruction and Chief of Learning [Curriculum or Special Program staff]. The Assistant Superintendent of Curriculum and Instruction and Chief of Learning has global oversight of all state special programs. The Special Program Director(s), as noted below, shall be directly responsible for their respective program(s). These special program administrators shall be responsible for the programmatic compliance in their respective program(s). Programmatic compliance shall include, but not limited to: program eligibility, program design, instructional delivery, entry/exit procedures, professional development, and certification.

- Special Education — Director of Special Education
- Career & Technical Education — Advanced Academics Executive Director
- Gifted & Talented Education — Advanced Academics Executive Director
- State Compensatory Education — Campus Principals and Chief of Learning
- Bilingual/ESL Education — Campus Principals and Multilingual Services Administrator
- Dyslexia — Chief of Learning
- Early Education — Campus Principals and Early Education Coordinator
- CCMR Outcomes Bonus — Advanced Academics Director

The finance department, specifically the Assistant Superintendent of Finance, Human Resources and Operations shall be responsible for the financial compliance in each of these special programs. Financial compliance shall include, but not limited to: budgeting development & monitoring, approval of expenditures, financial reporting to TEA, financial audit, calculating per-pupil expenditures by program, and purchasing with state allotment funds.

As part of the budget adoption process, the Assistant Superintendent of Finance, Human Resources and Operations shall verify that the proposed budget includes appropriations in each of the special programs of *no less* than the percentages stated above as required direct expenditures for each special program. [Note. If the District does not budget to compliance, it may not spend to compliance.]

Throughout the fiscal year and at the end of the fiscal year, the Assistant Superintendent of Finance, Human Resources and Operations, shall calculate the periodic and final spend percentages for each special program. The allocated expenditures by program intent code (PIC) shall be used to determine

compliance. In the event that direct expenditures fall below the mandated percentages, the Assistant Superintendent of Finance, Human Resources and Operations shall ensure that the deficit amount is budgeted in the following fiscal year.

Program Intent Codes (PICs) – FASRG

The mandated program intent codes (as defined in the FASRG or recently by TEA) are classified as Basic or Enhanced. The PICs in these classifications for regular and special program allotments are noted below:

Basic Services – PIC 1X

- PIC 11 Basic Educational Services
- PIC 28 Disciplinary Alternative Education Program – Basic**

Enhanced Services – PIC 2X – 3X

- PIC 21 Gifted & Talented
- PIC 22 Career & Technical Education
- PIC 23 Special Education*
- PIC 24 Accelerated Education (State Compensatory Education)**
- PIC 25 Bilingual and ESL Education***
- PIC 30 Title I, Part A Schoolwide Activities related to SCE (Campuses with 40% or more educationally disadvantaged students)
- PIC 36 Early Education Allotment (New in 2019-2020)
- PIC 37 Dyslexia (New in 2019-2020)****
- PIC 38 College, Career and Military Readiness (CCMR) – (New in 2019-2020)
- PIC 43 Dyslexia, Special Education (New in 2020-2021)*, ****

*PIC codes used in Special Education mandated spending requirement
**PIC codes used in State Compensatory Education mandated spending requirement
***PIC codes used in Bilingual/ESL mandated spending requirement
****PIC codes used in Dyslexia allotment mandated spending requirement

If the “intent” of a particular course or program is one of the Enhanced Services, the appropriate PIC shall be used for the expenditures even if an incidental student(s) benefits from the program. For example, the salary of a Bilingual Instructional Aide should be paid 100% from PIC 25, if the intent of his/her position is to support Bilingual students even though 1 or 2 non-Bilingual students also benefit from a small group instructional setting.

Student Special Program Enrollment Reporting (PEIMS)

The special program enrollment shall be reported to TEA through the PEIMS data submissions. Campus principals shall be responsible for developing procedures to identify the entry and exit of students into the state-mandated special programs. The procedures shall comply with the Texas Education Code, Chapter 29 for each respective special program. The entry and withdrawal of students in special

programs shall be in accordance with the district's Attendance Accounting Procedures Handbook, TEA's *Student Attendance Accounting Handbook (SAAH)* and the *Texas Student Data Standards (TSDS).*

In accordance with the SAAH, the district shall maintain a procedures manual that provides specific, detailed information on the district's school attendance accounting system. The procedures manual must contain information in several areas as noted in the SAAH, including "which position(s) are responsible for the coding of special programs and how changes to the special programs are to be documented". The PEIMS Coordinator shall be responsible for the development and maintenance of the LEA's attendance procedures manual.

Upon enrollment and throughout the school year, the Student Information System (Skyward) shall be used to record student enrollment in each special program. The student enrollment record shall include the entry and exit date(s) for all special programs that generate state funding.

The PEIMS Annual Timelines shall be used to ensure that prior to the submission of the Fall, Summer and Extended Year PEIMS Student Data that all students are properly coded in their respective special programs. The campus principals shall review the appropriate TSDS reports prior to all PEIMS Submissions to ensure that the student special program enrollment is accurate and reasonable compared to the historical data. The reports listed on the table below include some, but not all, of the reports that each principal shall review and sign-off on before the submission of PEIMS data to TEA.

Best practice: The PEIMS Coordinator shall generate and provide the TSDS reports to the campus principals and special program administrators for their review and approval prior to all PEIMS submissions.

Submission	Report #	Report Name
Fall	PDM1-120-002	LEP/BL/ESL and Parental Denial Students
	PDM1-120-003	Student Program Roster
	PDM1-120-005	Student Data Review
	PDM1-120-008	Student Success Initiative Student Roster
	PDM1-120-009	Disaggregation of PEIMS Student Data
	PDM1-120-013	PK Student Roster
	PDM1-120-020	Student Census Block Group Roster
Summer	PDM3-130-001	Superintendent's Report of Student Attendance
	PDM3-120-004	Disaggregation of PEIMS Summer Attendance Data
	PDM3-120-013	Special Programs Attendance Data
	PDM3-120-015	Previous Year Average Daily Attendance Data
	PDM3-120-017	PK Student Roster
	PDM3-120-018	Student Dyslexia or Related Services Roster
Extended Yr	PDM4-120-001	Extended School Year (ESY) Services Roster
	PDM4-120-004	Bilingual/ESL Summer School Roster

Staff Full-time Equivalents (FTEs) and Payroll Account Coding

At the beginning of each school year, the salaries of all staff should be determined based on their position and assignment. Specifically, we need to know the following:

- What the employee will do? Determines the function code
- What is the FLSA status of employee? Determines the object code [Exempt staff – 6119 and Non-exempt staff – 6129]
- Where the employee will work? Determines the organization code (may be split)
- Who will benefit? Determines the population served or PIC (may be split)

Determining the correct payroll account distribution code(s) is critical to ensure that all payroll costs are expensed in the correct account code(s). This is extremely important for staff assigned on a part-time or full-time basis to support a special program. Only the payroll costs for services whose intent is to serve one or more special program may be charged to the special program PIC.

Best Practice to ensure accuracy of campus-based Staff FTEs by special program:
By **September 15th**, each school year, the Campus Principals shall prepare a Staff FTEs report that is based on the campus Master Schedule. [**Sample FTE Report in the Exhibit Section]** The Staff FTE report shall reflect the names of all staff, the position, and the assignment(s) by PIC code. For example, a teacher that teaches 4 special education classes and 4 career and technical education courses, should have .5 FTEs in PIC 23 (Special Education) and .5 FTEs in PIC 22 (Career Technology). [Note. The master schedule shall reflect the teaching assignment for all teachers and every course section shall reflect the "intent", or population served code. The population served codes (**PEIMS Population Served Code Table 030 in Exhibit Section**) and program intent codes are correlated below:

▪ Population Served Code 04	PIC 21	Gifted & Talented
▪ Population Served Code 05	PIC 22	Career & Technical Education
▪ Population Served Code 06	PIC 23	Special Education
▪ Population Served Code 03	PIC 24	Accelerated Education (State Compensatory Education)
▪ Population Served Code 02	PIC 25	Bilingual Education
▪ Population Served Code 07	PIC 25	ESL Education
▪ Population Served Code 03	PIC 26	Non-Disciplinary Alternative Education Program
▪ Population Served Code 03	PIC 28	Disciplinary Alternative Education Program – Basic
▪ Population Served Code 03	PIC 29	Disciplinary Alternative Education Program – SCE Supplemental
▪ Population Served Code 03	PIC 30	Title I, Part A Schoolwide Activities related to SCE (Campuses with 40% or more educationally disadvantaged students)
▪ Population Served Code 06	PIC 43	Dyslexia, Special Education

All staff assigned to support all students, not specifically served in a special program, shall be coded as basic population served (01) and the basic program intent code (11).

Best Practice to ensure accuracy of non-campus based Staff FTEs by special program:
Special Program Administrators shall also submit a Staff FTE report for non-campus administrative staff **by September 15th** at the beginning of each fiscal year. The PIC codes for the non-campus staff shall reflect what they do, where they are assigned to work, and the special program(s) that they support.

The Staff FTEs reports shall be submitted to the Assistant Superintendent of Finance, Human Resources and Operations no later than the deadline of September 15th at the beginning of each fiscal year. The Assistant Superintendent of Finance, Human Resources and Operations shall verify the Staff FTEs and ensure that funds are budgeted in the appropriate payroll account codes. Budget changes and/or amendments, if any, shall be prepared by the Assistant Superintendent of Finance, Human Resources and Operations. [Note. The minimum spend percentages shall be verified again to ensure that the budgeted amount by PIC still meets or exceeds the minimum spend percentage by special program.]

After approval of the Staff FTEs reports, the Assistant Superintendent of Finance, Human Resources and Operations shall submit the Staff FTEs to the payroll department for the purpose of updating the payroll distribution record(s) of each district employee.

Campus Principals and Special Program Administrators shall be responsible to ensure that any changes to staff assignments are submitted to the Assistant Superintendent of Finance, Human Resources and Operations within five (5) days of the assignment change. The prior process of verifying the FTEs/account codes, approval of the FTE report, and submission of the reports to the payroll department shall occur upon the receipt of assignment changes.

The staff FTEs by special program shall be reported to TEA through the PEIMS data submissions. Campus principals shall be responsible for developing procedures to ensure that all staff, especially instructional staff, has the correct populated served code in the campus master schedule. The procedures shall comply with the district's Attendance Accounting Procedures Handbook, TEA's *Student Attendance Accounting Handbook (SAAH)* and the *Texas Student Data Standards (TSDS).*

The Student Information System (Skyward) shall be used to create the district/campus master schedule, instructor records, and course/section records. Specifically, every course record shall reflect the correct Service ID (as noted on TEDS Code Table C022 Service-ID); and, every section course record shall reflect the correct Population Served Code (as noted on TEDS Code Table C030 Population-Served-Code).

The PEIMS Annual Timelines shall be used to ensure that prior to the submission of the Fall and Summer PEIMS Staff Data that all staff are properly coded in their respective special programs. The campus principals shall review the appropriate TSDS reports prior to all PEIMS Submissions to ensure that the staff data by special program enrollment is accurate and reasonable compared to the historical data. The reports listed on the table below include some, but not all, of the reports that each principal shall review and sign-off on before the submission of PEIMS data to TEA.

Best practice: The campus principals and special program administrators shall have read-only access to generate their respective TSDS reports through TEAL access. As an alternative, the PEIMS Coordinator shall generate and provide the TSDS reports to the campus principals and special program administrators for their review and approval prior to all PEIMS submissions.

Submission	Report #	Report Name
Fall	PDM1-110-004	Staff FTE Summary
	PDM1-110-005	Student and Staff Counts by Service ID
	PDM1-110-006	Staff FTE by ROLE ID
	PDM1-110-007	Payroll Information by Program Intent Code 21 thru 25
	PDM1-111-001	Individual Staff Profiles (PIC Code and Pop Served should match)

State Allotment Program Expenditures Compliance

State Law Compliance Requirement
Throughout the fiscal year and at the end of the fiscal year, the Assistant Superintendent of Finance, Human Resources and Operations, shall calculate the periodic and final spend percentages for each special program. The allocated expenditures by program intent code (PIC) shall be used to determine compliance. **Note. The required spend percentages, as defined in state law (TEC) are measured on a fiscal year basis for audit purposes.**

In the event that direct expenditures fall below the mandated percentages, the Assistant Superintendent of Finance, Human Resources and Operations shall ensure that the deficit amount is budgeted in the following fiscal year. The deficit amounts, if any, shall be provided by the Assistant Superintendent of Finance, Human Resources and Operations to the Special Program Administrators no later than October 1st for planning and budgeting purposes. The Special Program Administrators shall submit the proposed budget to the Assistant Superintendent of Finance, Human Resources and Operations no later than November 1st of the following fiscal year.

TEA Compliance Monitoring

The TEA Special Allotments Monitoring Program (SAMP) methodology and expenditure rate calculation worksheet shall be used by the finance department, specifically the Assistant Superintendent of Finance, Human Resources and Operations, to ensure compliance with required spend percentages. The SAMP shall include the supplemental state allotment programs: 1.) Special Education, 2.) Compensatory Education, 3.) Bilingual Education, 4.) Career and Technology Education, 5) Dyslexia, 6) Early Education, and 7) Gifted and Talented, and 8)CCMR. **Note. TEA uses a rolling three-year average of the LEA's allocations and expenditures to determine compliance with spending requirements for each allotment program.**

TEA will notify LEAs who have been identified with underutilized supplemental state allotment program funds. Based on the level of underutilization, the TEA may ask the LEA to make up the difference in the following year, require corrective action plans, and/or conduct further monitoring review activities to seek LEA statutory compliance.

Upon receipt of a TEA Preliminary SAMP report, the Assistant Superintendent of Finance, Human Resources and Operations shall review the report and submit any additional information to TEA within 10 days of the report. If the results of a TEA Special Allotments Monitoring Program report indicate that the district did not over a period of three (3) fiscal years, utilize the state allotment program funds in accordance with TEC, TAC or TEA guidelines, the Assistant Superintendent of Finance, Human Resources and Operations shall develop a Corrective Action Plan. If the Corrective Action Plan indicates that the district must return state allotment program funds to TEA, the funds shall be submitted to TEA within the allotted time period. If the Corrective Action Plan indicates that the district shall correct operational procedures related to the budgeting and expensing of state allotment program funds, the Assistant Superintendent of Finance, Human Resources and Operations shall draft and implement the operational procedures.

LEA Compliance Monitoring

Throughout the fiscal year and at the end of the fiscal year, the Finance Department_, shall calculate the periodic and final spend percentages for each special program. TheFinance Deparment shall use a locally developed compliance tool or the TASBO State Allotment Spending Tool to periodically monitor the LEA's compliance.

Use of Funds Report for Select State Allotment Programs

The J-4 is required to be included in the annual financial audit report for Charter Schools and ISDs in compliance with Texas Education Code, §48.104 and §48.105.

- Schedule J-4, Use of Funds Report for Select State Allotment Programs (PDF, 106 KB)
- Only **unallocated amounts** coded to general fund 199 (or fund 420 for charter schools) should be included on the J-4 schedule.
- ESSER Funds 266, 281, 282, and 283 should not be included on the J-4 schedule.

The Finance Deparment shall complete the Schedule J-4 schedules for audit purposes.

Data Codes	Section A: Compensatory Education Programs	Column 1 Responses
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes / No
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes / No
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	$_____
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	$_____
Data Codes	**Section B: Bilingual Education Programs**	**Column 1 Responses**
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes / No
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes / No
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	$_____
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	$_____

INSERT GREY

Gifted and Talented

The Gifted and Talented program must adhere to state law, Texas Education Code (TEC) 29.121. Chapter 29 addresses the programmatic guidelines related to eligibility, identification, program services, and use of funds.

TEC Sec. 29.121 defines a "gifted and talented student" as a child or youth who performs at or shows the potential for performing at a remarkably high level of accomplishment when compared to others of the same age, experience, or environment and who:

(1) exhibits high performance capability in an intellectual, creative, or artistic area;

(2) possesses an unusual capacity for leadership; or

(3) excels in a specific academic field.

Using criteria established in TAC 89.1-89.5, the school district shall identify and serve gifted and talented students in the district or through a shared services arrangement (SSA). School districts shall ensure that

student assessment and services for gifted/talented students comply with accountability standards defined in the Texas State Plan for the Education of the Gifted/Talented. In accordance with **School Board Policy EHBB Legal and Local,** the district has established the following process to identify and serve gifted and talented students.

Screening:

- Relevant data is collected during the screening process, which shows the student's ability to perform or the potential to perform at the level of accomplishment that might indicate a student's need to be evaluated for the G/T program.

    1. As soon as the student is nominated, the G/T Teacher will send home a permission form to test.
    2. When the form is returned, the G/T Teacher may then begin administering the screening needed to develop the student profile.
    3. If a student meets the screening qualifications, they will go on to be evaluated using a norm-referenced assessment tool.

Assessment:

- Per the Texas State Plan for the Education of the Gifted/Talented, CISD uses quantitative (objective) and qualitative (subjective) measures. Students will be evaluated using a referenced assessment tool. Testing data must be collected for each student being evaluated for the program. Students will be assessed in a language they understand or with a assessment.

Final selection and Notification:

- The Campus G/T Committee makes decisions regarding the placement of students in the CISD

- G/T Program. The committee will be composed of at least three professional educators who have received training in the nature and needs of G/T students and who have met and reviewed the individual student data (19 TAC 89.1(4)). Members of the committee may consist of the campus G/T Coordinator, a teacher representative, the school counselor, and/or a campus administrator. All committee members must have thirty hours of gifted training with a six-hour yearly update.

    1. The G/T Committee reviews all information and decides whether to place the student in the program or decline to place the student based on all information collected.
    2. To qualify for placement, a student must meet or exceed the norms of the existing gifted students in that grade level.

3. When the G/T Committee recommends placement, the campus G/T Coordinator will notify the parents in writing.

Learning Opportunities/Program Services:

- High academic standards and rigorous content presentation characterize the G/T program. It may include accelerated pace, advanced grade level materials, higher-order teaching/thinking strategies, and advanced problem-solving in both in-school and out-of-school assignments.

- Identified G/T students are assured an array of learning opportunities that are commensurate with their abilities and that emphasize content in the four foundation curricula areas. Services are available during the school day as well as the entire school year (19 TAC 89.3(3)). G/T students are ensured opportunities to work together as a group, work with other students, and work independently during the school day as well as the entire school year as a direct result of G/T service options (19 TAC 89.3(1)). Opportunities are provided to accelerate in areas of student strengths (19 TAC 89.3(4)).

- G/T students at the elementary level are serviced both by their classroom teachers and through a weekly pull-out program. Our classroom teachers provide extensions to classroom curricula as well as other home and school-based projects. The pull-out program is primarily focused on project-based learning. They work as a group to produce things such as a school newspaper, student websites, and blogs.

- G/T students at the Middle School level are serviced through clustered Advanced Placement courses. Students will have the opportunity to enroll in these courses at grades 6, 7, and 8. Additionally, all G/T students are served through a daily twenty-minute advisory program focusing on project-based learning.

- GT services for students at Community High School will be provided in all four core areas: English, Social Studies, and Science through Dual Credit and Advanced Placement courses.

Program changes such as furloughs, reassessment, exiting students from GT, transfer students and appeals of district decisions:

- Students identified for the program have demonstrated potential for this challenging curriculum and are expected to achieve at high levels. However, there is also the understanding that an appropriately challenging program will result in varied student performance. When student performance falls below satisfactory expectations, it will be addressed immediately. If the program is deemed inappropriate for a student's academic needs, he/she may be exited. The parents or school personnel may initiate furloughs

from the program and may also be granted for extenuating circumstances other than academic performance. The campus G/T Committee makes final decisions regarding furlough and exit.

- Satisfactory performance, as measured by a 70 or higher each semester, is the minimum standard expected from all G/T students. Students in the G/T program will receive program progress reports at the end of each semester. Parents will be contacted anytime a student's average falls below a 70 in any core academic class. If a student's grade falls below a 70 for a semester grading period, the student will be put on probation until the end of the following semester. If, at the end of the following semester, the student continues to have an average below 70, the student will be furloughed for the following semester. At the end of the semester, student performance will be evaluated to determine if the student will return to the program, continue on furlough, or exit the program. The G/T Committee will meet with the student and the student's parents to recommend program options. A formal letter of exit or furlough is to be signed by the parent, and a copy is placed in the student' G/T file.

- Participation in the G/T program is voluntary, and parents may withdraw a student at any time.

Program Evaluation:

- The G/T program shall be evaluated annually to determine whether the Community ISD G/T Program's goals and objectives are met. Evaluation information is on file at the campus and the administration office.

Specifically, each school district shall identify students eligible for the GT program and serve the students in an appropriate manner. All student identification and enrollment shall meet the special program guidelines in the Student Attendance Accounting Handbook (SAAH). Student enrollment data shall be submitted to TEA through the PEIMS Fall Submission as of the snapshot date. The attendance and/or contact hour data for funding purposes shall be submitted to TEA through the PEIMS Summer Submission.

Each school district must annually certify to the commissioner that the district has established a program for gifted and talented students as required by Chapter 29 and that the program is consistent with the state plan developed under Section 29.123. Failure to comply with this requirement may result in the commissioner reducing the district's total state funding in accordance with TEC 29.124

The Executive Director of Advanced Academics with oversight responsibility to certify the Gifted & Talented special program data prior to submission to TEA shall be as noted on the Annual List of Program Coordinators (Exhibit Section].

Career and Technical Education (CTE)

The Career and Technical Education program must adhere to state law, Texas Education Code (TEC) 29.181 and TEC 48.106. Chapter 29 addresses the programmatic guidelines related to eligibility, identification, and program services. Chapter 48 addresses the funding weight(s) and allowable costs.

For each full-time equivalent student in average daily attendance in an approved career and technology education program in grades 7 through 12:
(1) 1.1 for a full-time equivalent student in career and technology education courses not in an approved program of study;
(2) 1.28 for a full-time equivalent student in levels one and two career and technology education courses in an approved program of study, as identified by the agency; and
(3) 1.47 for a full-time equivalent student in levels three and four career and technology education courses in an approved program of study, as identified by the agency.

The district is eligible to receive weighted* funding for eligible full-time equivalent (FTE) students in approved Career and Technology Education (CTE) programs. In addition to this weighted funding, the district is also eligible to receive $50 for each FTE student enrolled in two or more advanced CTE courses for three or more credits. Additionally, students enrolled in a designated P-TECH or a 9-12 New Tech campus (identified by having an active agreement with the New Tech Network) are eligible for $50 per student. These two funding elements determine the district's total CTE allotment. The CTE allotment applies to students in grades 7-12 who take an approved career and technical education (CTE) course designated with an "H" in the CTE course column of the Texas Education Data Standards, Section 4, Service-ID (CO22) code table.

The CISD Financial Director shall utilize the TEA Estimating a District's FSP CTE Allotment, the CTE Courses for Academic Credit, and the CTE Advanced Course List to estimate the CTE Allotment as part of the annual budget development process.

Specifically, each school district shall identify students eligible for the CTE program and serve the students in an appropriate manner to obtain state funds. The Master Schedule shall serve as the official document to support that each student was enrolled in a CTE course. All student identification and enrollment shall meet the special program guidelines in the Student Attendance Accounting Handbook (SAAH). Student enrollment data shall be submitted to TEA through the PEIMS Fall Submission as of the snapshot date. The attendance and/or contact hour data for funding purposes shall be submitted to TEA through the PEIMS Summer Submission.

The Chief of Learning with oversight responsibility to certify the CTE special program data prior to submission to TEA shall be as noted on the Annual List of Program Coordinators (Exhibit Section].

Special Education

The Special Education program must adhere to state law, Texas Education Code (TEC) 29.003 and TEC 48.102. Chapter 29 addresses the programmatic guidelines related to eligibility, identification, and program services. Chapter 48 addresses the funding weight(s) and allowable costs.

Per TEC 48.102, for each student in average daily attendance in a special education program under Subchapter A, Chapter 29, in a mainstream instructional arrangement, the district is entitled to an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 to which the district is entitled, multiplied by 1.15. For each full-time equivalent student in average daily attendance in a special education program under Subchapter A, Chapter 29, in an instructional arrangement other than a mainstream instructional arrangement, the district is entitled to an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 to which the district is entitled, multiplied by a weight determined according to instructional arrangement as follows:

- Homebound 5.0
- Hospital class 3.0
- Speech therapy 5.0
- Resource room 3.0
- Self-contained, mild and moderate, regular campus 3.0
- Self-contained, severe, regular campus 3.0
- Off home campus 2.7
- Nonpublic day school 1.7
- Vocational adjustment class 2.3

Additional weights for students served in residential treatment facilities, extended year programs, and students with dyslexia or a related disorder are addressed in TEC 49.102.

The district is required under IDEA B regulations (34 CFR 300.201 and 301.149) to develop and implement policies, procedures and practices related to the provision of special education services to eligible students. The district's written policies and procedures are hyperlinked below:

- **Special Education Policies (list policies and add hyperlinks)**
  https://fw.escapps.net/Display_Portal?destination=/
- **Special Education Program Procedures and Practices (add hyperlinks to procedures and practices)**

Specifically, each school district shall identify students eligible for the Special Education program and serve the students in an appropriate manner to obtain state funds. The student's Individualized Education Plan (IEP) shall serve as the official document to support that each student is eligible for special education, the type of instructional arrangement, and the number of contact hours to be served in a special education setting. All student identification and enrollment shall meet the special program guidelines in the Student Attendance Accounting Handbook (SAAH). Student enrollment data shall be submitted to TEA through the PEIMS Fall Submission as of the snapshot date. The attendance and/or contact hour data for funding purposes shall be submitted to TEA through the PEIMS Summer Submission.

The Chief of Learning with oversight responsibility to certify the Special Education program data prior to submission to TEA shall be as noted on the Annual List of Program Coordinators (Exhibit Section].

Compensatory Education (SCE)

The Compensatory Education program must adhere to state law, Texas Education Code (TEC) 29.081 and TEC 48.104. Chapter 29 addresses the programmatic guidelines related to eligibility, "at risk" identification, and program services. Chapter 48 addresses the funding formula and allowable costs. The SCE program is funded based on fall PEIMS snapshot count of enrolled students who are reported as economically disadvantaged and the census-based weight associated with each identified student's home address. The weights assigned to the five tiers of the index established under Subsection (c) are, from least to most severe economic disadvantage, 0.225, 0.2375, 0.25, 0.2625, and 0.275. If insufficient data is available for any school year to evaluate the level of economic disadvantage in a census block group, a school district is entitled to an annual allotment equal to the basic allotment multiplied by 0.225 for each student who is educationally disadvantaged and resides in that census block group.

The Director of Assessment and Accountability shall be responsible for ensuring that all students are identified and reported in their census block group. The census block data shall be submitted with the TSDS/PEIMS Data.

The district shall use the SCE allotment for *supplemental* programs and services as authorized in TEC 48.104 such as:

- funding supplemental programs and services designed to eliminate any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, or disparity in the rates of high school completion between:
    - students who are educationally disadvantaged and students who are not educationally disadvantaged; and
    - students at risk of dropping out of school, as defined by Section 29.081, and all other students; or
- (2) support a program eligible under Title I of the Elementary and Secondary Education Act of 1965
- Student that does not have a disability and resides in a residential facility
- Student who is in a remedial and support program because the student is pregnant

All student identification and enrollment shall meet the special program guidelines in the Student Attendance Accounting Handbook (SAAH). Student enrollment data shall be submitted to TEA through the PEIMS Fall Submission as of the snapshot date. The campus administrator (Principal) and the Child Nutrition Administrator shall be responsible for the collection, maintenance and verification of student home address and free/reduced lunch eligibility respectively.

In addition, the Components of the SCE Planning cycle should be documented by the SCE Coordinator. The components should include:

1. Identification of the students based on statutes, rules, and other reliable data sources

2. Comprehensive assessment of each student's needs so that the appropriate compensatory, intensive, and or accelerated instruction services, and or dropout prevention services are provided

3. Design appropriate SCE services for students that enable them to be performing at grade level at the conclusion of the next regular school year and provide services to prevent at-risk students from dropping out of school

4. Adoption of a budget to support SCE programs

5. Delivery of services to students

6. Evaluation and documenting (Assessing) the effectiveness of accelerated instruction programs and any disparity in performance on assessment instruments administered under TEC, Chapter 39, Subchapter B, or the disparity of high school completion between students at-risk of dropping out of school and all other students in the school district.

7. Holding a public hearing to discuss the results of the SCE program evaluation 8. Improve program based upon evaluation results and stakeholder input

Identification of Students

The Campus Principals (or designees) shall use the student performance data from state assessments to design and implement appropriate compensatory, intensive or accelerated instructional services for students that enable them to perform at grade level at the conclusion of the next regular school term.

In addition, secondary Campus Principals (or designees) shall provide accelerated instruction to a student enrolled in the district who has taken an end-of-course assessment and has not performed satisfactorily on the assessment instrument or who is at risk of dropping out of school. The campus shall offer before the next scheduled administration of the assessment instrument, without cost to the student, accelerated instruction to each student in any subject in which the student failed to perform satisfactorily on an end-of-course assessment instrument required for graduation. The Chief Financial Officer shall budget separately for costs related to the end-of-course accelerated instruction.

Specifically, each school district shall identify students eligible for the Compensatory Education program and serve the students in an appropriate manner to obtain state funds. There are fifteen (15) at risk indicators in state law. Districts may also use compensatory education funds to support students who are identified as economically disadvantaged, even if they are not identified as at risk. The Campus Principal, or designee, at each campus shall be responsible for identification of all at risk students. The at-risk student enrollment shall be reported to TEA through the PEIMS Fall Submission.

At-Risk Criteria – State Law (TEC 29.081)

For the purposes of TEC 29.081, a student at risk of dropping out of school includes a student who is under 26 years of age and who:

(1) was not advanced from one grade level to the next for one or more school years;

(2) if the student is in grade 7, 8, 9, 10, 11, or 12, did not maintain an average equivalent to 70 on a scale of 100 in two or more subjects in the foundation curriculum during a semester in the preceding or current school year or is not maintaining such an average in two or more subjects in the foundation curriculum in the current semester;

(3) did not perform satisfactorily on an assessment instrument administered to the student under Subchapter B, Chapter 39, and who has not in the previous or current school year subsequently performed on that instrument or another appropriate instrument at a level equal to at least 110 percent of the level of satisfactory performance on that instrument;

(4) if the student is in prekindergarten, kindergarten, or grade 1, 2, or 3, did not perform satisfactorily on a readiness test or assessment instrument administered during the current school year;

(5) is pregnant or is a parent;

(6) has been placed in an alternative education program in accordance with Section 37.006 during the preceding or current school year;

(7) has been expelled in accordance with Section 37.007 during the preceding or current school year;

(8) is currently on parole, probation, deferred prosecution, or other conditional release;

(9) was previously reported through the Public Education Information Management System (PEIMS) to have dropped out of school;

(10) is a student of limited English proficiency, as defined by Section 29.052;

(11) is in the custody or care of the Department of Family and Protective Services or has, during the current school year, been referred to the department by a school official, officer of the juvenile court, or law enforcement official;

(12) is homeless, as defined by 42 U.S.C. Section 11302, and its subsequent amendments;

(13) resided in the preceding school year or resides in the current school year in a residential placement facility in the district, including a detention facility, substance abuse treatment facility, emergency shelter, psychiatric hospital, halfway house, cottage home operation, specialized child-care home, or general residential operation; or

(14) has been incarcerated or has a parent or guardian who has been incarcerated, within the lifetime of the student, in a penal institution as defined by Section 1.07, Penal Code.

(15) is enrolled in a school district or open-enrollment charter school, or a campus of a school district or open-enrollment charter school, that is designated as a dropout recovery school under Section 39.0548

The LEA's methodology for calculating the 110% satisfactory performance on all assessments shall be as noted below:

- DMAC

The Campus Counselors shall be responsible for identifying students that meet one or more of the at-risk indicators listed above. The student's at-risk status shall be indicated on the Student Information System (such as ASCENDER, Skyward, etc.). Documentation must be maintained on file to support the identification and noted on the Student Information System

Local At-Risk Criteria – School Board Approved has not adopted local eligibility criteria for at-risk.

Student Entry and Exit into SCE Program

The effective date and reason for student entry and exit into the SCE Program shall be documented by the Campus Principal. All changes in student eligibility to be served in the SCE Program shall be entered in the Student Information System.

District & Campus Improvement Plans

The SCE program compliance is unlike the other special programs in that it requires specific procedures and documentation as outlined in the Financial Accounting System Resource Guide (FASRG) Module 6. **The District Improvement Plan (DIP) and Campus Improvement Plans (CIP) are the primary source of documentation for the expenditure of SCE funds**. The DIP and CIPs shall include the SCE goals, strategies, activities and resources (Staff FTEs and budgeted funds).

All school districts and open-enrollment charter schools, whose SCE allotment is **$750,000** or more for the previous fiscal year, are required to submit district and campus improvement plans (DIP and CIPs) and an annual local SCE program evaluation to the TEA to evaluate SCE program compliance. For LEAs whose SCE allotment is less than **$750,000**, the TEA will request selected plans as needed to determine program compliance.

The district is required to submit the DIP and CIPs in accordance with the TEA's Electronic Submission guidelines. [Optional: Even though the district is not required to submit the DIP and CIPs, the district has elected to submit them on an annual basis.]

The District shall electronically submit a PDF version of the DIP and at least two (2) CIPs through the TEAL system on an annual basis within 150 days after the last day permissible to send data for the PEIMS data FINAL Midyear resubmission 2 (typically late July). The determination regarding which CIPs to submit to TEA shall be based on the TEA guidelines in the FASRG, Module 6.2.3 Electronic Report Submission Requirements.

The District's preparation and submission dates shall be as noted below to ensure compliance with this critical requirement. [Enter the district's dates for review and submission.]

- Campus Principals shall submit their CIPs to the Assistant Superintendent for C&I **by October 1st (LEA deadline) for review.**
- Campus Principals shall include the SCE goals, strategies, activities and resources (Staff FTEs and budgeted funds) in their Campus Improvement Plan (CIP).
- Campus Principals shall submit their final, approved (by Chief of Learning CIPs to the **by June 15th (LEA deadline).**
- The Finance Director shall review the DIP and CIPs to ensure that the SCE resources (budgeted funds and staff FTEs) match the adopted budget and staffing.
- Superintendent or designee shall submit the DIP to theSchool Board **by June 15th (LEA deadline).**
- The Chief of Learning shall submit the DIP and CIPs through TEAL within the 150-day deadline, **or July 1st**, whichever is earlier.

SCE Program Services

Consistent with the Goals and Strategies identified in the DIP and CIPs, the Campus Principal shall ensure that each eligible student receives services based on their needs. The Campus Principal shall encourage parental participation in the planning of educational services for their child and shall be informed on available services such as extended year program, tutoring and/or summer school. The SCE program services shall also be in accordance with School Board Policy EHBC Legal and Local.

SCE Program Evaluation

The district is required to annually evaluate and document the effectiveness of their designated SCE program in:

1. reducing any disparity in the performance on assessment instruments administered under TEC, Chapter 39, Subchapter B;

2. reducing any disparity in the rates of high school completion between students at risk of dropping out of school and all other district students;

3. reducing any disparity in the rates of high school completion between educationally disadvantaged students and all other district students; and

4. annually hold a public hearing to discuss the results of the LEAs evaluation of the accelerated instruction programs and services; and

5. include the results of this evaluation in the school district's DIP and CIP or the charter school instructional plan.

The LEA's methodology will be used by the Chief of Learning to evaluate (both formative and summative) and document the effectiveness of the SCE program shall be as noted below: **[Refer to FASRG Module 6 SCE 6.2.7.1 SCE Program Evaluation Design criteria.]**

- _____
- _____
- _____

After the evaluation is completed, but not later than _____, the _____ shall schedule, advertise and conduct an annual public hearing to discuss the evaluation results and the effectiveness of the SCE Program.

Supplement and Supplant Compliance

Financial guidelines related to supplement, not supplant, targeted-assistance versus school-wide campus expenditures, staffing formulas, job descriptions, time and effort, student case counts, local identification criteria and allowable costs are described in Module 6 State Compensatory Education shall be used to determine the district's compliance with supplement and supplant provisions.

The Chief Financial Officer shall calculate the cost of the regular education program in relation to budget allocations for compensatory, intensive and/or accelerated instruction and student:teacher ratios at least two times per fiscal year (recommended at budget preparation/adoption and end-of-fiscal year). The documentation of the calculation shall be maintained for audit purposes.

Note. All SCE Expenditures must be documented and supported in accordance with the FASRG, Module 6.

Bilingual and ESL

The Bilingual and ESL program must adhere to state law, Texas Education Code (TEC) 29.053 and TEC 48.105. Chapter 29 addresses the programmatic guidelines related to eligibility, identification, and program services. Chapter 48 addresses the funding weight(s) and allowable costs.

The Bilingual Education Allotment Weights are illustrated below:

Bilingual Education Allotment Weights *Identified English learners whose parents have denied program services do not generate any funding*	
0.1	**English Learners** in average daily attendance in a standard or alternative bilingual education or an ESL program.
0.15	**English Learners** in average daily attendance in a dual language immersion one-way or two-way program model.
0.05	**English proficient and Reclassified English Learners** in average daily attendance in a dual language immersion two-way program model.

Specifically, each school district shall identify students eligible for the Bilingual or ESL program and serve the students in an appropriate manner to obtain state funds. All student identification and enrollment shall meet the special program guidelines in the Student Attendance Accounting Handbook (SAAH). Student enrollment data shall be submitted to TEA through the PEIMS Fall Submission as of the snapshot date. The attendance and/or contact hour data for funding purposes shall be submitted to TEA through the PEIMS Summer Submission.

The district offers a Bilingual or English as a Second Language (ESL) program. The MultiLingual Services Administrator shall be responsible for the Bilingual/ESL Program compliance monitoring in the following areas:

Establishment of LPAC Committee

- Selection of Bilingual or ESL Educator
- Campus Administrator
- Parent Representative
- ARD Committee Representative (optional)
- LPAC Confidentiality Statements

Identification of students

- Collection and Review of Home Language Surveys
- Cumulative Folder Documentation Checklist
- Other PreLas and Las Links Testing

LPAC Process

- Initial Review
- LPAC Meeting Minutes
- LPAC Monitoring of Reclassified Student
- LPAC Annual Review

Placement

- Parent notification of Initial Identification and Approval of Placement
- Parent approval or denial of services
- Parent notification of Reclassification and Approval of Program Exit
- Parent notification of student progress

Program Description

The district currently offers the following type(s) of Bilingual/ESL programs:

- ESL – standard or alternative education
- Dual Language immersion one-way or two-way program

Program Entry and Exit Procedures:
The entry procedures shall include:

- Home Language Survey indicating any language other than English
- Identification of Limited English Proficiency as determined by PreLAS or LAS link testing
- Convening an initial LPAC to recommend programs
- Placement in ESL or DUAL program with parent permission

The exit procedures shall include:

- Meeting state requirements for reclassification
- Holding Annual Review LPAC that recommends reclassification
- Parent permission to monitor & reclassify
- Monitoring of Year 1 & 2 students
- Students completing a DUAL elementary program will move to ESL support in middle school, if reclassification criteria has not been met, parents will continue to be notified of the change and annual student progress

The Assistant Superintendent of Finance, Human Resources and Operations shall ensure that the appropriate program intent codes (PIC) are used to record Bilingual/ESL Program expenditures. The PIC

25 Costs are noted below:

PIC 25 Costs to Include		
Provision of a Bilingual program	Instruction in primary language	Program and student evaluation
Provision of ESL instruction	Supplemental staff expenses	Salary supplements for teachers
Services intended to make students proficient in English	Staff development	Increase cognitive academic language proficiencies
Bilingual services to immigrant students	Instructional materials and equipment	Supplies required for quality instruction and smaller class size

PIC 25 Costs to Exclude (with correct PIC)		
Foreign language courses (PIC 11)	All Disciplinary Alternative Education Program (DAEP) (PIC 28)	Salary of bilingual/ESL instructors (PIC 11)

Texas public school districts direct cost expenditure requirement on Bilingual Education Allotment = 55% (Minimum)
TEA monitors compliance on BEA funds by looking at the percent the school district spends on direct costs (Sum of PIC 25 + PIC 35)

The Multilingual Services Administrator with oversight responsibility to certify the Bilingual and ESL special program data prior to submission to TEA shall be as noted on the Annual List of Program Coordinators (Exhibit Section].

New Allotments created by HB 3, 86th Legislative Session

House Bill 3 created three new allotments that will require financial reporting: the dyslexia allotment, the college, career and military readiness (CCMR) outcomes bonus, and the early education allotment.

Dyslexia

The use of the dyslexia allotment must be in accordance with TEC 48.103 and can be used only for a student who is receiving services in accordance with an IEP under Section 29.005 or a plan developed under Section 504, is receiving instruction that meets dyslexia criteria established by the State Board of Education and is provided by a person with specific training in providing that instruction, or that is permitted to use modifications in the classroom or accommodations in the administration of assessment instruments on the basis of having dyslexia or a related disorder. School districts are prohibited from using more than 20 percent of the dyslexia allotment to contract with a private provider to provide supplemental academic services recommended in the student's IEP or 504 plan. Students may not be excused from school to receive these supplemental services. At least 100 percent of the dyslexia allotment must be used in accordance with TEC 48.103

The Assistant Superintendent of Finance, Human Resources and Operations and the Chief of Learning shall ensure that the appropriate program intent codes (PIC) are used to record Dyslexia program expenditures. The PIC 37 and 43 costs are noted below:

Program Intent Code 37	Program Intent Code 43
Regular education aids and services, such as instructional accommodations, provided to a student who has been identified as having dyslexia or a related disorder under a 504 accommodation plan	Services provided to a student who has been identified as having dyslexia or a related disorder and who receives special education and related services
Tools and instruments used to screen, progress monitor, and/or evaluate for dyslexia and related disorders	
Training in the identification of dyslexia for evaluation personnel	
Professional development in the science of teaching reading	
Personnel costs for the screening, evaluation, and identification of students with dyslexia	

For each student that a district serves in accordance with this section who has been identified as having dyslexia or a related disorder, the school district is entitled to an annual allotment equal to the **basic allotment multiplied by 0.1**.

The Director of Special Education with oversight responsibility to certify the Dyslexia special program data prior to submission to TEA shall be as noted on the Annual List of Program Coordinators (Exhibit Section].

Additional TEA guidance is available at: Dyslexia and Related Disorders | Texas Education Agency and in the Texas Dyslexia Handbook and Appendix A: Q&A Related to Dyslexia Handbook.

Early Education Allotment

The use of the early education allotment must be in accordance with TEC 48.108 and can only to fund programs and services designed to improve student performance in reading and math in grades prekindergarten through three, including programs and services designed to assist the district in achieving the goals from the district's early childhood literacy and mathematics proficiency plans adopted under TEC 11.185. At least 100 percent of the early education allotment must be used in accordance with TEC 48.108.

For each student in average daily attendance in kindergarten through third grade, a school district is entitled to an annual allotment equal to the **basic allotment multiplied by 0.1** if the student is:

(1) educationally disadvantaged; or

(2) an emergent bilingual student, as defined by Section 29.052, and is in a bilingual education or special language program under Subchapter B, Chapter 29.

There are several compliance requirements stated in TEC 11.185 related to an Early Childhood Literacy and Mathematics Proficiency Plan, it's components/goals, annual review and posting on the district's website. The requirements are stated below in an excerpt from TEC 11.185:

The board of trustees of each school district shall adopt and post on the district's Internet website early childhood literacy and mathematics proficiency plans that set specific annual goals for the following five school years to reach quantifiable goals for student performance in reading and mathematics at each campus.

Each plan adopted under Subsection (a) must:

(1) identify annual goals for students in each group evaluated under the closing the gaps domain under Section 39.053(c)(3);

(2) include annual goals for aggregate student growth on the third grade reading or mathematics assessment instrument, as applicable, administered under Section 39.023 or on an alternative assessment instrument determined by the board of trustees;

(3) provide for targeted professional development for classroom teachers in kindergarten or first, second, or third grade who are assigned to campuses that the board of trustees identifies as not meeting the plan's goals;

(4) assign at least one district-level administrator or employee of the regional education service center for the district's region to:

(A) coordinate implementation of the plan; and

(B) submit an annual report to the board of trustees on the district's progress toward the goals set under the plan; and

(5) be reviewed annually by the board of trustees at a public meeting.

Each plan adopted under Subsection (a) may set separate goals for students in a bilingual education or special language program under Subchapter B, Chapter 29.

The professional development provided to classroom teachers under Subsection (b)(3) must, as appropriate, consider the unique needs of students in a bilingual education or special language program under Subchapter B, Chapter 29.

A school district shall post the annual report described by Subsection (b)(4)(B) on the district's Internet website and on the Internet website, if any, of each campus in the district.

The Assistant Superintendent of Finance, Human Resources and Operations and the Chief of Learning shall ensure that program intent code 36 is used for Early Education Allotment expenditures in accordance with the FAR Appendices.

The Chief of Learning shall be responsible for ensuring compliance with TEC 11.185.

College, Career and Military Readiness (CCMR)

At least 55 percent of the college, career and military readiness outcomes bonus must be used in accordance with TEC 48.110 in grades 8 through 12 to improve college, career and military readiness outcomes.

CCMR bonuses are paid for each annual graduate above a certain threshold percentage

- Economically Disadvantaged: $5,000 for each CCM-Ready economically disadvantaged annual graduate above a threshold

- Non-Economically Disadvantaged: $3,000 for each CCM-Ready non-economically disadvantaged annual graduate above a threshold

In addition to the economically disadvantaged / non-economically-disadvantaged CCMR bonuses, CCMR bonuses are paid for each annual graduate:

- Special Education: $2,000 for each CCM-Ready annual graduate enrolled in special education

There are several compliance requirements stated in TEC 11.186 related to a College, Career, and Military Readiness Plan, it's components/goals, annual review and posting on the district's website. The requirements are stated below in an excerpt from TEC 11.186:

The board of trustees of each school district shall adopt college, career, and military readiness plans that set specific annual goals for the following five school years to reach quantifiable goals for measures of student college, career, and military readiness at each campus.

Each plan adopted under Subsection (a) must:

(1) identify annual goals for students in each group evaluated under the closing the gaps domain under Section 39.053(c)(3);

(2) include annual goals for aggregate student growth on college, career, and military readiness indicators evaluated under the student achievement domain under Section 39.053(c)(1);

(3) assign at least one district-level administrator or employee of the regional education service center for the district's region to:

(A) coordinate implementation of the plan; and

(B) submit an annual report to the board of trustees on the district's progress toward the goals set under the plan; and

(4) be reviewed annually by the board of trustees at a public meeting.

A school district shall post the annual report described by Subsection (b)(3)(B) on the district's Internet website and on the Internet website, if any, of each campus in the district.

The Executive Director of Advanced Academics shall be responsible for ensuring compliance with TEC 11.186.

The Chief Financial Officer and the special program administrator shall ensure that program intent code 38 is used for CCMR expenditures in accordance with the FAR Appendices.

Part II - Federal Grants

Acronyms and definitions related to federal grant management are listed in the EDGAR, Subpart A, 200.0 through 200.1, respectively, and may be accessed at: Education Department General Administrative Regulations (EDGAR) and Other Applicable Grant Regulations.

These acronyms and definitions are used throughout this manual. One of the most critical definitions is that of a "non-federal entity". When this definition is used it refers to the "school district", as a recipient of a federal grant award.

General Provisions (Conflict of Interest & Disclosure):

The District shall comply with all General Provisions of EDGAR (Subpart B). Specific areas of compliance are noted below:

Federal Regulations (EDGAR)

1. The district must disclose in writing any potential conflict of interest to the federal agency or pass-through entity in accordance with the established federal agency policies. [2 CFR 200.112]

2. The district must *promptly* disclose whenever, in connection with the federal award (including any activities or subawards), it has creditable evidence of the commission of a violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations. The disclosure must be made in writing to the federal agency, Office of Inspector General and the pass-through entity (if applicable). [2 CFR 200.113 Mandatory Disclosure]

3. The district shall execute an organizational conflict of interest disclosure (signed by the Superintendent) only if the district enters into a relationship with an outside entity as described in the EDGAR organizational conflict regulations. **[2 CFR 200.318(c)(2)] At this time, the district has no such relationships.** [Note. EDGAR requires that if a non-Federal entity has a parent, affiliate, or subsidiary organization (that is not a state, local government, or Indian tribe), the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest.]
4. The district has developed a **Purchasing Conflict of Interest Form** to be used to disclose employee conflicts related to purchasing, contract management or other expenditure of federal grant funds. [EDGAR requires that **employees engaged in the selection, award and administration of contracts disclose conflicts to the district.**] **2 CFR 200.318(c)(1)]**

State Regulations (State Law)

The District has established conflict of interest policies [School Board Policy BBFA, CAA, CB, CBB and DBD).

1. School Board Policy DBD Legal states: A local government officer (defined as the School Board and Superintendent) shall file a conflicts disclosure statement with respect to a vendor if the vendor enters into a contract with the district or the district is considering entering into a contract with the vendor and the officer has a conflict of interest or has accepted gifts in excess of $100 in the aggregate in a 12-month period.
2. School Board Policy DBD Legal states: The Superintendent shall file an affidavit with the Board President disclosing a substantial interest, as defined by Local Government Code 171.002, in any business or real property that the Superintendent or any of his or her relatives in the first degree may have.

Local Regulations (Local Board Policy and/or Procedures)

1. School Board Policy CB Local states: Each employee, board member or agent of the district who is engaged in the selection, award or administration of a contract supported by a federal grant or award and who has a potential conflict of interest as defined at Code of Federal Regulations, Title 2, section 200.318, shall disclose to the district, in writing, any conflict that meets the disclosure threshold in Chapter 176 of the Local Government Code. In addition, each employee, board member or agent of the district shall comply with any other conflict of interest requirements imposed by the granting agency or a pass-through entity.
2. School Board Policy DBD Local states: Any other employee who is in a position to affect a financial decision involving any business entity or real property in which the employee has a substantial interest, as defined by Local Government Code 171.002, shall file an affidavit with the Superintendent; however, the employee shall not be required to file an affidavit for the substantial interest of a relative.

Other Conflict of Interest Requirements

1. The district shall comply with all additional conflict of interest requirements required by the federal granting agency and/or the pass-through entity (TEA).
    a. The District shall disclose in writing to the granting agency and/or pass-through entities any potential conflict of interest concerning the expenditure of federal or state grant funds. The TEA Division of Grants Administration Conflict of Interest Disclosure Form shall be used disclose the potential conflict. The Grant Manager shall complete and submit the disclosure form, as appropriate.
    b. The District shall disclose in writing to the granting agency and/or pass-through entities any violations of federal criminal law including fraud, bribery, or gratuity violations affecting a federal grant award. Upon detection of any fraud, abuse or waste with federal grant funds, the District shall promptly notify the proper legal authorities and pursue appropriate criminal and/or civil actions. The TEA Division of Grants Administration Conflict of Interest Disclosure Form shall be used to disclose the violation(s).
    c. The **Assistant Superintendent of Finance, Human Resources and Operations** shall be responsible for overseeing, reporting, and documenting any fraud, abuse, or waste of federal grant funds.
    d. The Superintendent shall be responsible for completing the Certification Statement on the TEA Division of Grants Administration Conflict of Interest Forms.

e. The District shall reclassify fraudulent expenditures made with federal grant awards to local district funds, i.e. the General Fund on a temporary basis and shall seek to recover the funds for fraudulent expenditures from the individual(s) perpetrating the fraud.

Conflict of Interest Forms:

- Conflict of Interest Disclosure (CIS) – Texas Ethics Commission
- Conflict of Interest Disclosure Form - TEA Division of Grants Administration
- Mandatory Disclosure Form - TEA Division of Grants Administration

All district employees are prohibited from soliciting gifts or tokens from vendors or other parties who are affected by (or have an interest in) a federal grant award.

In addition, all district employees are prohibited from accepting *unsolicited* gifts or tokens from vendors or other parties who are affected by (or have an interest in) a federal grant award that exceed an nominal (individual) value of $25 [IRS business gift limit] and an aggregate value of $100 [or current Conflict of Interest limit, whichever is less] in a fiscal year. The unsolicited gifts or tokens may be a nominal meal, vendor exhibit promotional items, calendars, or other nominal value items not specifically excluded below:

- Items prohibited at a public elementary and secondary schools such as drugs, tobacco or alcohol products.

District employees who violate this administrative directive shall be subject to disciplinary action, up to and including termination of employment with the district. Violations that exceed the federal Conflict of Interest thresholds shall be reported to the federal granting agency and/or pass-through entity by the Assistant Superintendent of Finance, Human Resources and Operations.

Pre-Federal Award Requirements:

The federal awarding agency and pass-through entities, in accordance with **2 CFR 200.332**, are required to evaluate the risk of the District in respect to financial stability, quality of management system, history of performance (grants), audit reports and ability to effectively implement the grant program.

To comply with this requirement, the Federal Fiscal Monitoring Division at TEA conducts an annual risk assessment of all subrecipients, including local educational agencies, to determine their potential risk of noncompliance. Based upon the outcome of the risk assessment, subrecipients are assigned a risk level of low, medium, or high.

The division updates the risk assessment model annually to ensure that risk indicators and weights reflect current risks, such as economic conditions; political conditions; regulatory changes; unreliable information; financial problems that could lead to diversion of grant funds; loss of essential personnel; loss of accreditation; rapid growth; new activities, products, or services; and organizational restructuring.

The risk assessment criteria include indicators and weights derived from multiple sources. Each subrecipient is allotted points based upon these criteria, and assigned a risk level of high, medium, or low based on the total number of points allotted.

The current TEA criteria to determine the risk level is available on the TEA website at: Annual Federal Fiscal Risk Assessment | Texas Education Agency.

The effects of the district's risk level determined by TEA may impact the districts in the following ways:

- ***Differentiated Grant Negotiation.*** TEA uses a differentiated grant negotiation process for federal grant applications. Organizations with a medium or high risk level are subject to a more stringent grant negotiation review than those with a low risk level.
- *Subrecipient Monitoring.* Each year, TEA selects subrecipients for fiscal monitoring, according to their risk levels. The higher your organization's risk level, the more likely you are to be selected for monitoring.

The Assistant Superintendent of Finance, Human Resources and Operations shall obtain the district's risk assessment level by accessing the GFFC Reports and Data Collections secure application on an annual basis.

The District shall implement strategies as noted below to ensure that its risk level for federal grants management is determined to be "low":

1. Timely submission of all required programmatic and financial reports
2. Timely and consistent submission of reimbursement requests as an indication that the district is regularly spending the federal grant funds to conduct approved grant activities
3. Complying with the federal grant award fiscal guidelines and allowable cost principles
4. Ensuring that all grant-related staff are properly trained in their respective grants management role on at least an annual basis.
5. Developing and implementing district policies and procedures for all critical business functions
6. Developing and implementing grant management procedures and internal controls

If the District is determined to be a "high risk" district, it shall comply with all of the additional requirements as imposed by the federal granting agency and/or pass-through entity. In addition, the District shall develop and implement strategies to correct the identified deficiencies in an effort to move to a "low risk" entity status.

No pre-award expenses or obligations shall be made by the District prior to the approval of the federal granting agency or pass-through entity. **[2 CFR 200.458]** Non-authorized pre-award expenses, if any, shall be paid from local District funds, i.e. the General Fund.

Grant Application Process

The district may be eligible to apply for "entitlement" and/or "competitive" federal grant funds.

Federal entitlement grant funds include, but are not limited to, Every Student Succeeds Act (ESSA), Individuals with Disabilities Education Act (IDEA), and Carl D. Perkins. The "maximum" and/or "final" entitlement awards for the district are posted on the TEA Grants Management webpage at: Administering a Grant | Texas Education Agency. The Chief of Learning shall obtain the annual entitlement amounts and begin the grant development process with the appropriate stakeholders.

A list of competitive grants administered by the TEA are also posted on the TEA Grants Management webpage at: ProgramSearch (state.tx.us). The Chief of Learning shall obtain the competitive grant information to determine whether the grant(s) is appropriate for the district. Some competitive grants may have matching-funds and/or in-kind payment requirements which may place a burden on the district's available financial resources.

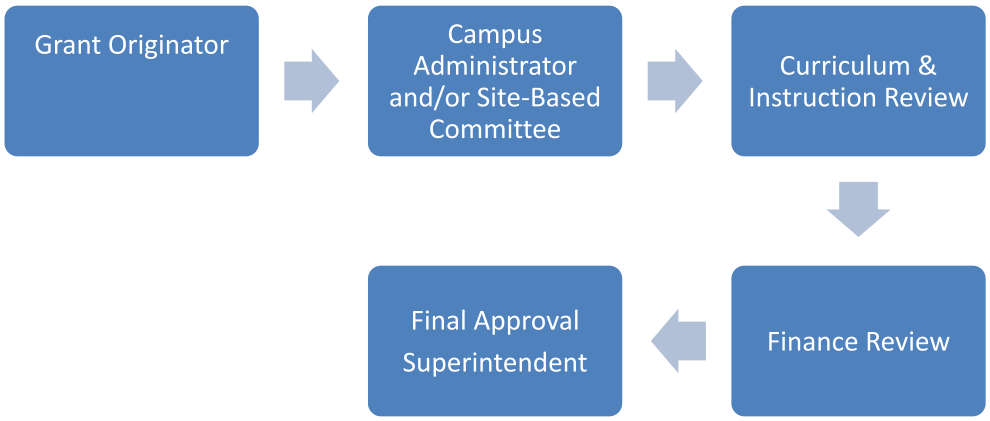
TEA's Grant Opportunities webpage provides a wealth of information related to available grants such as: [http://burleson.tea.state.tx.us/GrantOpportunities/forms/GrantProgramSearch.aspx]

- **General and Fiscal Guidelines**
- **Program Guidelines**
- **Program-Specific Provisions and Assurances**
- **General Provisions and Assurances**
- **Debarment and Suspension Certification**
- **Lobbying Certification**
- **Sample Application**
- **Deadlines and Due Dates for: grant application, amendments and grant reporting.**

All district staff involved in the management of federal grant awards shall be aware of these resources.

The school district's grant application process for federal grants is illustrated below on a flowchart (Illustration 1). As noted on the flowchart, all grant applications must be reviewed by the Finance, Curriculum & Instruction, and Grants Management departments. In addition, all grant applications that will support student instruction at one or more campuses, must be developed in collaboration with the respective campus principal(s). Specific grant activities to support the academic program at a campus should be reflected in the Campus Improvement Plan.

Illustration 1. Grant Application Approval Flowchart



The final approval of all grant applications shall be the Superintendent.

The Chief of Learning shall work collaboratively with the finance department to ensure that all grant budget schedules are completed using the correct account code structure (as appropriate); the district's purchasing, travel, and other procedures; and are adequately documented if prior approval is required by the granting agency or pass-through entity (TEA).

The Chief of Learning shall obtain pre-approval for the following activities which have been identified by the granting agency or pass-through entity (TEA).An approved copy of a pre-approval form, if required, shall be attached to the purchase order for audit purposesAdditional information related to prior approvals is available on the TEA website at: Forms for Prior Approval, Disclosure, and Justification | Texas Education Agency

Grants that require matching or in-kind district contributions shall be evaluated for overall impact on the district's current and future local funds.

- No federal grant funds shall be budgeted, encumbered, or spent until either of the following has occurred: grant has been approved by the granting agency and a Notice of Grant Award (NOGA) has been issued to the district; or
- the entitlement grant has been received by the district and the grant application has been submitted to TEA

[NOTE: TEA allows federal grant expenditures from the grant application "stamp-in date"; however, expenditures that require TEA's specific approval are not approved until the NOGA is issued.]

The grant application shall be the source document to create the original budget. The Assistant Superintendent of Finance, Human Resources and Operations shall review the grant application, especially the Budget Schedules, and only budget allowable expenditures and object categories. Reserved funds, if any, shall be included in the original budget.

The Assistant Superintendent of Finance, Human Resources and Operations shall notify the when the funds have been budgeted and are ready for expenditure by the appropriate campus or department.

General Provisions and Assurances

General Provisions and Assurances apply to all grants administered by TEA. Additional provisions and assurances may apply to specific grants. The Chief of Learning shall inform all staff involved in the expenditure of grant funds of the provisions and assurances for each grant program, as appropriate. Numerous resources are available on TEA's Provisions and Assurances webpage at: http://tea.texas.gov/Finance_and_Grants/Grants/Administering_a_Grant/Provisions_and_Assurances/

- **General Provisions and Assurances (The New EDGAR)**
- **Debarment and Suspension (The New EDGAR)**
- **Lobbying Certification (The New EDGAR)**

Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion

The district must not award a contract [required for all federal grants, regardless of dollar amount] to a vendor which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal grant award programs. **[2 CFR 200.213]**

The finance department shall verify the eligibility of each vendor with this certification requirement by requesting that the vendor execute a Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion for Covered Contracts and Grants Form before awarding a contract and/or issuing a purchase order. A copy of the certification Form shall be maintained with the contract and/or purchase order for audit purposes.

The finance department shall monitor ongoing contracts to verify the contractor's compliance with the debarment, suspension, ineligibility and voluntary exclusion provisions. In the event that a vendor is suspended or debarred during a contract, the district shall continue the contract in force until the contract lapses. The contract term shall not include any extensions to the original term of the contract.

The Vendor Management Procedures shall be utilized to verify that vendors are not on the State of Texas or Federal (www.sam.gov) debarred lists.

Lobbying Certification

For all federal grants in excess of $100,000, the district shall certify on the grant application that no federal grant funds are expended for the purpose of lobbying. [Appendix II – H1] The Executive Director of Special Programs and finance departments shall jointly execute a Lobbying Certification Form [Standard Form – LLL: Disclosure of Lobbying Activities], as applicable, if the district used funds other than federal grant funds for lobbying activities.

The Assistant Superintendent of Finance, Human Resources and Operations shall ensure that all contract award documents with federal grant funds contain the appropriate lobbying certification language.

Budgeting Grant Funds

The finance department, shall budget grant funds in the appropriate fund code as authorized by Financial Accountability System Resource Guide, or the granting agency, as appropriate. In addition, the object expenditure codes noted on the grant application shall be consistent with the budgeted account codes. Costs that require prior approval shall not be budgeted in the finance system until the Finance department verifies that the granting and/or pass through entity has approved the costs on the grant application and budget summary.

For example, if the grant application included $2,000 for "6219 Professional Services", the budget shall include an appropriation for Professional Services in object code 6219. However, if the intent was to expend funds to pay a Math Consultant, the grant application may need to be amended to move the "6219 Professional Services" funds to the correct object code "6299 Other Professional Services". **All expenditures shall be made from the correct FASRG object code.**

Federal grant funds shall be budgeted and available for use no later than 30 days after receipt of the NOGA or from the stamp-in date, whichever is earlier.The period of availability for many formula grants is 27 months. The LEA should identify the maximum number of months for each grant and make a local decision related to the maximum number of months that the LEA will choose to utilize the grant funds. All grant stakeholders should be informed about the maximum number of months so they may plan grant activities and expenditures appropriately to meet the intent of the grant.

Budget amendments, if any, shall be approved by the Grant Manager, to ensure that the reclassification of funds is allowable under the grant management guidelines related to budget amendments. Some grants allow a transfer of funds, up to 25% of the grant award, but only within the same object class and if the new object code does not require specific approval from the granting agency.

The TEA Grants Division has developed guidance related to "When to Amend" grants administered by the TEA. The guidance document is posted on the TEA website at: http://tea.texas.gov/Finance_and_Grants/Administering_a_Grant.aspx.

The guidance document contains the following guidance:

1. Use Table 1 for federally funded grants and for grants funded from both federal and state sources.
2. Use Table 2 for state-funded grants. Refer to the "Select Grantees" column if the NOGA is for over $1 million.

In addition to TEA's guidelines, federal regulations require that the district amend the grant application when grantees deviate from the original scope or grant objectives. Other amendments may be necessary when the district changes the designated Executive Director of Special Programs, disengages from grant activities for more than three (3) months, or a 25% reduction in the time devoted by a Executive Director of Special Programs.

Best Practice for Monitoring Grant Expenditures

The Finance and Grant Management staff shall monitor and compare the grant expenditures to the budgeted amounts (by object code in the grant application) at least monthly to ensure adequate controls and use of grant funds for grant purposes.

The grant originator shall monitor the need for amendments at least quarterly throughout the grant period and at least one (1) month prior to the grant amendment deadline, as applicable. If an amendment is necessary for any of the reasons specified by the pass-through entity (TEA) or in federal regulations, the grant originator shall initiate the amendment process and collaborate with the Assistant Superintendent of Finance, Human Resources and Operations prior to submission of the grant amendment. The approval process of a grant amendment shall be the same as the grant application process, i.e. the Superintendent shall approve all federal grant amendments.

The finance department shall be responsible for ensuring that the finance system budget corresponds to the most recent grant NOGA.

Financial and Program Management

The District must comply with all requirements of federal grant awards including the provisions of the Federal Funding Accountability and Transparency Act (FFATA) and the Financial Assistance Use of Universal Identifier and Central Contractor Registration (CCR). **[2 CFR 200.211]**

FFATA Reporting

The district shall report the following for all federal grant awards, as appropriate. The Chief of Learning shall be responsible for collecting and reporting the information.

1. The following data about sub-awards greater than $25,000
    a. Name of entity receiving award [entity = district]
    b. Amount of award
    c. Funding agency
    d. NAICS code for contracts / CFDA program number for grants
    e. Program source
    f. Award title descriptive of the purpose of the funding action
    g. Location of the entity (including congressional district)
    h. Place of performance (including congressional district)
    i. Unique identifier of the entity and its parent; and
    j. Total compensation and names of top five executives (same thresholds as for primes)
2. The Total Compensation and Names of the top five executives if:
    a. More than 80% of annual gross revenues from the federal government, and those revenues are greater than $25M annually and
    b. Compensation information is not already available through reporting to the SEC.

At the present time, the district has no federal grant sub-awards greater than $25,000.

Financial Management System

The District's financial management system, Skyward Finance System, shall be utilized to record, expend and track all federal grant revenues and expenditures. The financial management system shall be maintained in a manner that provides adequate internal controls over the data integrity, security and accuracy of the financial data. **[2 CFR 200.302(a)]**

The recipient or subrecipient must safeguard all assets and ensure they are used solely for authorized purposes.

- Comparison of expenditures with budget amounts for each Federal award.
- Written procedures to implement the requirements of § 200.305 Federal Payment.
- Written procedures for determining the allowability of costs in accordance with subpart E of this part and the terms and conditions of the Federal award.

The financial management system must contain information pertaining to all federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation. All expenditures of federal grant funds shall be in accordance with the district's written procedures such as cash management, accounts payable, purchasing, travel, allowable costs, capital asset tracking, contract management, and other procedures, as appropriate. In addition, the district shall include written procedures to implement the requirements of 2 CFR 200.305 Payments. **[2 CFR 200.302(b)(6)**

Records Retention

The financial management system shall be utilized to store, maintain, and report all required federal grant information. **[2 CFR 200.334]** Consequently, the district shall ensure that access to the data is restricted to authorized individuals in accordance with the district's Data Security and Access policies. In addition, the district shall retain all federal grant records for a period of five (5) years in accordance with the district's Local Records Retention Plan. [Note: The district's retention period exceeds the three (3) year retention period required in the EDGAR.] The district's Record Management Officer (RMO), the Executive Assistant to the Superintendent and Board of Trustees, shall be responsible to ensure that all records are retained, stored and accessible, as appropriate.

List of Federal Grant Awards

A list of all federal grant awards shall be maintained to include all EDGAR required data (denoted with an *) and district-required information listed below: [List of all federal grant awards with the required identification information is included in the Exhibit Section] **[2 CFR 200.302(b)(1)]**

- The CFDA title and number*,
- Federal award identification number and year*,
- Name of the Federal agency*, and
- Name of the pass-through entity*, if any.
- Grant period (start and end of the grant award)
- Grant award (dollar amount of award)

- Executive Director of Special Programs for each grant (Generally, the Asst. Superintendent for C&I shall serve as the Executive Director of Special Programs, unless otherwise noted)
- Subgrants, if any
- TEA-assigned risk level for each grant, as appropriate
- Applicable federal regulations (OMB A-87 or EDGAR, based on the date of grant award)

On at least a monthly basis, the Chief of Learning shall review the status of each federal grant fund. The review shall include a comparison of budget to expenditures. **[2 CFR 200.302(b)(5)]**

Internal Controls

Internal controls, defined in **2 CFR 200.1**, is a process, implemented by the district, designed to provide reasonable assurance regarding the achievement of objectives in the following categories.

- Effectiveness and efficiency of operations
- Reliability of reporting for internal and external use; and
- Compliance with applicable laws and regulations.

The district must establish, document and maintain effective internal control over the federal award that provides reasonable assurance that the district is managing the federal award in compliance with federal statutes, regulations and terms and conditions of the federal award. The district shall take reasonable cybersecurity and other measures to safeguard information including protected personally identified information (PII) and other types of information. [2 CFR 200.303]

Finance, grants management and technology staff shall collaborate to establish and maintain appropriate cybersecurity measures to safeguard information. The district's cybersecurity measures shall include, but are not limited to:

- Identification of authorized users of digital data
- Password security for authorized users
- Screen timeouts to mitigate unauthorized access to digital devices and data

The district' Internal Control Procedures over financial management, developed in accordance with the Internal Control Integrated Framework (COSO) and TEA's Internal Controls Guidance Handbook, shall be made available to all staff involved in the management of federal grant funds.

TEA's Internal Controls Guidance Handbook provides a general overview of internal controls as they relate to the federal grants TEA awards. According to the Handbook, the district must have an effective system of internal controls in place to prevent, detect and reduce the risks of fraud, waste and abuse of federal grant awards.

The internal control procedures shall be reviewed on at least an annual basis and updated as appropriate. If any weakness in an internal control is detected, the internal control procedures shall be

revised to incorporate the weakness(es) at either the annual review or as the need arises dependent upon the severity (materiality) of the weakness.

The Assistant Superintendent of Finance, Human Resources and Operations shall be responsible for the annual review and update of the Internal Control Procedures.

Bonds

If the granting agency requires that the district obtain bonding and/or insurance for a specific project, the district shall ensure that the bonds are obtained from a company that holds a certificate of authority as specific in 31 CFR Part 223, Surety Companies Doing Business with the United States.

The Assistant Superintendent of Finance, Human Resources and Operations shall be responsible for obtaining insurance and/or bonding, as appropriate.

Payments from the Granting Agency and to Vendors

Payments to vendors shall be made promptly in accordance with federal regulations and state law. Specifically, in accordance with the Texas Prompt Payment Act, the district shall pay all invoices within 30 days of receipt of the goods/services and the invoice, whichever is later.

The district has determined that it will not accept advanced payments for federal grant funds. Acceptance of advanced payments require depositing of the funds in an interest-bearing bank account, tracking of interest earnings, and return of all investment earnings in excess of $500 per year to the granting agency. **[2 CFR 200.305(9)]**

The district shall seek reimbursement for federal grant expenditures, rather than using an advanced payment method. Consequently, the district shall prepare and submit a "draw-down" of federal grant funds only after the payments have been made and distributed to the vendor via mail, e-payables or other delivery method. The draw-down of expended funds shall be net of all rebates, refunds, contract settlements, audit recoveries and interest earned, as appropriate. The Director of Finance shall be responsible for preparing the draw-down of federal grant funds. All draw-downs shall be recorded on the general ledger as a receivable when the draw-down process is complete and posted to the cash account upon receipt of the receivable.

The Federal Grant Fund Expenditure Reimbursement Certification Form shall be prepared and certified by the Director of Finance and Chief of Learning prior to completing the on-line [or manual] draw-down procedure. To ensure that the district does not draw down any advanced funds, the draw down shall occur after the 10th of the following month to ensure that all payroll-related liabilities, such as federal taxes and Texas Teacher Retirement System deposits, have been disbursed from the district's bank accounts. The draw-down of payroll expenditures shall be net of all accrued wages (object code 2161) and payroll liabilities (object code 2211).

All expenditures must meet the Obligation Rules (Title 34, 76.707). Obligations that are liquidated and recognized as expenditures must meet the allowable cost principles in 2 CFR 200, Subpart E of EDGAR (as applicable) and program rules, regulations, and guidelines contained elsewhere.

The Director of Finance shall strive to "draw-down" federal grant funds on a monthly, or at least quarterly basis. **TEA requests that LEAs make timely draw-downs to ensure that funds are being used and that grant activities are being met throughout the grant period.**

Cost Sharing or Matching Funds

The Chief of Learning shall ensure that requirements for cost sharing and/or matching funds are approved through the grant approval process prior to the submission of the grant. At a minimum, the Chief of Learning and the Assistant Superintendent of Finance, Human Resources and Operations must approve the commitment of all cost sharing and matching grant funds.

If cost sharing or matching funds are required as part of a federal grant award, the required direct or in-kind expenditures should be recorded and tracked on the general ledger. If matching grant funds are required in the General Fund (Fund 199), the district shall utilize a sub-object to separately track the expenditures for reporting and compliance purposes.

All staff paid with cost sharing and matching funds, shall be subject to the federal Time and Effort Documentation requirements.

Cost sharing and matching funds that are as a result of donated services or supplies, shall be recorded and tracked in accordance with the federal regulations **(CFR 200.306).**

Program Income

The district is encouraged to earn income to defray program costs when appropriate. Program income earned during the period of performance may only be used for costs incurred during the period of performance or allowable closeout costs. Program income must be expended prior to requesting additional federal funds. **[CFR 200.307]**

The district does not plan to generate any program income as part of a federal grant award. In the event that the district opts to generate program income as part of a federal grant award in the future, all recommendations for program income activities, shall be reviewed and approved by the Chief of Learning and the Assistant Superintendent of Finance, Human Resources and Operations.

If program income activities are approved, the over the activities shall ensure that the costs of generating the program income are not federal grant funds, are nominal in cost, are offset from the program income, and meet all of the federal requirements. The TEA Division of Grant Administration Request to Add Program Income to Federal or State Grant Award and Expansion Delivery of Programmatic Services Form shall be used to request authorization to use any program income to support a state or federal grant.

The district shall not retain any program income earned through a federal grant program.

Period of performance (Obligations)

All allowable grant expenditures shall be incurred during the grant period, i.e. begin date and end date of the federal grant award as designated on the Notice of Grant Award (NOGA). The shall notify the

appropriate departments, such as Purchasing, Human Resources, Finance, Payroll, etc. of the grant periods for each federal grant award to ensure compliance as noted below:

- No employee shall be hired and paid from federal grant funds except during the federal grant period
- No purchase obligation shall be made from federal grant funds except during the federal grant period
- No payroll or non-payroll expenditures shall be made from federal grant funds except during the federal grant period.

The district's Purchasing Deadlines have been established to facilitate the purchase of all goods and services within the fiscal year and/or grant period. The purchasing deadline for non-federally funded purchases is May 1st of each fiscal year. The purchasing deadline for federally funded purchases will follow this same deadline, unless the deadline is adjusted to fall within the grant's period of performance. At a minimum, the purchasing deadlines for federally-funded purchases shall end approximately two (2) months prior to the end of the grant period to ensure **receipt** and **use** of the goods or services for the intended grant activities.

All obligations with federal grant funds must occur during the grant period. Obligations that occur before or after the grant period are not allowable costs. The obligations must be liquidated in accordance with the grant deadlines, especially as they relate to the final draw-down of federal grant funds. **[2 CFR 200.309]**

Guidance regarding the obligation of federal grants funds [Title 34 76.707] can be found in TEA's General and Fiscal Guidelines. Excerpt from the guidelines is noted below:

An obligation occurs depending upon the expenditure, as described in the following table.

If the Obligation Is For—	The Obligation Is Made—
Acquisition of real or personal property	On the date the grantee makes a binding written commitment to acquire the property
Personal services by an employee of the grantee	When the services are performed
Personal services by a contractor who is not an employee of the grantee	On the date on which the grantee makes a binding written commitment to obtain services
Performance of work other than personal services	On the date on which the grantee makes a binding written commitment to obtain the work
Public utility services	When the grantee receives the services
Travel	When travel is taken
Rental of real or personal property	When the grantee uses the property

Procurement Standards and Expenditure of Grant Funds

Procurement with and expenditure of grant funds shall be through the documented purchasing, finance or payroll department processes in place for non-grant funds and shall have additional requirements as noted below to ensure full compliance with federal regulations, specifically the Procurement Standards in ***EDGAR 2 CFR Part 200.318-200.327.***

The district shall comply with the general procurement requirement of the EDGAR (2 CFR 200) **effective July 1, 2018 and amended in November 2020.** The district shall utilize a purchase order and encumbrance system to manage the expenditure of all federal grant funds unless other methods such as credit cards, petty cash, direct payments, etc. are authorized in the district's operating procedures. All purchases shall be in accordance with the district's School Board Policies (CH Legal and Local) and the district's **Purchasing Procedures (Exhibit Section). The district purchasing procedures shall comply with all federal, state, and local procurement requirements. If a conflict arises between the federal, state and local requirements, the stricter requirement shall prevail.**

The district shall adhere to state law and federal guidelines related to competitive procurement of grant purchases. Specifically, the district shall comply with the Texas Education Code, Chapter 44 regarding the authorized competitive procurement options available to school districts. In addition, any competitive procurement requirements specific to a federal grant must also be adhered to for all grant purchases. For example, a federal grant may require that all purchases and/or contracts that exceed $100,000 be approved by the granting agency before approval of a purchase order or contract.

Additional compliance with federal guidelines may include specific approval for purchases from sole sources vendors, non-appropriate cancellation language in multi-year contracted purchases, vendor selection criteria, and other guidelines specific to a federal grant.

The district shall utilize the Financial Accountability System Resource Guide (FASRG) Account Code Structure to record all payroll and non-payroll expenditures. Additional guidance regarding the FASRG Account Code Structure is available on the TEA Website (www.tea.texas.gov) and the district's Chart of Accounts Reference Guide.

The Grant Manager for each federal grant shall be responsible for the programmatic and evaluation compliance and the Assistant Superintendent of Finance, Human Resources and Operations shall be responsible for the financial compliance. A **List of Grant Managers** by federal grant is included in the Exhibit section. The use of "Executive Director of Special Programs" throughout this document shall refer to the specific Executive Director of Special Programs by federal grant as listed on this document.

Federal Regulations - Education Department General Administrative Regulations (EDGAR)

The district shall adhere to the **Education Department General Administrative Regulations (EDGAR)** and any additional grant-specific cost principles. The 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards include numerous requirements of the grantee.

All refunds, rebates, discounts, or other credits to grant expenditures shall be posted to the finance general ledger as soon as the credit is known. [Note. It is essential to post all credits to the general ledger on a timely basis to ensure that the district does not draw-down grant expenditures in excess of actual expenditures net of all credits.]

Additional information related to the EDGAR is located at:
http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html

State-Administered Federal Grant Guidelines and Requirements

The district shall also adhere to General and Fiscal Guidelines established by the Texas Education Agency. The guidelines for grants awarded before and after December 26, 2014 are hyperlinked below:

- **General and Fiscal Guidelines (through December 26, 2014)**
- **General and Fiscal Guidelines: EDGAR (after May 1, 2020)**

The district shall also adhere to grant-specific cost requirements established by the Texas Education Agency. The grant-specific guidelines for current district grants are hyperlinked under the Grant Opportunities webpage at: Guidelines, Provisions, and Assurances | Texas Education Agency

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- **ESSA Consolidated Federal Grant Program Guidelines**
  - **ESEA Title I, Part A Improving Basic Programs**
  - **ESEA Title II, Part A Teacher/Principal Training**
  - **ESEA Title III, Part A English Language Acquisition**
- **IDEA, Part B Formula and Preschool**

Local Guidelines Related to Unallowable Costs - Optional

The district has developed local guidelines related to unallowable costs with federal grant funds. The unallowable costs are noted below or in the Exhibit Section.

Unallowable Costs

- Snacks that do not meet the Smart Snack federal and/or state guidelines (Copy of USDA Smart Snack Standards included in the Exhibit Section).
- Commercial printing in color, unless it is deemed necessary to accomplish grant activities
- Meals (during a Working Lunch or Professional Development) that exceed $20 per person [maximum amount per EDGAR, but the district could elect a lesser amount]
- Educational field trips to an amusement park for recreational purposes only
- Consultant fees in excess of $2,500 per day [no maximum in EDGAR, but there may be a grant-specific maximum], unless an exception is authorized by the Superintendent

Procurement Tracking and Documentation

The Assistant Superintendent of Finance, Human Resources and Operations shall be responsible for ensuring compliance with all federal, state and local procurement requirements and for ensuring that

the district maintains an up-to-date procurement history to include, but not limited to, the information below for all federal-funded purchases ***(2 CFR 200.318(i)).***

- *Rationale for the method of procurement
- *Selection of contract type
- *Contractor selection or rejection
- *Basis for the contract price
- List of all procurements by type
- Like-item category (commodity code)
- Advertisement date(s) of the procurement
- Release date of the procurement specifications
- Selection criteria for vendors
- Opening date of the procurement
- List of vendors submitting a proposal/bid
- Selection of Vendor
- Date of contract award
- Begin date of contract
- End date of contract
- Contract Amount

*EDGAR-specific provisions [2 CFR 200.318(i)].

The procurement history records and other procurement records shall be retained in accordance with the federal, state and/or local retention periods, whichever is greater. The procurement records shall be made available to the federal granting agency, pass-through entity (TEA), and auditors, as appropriate.

Purchasing Efficiency Strategies

All purchases shall be purchased from a variety of qualified vendors with the ability to perform successfully under the terms and conditions of a proposed procurement. The district shall strive to avoid acquisition of unnecessary or duplicative items ***(2 CFR 200.318(d)).***

The district shall implement the following strategies to maximize federal grant funds:

- Consolidation of purchases to obtain volume pricing, as appropriate
- Evaluate the cost efficiencies of leases versus purchases of equipment
- Utilize cooperative purchasing agreements, as appropriate, to obtain volume pricing ***(2 CFR 200.318(e))***
- Utilize federal or state excess/surplus property supplies or equipment in lieu of purchasing new supplies or equipment, as appropriate ***(2 CFR 200.318(f))***
- Utilizing value-engineering in construction projects to seek cost reductions ***(2 CFR 200.318(g))***
- Develop vendor selection criteria to select the best vendor ***(2 CFR 200.318(h))***
- Develop a tracking system of all informal and formal procurements ***(2 CFR 200.318(i))***

- Avoid "time and materials" contracts if other alternatives exist ***(2 CFR 200.318(j)(1))***
- Monitor vendor performance to ensure that the vendor provides the services and/or goods, as appropriate ***(2 CFR 200.318(k))***
- Ensure that all contract and vendor disputes are resolved in the most advantageous manner
- Minimize the risk of jurisdictional issues by ensuring that all contracts would be litigated in a court within the county, city and/or state, as appropriate

The district has determined that its procurement systems comply with the Procurement Standards or The district may complete a review of the procurement system to self-certify that the procurement system is efficient and effective ***(2 CFR 200.325).*** The Assistant Superintendent of Finance, Human Resources and Operations shall oversee the completion of the self-certification. The results of the certification shall be distributed to all grant management staff. If deficiencies are noted, the Assistant Superintendent of Finance, Human Resources and Operations shall develop a Corrective Action Plan to remedy the deficiencies, as appropriate.

Conflict of Interest

The Superintendent shall execute an Organizational Conflict of Interest document to disclose if any conflicts exist in the application, receipt of, or expenditure of federal grant funds. **An organizational conflict of interest does not to apply to the district at this time – there is one parent, affiliate or subsidiary organization related to the district, our Education Foundation.**

The Superintendent, Cabinet staff members, Human Resources/Benefits Coordinator, Operational Directors, and shall each execute a Conflict of Interest Form to disclose a conflict of interest, as appropriate, related to the awarding of a contract or substantial expenditures with federal grant funds. Substantial expenditures shall be defined as a purchase in excess of $10,000.

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. In addition, no employee, officer or agent of the district may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontractors. All employees shall comply with the Educators' Code of Ethics (DH Exhibit). Violators of the Code of Ethics shall be subject to disciplinary action, including but not limited to, termination of employment with the district.

Vendor Competition

The finance/purchasing department shall be responsible for selecting and awarding contracts to vendors that are qualified to provide the goods and/or services to be purchased with federal grant funds. The vendor selection process shall ensure that the district does not restrict competition among qualified vendors ***(2 CFR 200.319).***

Vendor Selection Criteria

The district has selected vendor qualification criteria that includes, but is not limited to, the following:

- Past experience with the district

- Cost of goods and services, including future costs of maintenance
- Vendor's financial stability and position as it relates to the ability to provide the goods and/or services
- Small, minority, woman-owned, or labor surplus area firms
- Other criteria as reflected on the Vendor Management Procedures

Never Contract with the Enemy

The district (recipient) is subject to the guidance implementing Never Contract with the Enemy in 2 CFR part 183. The guidance in 2 CFR part 183 affects covered contracts, grants, and cooperative agreements that are expected to exceed $50,000 during the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities. **[2 CFR 200.215]**

The Assistant Superintenedent for Finance shall verify that all contracts exceeding $50,000 have been verified for compliance with the guidance.

The district shall not restrict vendor competition by requiring any of the following as selection criteria: **[2 CFR 200.319]**

- Unreasonable requirements, such as excessive experience or bonding, brand name products, or geographic preferences that would unduly restrict competition among qualified vendors
- Arbitrary restrictions that are not essential to the bid/proposal specifications

Vendor Database

A vendor database shall be maintained by the finance department in the finance system (Skyward Business System). The district's Vendor Management Procedures shall be adhered to for all purchases. Vendor selection shall include the following criteria:

- Has not been debarred or suspended by the State of Texas or federal government
- Is licensed or registered with the State of Texas to perform the contracted services, as appropriate
- Has obtained the minimum insurance limits and/or bonding established by the district, as appropriate
- Has disclosed any felony convictions and/or criminal history, as appropriate

All vendors shall complete the appropriate vendor forms as required by federal or state regulations and the district. The district requires that every vendor have the following documents on file:

- Vendor application file (new vendors)

- Form W-9 – Internal Revenue Service
- Conflict of Interest Questionnaire (CIQ) – Texas Ethics Commission
- Felony Conviction Notice
- Fingerprinting (If working directly with students)
- Criminal Background and Fingerprinting (if working directly or indirectly with students)
- Certificate of Insurance (with the District as additional insured) if services will be rendered on district property
- Other SB22

Vendors may be assigned a primary vendor category code to track aggregate purchases by "like items".

Vendor Management

A vendor database shall be maintained by the Finance department with oversight by the Assistant Superintendent of Finance, Human Resources and Operations. The district's **Adding/Renewing Vendors Procedures** shall be adhered to in adding and maintaining approved vendors.

Although the district maintains a pre-qualified vendor database, to ensure open competition, vendors shall be allowed to enter competition at any time during the school year.

A Vendor Performance Report shall be completed to report complaints against vendors or to indicate appreciation for positive vendor performance. Vendor Performance Reports shall be submitted to the Chief of Learningand Finance Department for review and possible action. Complaint and appreciation reports become a permanent record of the vendor and must be accurate to guarantee an equitable resolution and to serve as a reliable guide for future action, positive or negative, regarding a vendor's performance.

Bid and Proposal Specifications

The district shall develop written bid/proposal specifications that are provided to every qualified vendor to ensure consistency in the procurement process. A vendor that is allowed to assist with the development of specifications shall be ineligible to submit a proposal for the specific procurement as this may provide a barrier to open, competition among the qualified vendors. **[2 CFR 200.319(b)]** The bid/proposal documents must include guidance to vendors regarding the following:

- Time, date and place of bid/proposal opening
- Anticipated award date, as applicable
- Written specifications and addendums, as appropriate
- List of all bid/proposal required documents such as CIQ, Felony Conviction Notice, etc.
- Bid/Proposal Sheet
- Bid/Proposal evaluation criteria, including the weights, as applicable
- Other documents, as appropriate for a specific bid/proposal

The district's specifications shall 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. **[2 CFR 200.319(b)(6)].**

The Assistant Superintendent of Finance, Human Resources and Operations shall oversee all bid/proposal documents before release to the vendor to ensure the documents comply with the federal requirements.

Procurement Methods

The district shall use one of the procurement methods allowed by federal regulations to procure goods and services with federal grant funds ***[2 CFR 200.320]*****.** In addition, the district shall comply with state purchasing laws and local Board Policy, CH Legal and Local.

The procurement method shall be determined based on the type of goods or services to be purchased with federal grant funds. The Assistant Superintendent of Finance, Human Resources and Operations shall be responsible for selecting the appropriate procurement method for each procurement.

The district shall adhere to the *most restrictive* federal regulations, state laws, local policies and/or procedures when the guidance documents are in conflict. [CFR 200.403(c)]

Procurement Levels and Requirements

The district has developed and implemented a Purchasing Levels and Requirements Chart for non-federal and federally-funded purchases. The chart includes the following data:

- Purchase Commitment Amount
- Support [Documentation] Required
- Additional Forms Required, if any
- RFP/RFQ Requirement
- Board Approval Requirement
- Advertising Requirement

TEA Side-by-Side Procurement Rules (State and Federal) table. The table is useful for LEAs to create a customized chart to match its district's Board Policies, local quotation procedures and micro-purchase level (if the district self-certified a threshold higher than $10,000.]

Side by Side of Procurement Rules
What is most restrictive, State or Federal?

Purchases, including purchasing cooperatives, must demonstrate compliance with following most restrictive requirements:

Amount	State Requirements	EDGAR Requirements
$1-$10,000 Aggregate	TEC 44.031 - no formal rules, suggests policy	**200.320(a) micro purchase - reasonable cost and, as practicable, purchases equally distributed among vendors**
$10,001-$49,999 Aggregate	TEC 44.031 - no formal rules, suggests policy	**200.320(b) small purchase - price quotes (adequate number of vendors)**
$50,000-$250,000 Aggregate	**TEC 44.031 rules. (choose best option for LEA):** **1. competitive bidding** **2. competitive sealed proposals** **3. request for proposal (RFP)** **4. interlocal contract** **5. request for qualifications (RFQ)** **6. reverse auction** **7. formation of political subdivision corporation**	200.320(b) small purchase - price or quotes (adequate number of vendors)
$250,001+	TEC 44.031 - one of 7 methods listed above	**200.320(c,d) sealed bids/competition; RFP or RFQ** **200.323 LEA is required to conduct cost price analysis**
Noncompetitive/Sole Source	TEC 44.031(j)(k) – Sole source allowed if existence of patent, copyright, secret process or monopoly	**200.320(f) Noncompetitive proposal,** **1. Micropurchase** **Available from single source** **2. Public exigency or emergency** **3. Approved by authorized agency (TEA)** **4. No Competition** Procurement must still follow most restrictive rules based on the total price of the procurement.

Denotes most restrictive rules that must be followed.

Note. The threshold shall be determined by expenditures for "like-items" in the aggregate over a fiscal year (July 1st through June 30th). The Assistant Superintendent of Finance, Human Resources and Operations, and Director of Finance shall review expenditures from all district funds (local, state and federal) by "like-item" on at least a monthly basis to monitor that the district does not exceed any "like-item" categories. The district has elected to use a coding system for "like-items" that is similar to the State of Texas Procurement Commodity Codes, plus locally defined codes that may not exist on the Commodity Codes. . A copy of the district's Like-Item Categories are in the Exhibit Section. In addition, vendors in the finance system shall be coded to a primary vendor category, as applicable.

The district shall monitor aggregate expenditures using the method below:

- Option to track in Purchasing System: The 'like-item" categories shall be entered in the finance system, (such as ASCENDER Business System), as vendor categories and shall be indicated on every purchase order as illustrated below.

The sample requisition indicates that the supplies for Math have been coded to Like-Item Category #393 – Supplies, Instructional, Math

The Assistant Superintendent of Finance, Human Resources and Operations shall review annual expenditures from all district funds (local, state and federal) after the close of the fiscal year to determine if any additional "like-item" categories should be added for the following fiscal year. The budgeted funds by like-item categories may also be helpful in planning for large expenditures in a particular like-item category in a given fiscal year.

Micro-Purchase Procurement Method

Micro-purchases may be awarded without soliciting competitive price or rate quotations if the non-Federal entity considers the price to be reasonable based on research, experience, purchase history or other information and maintains documents to support its conclusion. Purchase cards can be used for micro-purchases if procedures are documented and approved by the school district **[2 CFR 200.320(a)(1)(ii)].** [The district has written Procurement Card Procedures – refer to the Exhibit Section.

The district shall maintain documentation to support all micro-purchase procurements as noted below:

- Attach the supporting documentation electronically to every purchase order, or
- Attach the supporting documentation to the physical purchase order, or

The school district is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures. The micro-purchase threshold used by the school district must be authorized or not prohibited under State or local laws or regulations. School districts may establish a threshold higher than the Federal threshold. **[2 CFR 200.320(a)(1)(ii) and (iii).**

The Assistant Superintendent of Finance, Human Resources and Operations shall conduct an evaluation on an **annual basis** of the district's internal controls, TEA-assigned risk level and documented procurement procedures to determine the appropriate micro-purchase threshold. The Self-Certification of Micro-Purchase Threshold form shall be submitted to the Superintendent at least 30 days prior to the start of each fiscal year for his/her review and consideration. The approved threshold shall be documented in the State and Federal Grants Manual to ensure that all stakeholders are aware of the approved micro-purchase threshold.

Micro-Purchase Procedures – Less than $10,000 [Optional to leave at $10,000 or increase]

The **Procurement by Micro-purchase** may be the most frequently used method due to the frequent purchase of goods or services that are less than $10,000 in the aggregate, as defined in **CFR 200.1** and the granting agency. The district shall purchase goods and services under this method from among qualified vendors, but will not competitively procure the micro-purchases, unless in the aggregate in a

12-month period (fiscal year), the district exceeds federal or state law thresholds **[*2 CFR 200.320 (a)*],** or the district's threshold in Board Policy CH Legal or Local.

The finance/purchasing department shall distribute micro-purchases equitably among qualified vendors to the maximum extent possible and shall ensure that the price is reasonable.

Micro-Purchase Procedures – Up to $49,999 [Or lesser amount based on Board Policy CH Local]

As of November 12, 2020, **2 CFR 200.320(a)(1)(iv)** states that a *Non-Federal entity increase to the micro-purchase threshold up to $50,000.* Non-Federal entities may establish a threshold higher than the micro-purchase threshold identified in the FAR in accordance with the requirements of this section. The non-Federal entity may self-certify a threshold up to $50,000 on an annual basis and must maintain documentation to be made available to the Federal awarding agency and auditors in accordance with §200.334. The self-certification must include a justification, clear identification of the threshold, and supporting documentation of any of the following:

(A) A qualification as a low-risk auditee, in accordance with the criteria in §200.520 for the most recent audit;

(B) An annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or,

(C) For public institutions, a higher threshold consistent with State law.

The district's Board Policy CH Local has a $250,000 threshold for Board approval of purchases.

The district (has) elected to self-certify a threshold up to $49,999 in accordance with Texas law (TEC 44.031). The Superintendent or designee shall complete the Self-Certification of Increased Micro-purchase threshold Form **(Rogers, Morris & Grover 2021)** on an annual basis.

Simplified Acquisition Procedures - $10,000 - $249,999 [Or, $50,000 – 249,999]

The **Procurement by Simplified Acquisition (previously Small Purchase) Procedures** shall be used by the district when the purchase of goods or services do not exceed $250,000, the Simplified Acquisition Threshold **(CFR 200.1).**

When the simplified acquisition procedures are used, the LEA must obtain an adequate number of quotations from qualified sources. Unless specified by the federal agency, the LEA may exercise judgement in determining what number of quotations is adequate. The TEA Procurement Guidance Handbook states: TEA recommends that you gather at least three price quotations when using the simplified acquisition method.

The LEA has determined that 3 quotations are an adequate number of quotations under the simplified acquisition method and will consistently apply this minimum number of quotations to solicitations.

The purchasing department shall require written, emailed, or faxed quotations from at least three (3) qualified vendors for all simplified acquisition purchases, i.e. purchases that do not exceed $50,000 [the state law threshold which requires a competitive procurement]. Note. The quotes can be from three (3)

separate vendors within a qualified purchasing cooperative or different purchasing cooperatives to meet both the EDGAR and state law requirements for competitive procurement.

The district shall use a Simplified Acquisition Purchase Quotation Form to document the quotations from vendors. A copy of the Small Purchase Quotation Form shall be filed with the appropriate purchase order. The Simplified Acquisition Purchase Quotations shall be tabulated by the Chief of Learning on a Quotes Tabulation Form.

Community ISD will evaluate the quality of the quotes for a simplified acquisition purchase by implementing the following 2 check points:

1. The quote is recent (not older than the last 12 months).
2. The quote for the service/product is comparable and could provide documentation to indicate their comparability upon request.

The district shall strive to obtain small purchases from qualified vendors under a Cooperative Purchasing Program **[*2 CFR 200.318 (e)*].** Even though these cooperative purchasing programs have competitively procured the vendor contracts, the district shall compare the pricing among the vendors to select the best quality and price.

The Cooperative Purchasing programs shall provide an EDGAR compliance certification on an annual basis. If the Cooperative fails to provide the certification, the district shall not purchase goods or services through the Cooperative with federal grant funds. Reminder: District must still obtain at least 2 quotes from cooperatives to ensure compliance.

The district is currently participating in the following cooperative purchasing programs:

- 1GPA
- Allied (Region 19)
- BuyBoard
- Collin County Governmental Purchasers Forum
- CPTA
- DIR
- EPCNT
- ESC 1 - ROPC
- ESC 2 - Goodbuy Co-Op
- ESC 6 - Epic 6 Coop
- ESC 7 - Purchasing and Vendor Services
- ESC 8 – Interlocal Purchasing System (TIPS)
- ESC 10 – EQUALIS/EDTECH EXCHANGE
- ESC 16 - TEXBUY
- ESC 20 PACE
- HCDE/ Choice Partners

- HGAC
- Omnia
- State of Texas Co-Op Purchasing Program (TxSmartBuy)
- Sourcewell
- 791 Co-op

*Sealed Bid Procedures – Over $250,000**

The **Procurement by Sealed Bids** (formal advertising) method shall be used by the district when the purchase of goods or services exceed $250,000 if the acquisition of the goods or services lends itself to a fixed price contract and the selection of the successful bidder can be made principally on the basis of price **[*2 CFR 200.320 (b)(1)*].** The district shall comply with the sealed bid requirements, as defined by the EDGAR, as noted below:

- Bids must be solicited from an adequate number of bidders, but no less than two (2) bidders
- Bids must be publicly advertised and bidders shall be provided an adequate amount of time to prepare and submit their bid. Local criteria shall include:
    - The district shall publicly advertise all bids in accordance with state law, i.e. at least two (2) times in two separate weeks
    - The district shall provide no less than ten (10) days for bidders to prepare and submit their bids
- Bids must contain detailed specifications to ensure that bidders have a clear understanding of the goods or services that the district is seeking to purchase
- Bids must specify the time, date, and district location where bids will be opened publicly
- Bids must be awarded based on a fixed price contract to the lowest responsive and responsible bidder. The district shall consider discounts, transportation costs, and life cycle costs only if these factors were included in the bid specifications. The district will consider payment discounts because the district does routinely take advantage of payment discounts.
- Bids will be evaluated, ranked, and a recommendation for award made to the School Board at a regularly scheduled board meeting.
    - If no bidder is recommended, the district shall reject all bids and evaluate whether to modify the bid specifications to initiate a new bid process
- The district shall notify the successful bidder and process the contract documents and/or purchase orders, as appropriate
- The district shall notify all of the unsuccessful bidders to ensure that qualified bidders are encouraged to submit bids during future bid opportunities

***Note. The state regulations (TEC Chapter 44) related to competitive procurement shall be implemented at a $50,000 threshold even though the federal regulations allow greater flexibility.**

Competitive Proposal Procedures – Over $250,000

The **Procurement by Competitive Proposal** method shall be used by the district when the acquisition of the goods or services exceeds $250,000 and does not lend itself to a fixed price contract **[*2 CFR 200.320***

***(b)(2)*]. The district shall comply with the competitive proposal requirements, as defined by the EDGAR, as noted below:

- Requests for Proposals (RPF) must be publicly advertised
- The RFP shall identify the evaluation factors and their weight in awarding the proposal
- Proposals shall be solicited from an adequate number of bidders, but no less than two (2) qualified vendors
- Proposals shall be evaluated, ranked, and a recommendation for award made to the School Board at a regularly scheduled board meeting **[2 CFR 200.320(b)(2)(ii)]**
    - The district shall utilize the Competitive Sealed Proposal Process Checklist
    - The district shall develop an instrument to evaluate each proposal and rank the proposals based on the evaluation scores
    - The district shall evaluate each proposal by committee or no less than two (2) district staff with knowledge of the RFP specifications
    - In accordance with state law, the vendor who is ranked highest as providing the "proposal most advantageous to the district" shall be notified of the potential award
        - The district may negotiate with the vendor only as it relates to potential cost savings
        - If the district and vendor cease to negotiate, the district shall notify the vendor in writing before starting to negotiate with the 2nd highest ranked vendor.
- The district shall notify the successful proposer and process the contract documents and/or purchase orders, as appropriate
- The district shall notify all of the unsuccessful proposers to ensure that qualified bidders are encouraged to submit bids during future bid opportunities

A price or cost analysis is required under the Single Acquisition Threshold. Most, if not all, purchasing cooperatives do not perform this function for member districts. The district shall perform the price or cost analysis in accordance with EDGAR and document the results. The Director of Finance shall be responsible for conducting the price or cost analysis.

<u>Noncompetitive Proposal Procedures</u>

The **Procurement by Noncompetitive Proposal** method shall be used by the district when the purchase of goods or services is from a "sole source vendor" **[*2 CFR 200.320 (c)]*.**

A sole source vendor is defined as a vendor that meets the following requirements:

- The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold **[*2 CFR 200.320 (c)(1)]***
- The goods or services are only available from a single source **[*2 CFR 200.320 (c)(2)]***
    - The district shall acquire and maintain a copy of a vendor's sole source letter which specifies the statutory or other reason for its sole source status

    - The TEA Division of Grants Administration Request for Noncompetitive Procurement (Sole Source) Approval Form shall be utilized to request prior approval of a non-competitive, sole source proposal.
    - The district's Sole Source Justification Form shall be completed and submitted with the single source proposal.
- A public exigency or emergency will not permit a delay resulting from the competitive solicitation process **[*2 CFR 200.320 (c)(3)]***
    - The district shall declare a public exigency or emergency prior to making such as purchase of goods or services under this method
- The granting agency or pass-through entity authorized the use of a non-competitive proposal method **[*2 CFR 200.320 (c)(4)]***
    - The district shall obtain written approval/authorization from the granting agency or pass-through entity.
- After solicitation of a number of sources, competition is determined to be inadequate **[*2 CFR 200.320 (c)(5)]***
    - The district shall determine that competition is inadequate if after two (2) solicitations of bids and/or proposal, only one vendor is responsive to the solicitations

Note. TEA has approved Education Service Centers in the non-competitive proposal category.

Other Procurement Guidelines

Vendor Preferences

In accordance with state purchasing laws, the district shall comply with the Texas Education Code (TEC Chapter 44) if the procurement guidelines are stricter under state law than federal regulations. Regardless of the procurement method, the district shall encourage small, minority, woman-owned, veteran-owned and labor surplus area firms to compete with other qualified vendors by implementing strategies to encourage their participation **[*2 CFR 200.321]*.**

As appropriate, and in accordance with **2 CFR 200.322,** the district should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

The Assistant Superintendent of Finance, Human Resources and Operations shall ensure that vendor preferences are included in all specifications, purchase orders and contracts, as appropriate.

Vendor Restrictions – Prohibition on Certain Telecommunications and Video Surveillance Equipment and Services

In accordance with **2 CFR §200.216** that prohibitions certain telecommunications and video surveillance services or equipment, the Assistant Superintendent of Finance, Human Resources and Operations and the Director of Technology shall review and approve all telecommunication contracts for goods and services with federal grant funds to include the following:

(a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

(1) Procure or obtain;
(2) Extend or renew a contract to procure or obtain; or
(3) Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services.

For the purposes of this section, "covered telecommunications equipment or services" also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

The district shall comply with the federal regulations related to the procurement of recovered materials **[2 CFR 200.323]** and the Solid Waste Disposal Act.

For all purchases that exceed the Simplified Acquisition Threshold of $250,000, the district shall perform a cost or price analysis with every procurement **before** receiving bids or proposals. The district is not required to negotiate profit as a separate element of the price for each contract in which there is no price competition nor in cases where cost analysis is performed. **[*2 CFR 200.324]*.** Secondly, all purchases that exceed this threshold shall comply with federal bonding requirements such as **[*2 CFR 200.326]*:**

- Bid guarantee from each bidder of five percent (5%) of the contract price
- Performance bond on the part of the contractor for 100% of the contract price
- Payment bond on the part of the contractor for 100% of the contract price.

The Assistant Superintendent of Finance, Human Resources and Operations shall be responsible to ensure that all purchases above this threshold are guaranteed with the appropriate bid guarantee, performance bond and payment bond.

All contracts shall contain the applicable provisions described in 2 CFR 200 Appendix II **[*2 CFR 200.327].*** In addition, all contracts for services and/or goods purchased with federal grant funds shall be subjected to the same review and approval process as all other district contracts. The Contract Procedures and Contract Review Checklist are applicable to all federally funded contracts.

The district shall retain all records related to the procurement of goods and services in accordance with federal, state and local requirements. In addition, all procurement records shall be available for inspection and/or audit during the life of the records. The district shall maintain all procurement records for five (5) years in accordance with the district's Local Records Retention Schedule.

Property Standards and Management

The district shall safeguard all property (capital assets and inventory) purchased with federal grant funds under the same guidelines as property purchased with non-federal funds **[*2 CFR 200.310]*.** Additional insurance for property purchased with federal grant funds shall be acquired if specifically required by a federal grant award. The Assistant Superintendent of Finance, Human Resources and Operations shall oversee the acquisition of insurance for all federally funded property.

Title to federally-owned property remains vested in the Federal Government. The district must submit annually an inventory listing of federally-owned property in its custody to the Federal awarding agency. Upon completion of the Federal award or when the property is no longer needed, the district must report the property to the Federal awarding agency for further Federal agency utilization **[*2 CFR 200.312]*.**

Federally-funded Capital Assets

The district has not and will not use federal grant funds to purchase real property. At the present time, the district operates several district facilities that are owned by the Department of Education. The district shall ensure the DOE-owned buildings for loss in the same manner as locally-owned facilities.

If the district owns and/or purchases real property, the title to the real property acquired or improved under a federal award will vest upon acquisition with the district **[*2 CFR 200.311(a)].***

Federally-funded Capital Assets

The district chooses to not use federal grant funds to purchase capital assets (tangible and intangible assets) and supplies if approved by the granting agency. The district shall not use federal grant funds to purchase intangible property (defined in **[*2 CFR 200.1])*.** If the district purchases intangible property, the title to the intangible assets vest upon acquisition with the district **[*2 CFR 200.315].***

The federally-funded capital assets shall be used only for the authorized purposes and shall be disposed of, at the end of the useful life or end of the grant period, in accordance with the grant award guidelines **[*2 CFR 200.313]*.** The district shall not use the federally-funded capital assets to generate program income. The purchase of capital assets shall be recorded in object code 663X in accordance with the FASRG and any local-use account codes.

Federally-funded Supplies

The federally-funded supplies shall be used only for authorized purposes. Supplies shall include all non-assets such as consumable supplies and non-consumable inventory (equipment with a unit cost less than $10,000) [or less if the district's capitalization policy is less than $10,000]. Any residual (unused, new and/or unopened) supplies, in excess of $10,000 in total aggregate value, at the end of the grant program or project may be used for any other federal grant program. Unused supplies shall mean supplies that are in new condition, not having been used before or opened before. The aggregate value of unused supplies consists of all supply types, not just like-item supplies. **[2 CFR 200.314]**

If less than $10,000 in the aggregate, the supplies shall be retained by the district or sold but must reimburse the granting agency for the district use or sale of the supplies. The district shall implement purchasing deadlines for the purchase of federally-funded supplies to ensure that residual supplies are not available at the end of the grant period or project. The purchasing deadlines are posted on the Business webpage at www.communityisd.org The purchase of supplies shall be recorded in object 639X, in accordance with the FASRG and any local-use account codes.

Capitalization Policy and Definitions

Capital Assets

The district shall utilize the same capitalization policy for non-grant and grant-funded asset purchases. The district's capitalization threshold for assets is $5,000 per unit cost. The district has adopted the EDGAR **(CFR 200.1)** definitions of property as noted below:

- *Capital assets* means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. **(CFR 200.1).**
- *Equipment* means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000. **(CFR 200.1)**
- *Computing devices* means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information. **(CFR 200.1)**
- *General purpose equipment* means equipment which is not limited to research, medical, scientific or other technical activities.
    - *o* Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.
- *Information technology systems* means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. **(CFR 200.1)**
- *Special purpose equipment* means equipment which is used only for research, medical, scientific, or other technical activities.

- Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers.

- *Supplies* means all tangible personal property other than those described in **§200.1** Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or $5,000, regardless of the length of its useful life. **(CFR 200.1)**

Note. The federal threshold for capital assets of $10,000 is contingent upon the SEA adopting the threshold and the LEA adopting the higher threshold in policy (CFB Local). It is recommended that if LEAs adopt the higher threshold that it be effective at the beginning of the fiscal year (July 1st or September 1st) for consistency in accounting principles (audit report and net position) and account coding of asset purchases (66XX).

Acquisition Cost

The district has also adopted the EDGAR definition of Acquisition cost as noted below:

- *Acquisition cost* means the cost of the asset including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Acquisition costs for software includes those development costs capitalized in accordance with generally accepted accounting principles (GAAP). Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-Federal entity's regular accounting practices. **[CFR 200.1]**

The district shall utilize the invoice cost, including all related costs, to record the cost of the equipment on the fixed asset database.

The purchase of capital assets shall be recorded in object code 663X in accordance with the FASRG and any local-use account codes.

Inventory Items

The district has also defined “inventory items” as items with a unit cost between $1,000 and $4,999. These items shall have a tag affixed to the item for inventory tracking and insurance purposes only. Inventory items shall include computing devices within these costs. The district shall track these items for insurance purposes and shall conduct an annual inventory of these items to the extent possible. Purchases of inventory (taggable) shall be made from object code 6398 accounts.

Consumable Supplies

Consumable supplies shall include technology-related “walkable” or “personal use” items with a unit cost less than $1,000 as the following (these items shall be tracked by the Technology Department].

- I-Pads

- Kindle/Nook
- Computers with a cost under $1,000

Consumable supplies, including the walkable and personal items with a unit cost less than $1,000, shall be made from object code 6399 accounts. The consumable supplies shall be tracked by the campus or department making the purchase.

Identifying and Tracking Federally-Funded Assets

Titles to federally funded equipment and supply purchases shall be retained by the district, unless otherwise notified by the granting agency. **[2 CFR 200.313(a)]** As district property, the district shall affix a tag, inventory, and dispose of all assets (non-grant and grant-funded) according to the district's fixed asset procedures. [**Fixed Asset Procedures in Exhibit Section**] The district procedures shall include the recording of all assets on a database with the following information:

1) **District-issued tag (or identification number)**
2) **Date of acquisition**
3) **Description of asset**
4) **Serial number, or other identifying number**
5) **Funding source, i.e. fund code**
6) **Cost of asset (acquisition cost)**
7) **Use and condition of the asset (New, Used, etc.)**
8) **Location of asset (building and room number)**
9) **Owner of asset title, typically the district**
10) **Disposition data including the date of disposal and sale price of property**
11) Life of asset
12) Depreciation of asset

Note. Bold items are required by federal regulations (EDGAR, 2 CFR 200.313(d)(1)]

Maintaining Capital Asset Inventory & Records

All federally-funded capital assets shall be maintained in an operable state. If repairs are necessary, the district may pay for the repairs of the federally-funded assets with federal grant funds, unless expressly restricted by the granting agency. All federally-funded capital assets shall have a tag affixed to the assets to distinguish the assets from non-federally funded assets.

The district fixed asset procedures require an annual inventory (or more frequently if required by a granting agency) of all capital assets and reconciliation of the asset reports. **[Note. Federal requirements CFR 200.313(d)(1) requires an inventory at least once every 2 years.]**

The district's annual inventory of capital assets shall be conducted by the Maintenance department. Lost, damaged, or stolen assets shall be recorded on the fixed assets database with the date of the loss. The disposition records such as the loss report (police report for thefts) shall be maintained with the capital asset records.

In addition, the district shall track all grant-funded capital asset purchases by grant, or fund code, as appropriate. The disposal of grant-funded assets shall be in accordance with federal guidelines and grant-specific guidelines, if any. At a minimum, the disposition date, reason, and sale price of all federally-funded assets shall be recorded in the fixed assets database. **[2 CFR 200.313(d)]**

During the life of the asset, the district shall ensure that all assets purchased with federal grant funds are insured against loss. The costs to insure and maintain (repair) assets purchased with federal grant funds are generally allowable costs, unless specifically prohibited by a granting agency. **[2 CFR 200.310]**

The Assistant Superintendent of Finance, Human Resources and Operations shall be responsible for maintaining the fixed asset database (Skyward Asset Management System) of all district assets, including all federally-funded assets and notify the granting agency and/or pass through entity of any loss, damage, or theft of equipment that will have an impact on the program**. [200.313]**.

Cost Principles

All grant expenditures must be allowable under the Federal Cost Principles (2 CFR 200 – Subpart E), the grant application program assurances, the granting agency's policies, and the district policies and procedures.

The General Provisions for Selected Items of Cost (Cost Principles) are available on the Department of Education EDGAR webpage.

The district shall adhere to the Cost Principles for federal grants [EDGAR SUBPART E] and any additional grant-specific cost principles. General criteria affecting the allowability of costs includes, but may not be limited to, the following: **[2 CFR 200.403] and [2 CFR 200.320(b)(7)]**

- Costs must be reasonable and necessary **[2 CFR 200.404]**
    - 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 was made to incur the cost.
    - Necessary is defined as costs needed to carry out the grant activities
- Be allocable to Federal awards **[2 CFR 200.405]**
- Be authorized or not prohibited under State or local laws or regulations.

- Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
- Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Except as otherwise provided for in EDGAR, be determined in accordance with generally accepted accounting principles.
- Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.
- Be the net of all applicable credits. **[2 CFR 200.406]**
- Be adequately documented.

The district may utilize the Allowability/Allocability of Costs Worksheet to verify that all proposed obligations and expenditures meet the Cost Principles. If the Worksheet reflects that the proposed obligation and/or expenditure is not allowable and/or allocable to a federal grant award, the district shall not make the obligation/purchase with the federal grant funds. Other funds, such as local funds, may be used to make the obligation/expenditure, as appropriate.

Cost Allocation Plan and Indirect Cost Rate

A cost allocation plan or an indirect (F&A) cost rate, whether submitted to a Federal cognizant agency for indirect costs or maintained on file by the district, must be certified by the district using the Certificate of Cost Allocation Plan or Certificate of Indirect Costs as set forth in Appendices III through VII, and Appendix IX. The certificate must be signed on behalf of the district by the Superintendent or designee. [Must be an individual at a level no lower than the Superintendent, Assistant Superintendent or Assistant Superintendent of Finance, Human Resources and Operations of the district.]

All district costs with federal grant funds, whether direct or indirect, shall meet the minimum requirements of allowability as specified in the **2 CFR 200.403**. In addition, the costs must meet the general provisions for selected items of cost **(2 CFR 200.420).** Specific items not listed within these procedures shall be evaluated by the Chief of Learning and Assistant Superintendent of Finance, Human Resources and Operations on case-by-case basis for allowability. The general cost allowability rules for specific items of cost listed within these procedures shall apply to all federal grant funds, unless more restrictive allowability rules are required by a particular federal grant award.

The district shall adhere to the more restrictive allowability rules when a conflict arises between the general allowability rules, the program-specific allowability rules, and the district's allowability rules.

The same expense allocation formula shall be used for non-federal and federal funded expenditures. Purchases shall be expensed to the appropriate fiscal year and/or grant period, as appropriate. For example, if the district purchases a subscription or maintenance agreement that covers a twelve-month period from January 1st through December 31st, only the current year expenditure and/or current grant period expenditure shall be posted to the general ledger, as appropriate. In this scenario, the following expenses would be posted to the general ledger.

Current fiscal year	January to August	8 months	Object code 6XXX
	September to December	4 months	Object code (1410)

The district has elected to use federal grant funds for both compensation/benefits and non-compensation expenditures.

Total Costs

The **total cost** of a federal award is the sum of allowable direct and allocable indirect costs less any applicable credits. **[2 CFR 200.402]** All refunds, rebates, discounts, or other credits to grant expenditures shall be posted to the finance general ledger as soon as the credit is known. The district shall ensure that all known credits have been posted to the general ledger prior to the drawdown on federal grant reimbursements.

The district shall post all credits [discounts, rebates, refunds, etc.] to the general ledger on a timely basis to ensure that the district does not draw-down grant expenditures in excess of actual expenditures net of all credits. Otherwise, the district may be considered to have drawn-down funds under an advanced cash method. The Assistant Superintendent of Finance, Human Resources and Operations shall ensure that all applicable known credits have been posted to the general ledger prior to preparing and submitting a federal grant draw-down request from the granting or pass-through entity.

District costs generally fall under two major categories:

1) compensation/benefits; and

2) non-compensation (supplies, services, travel/miscellaneous or equipment).



Compensation & Benefit Costs

Compensation and benefits (payroll expenditures) are allowable costs for personal services rendered by district employees during the period of performance under the federal grants.

All payroll expenditures shall in accordance with federal cost principles and Department of Labor regulations, such as the Fair Labor Standards Act (FLSA). All payroll expenditures shall be paid in accordance with the federal cost principles. First and foremost, the payroll expenditures must be authorized on the grant application and the duties assigned must be directly related to grant activities. The Chief of Learning shall provide a copy of the Payroll Summary to each of the departments noted above upon approval of the grant application.

Compensation Plan

The School Board approved Teacher Hiring Pay Scale and Stipend/Extra Duty Pay Scale shall be used to compensate all district staff whether paid from local, state or federal grant funds. In addition, the district shall provide the same employer-provided benefits for all district staff whether paid from local, state or federal grant funds.

The compensation for grant-funded staff shall be allocated to the respective grant program (fund) based on the single and/or multiple cost objectives performed by the grant-funded staff. If a grant-funded staff member performs non-grant activities during the day or beyond the normal work day, the compensation for the non-grant activities shall be paid from non-grant funds. Grant-funded staff with more than one cost objective, shall comply with the Time and Effort documentation requirements. Incentive payments, such as performance, perfect attendance, safety, etc. for grant-funded staff shall be allowable with federal grant funds if they are based on the same criteria as non-federal grant funded staff.

Allowable Compensation Costs

Compensation costs shall be allowable if:

- The costs are reasonable for the services rendered and conforms to the established district compensation and benefit plans for expenditures with all other funds, i.e. local funds **[2 CFR 200.430(a)(1)],**
- The employees have been employed in accordance with the district's established Hiring Procedures **[2 CFR 200.430(a)(2)],** and
- The costs are supported by the appropriate timekeeping, absence tracking, time & effort certifications, or other documentation **[2 CFR 200.430(a)(3)],** as appropriate,
- Federally-funded employees shall report all outside employment or professional services rendered to other entities. The external employment and/or professional services shall not conflict with the federally-funded activities with the district **[2 CFR 200.430(c)],**
- Incentive compensation, such as stipends, awards, early resignation incentive, attendance incentive, etc. are in accordance with the district's written plans for each of these incentives **[2 CFR 200.430(f)],**
    - Stipend compensation for other non-federal grant award duties shall be supported by a Supplemental Duties Job Description/Pay Notice. The additional duties shall not conflict with the federally-funded activities with the district.

Substitute Teachers

Salary expenditures for substitute teachers are allowable for approved teacher positions. The finance and payroll departments shall ensure that the expenditures for substitute teacher costs are budgeted and expensed from the appropriate account code(s). The School Board approved Substitute Pay Scale shall be used to compensate all substitute teachers whether paid from local, state or federal grant funds.

Stipends and Extra Duty Pay

Stipend and extra duty pay expenditures are allowable for authorized and approved activities. A schedule or work log shall be maintained to substantiate the stipend and/or extra duty pay. NOTE: It is recommended by the TEA that a job description for each stipend role include the duties related to the grant purpose and the grant funding source. **[Note. A Supplemental Pay Notice-Job Description is included in the Exhibit Section.]**

The School Board approved Stipend and Extra Duty Pay Schedule shall be used to compensate all district staff (exempt and non-exempt) whether paid from local, state, or federal grant funds.

The Assistant Superintendent of Finance, Human Resources and Operations shall ensure that the expenditures for stipend and extra duty pay are budgeted and expensed from the appropriate account code(s). The stipend and extra duty pay rates shall be the same as the rates used for similar locally funded activities. For example, if a teacher stipend for attending a 1-day professional development activity funded through local funds during a non-scheduled work day is $150 per day, the teacher stipend for attending a federally-funded 1-day professional development activity should be $150 per day, too. **[The Stipend and Extra Duty Pay Scale (adopted by the School Board) is included in the Exhibit Section.]**

Allowable Benefit Costs

District costs for fringe benefits, whether paid from local, state or federal grant funds shall be allowable as noted below **[2 CFR 200.431]:**

- All benefit costs shall be in accordance with the district's written Summary of Employee Benefits, except for any benefits that may be specifically excluded in a federal grant award
- All leave benefits shall be in accordance with the district's written Leaves and Absences Policy (DEC Legal and Local) **[2 CFR 200.431(b)]**
- The benefit costs shall be distributed equitably at the same allocation rate (percentage) as the base compensation
- The benefit costs were earned and paid during the grant period
- All benefit costs shall be allowable under the Internal Revenue Service, Fringe Benefits Guide (and subjected to taxes, as required by federal statute)

Non-Allowable Benefit Costs

The district shall **not** charge any benefit costs to a federally-funded grant if the benefit costs are not in accordance with district's written Summary of Employee Benefits, School Board Policy, **2 CFR 200.431**, or other written benefit plan(s). The district has established the following as **non-allowable** benefit costs:

- Severance or settlement agreement payouts to current and/or previous federally-funded grant staff [NOTE. These costs are allowed subject to strict guidelines – district option to include or exclude.] **2 CFR 200.431(i)**
- Optional pension plans (other than the mandatory Teacher Retirement System of Texas contributions). [NOTE. These costs are allowed subject to strict guidelines – district option to include or exclude.] **2 CFR 200.431(g)**
- Automobile costs or allowance for an employee's personal use of a vehicle (regardless of whether the benefit is taxable to the employee] **2 CFR 200.431(f)**

Documentation of Compensation and Benefit Costs

In addition, to the time and effort reporting requirements, the district shall support all compensation and benefit costs paid with federal grant funds shall be supported by the following documentation [**2 CFR 200.430(i)]:**

- Exempt staff
    - Employment agreement, contract, or reasonable assurance, as appropriate
    - Job description signed by the employee with language similar to: *Funded by Title I, Part A with the primary purpose of supporting grant activities aimed at improving academic achievement for students struggling to meet state standards.* In addition, the job description shall include the funding source (fund code).
    - *Supplemental duties, if any, shall be supported by a* Supplemental Duties Job Description/Pay Notice
    - Absence records, if any
    - Time and Effort documentation, as appropriate (Semi-Annual Certification, Periodic Time and Effort, or the Substitute System for Time and Effort)
- Non-Exempt staff
    - Employment agreement, contract, or reasonable assurance, as appropriate
    - Job description signed by the employee with language similar to: *Funded by Title I, Part A with the primary purpose of supporting grant activities aimed at improving academic achievement for students struggling to meet state standards.* In addition, the job description shall include the funding source (fund code).
    - Absence records, if any
    - Time and Effort documentation, as appropriate (Semi-Annual Certification, Periodic Time and Effort, or the Substitute System for Time and Effort)
    - Timekeeping records (actual work hours per workweek) in accordance with the FLSA and the district's Timekeeping Procedures.

Timekeeping Records

All payroll expenditures with federal grant funds shall comply with EDGAR regulations such as the period of performance (200.77) and compensation (200.430).

The Payroll department shall ensure that all timekeeping records are properly submitted before payroll disbursements are made to federally-funded staff. The timekeeping records for exempt staff may include supplemental pay sheets for additional assignments such as summer school, tutoring, professional development, etc. in accordance with the Supplemental Pay Procedures.

The timekeeping records for non-exempt staff shall comply with the FLSA **[2 CFR 200.430(i)(3)]**. Specifically, all non-exempt work hours must be submitted in accordance with the Time Sheet & Time Clock Procedures and recorded through the district's timekeeping system, Frontline.

The Chief of Learning, Assistant Superintendent of Finance, Human Resources and Operations, District PEIMS Coordinator and HR Administrator shall work collaboratively to ensure that the Role ID and salary object codes reflected on the grant application (Payroll Summary) are consistent with the HR, payroll, finance, and PEIMS records.]

Approval of Payroll Expenditures

The process of approving payroll expenditures from grant funds shall be a collaborative process between the campus or department, Human Resources, Grants Management, and Finance [Purchasing, Budgeting, Accounting and Payroll] departments. Each campus and/or department plays an essential role in ensuring that all federal grant requirements are met.

Selection of Grant-Funded Staff

The Chief of Learning shall work collaboratively with the appropriate stakeholders (campuses and departments) to identify all staff needed to accomplish the grant activities. The Chief of Learning shall work collaboratively with the Assistant Superintendent of Finance, Human Resources and Operations to obtain estimated salaries for proposed grant-funded staff prior to the completion of the grant application. And, the Chief of Learning shall provide a copy of the Payroll Summary of each grant program to each of the campuses and departments noted above upon approval of the grant application.

New Positions

New grant-funded positions shall be created only when a job description has been developed and approved by Human Resources and the Chief of Learning. The Chief of Learning shall ensure that the position is approved on the grant application and that adequate funds exist to fill the position.

The finance and payroll departments shall be notified to ensure that the position is budgeted on the general ledger and the position is paid using the correct payroll account distribution codes.

New Hires

New staff hired for work in positions that are wholly or partially funded with federal grant funds, shall be hired when a position and funding are both available. Upon separation of an employee, the home campus or department of the position shall initiate a request to replace the position. [NOTE: A Personnel Requisition Form should be used to start the process.]

The Chief of Learning shall review the request to ensure that the position is still authorized and necessary. Changes to the job description, if any, shall be made at this time. The Assistant Superintendent of Finance, Human Resources and Operations shall review the request to ensure that adequate funds exist in the appropriate account code(s). If funds do not exist, the Assistant Superintendent of Finance, Human Resources and Operations shall notify the Chief of Learning to determine if funds will be re-appropriated to the account code(s). After approval from the Chief of Learning and Finance department, the Human Resources department shall advertise the position.

The screening and selection process shall include a review of the recommended applicant to ensure that he/she meets the any federal grant staff requirements such as the Highly Effective requirements under the Every Student Succeeds Act (ESSA), as appropriate, or any other grant-specific credentials. The district shall utilize the PowerSchool to advertise all new positions and collect employment applications and supporting documentation. [NOTE: A Personnel Recommendation Form or should be used recommend an applicant for employment.]

Upon employment, the new hire shall receive and sign a copy of his/her respective job description to include the grant funding source. NOTE: If the position is funded with a short-term grant fund, the employee shall be notified in writing when the grant funding will lapse, especially if their position will lapse at the end of the grant period.]

Transfer of Personnel

When staff in a position funded with grant funds is recommended for transfer to another campus, department, or assignment, the grants management, human resources, and finance departments shall work collaboratively to ensure that the appropriate staff allocations and funding changes are made at the time of the transfer. The home campus or department shall initiate the request for the transfer, especially if it is a teaching assignment change to another campus. The grants management, human resources, and finance departments must evaluate the requested transfer to ensure that the staff allocations, Highly Effective staff requirements, and funding source changes are in compliance with grant requirements and activities.

For example, if an elementary principal requests to transfer a Title I Reading teacher to a Pre-Kindergarten regular classroom teacher, the following considerations should be evaluated by the respective departments:

1) HR – ensure that a vacancy exists in a PK teacher position and that the teacher recommended for transfer is certified to teach PK and issue a new job description to the transferred staff member;

2) Grants management – ensure that the grant strategies and activities can be accomplished in a timely manner after filling the vacancy that would be created by the transfer; and

3) Finance department – ensure that funds exists for the additional PK teacher slot and change the payroll account distribution code(s) from Title I to PK as of the effective date of the transfer.

Job description for all grant funded staff

The HR Administrator shall develop and distribute a job description to all district staff that is wholly or partially funded with grant funds. The job description shall include the funding source(s) and the job duties as they relate to the grant position. The grant-funded staff shall sign the job description at employment and on an annual basis, or at a minimum, when the funding source, job title or other change occurs in the employment or assignment of the staff member.

The job description and assignment shall be supported by documentation such as grade books, master schedule, etc.

Roster of all grant funded staff

The Chief of Learning shall maintain an up-to-date roster of all grant funded staff to include the position title, annual salary, and funding source(s) by percentage. The roster of grant funded staff shall include all staff paid with non-federal grant funds whose compensation/benefits are paid as part of a matching or cost sharing requirement of a federal grant fund.

The home campus or department, human resources, and finance departments shall work collaboratively to ensure that the roster accurately reflects that data maintained in their respective area of responsibility. Discrepancies, if any, in the roster shall be brought to the attention of the grants management department.

The review of the roster shall include, but not be limited to the following:

1) Campus or department – ensure that the grant funded staff are assigned in the position title as noted on the roster. The master schedule or assignment of instructional staff must support the position title and funding source.
2) Human Resources – ensure that the position title and salary are correct as noted on the roster. In addition, the HR department shall ensure that each grant funded staff member has a signed job description on file for the position title noted on the roster. And, the HR department shall ensure that all grant-funded staff meet the state's Certification or are Highly Effective, as appropriate.
3) Finance – ensure that the funding source(s) and salary are correct as noted on the roster. In addition, the finance department shall ensure that the payroll distribution account code(s) are in accordance with the FASRG.
4) Chief of Learning- ensure that the positions are authorized on the grant application and that the PEIMS Staff Data submitted to TEA is consistent with the position title, Role ID and object code.

The review shall occur on at least a quarterly basis throughout the school year to ensure that the roster of grant funded staff is accurate and up-to-date throughout the year.

NOTE: It is critical that at least one of the reviews coincide with the submission of the Fall PEIMS Staff Data to ensure that accurate data is submitted as of the October snapshot date.

Budgeting of grant funded staff

The roster of grant funded staff shall be the basis for budgeting of grant funded staff. The percentage of time in each funding source shall be utilized by the finance department to create and enter the salary portion of the grant budget. The percentages shall also be utilized by the payroll department to enter the payroll distribution account code(s).

In addition, the finance department shall ensure that the Grant Personnel Schedule of the grant application matches the budget and payroll account code(s). For example, if the Grant Personnel Schedule for Title I, Part A includes a position of a "008 – Counselor (6119)", the budget and payroll account code distribution shall be entered in a 6119 object code.

The grants management, human resources and finance departments shall work collaboratively to adjust the budget and payroll account code distributions of grant funded staff if the time and effort documentation consistently reflects that the percentage(s) across the funding source(s) is not a true reflection of the normal work schedule.

Time and Effort Documentation

District staff funded wholly or partially with federal grant funds shall comply with federal guidelines related to time and effort. The grant funded staff, their immediate supervisors, grants management, human resources, and finance departments shall be aware of the federal guidelines related to time and effort documentation. On a least an annual basis, all impacted staff shall be trained by the Chief of Learning and/or attend appropriate training from an outside source.

The district shall collect and monitor time and effort documentation for district employees only. **Time and effort documentation does not apply to Independent Contractors.**

The district shall comply with all federal time and effort documentation guidelines. The following requirements shall apply to all district staff funded wholly or partially from federal grant funds, including staff funded through non-federal grant funds as part of a cost sharing or matching requirement.

Time and effort requirements for staff funded 100% from one grant (or working 100% of their time in a single cost objective)

The staff funded 100% from one grant source do not have to maintain periodic time and effort records. However, all employees must certify in writing, at least semi-annually, that they worked solely on the program for the period covered by the certification. The employee and his/her immediate supervisor must sign the Semi-Annual Certification Form (sample in Exhibit Section).

The timeline for semi-annual certifications shall cover a 6-month period. The 6-month period shall be determined per academic semester to coincide with teaching assignment each semester. The immediate supervisor shall submit all signed semi-annual certifications to the Chief of Learning as noted below:

1) 1st Certification – due 1 week after the **end** of the 6-month period (July 1st – January 31st)
2) 2nd Certification –due 1 week after the **end** of the 6-month period* - (February 1st – June 30th)

*The 2nd semester certification for 10-month employees shall be due on the last working day of the school year. Submission of the required certification shall be part of a campus or department staff member's check out procedures.

TheChief of Learning review shall consist of the following:

1) A review of the certification forms to ensure that every staff member and supervisor has certified that their schedule is 100% grant related
2) A test sampling of staff assignments, i.e. master schedule, duty schedule, etc. to verify the schedule is 100% grant related

The Chief of Learning shall collect and review all Semi-Annual Certification Forms. Any certifications that reflect a percentage other than 100% shall be forwarded to the finance department for adjustment of the grant payroll expenditures for the certification period. NOTE: Steps should also be taken to ensure that the staff member's work schedule is adjusted to 100% grant related, or is changed from the semi-annual certification method to time and effort reporting. The Chief of Learning shall file the certifications for audit purposes.

The Director of Finance shall prepare a journal ledger entry to correct the account distribution code(s) as appropriate. The Assistant Superintendent of Finance, Human Resources and Operations shall post the entry to the finance general ledger.

Time and effort requirements for staff split funded (funded from more than one (1) cost objective and/or grant programs)

Time and effort applies to employees who do one of the following:

1) Do not work 100% of their time in a single grant program
2) Work under multiple grant programs
3) Work under multiple cost objectives

These employees are required to maintain a Periodic Activity Report or to account for their time under a substitute system. The district has not applied for, nor been approved by the Texas Education Agency to use the Substitute Time and Effort System; therefore, employees must prepare Time and Effort Worksheet at least monthly to coincide with the district pay periods. **Such reports must reflect an *after-the-fact* distribution of 100 percent of the *actual* time spent on each activity and must be signed by the employee and their immediate supervisor.** Charges to payroll must be adjusted to coincide with preparation and submittal of the interim expenditure report required for TEA discretionary grants.

Grant-funded staff under this category shall complete a Time and Effort Worksheet (sample in Exhibit Section) to include the date, grant source, percentage worked in the grant source per day and the summary for the month (or pay cycle). The staff member and his/her immediate supervisor shall sign the time and effort report. The timeline for time and effort reports shall be once per month to coincide with the monthly payroll cycles as noted below:

1) Monthly payroll [20th of the month] – Time & Effort reports are due by the 10th for the prior month.
2) Semi-monthly payroll [15th & 31st of month] – Time & Effort reports are due by the 10th for the prior month.

The immediate supervisor shall submit all signed time and effort reports to the Chief of Learning
The Chief of Learning review shall consist of the following work flow:

1) A review of the time and effort reports to compare the summary percentage of grant-related work per funding source to the budgeted percentage utilized to charge the monthly (or semi-monthly) payroll charges
2) A test sampling of staff assignments, i.e. master schedule, duty schedule, etc. to verify the percentage of grant-related work per funding source
3) If the time and effort report reflects the same percentage, the report may be filed for audit purposes
4) If the time and effort report reflects a different percentage, the report shall be reconciled to reflect the correct payroll charges by grant funding source and forward the reconciliation to the finance department for adjustment of the payroll charges on the general ledger.

The Director of Finance in collaboration with Chief of Learning shall prepare a journal entry to reclassify the expenditures as noted on the reconciliation of the time and effort report(s). According to federal regulations, the final amount charged to each grant award must be accurate, allowable, and properly allocated.

The finance department shall post all variances greater than 10% to the general ledger on a monthly basis; otherwise, the variances shall be posted prior to the final expenditure report.

NOTE. The finance department shall use caution to avoid excess drawdown of grant funds due to unallowable payroll costs if timely adjustments to the general ledger are not posted prior to the drawdown of funds.

Time and Effort Substitute System

The US Department of Education (USDE) and the Texas Education Agency (TEA) have authorized the use of a substitute system for time and effort.

The district has not opted to use the Time and Effort Substitute System at this time.

Non-Payroll Costs

Non-payroll costs are defined as expenditures other than salaries and benefits. Direct non-payroll expenditures include contracted services, supplies, travel, and equipment. The expenditure of federal grant funds for non-payroll costs shall adhere to the district's purchasing policies and procedures. In addition to the normal purchasing process, all grant funds must be approved by the Chief of Learning for each respective grant program, as appropriate.

All purchases with federal grant funds shall be in accordance with the Purchasing Procedures.

Purchase Requisitions

Purchase requisitions must be itemized with detailed descriptions, prices, delivery details, delivery/ completion date, detailed vendor info, bid number, or quote information (where applicable), along with justification, terms, and conditions critical to the order. Requisitions submitted without adequate detail will be returned to the originator.

Purchase Orders

The primary method for all purchases is to issue a Purchase Order. Once issued by the district and accepted by the vendor, the Purchase Order is a binding written agreement between the District and the Vendor. The types of purchase orders are noted below:

- Single PO – One-time purchase of goods and/or services where need is identified, ordered, received and PO is closed immediately.
- Open purchase orders:
    - Annual PO – For annual contracts such as annual service contracts, subscriptions, etc. The PO shall include a description of the goods and/or services with specified annual quantity, unit of measure, and price.
    - Monthly PO - As needed purchase of small dollar items that are expected to be purchased from a particular vendor throughout the year.

Both types of purchase orders [Single and Open] may be utilized with federal grant funds, subject to the approval of the purchase in accordance with the PO approval path.

Specific instructions related to specialized purchases are included in the Purchasing Procedures. Specific instructions include, but are not limited to, the following categories of purchases:

- Apple Purchases
- Amazon Purchases
- Walmart and Sam's Club
- Lowe's and Home Depot
- Credit cards such as the PCard, Travel Card
- Technology purchases

All district approved vendors shall be notified via a Vendor Notification of PO Requirement Letter that all purchases made on behalf of the district are to be initiated by the issuance of a purchase order.

Approval of Purchase Orders

The district shall utilize the Skyward Purchasing Module to manage the expenditure of all federal grant funds unless other methods such as credit cards, petty cash, direct payments, etc. are authorized in the district's operating procedures.

The approval levels noted below are part of the Skyward Purchasing Module approval path.

- Budget Manager – Initial approval
- Finance Member– Second approval
- Assistant Superintendent(s)/Chief – Third approval
- Director of Finance- Fourth approval
- Assistant Superintendent of Finance, Human Resources and Operations – Final approval

The district shall adhere to the normal approval path for purchase orders with non-grant funds. The Assistant Superintendent of Finance, Human Resources and Operations shall ensure that all purchase orders have been competitively procured as required by law; and, that the expenditure (PO) has been approved by the governing body, as appropriate [Note. School Board Policy CH Local has established the threshold of contract approval by the School Board at $250,000.]

Contracts/purchases that are approved by the School Board shall also meet the Form 1295 Certificate of Interested Parties filing instructions. The vendor shall provide a notarized Form 1295 prior to the issuance of a purchase order. After approval of the purchase order and/or contract, the Assistant Superintendent of Finance, Human Resources and Operations shall access the Texas Ethics Commission website to acknowledge the Form 1295.

In addition, all purchase orders with grant funds shall be reviewed and approved by the appropriate Chief of Learning.

The Chief of Learning review of purchase requisitions/purchase orders shall consist of the following:

1) The expenditure is *reasonable* and *necessary* (as defined in federal grant guidelines). (NOTE: A test of whether an expense is necessary may include the verification that the expenditure is to perform a strategy or activity in the District or Campus Improvement Plans.)
2) The expenditure is not required by state law or local policy.
3) The expenditure has been approved in the grant application, if specific approval is required from the granting agency
4) The expenditure meets the allowable costs principles.
5) The expenditure is allowable and approved in the grant application and is consistent with the grant purpose
6) The expenditure is supplemental and not supplanting a local expenditure (NOTE: Refer to compliance issues related to supplement and supplant for additional guidance.)

7) Other Centrialized System

Purchase Order Deadline(s)

In an effort to meet all obligation and liquidation requirements of grant funds, the district has established a **June 2nd** purchase order deadline. This deadline shall be adhered to by all purchase order originators. A campus principal or department head may impose an earlier deadline for their respective campus or department.

A different purchase order deadline may be required for federal grant funds to ensure that all purchases occur within the grant period (obligation period).

Receipts of Goods and/or Services

All district staff shall adhere to the Receipt of Goods and Services Procedures to ensure that receipt of all goods and services is properly documented prior to issuing payment to the vendor. No payment shall be made to a vendor for goods and/or services unless the receipt of the goods and/or services have been verified and documented by the receiving clerk (Administrative Support Secretary).

The district receives all goods under a centralized receiving system. The Maintenance Department shall receive, and deliver to the departments and campuses. Signed documentation and packing lists, if any, shall be forwarded to the Accounts Payable for payment through the Accounts Payable Procedures.

For acceptance of services, the requestor shall inspect that the work has been accomplished according to the agreed upon terms and conditions and scope of work. Acceptance of partial completion should not be made unless previously agreed upon by the district and vendor in the contract and/or agreement for services.

Receipt of partial orders shall be allowable subject to the Partial Purchase Order Receipt Procedures. Payments for partial shipments shall be made within the 30-day payment period.

All shipment errors such as shortages, overages, damages, etc. shall be reported to the receiving clerk, Administrative Support Secretary. The receiving clerk, Administrative Support Secretary shall be responsible for vendor relations and shall address and resolve the issues with the vendor.

Non-Purchase Order Purchases

The district shall utilize non-purchase order methods to obtain goods such as credit cards, petty cash, direct payments, etc. as authorized in the district's business procedures. All of the purchases shall be subject to pre-approval by the originator (campus principal or department head), Assistant Superintendent of Finance, Human Resources and Operations, Assistant Superintendent or Superintendent.

- Credit cards (may be used for federal grant purchases if pre-approved prior to the purchase),
- Petty cash, (CISD does not use petty cash) and
- Payment Authorization

Credit Card Purchases with Grant Funds

The district may choose to use purchase cards (credit cards) for federal grant purchases. **2 CFR 200.320(a)(1)(ii).**

The district will use district-issued credit cards to make purchases with federal grant funds. An original, detailed receipt shall be required for all credit card purchases with federal funds. If the purchaser does not submit an original, detailed receipt for audit purposes, the expenditure and/or reimbursement may not be charged to a federal fund. At no time shall district credit cards be used to withdraw cash.

The Chief of Learning shall review and approve all credit card expenditures if the expenditure is referred by the Assistant Superintendent of Finance, Human Resources and Operations for secondary approval.

The Chief of Learning administrative review of credit card purchases shall consist of the following:

1) Original, detailed receipt includes an itemized list of what was purchased
2) The purchaser has documented a valid reason for the purchase which is consistent with the grant guidelines
3) The credit card purchase meets the allowable costs principles.
4) Other Travel Guidelines

NOTE: The district shall not reimburse any purchases made with a non-district credit card, except for travel-related expenditures, as appropriate.

Fraudulent credit card purchases made with federal grant funds shall be grounds for disciplinary action, up to and including termination of employment. The appropriate legal authorities shall also be notified by the Assistant Superintendent of Finance, Human Resources and Operations for criminal prosecution, as appropriate. Accidental use of a credit card to make an unauthorized purchase with federal grant funds may be subject to similar disciplinary action but shall require immediate (within 2 days from date of discovery) restitution to the district. **[Note. The fraudulent or accidental charges may not be charged to a federal grant fund, nor drawn-down as allowable expenditures.**

Petty Cash Purchases with Grant Funds

The district shall not use a petty cash account to make purchases with federal grant funds if the purchase is pre-approved and meets all allowable cost guidelines. An original, detailed receipt shall be required for all petty cash purchases with federal funds. If the purchaser does not submit an original, detailed receipt for audit purposes, the expenditure and/or reimbursement may not be charged to a federal fund.

The Chief of Learning shall review and approve all petty cash expenditures if the expenditure is referred by the Assistant Superintendent of Finance, Human Resources and Operations for secondary approval.

The administrative review of petty cash purchases shall consist of the following:

1) Original, detailed receipt includes an itemized list of what was purchased
2) The purchaser has documented a valid reason for the purchase which is consistent with the grant guidelines
3) The petty cash purchase meets the allowable costs principles.

NOTE: The district shall not reimburse any purchases made with a personal cash funds, except for travel-related expenditures, as appropriate.

Payment Authorization Form (PA)

In the event that a purchase order is not appropriate for a payment as noted in the Check Request Procedures, the requestor shall submit a Payment Authorization Form. These procedures shall not be used for products or services already received by the requestor. The Payment Authorization Form shall be approved and coded by the appropriate budget manager and approved by the Assistant Superintendent of Finance, Human Resources and Operations and the Chief of Learning.

Approval of Disbursements/Expenditures

The accounts payable department (accounts payable department) shall adhere to the Accounts Payable Procedures for all check disbursements. Specifically, all checks issued by the district shall be verified**,** recorded, approved, issued, and reconciled by multiple individuals to ensure segregation of duties. The same procedures shall be used to issue payments to vendors from local, state and federal grant funds. [**Accounts Payable Procedures in the Exhibit Section.**]

Payments for goods and services shall be made within forty-five (45) days of receipt of the goods and/or services **and** an invoice in accordance with the Texas Prompt Payment Act.

In addition to the normal approval path of district expenditures, all grant expenditures shall be approved by the Assistant Superintendent of Finance, Human Resources and Operations and/or the Chief of Learning under the following circumstances:

1) Invoice amount exceeds the purchase order by $10
2) Payment of an invoice will be paid by an account code(s) other than the original account code(s) that were used to encumber the purchase order
3) Travel expenditures, if not encumbered through the purchase order system
4) Non-purchase order payment such as petty cash, credit card, direct invoice, reimbursement, etc.
5) Reclassification of a prior expenditure from one account code(s) to another

Selected Item of Cost – Contracted Services

Contracted services generally include services provided by a non-district employee. On rare occasions, a district employee may meet the Internal Revenue Service (IRS) rules for an independent contract. Contract originators shall utilize the Independent Contractor or Employee Determination Checklist to determine the worker status prior to submitting a contract for consideration. To ensure compliance with the IRS worker classification regulations, the final worker status classification shall be reviewed and approved by the Chief of Learning before the worker begins services.

All contracted services shall be in compliance with the Professional Services Costs federal regulations [2 **CFR 200.459].** Federal regulations require that professional and consultant services be rendered by individuals of a particular professional or that possess a special skill who are not employees of the district.

Contracted Services - Definitions

A *contract* is defined in EDGAR *as* a legal instrument by which the district purchases property or services needed to carry out the project or program under a federal grant award **[2 CFR 200.1].**

Professional services are defined in the Texas Government Code (Chapter 2254) as services within the scope of the practice or accounting, architecture, land surveying, medicine, optometry, professional engineering, real estate appraising or professional nursing. In addition, it includes professional services in these areas by a person who is licensed or registered in the state.

Other *contracted services* shall be defined as services by a non-employee or entity that do not meet the professional services definition.

The district's **Contract Management Procedures** shall be adhered to in procuring, evaluating, selecting and awarding, and monitoring contracts.

Contract Review and Approval

All contracts and professional services agreements funded with federal grant funds shall be reviewed and approved in accordance with the district policies and procedures for all non-grant funds. For example, if School Board Policy requires that all contracts that exceed $250,000 be approved by the Board of Trustees, all federal grant contracts that exceed $250,000 shall also be approved by the Board.

The Superintendent shall review and approve all contracts. The review shall consist of the district's Contract Review Checklist and any other requirements specific to the contract and/or federal grants.

Federal Regulations Review

The Assistant Superintendent of Finance, Human Resources and Operations shall review and send to the Superintendent for approval of all contracted/consultant services agreements for compliance with

federal regulations regarding professional service costs **(2 CFR 200.459).** The contract review shall consist of the following:

1) Consultant and/or contractor has not been suspended or debarred
2) The contract and/or funds have been approved in the grant application, if specific approval is required from the granting agency
3) The contract's nature and scope of service is directly related to the federal grant award activities **[2 CFR 200.459(b)(1)]**
4) The past pattern of costs, particularly in the years prior to federal awards **[2 CFR 200.459(b)(3)]**
5) The contract does not contain any proposal costs [not allowable under federal regulations]
6) Whether the proposed contracted services can be performed more economically by direct employment rather than contracting **[2 CFR 200.459(b)(6)]**
7) Capability of the proposed vendor to perform the required services
8) The qualifications of the contracting firm or individual and the customary fees charged by the proposed vendor [A Resume, Vita or Statement of Qualifications shall be required for all contracts with Independent Contractors.] **[2 CFR 200.459(b)(7)]**
9) The contract and/or consultant agreement meets the allowable costs principles.
10) A contract subject to Davis Bacon has the appropriate contract language
11) The contract and/or consultant agreement fee for services do not exceed any federal grant or local limits

In addition, all contracts must contain applicable provisions described in *Appendix II to Part 200 Contract Provisions for non-Federal Entity Contracts Under Federal Awards* **[2 CFR 200.327].**

All contracts with federal grant funds shall include the 2 CFR Section 200 Required Provisions Addendum for Contracts Funded by US Federal Grants (Rogers, Morris & Grover 2021).

The final approval authority for all contracts shall be the Superintendent, unless the contract is over $50,000, then the final approval authority shall be the Board of Trustees through approval at a regularly scheduled or special board meeting.

Contract Form and Required Contract Provisions

Unless the contractor provides a contract form, the district shall utilize the Consultant Services Agreement to execute a contract for services. The agreement (contract) shall include the following at a minimum, but may include other contract provisions, as appropriate.

- Services to be provided
- Service date(s)
- Contract Rate of Pay – Hourly, Daily, or Flat Amount
- Contract Term – Days, Months or other term length
- Fingerprinting/Senate Bill 9 Compliance

- Independent Contractor Status
- Certificate of Insurance Requirements
- Indemnification clause
- Confidentiality
- Termination clause
- Governing law
- Signatures

All district contracts for professional services to be funded through a federal grant award shall comply with the following contract provisions as recommended in the Texas Education Agency's Guidance and Best Practices for Professional Services Contracts:

- The contract is only effective upon receipt by the district of the NOGA from the awarding agency.
- The contract period is aligned to the grant period of availability as stated on the NOGA from the awarding agency (period of availability).
- All services will be completed during the effective dates of the contract.
- All services will be invoiced monthly after services are received (rather than paid lump sum at the beginning of the period of availability before services are rendered) and paid upon verification of receipt of services.
- The regulations for procurement in **2 CFR 200.318-327** are followed in issuing the contract.
- All professional services provided under the contract will follow the provisions of **2 CFR 200.459** Professional service costs.
- The contract identifies the funding sources that will be charged for the services provided, including the specific amount and/or percentage of the total contract amount to be charged to each funding source.
- The contract identifies and lists only reasonable, necessary, and allocable services to be provided during the period of availability of the funding sources listed in the contract.
- The administrative costs charged to the grant in the contract must comply with any limitations for administrative costs for funding sources (if applicable).
- The contract specifies that the invoice provided by the contractor will include the list of services provided, dates of services, and location(s) where services were provided during the billing period.

In addition, the contract provisions shall include:

- The contract shall not have multi-year extensions without a "non-appropriation of funds" cancellation clause
- The contract extensions, if included, shall restrict the contract renewals and/or extensions to either a "sole discretion of the district" or "mutual agreement" and not an "automatic renewal".
- All products created as a result of the district shall be vested in the district and the district shall retain all intellectual property rights

Contractual Obligation

The date the district executes (signs) a contract and/or issues a purchase order for professional services shall be defined as the "obligation date". The district cannot obligate federal grant funds, except during the grant period in compliance with **EDGAR 34 CFR 75.703**, the district shall not execute a contract prior to, or after, a grant period; otherwise, the costs of the professional services shall be unallowable under the federal cost principles.

The district [may] execute a Letter of Intent to Contract with a third party prior to the issuance of a Notice of Grant Award (NOGA), as deemed appropriate.

Selected Item of Cost – Travel Expenditures

The district [shall] use federal grant funds for travel costs. All travel-related expenditures from grant funds shall comply with the allowable federal cost principles **[2 CFR 200.475],** the State Tex-Travel Guidelines, School Board Policy (DEE Legal and Local) and the district's Travel Guidelines and Procedures. **The Travel Guidelines and Procedures are included in the Exhibit Section.**

Federal regulations **(2 CFR 200.475)** define travel costs as**:** *expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-Federal entity [district]. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the non-Federal entity's non-federally-funded activities and in accordance with non-Federal entity's written travel reimbursement policies.* The district has determined that all travel costs shall be paid to the travel and expensed using a [combination of the actual cost and per diem as defined in the district's travel procedures].

The allowable rates of reimbursement shall be the lesser of the federal rates or local rates. For example, if the federal rate of reimbursement for mileage is .70 cents. The district has elected to use a set mileage rate [as established in Board Policy DEE Local] or [as established by the General Services Administration (GSA)].

The travel-related expenditures with grant funds shall fall within the grant obligation period, unless a specific exception is allowable by the granting agency.

NOTE. No travel expenditures shall be recorded on the general ledger for a federal grant fund until AFTER the travel event has occurred and the actual travel expenditures are known and supported by documentation. Travel pre-paid or advanced expenditures shall be recorded in [the general operating fund] or [a pre-paid account (object code 1410) in the federal grant fund]. Pre-paid or advanced travel expenditures, if any, shall not be drawn-down for reimbursement until **AFTER** the travel event.

Travel Expenditures with Grant Funds (Staff)

The district shall reimburse federal grant-related travel expenses that are reasonable and necessary. Each official and employee of the district has a responsibility to limit travel to purposes that are clearly essential, directly related to federal grant activities, and to consider the most economical means of accomplishing travel. Travelers are encouraged to evaluate the options: driving versus flying, carpooling instead of flying, sharing of rooms when feasible.

The Texas Comptroller of Public Accounts publishes the travel and mileage reimbursement rates for every fiscal year at: Textravel - Current Rates (texas.gov). The mileage, lodging, and meal rules and reimbursement rates published by the Texas State Comptroller apply to all grants that the Texas Education Agency (TEA) administers for individuals on travel status. TEA Travel Information and Guidance is available at: Travel Information and Guidance | Texas Education Agency.

The following guidelines shall apply to the expenditure of grant funds for staff, student and/or parent travel, as appropriate.

- All travel expenditures shall be reasonable and necessary to carry out the federal grant activities
- A completed Travel Check List/Meal Adjustment form for all travel expenses
- Meal Per Diems:
    - Meal Per Diems – the current GSA meal per diem will be used for location of travel. The meal adjustment form will be used to determine the total meal per diem advancement for specified travel.
    - The traveler is responsible for keeping all itemized receipts
    - Upon return the traveler shall certify in writing within 3 business days from the return date with Accounts Payable the actual amount spent on meals.
        - If the traveler didn't expend all funds given for meals the excess must be returned.
        - If the traveler expended more than the meal per diem advancement the district shall not issue additional funds.
    - A print out of the GSA website showing the full meal per diem for the area should be included with the final approved PO. Meal Per Diem checks will not be cut if this documentation is missing.
- Submission of a purchase requisition for all anticipated travel expenditures to encumber the anticipated expenditures
- Submission of documentation and receipts to support *actual* travel expenditures within 3 days of the travel event, as required by the travel procedures
- Travel expenses shall not be recorded as travel expenses in a federal grant fund until "after the travel event" in compliance with the Obligation Rules.
    - The district has chosen to record travel expenses as "pre-paid expenses (1410)" until after the travel event in the respective federal grant.

- After the travel event, the prepaid expenses shall be posted as expenses to a 64XX account via general journal.

Travel Expenditures with Grant Funds (Students)

Educational field trip expenditures require pre-approval from the federal granting agency or pass-through entity. Requests for educational field trip travel shall be submitted on TEA Division of Grants Administration Request for Specific Expenditure Approval: Educational Field Trips for TEA-administered federal grants or the federal granting agency, as appropriate. The Chief of Learning shall prepare and submit the pre-approval forms in accordance with local travel procedures.

Allowable Travel Expenditures

- Registration fees – registration fees shall be allowable if the event is directly related to grant activities. Registration fees may be expensed only during the grant period as travel expenditures (64XX). In accordance with TEA guidance, the district may pay for registration fees as contracted services (6299) before the travel event. The district [has not] elected to expense registration fees using a contracted services account. Recreational or social events subject to an additional fee, above and beyond the registration fee, shall not be allowed with local, state, or federal grant funds.
- Meals – meal expenses for overnight travel (in accordance with local travel guidelines) shall be allowed for district employees and students. **Non-overnight travel meals expenses [shall not] be allowed.** The district shall advance or reimburse meal expenses, subject to the GSA limits or local limits, on [an *accountable* per diem basis] or [actual cost reimbursement basis]. The traveler shall submit a written certification [Travel Authorization/Settlement Form] with [the actual meal costs] and [detailed receipts] for work-related meals and shall return the unused meal funds [if any] to the district. The meal per diems shall be adjusted in accordance with IRS regulations regarding the day of departure/return and meals provided as part of the registration fee.
- Lodging – lodging expenses for overnight travel (in accordance with local travel guidelines) shall be allowed if reasonable, necessary and directly related to federal grant activities. The district shall pay for lodging expenses up to the GSA limits with federal grant funds. The district [shall] pay the actual cost of lodging in excess of GSA limits only with local funds, i.e. General Fund. Receipts shall be required for all lodging expenses. Recreational or personal services such as gyms, spas, etc. shall not be allowed with local, state or federal grant funds.
- Transportation – transportation expenses shall be allowed for *reasonable* expenses such as flights, rental car, taxi, shuttle, mileage reimbursement, etc. (in accordance with local travel guidelines) and federal grant regulations **[2 CFR 200.475(e)].** Receipts shall be required for all transportation expenses to the extent that a receipt is available. Transportation expenses shall be reasonable, necessary and limited to the guidance in the cost principles.

Unallowable Travel Expenditures

The following travel expenditures shall be unallowable with federal, state and local funds:

- Supplies and/or other conference resources. [This type of expense may be allowable as a supply expenditure if a purchase order is submitted and approved before the travel event, typically an Open PO not to exceed a specified amount.]
- Alcoholic drinks or beverages
- Entertainment expenses, such as in-room movies, fee-based hotel amenities such as gyms, spas, etc.
- Expenses for spouses or other non-district employees
- Expenses due to the traveler's failure to cancel a registration or travel arrangements (except for extenuating circumstances – if allowed due to extenuating circumstance only local funds may be used for the expenses)
- Hotel Internet charges (unless expense is work-related and pre-approved on travel authorization – if allowed, the charges shall be expensed to local funds)
- Non-substantiated or fraudulent travel reimbursement requests shall be non-allowable travel expenses from federal, state or local funds. Travelers who submit fraudulent travel reimbursement requests shall be subject to disciplinary action, up to and including termination of employment.

In addition, in accordance with EDGAR, no federal, state or local funds shall be used for travel expenditures of non-district staff such as spouses. "Family-friendly" travel costs such as dependent care costs **[2 CFR 200.475(c)(1)]** may be allowable with federal grant funds under EDGAR; the district shall not allow any "family-friendly" travel expenditures with federal grant funds.

Out-of-State Travel

Out-of-state staff travel expenditures require pre-approval from the federal granting agency or pass-through entity. Requests for out-of-state travel shall be submitted on TEA Division of Grants Administration Request for Specific Expenditure Approval: Out-of-State Travel or other federal granting agency prior to the travel event. The district shall allow out-of-state travel with federal grant funds and must have Superintendent approval.

The Chief of Learning shall prepare and submit the pre-approval forms and submit approved forms with the Travel Authorization Form.

Review and Approval of Travel Expenditures

The Chief of Learning shall review and approve all travel-related expenditures paid with federal grant funds if the expenditure is referred by the Assistant Superintendent of Finance, Human Resources and Operations for secondary approval.

The Chief of Learning review shall consist of the following:

1) All original, detailed receipts include an itemized list of what was purchased
2) The traveler has documented a valid reason for the travel which is consistent with the grant guidelines and purpose
3) The travel expenditures meet the allowable cost principles.

4) The travel is not for the Superintendent or other individual (non-employee such as family member, School Board, etc.).
5) The travel is for students during an educational field trip or other approved activity in accordance with grant guidelines and purpose
6) The travel is not for a contractor or consultant for *their* professional development
7) The travel was approved by the granting agency, as appropriate (for example: out-of-state and educational field trip travel)

Financial Monitoring and Reporting

The district shall ensure that all grant funds are consistently monitored throughout the grant period **[2 CFR 200.329].** The monitoring shall include, but not be limited to:

- Compliance with federal requirements such as cost principles, audit, reporting requirements, etc.
- Compliance with account coding in accordance with the FASRG
- Monitoring of grant expenditures are properly documented and meet all allowable costs
- Monitor grant performance such as internal controls, audit findings, over/under expenditures, etc.
- Implement strategies to deter, mitigate, and eliminate waste and fraud in the expenditure of grant funds

Monitoring of Grant Purchases and Expenditures

The Chief of Learning shall monitor the expenditures during the grant period to ensure that the funds are spent in a systematic and timely manner to accomplish the grant purpose and activities. [Best Practice-not a federal or state requirement] The following timeline shall be used as a general guide for spending thresholds for a grant period of 15 months. The optimal spending thresholds noted below may be adjusted based on programmatic needs. For example, if the federal grant will be used for summer activities such as summer school, a larger percentage of the grant may need to be withheld for those specific activities.

- Within 3 months of the grant start date 25%
- Within 6 months of the grant start date 50%
- Within 9 months of the grant start date 75%
- Within 12 months of the grant start date 100%

The district shall maintain documentation to support all grant expenditures and provide the documentation upon request to the district's external auditors, granting agency or other oversight agency, as appropriate.

In accordance with **2 CFR 200.329(b)(1)**: *the non-Federal entity [district] must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.*

The Chief of Learning shall be responsible for compiling and submitting all federal program performance reports as required by the federal granting or pass-through agency.

Auditing findings or deficiencies shall be addressed in a timely manner upon receipt of the notification. The finance, human resources, and grant management staff shall work collaboratively to develop and implement a Corrective Action Plan to resolve the findings or deficiencies. The Superintendent, or designee, shall approve the Corrective Action and monitor the timely implementation of corrective strategies.

The district shall disclose to the granting agency if any federal grant funds have been subject to fraud to district staff and/or contractors (vendors) **[2 CFR 200.113 Mandatory Disclosure].** Corrective actions, as appropriate, shall be implemented to remedy the loss of grant funds due to fraud.

Draw-down of Grant Funds

The district shall on at least a monthly basis [on or around the 10th of the following month], or as allowed or required by the grant guidelines, draw-down grant funds that have been spent in accordance with the grant guidelines. The draw-down shall be for all allowable and documented expenditures to date, less grant funds received to date, as verified by a financial general ledger.

NOTE: The expenditures shall be net of all refunds, rebates, discounts, credits, and other adjustments, if any. Rebates from corporate card programs shall also be applied to federal grant awards based on an allocation method (percentage of expenditures by fund group].

The district has opted to operate under the cash reimbursement program guidelines; therefore, the district shall submit a draw-down of federal grant funds only when the following has occurred:

- The expenditure has been made as evidenced by distribution of a paycheck to a grant funded staff member or mailing, e-paying, or delivering a payment to a vendor.
- Monthly payroll liability payments such as federal taxes, Social Security/Medicare taxes, Teacher Retirement System, wage garnishments, and insurance/elective deductions have been distributed, as appropriate.

- Accrued wages (2161) and accrued liabilities (2211) shall be deducted from the expenditures reflected on the general ledger. [The accrued wages and liabilities represent future disbursements.]

At no time shall the district draw-down any "advanced" cash payments.

Initiation of Draw-Down Request for Reimbursement

The draw-down of grant funds from the granting agency shall be initiated by the Director of Finance. A detailed summary general ledger of each grant fund should be generated to determine if the district is entitled to draw-down funds, i.e. if the granting agency owes the district any funds. If the district has funds available for draw-down, a detailed general ledger should be generated and forwarded to the Chief of Learning for his/her review and approval and certification.

If a grant has a matching requirement, the district shall draw-down only the allowable amount after verifying compliance with the level of matching expenditures.

Review and Approval of Draw-Down Request for Reimbursement

The Director of Finance and Chief of Learning review shall consist of the following:

1) A review of the detailed general ledger for any unusual charges or reclassification of expenditures
2) A test sampling of either unusual or large expenditures to ensure that the expenditures were reviewed and approved by all designated staff
3) Monitor the percentage of expenditures-to-date to ensure that the grant funds are expended on a timely basis throughout the grant period. [NOTE: The federal granting or oversight agency may disallow grant fund expenditures that appear to be made outside of the grant period or so late in the grant period that the district and its student did not benefit from the delayed expenditure.]
4) Authorize [in writing] the finance department to draw-down the available grant funds by signing the Federal Grant Fund Expenditure Reimbursement Drawdown Certification Form.

Upon approval from the Chief of Learning, the Director of Finance shall prepare the paper and/or electronic draw-down request. The amount of the receivable shall be recorded on the general ledger (214X) and a copy of all supporting documentation such as the detailed general ledger, approval from the grant management department, and other supporting documentation shall be filed for audit purposes. The Director of Finance shall prepare the journal ledger entry and the Director of Finance shall post the to the finance general ledger.

If additional documentation of an electronic draw-down is required by the granting agency, the Director of Finance shall comply with the additional requirements. For example, TEA as an oversight agency, at times requests supportive information related to a drawn down such as a detailed general ledger,

narrative justification, or summary of expenditures by object code. Upon a request from the TEA, the District shall respond to the request within the allotted time to avoid designation as a "high risk" grantee.

Note. TEA issues a Risk Assessment to each district on an annual basis. The district's most recent Risk Assessment is "Low".

The Assistant Superintendent of Finance, Human Resources and Operations shall be responsible to ensure that the requested draw down amount does not exceed a grant-specific draw down amount, or percentage. [NOTE: The ESSA draw down percentage is 20% per month and aggregates each month.]

Final Draw-Down Request for Reimbursement

The final draw-down of grant funds from the granting agency shall be made within the allowable timeframe. Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award **[2 CFR 200.343(b)].** The grant liquidation guidelines shall be adhered to in making final payment for all goods and services received and *placed into service* before the end of the grant period.

Clarification of Liquidation Period

Demonstrating relative benefit to the program is generally defined as a benefit (item of expenditure) must be received:

- For a *discretionary* program - must be received within the grant period dates identified on the NOGA for discretionary grants that will be ending at the end of the grant period and no continuation funding is expected

- For a *formula* entitlement grant that will receive a continuing funding allocation in the subsequent year - benefit may be received during the liquidation period

In either case, the expenditure must be paid (liquidated) within the liquidation period (90 days after the end date of the NOGA). Liquidation period is the closeout period of the grant. [Source: TEA EDGAR FAQs 5.3.]

The final draw down process shall be the same as a monthly or periodic draw down, except that all refunds, rebates, credits, discounts, or other adjustments to the general ledger must be recorded in the general ledger prior to submitting the final draw down request. The final draw-down shall be reviewed and approved in the same manner as a periodic draw-down.

NOTE: There shall be no outstanding purchase orders or pending liquidations at the time of the final draw down of grant funds.]

The district shall promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that are not authorized to be retained by the district for use in other projects **[2 CFR 200.343(d)].**

Certification of Draw-Down Requests for Reimbursement

Federal regulations **(CFR 200.415)** require that the district certify the accuracy of the annual and fiscal reports or vouchers requesting payments be signed by the authorized individual(s). The Chief of Learning and Director of Finance shall jointly certify every draw-down of funds, including the final expenditure report (draw-down of funds) as noted below:

> *By signing this report, we certify to the best of our knowledge and belief that the reports is true, complete, and accurate, and the expenditures, disbursements and cash receipts are the purposes and objectives set forth in the terms and conditions of the federal award. We are aware that any false, fictitious, or fraudulent information or omission of any material fact, may subject us to criminal, civil, or administrative penalties for fraud, false statements, false claims or otherwise.*

Missed Deadline for Draw-Down Requests for Reimbursement

If a final draw-down deadline is missed, the Chief of Learning shall contact the granting or pass through agency to determine if a process exists to request a filing deadline extension.

NOTE: TEA has developed procedures to request an extension for filing expenditure reports. The request form must be completed, signed by the Superintendent, and filed with TEA within 30 days of the final expenditure report deadline.

Recording Draw-Down Requests for Reimbursement Receivables

The receivable from the granting agency shall be recorded in the general ledger. State grant receivables shall be recorded to object code 1241 and federal grant receivables shall be recorded to object code 1242. The same process for preparation and posting of the general ledger entry as a periodic draw-down shall be adhered to.

NOTE: The revenues realized and the expenditures should be equal at the time of the final draw down of grant funds.

Receipt of Grant Funds

All district staff, especially those assigned with federal grant duties, shall adhere to the Cash Management Procedures. Specifically, all cash received by the district shall be deposited, recorded and reconciled by multiple individuals to ensure segregation of duties.

The district shall record all grant fund receivables upon receipt from the granting agency. The receipt of grant funds shall be posted to the general ledger to the appropriate receivable account code. In the event that the grant funds received do not match the recorded receivable, the Chief of Learning shall contact the granting agency to determine the discrepancy. If the granting agency has reduced and/or increased the grant funds paid to the district, a general ledger adjustment shall be posted to the appropriate revenue and receivable accounts. The Chief of Learning/Director of Finance shall prepare the adjusting journal ledger entry and the Director of Finance shall post the entry to the finance general ledger.

The district shall not maintain grant funds in a separate bank account. The district [has] elected to draw down federal grant funds under the advanced cash reimbursement program guidelines, i.e. after the delivery of the payment to the payee. Bank account interest [shall not] be earned, recorded, nor returned to the granting agency as a result of the cash reimbursement program.

Tracking and Recording Receivables

On at least a monthly basis, the Chief of Learning shall review all pending receivables. Aged receivables, defined as greater than 60 days from the date of recording, shall be investigated and resolved by contacting the granting agency. The Assistant Superintendent of Finance, Human Resources and Operations shall be notified if aged receivables are not resolved within 90 days of recording the receivable.

At the end of the fiscal year, all known and measurable receivables shall be recorded to the general ledger to the appropriate grant code. TheDirector of Finance shall prepare the journal ledger entry and the Director of Finance shall post the entry to the finance general ledger.

Grant Compliance Areas

The district shall ensure that it is in compliance with all provisions and assurances of all grant programs. In addition, the district shall comply with grant requirements such as *supplement not supplant*, comparability, indirect cost, and maintenance of effort spending levels.

Supplement, Not Supplant

The term supplement, not supplant is a provision common to many federal statutes authorizing education grant programs. There is no single supplement, not supplant provision. Rather, the wording of the provision varies depending on the statute that contains it.

Although the definition may change from statute to statute, supplement not supplant provisions basically require that grantees use state or local funds for all services required by state law, State Board of Education (SBOE) rule, or local policy and prohibit those funds from being diverted for other purposes when federal funds are available. Federal funds must supplement—add to, enhance, expand, increase, extend—the programs and services offered with state and local funds. Federal funds are not permitted to be used to supplant—take the place of, replace—the state and local funds used to offer those programs and services. [TEA Supplement, Not Supplant Handbook, 2019]

The Penalties for supplanting are often severe. All federal funds involved in a supplant normally must be returned to the federal government. Since audits are usually conducted after the grant period has ended, there is often no other alternative correction action available other than returning the funds. **[Excerpt: TEA Supplant, Not Supplant Handbook, 2019]**

The district process to ensure that all grant funded activities are supplemental shall be a collaborative effort between the Chief of Learning and finance [purchasing] departments. Both departments shall receive training and be aware of the supplement not supplant provisions.

TEA has established "presumptions of supplanting". In other words, there are three (3) scenarios in which the US Department of Education will presume that a supplant has occurred, unless the grantee can rebut the presumption with documentation. The burden of proof is on the district.

1. Providing Services Required Under State or Local Law
2. Providing Same Services as Those Provided in Prior School Year with State or Local Funds
3. Providing the Same Services in Federal and Non-Federal Programs

The Chief of Learning shall review and approve all purchase orders (and non-purchase order payments) as noted in the district's Purchase Order Approval Path. The Chief of Learning review shall include a determination if the planned purchase and/or expenditure meet one of the following guidelines:

1) The grant funds will be used to enhance, expand, or extend required activities. Examples may include before/after tutoring, additional research-based instructional programs, or other supplemental expenditures not required by state law or local policy.

2) The grant funds will be used for specific grant activities included the grant application that are above and beyond the activities funded with local funds
3) The grant funds will be used to supplemental grant activities as noted on the DIP or a CIP.

Program-specific supplement not supplant provisions shall be complied with in addition to the overall federal fund requirements.

Comparability

Comparability of services is a fiscal accountability requirement that applies to local educational agencies (LEAs) that receive funds under Title I, Part A of the Every Student Succeeds Act (ESSA). The intent of the comparability of services requirement is to ensure that an LEA does not discriminate (either intentionally or unintentionally) against its Title I schools when distributing resources funded from state and local sources simply because these schools receive federal funds. [TEA Title I, Part Comparability of Services Guidance Handbook, 2017]

The Chief of Learning and the Director of Finance shall conduct the comparability test on an annual basis and complete the Title I Part A Comparability Assurance Document (CAD), as appropriate. **NOTE: The district is not currently exempt from the comparability requirements due to the single campus grade spans**. If the district is not exempt, the Chief of Learning shall complete and submit the Comparability Computation Form (CCF) to TEA by the mid-November annual deadline.

In completing the CAD and CCF, the Chief of Learning shall follow the process outlined below:

1) Determine if the district is exempt from the comparability requirement. If so, complete and submit CAD and stop here.
2) If not exempt, the comparability testing process should continue as noted below:
    a. List all campuses in the CCF comparability testing
    b. Identify all campuses on the CCF as Title I Part A, skipped, or non-Title I Part A
    c. Determine whether to include dedicated EE and/or PK campuses in the comparability testing
    d. Select test method 1, 2, or 3 and use it consistently to all campuses being tested
    e. Complete the CAD for review by the grant management department. After review and approval by the grants management department, the CAD and CCF should be forwarded to the Superintendent for signature.
    f. Submit the CAD and CCF to TEA by the mid-November deadline

If TEA determines that the district is non-compliant, the Chief of Learning and Assistant Superintendent of Finance, Human Resources and Operations shall work collaboratively to address the non-compliance. In addition, the district shall adjust the budgets as appropriate, until the district is in compliance with the comparability requirement.

Indirect Cost

Grantees must have a current, approved federal indirect cost rate to charge indirect costs to the grant. The indirect cost rate is calculated using costs specified in the grantee's indirect cost plan. Those specified costs may not be charged as direct costs to the grant under any circumstances. [TEA Indirect Cost Guidance.

The district has applied for an Indirect Cost Rate through the pass-through entity (TEA) for the fiscal year period(s), from FY 2020 to FY 2025. The Finance Department shall complete and submit an Indirect Cost Rate Proposal by the established deadline as specified by the pass-through entity (TEA) on the Indirect Cost webpage at: Indirect Cost Rates | Texas Education Agency.

Recipients that do not have a current federal negotiated indirect cost rate (including provisional) may elect to charge a de minimis rate of 15% of modified total direct costs. The recipient is authorized to determine the appropriate rate up to this limit. Recipients and subrecipients are not required to use the de minimis rate. When applying the de minimis rate, costs must be consistently charged as either direct or indirect costs, and may not be double charged or inconsistently charged as both. The de minimis rate does not require documentation to justify its use and may be used indefinitely. Once elected, the recipient must use the de minimis rate for all federal awards until the recipient chooses to receive a negotiated rate. **2 CFR 200.414**

The district's Indirect Cost Rate, or the maximum allowable rate, whichever is less shall be used to post Indirect Cost Revenue for federal funds to the General Fund.

Maintenance of Effort

The district shall comply with the Every Student Succeeds Act (ESSA) and Individuals with Disabilities Act (IDEA) maintenance of effort requirements.

ESSA MOE

Federal statute requires that local education agencies (LEAs) receiving Title I, Part A funds must continue to maintain fiscal effort with state and local funds. An LEA may receive its full Title I, Part A entitlement if either the combined fiscal effort per student or the aggregate expenditures for the preceding fiscal year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year. Maintenance of Effort (MOE) is determined using state and local operating expenditures by function, excluding expenditures for community services, capital outlay, debt service, and supplementary expenses as a result of a Presidential declared disaster, as well as any expenditures from funds provided by the federal government. [TEA ESSA MOE Handbook]

The Assistant Superintendent of Finance, Human Resources and Operations shall compute the MOE using the TEA ESSA LEA MOE Determination Calculation Tool during the budget adopted process and at the end of the fiscal year. Non-compliance with ESSA MOE will result in a reduction of ESSA funds in the exact proportion by which the district fails to meet the MOE requirement; therefore, the finance department shall plan for the reduction of grant funds at the local level. If the ESSA MOE falls below the

required level, the finance and grant management departments shall collaborate to develop a plan to bring the district into compliance with the MOE requirements.

IDEA-B MOE

An LEA that accepts IDEA-B funds is required under IDEA-B to expend, for services to students with disabilities, at least an amount equal to 100% of the state and/or local funds it expended on students with disabilities during the previous year. Federal law provides four methods of demonstrating compliance (or "maintaining effort"), as described in the Methods of Determining Compliance section. [TEA IDEA-B MOE Guidance Handbook, 2014]

The Assistant Superintendent of Finance, Human Resources and Operations shall compute the MOE using the TEA IDEA-B LEA MOE Calculation Tool during the budget adopted process and at the end of the fiscal year. Non-compliance with IDEA-B MOE will result in a reduction of IDEA-B funds in the exact proportion by which the district fails to meet the MOE requirement; therefore, the finance department shall plan for the reduction of grant funds at the local level. If the IDEA-B MOE falls below the required level, the finance and grant management departments shall collaborate to develop a plan to bring the district into compliance with the MOE requirements.

NOTE: The finance department shall code all special education expenditures that qualify as exceptions to a specific sub-object for tracking purposes. For example, if the district makes a long-term purchase of equipment for a special education student, the district should track that expense separately (using a sub-object) to apply that cost as an exception during the MOE calculation.

As part of the IDEA-B grant application process, the Chief of Learning will need to know the prior year Special Education expenditures and the next fiscal year budgeted Special Education Expenditures. The Assistant Superintendent of Finance, Human Resources and Operations shall provide these amounts to the Chief of Learning not later than June 30th to ensure that the most accurate amounts are reflected in the grant application. Changes to these amounts, as they are known, by the Assistant Superintendent of Finance, Human Resources and Operations shall be submitted to the Chief of Learning, as appropriate.

Single Audit

In compliance with 2 CFR 200, Subpart F – Audit Requirements, the district shall engage an independent audit firm to conduct a Single Audit of federal awards.

A non-Federal entity (recipient) that expends $1,000,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part. If the non-federal entity expends less than $,000 in federal awards during its fiscal year is exempt from federal audit requirements for that year; however, the records of the non-federal entity must be available for review or audit by appropriate officials of the federal agency, pass-through entity, and the Government Accountability Office (GAO). [2 CFR 200.501] Note. The new threshold will be effective for fiscal years beginning on or after October 1, 2024, or fiscal year FY 2025-2026.

The scope of the Single Audit shall require the following:

- The audit must be conducted in accordance with GAGAS and cover the entire operations of the district during the audit period,
- Determination if the financial statements are presented fairly in all material aspects in accordance with generally accepted accounting practices,
- Evaluate the internal controls over federal programs including testing to determine the risk level,
- Determination if the district has complied with federal statutes, regulations, and terms and conditions of the federal awards,
- Follow up on prior audit findings, and
- Submit the Data Collection Form.

Upon receipt of the Single Audit, the Assistant Superintendent of Finance, Human Resources and Operations shall determine if the audit contains any Corrective Actions of Questioned Costs.

- If there are any Corrective Actions, an Action Plan to remedy the deficiencies shall be developed and implemented by the Assistant Superintendent of Finance, Human Resources and Operations.
- If there are any Questioned Costs, an Action Plan to reclassify the un-allowed expenses shall be developed and implemented by the Assistant Superintendent of Finance, Human Resources and Operations.

The Assistant Superintendent of Finance, Human Resources and Operations shall electronically submit the Single Audit to the Federal Audit Clearinghouse at the end of the fiscal year. Verification of the submission shall be maintained for audit purposes.

Reporting Requirements

The district shall ensure that all reporting requirements for grant programs are met within the established timelines. A master list of all activity, progress, evaluation, and expenditure reports shall be created to include the grant program, report type, responsible person(s), and due date. Completion of the reports may require the collaboration of several departments; however, the ultimate responsibility for the reporting requirement shall be as noted below:

1) Programmatic reports such as activity, progress and evaluations –Chief of Learning
2) Expenditure reports such as interim, draw down, and final expenditure reports – Director of Finance
3) Compliance reports such as Comparability, Maintenance of Effort, Indirect Cost, etc. – Chief of Learning and Director of Finance
4) Highly Effective Staff reports – Human Resources Administrator

The Chief of Learning shall monitor the overall master list to ensure that all reporting requirements have been completed by the appropriate campus and/or department. The reporting requirements for TEA-administered grants are posted by grant on the TEA Grant Opportunities webpage.

An illustration of the ESSA Consolidated Application for 2024-2025 Critical Events are noted below:

Critical Events

Grant Description	Event	Reporting Period	Due Date
All	ADC Availability Date	-	05/20/2024
All	Application Availability Date	-	05/20/2024
All	Application Due Date	-	09/03/2024
All	Last Amendment Due Date	-	06/03/2025
Title I, Part A	Revised Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title I, Part C Migrant	Revised Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title I, Part D Subpart 1	Revised Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title I, Part D Subpart 2	Revised Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title II, Part A	Revised Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title III, Part A ELA	Revised Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title III, Part A Immigrant	Revised Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title IV, Part A - SSAEP	Revised Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title I, Part A	Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title I, Part C Migrant	Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title I, Part D Subpart 1	Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title I, Part D Subpart 2	Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title II, Part A	Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title III, Part A ELA	Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title III, Part A Immigrant	Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025
Title IV, Part A - SSAEP	Final Expenditure Report	07/01/2024-09/30/2025	12/29/2025

Remedies for Non-Compliance

The district may be subject to consequences due to non-compliance with federal regulations. The district shall strive to maintain compliance and shall respond appropriately to all notifications of non-compliance from the federal granting agency or pass-through agency (TEA).

Grant Closeout Procedures

The district shall submit all grant closeout documents to the granting agency or pass-through agency, as appropriate **[2 CFR 200.344].** Grant closeout procedures shall include, but not be limited to:

- Ensure that no obligations are made after the grant period end date
- Liquidate all obligations incurred during the grant period
- Submit the final grant program performance report, if any
- Submit the final grant expenditure report, if any
- Drawdown all the expended grant funds (reimbursement request) – Match the grant expenditure draw-downs with the finance general ledger
- Certify that the final drawdown of federal grant funds is accurate (Certification)
- Refund any excess grant funds, interest, or other payables to the granting agency or pass-through agency
- Account for any real and/or personal property on hand at the end of the grant period

The Chief of Learning must ensure that all grant close-out provisions are met on a timely basis and resolved with the awarding agency to avoid a termination of the grant award.

Under **2 CFR 200.344(h),** if the non-Federal entity does not submit all reports in accordance with this section and the terms and conditions of the Federal Award, the Federal awarding agency must proceed to close out with the information available within one year of the period of performance end date.

Grant Awards

List of Grant Awards (including grant funding source, grant period, and grant amount]

Grant Title/#	Award Date	CFDA #	Grant Period	Amount	Federal Regulations
*ESSER III	03/13/2020		03/13/2020 – 09/30/2024	$ 1,375,897.46	EDGAR
*ESSA					
*Title 1	07/01/2023		07/01/2023 – 09/30/2024	$ 214,049.52	EDGAR
*Title 2	07/01/2023		07/01/2023 – 09/30/2024	$ 65,495.00	EDGAR
*Title 3 AEL	07/01/2023		07/01/2023 – 09/30/2024	$ 79,487.00	
*Title 3 Immigrant	07/01/2023		07/01/2023 – 09/30/2024	$ 1,996.26	EDGAR
*Title 4	07/01/2023		07/01/2023 – 09/30/2024	$ 13,636.00	EDGAR
ARP Homeless	05/25/222		05/25/2022 –09/30/2024	$ 20,479.00	EDGAR
Effective Advising I	09/01/2023		09/01/2023 – 08/31/2024	$ 150,000.00	EDGAR
IDEA B Formula	07/01/2023		07/01/2023 –09/30/2024	$ 667,779.00	EDGAR
IDEA B PK	07/01/2023		07/01/2023 – 09/30/2024	$ 3,930.00	EDGAR
23-24 Innovative Services For Students with Autism	05/17/2023		05/17.2023 – 08/31/2024	$ 64,432.00	EDGAR
Silent Panic Alert Technology	01/31/2023		01/31/2023 – 06/30/2024	$ 11,428.00	EDGAR
School Safety Standards	05/17/2023		05/17/2023 – 08/31/2024	$ 25,409.00	EDGAR

*Titles 1, 2 3, 4, and ESSER III are managed by the Region 10 Service Center.

Forms, Exhibits & Procedures

Forms/Exhibits	Page #	Procedures	Page #
Confidentiality Agreement		End of Month Procedures	
Responsible Use Form (RUG)		Fixed Asset Procedures	
Sample Staff FTE Report		Internal Control Procedures	
PEIMS Population Served Table C030		Purchasing Procedures	
Local Government Officer Conflict of Interest Form		Adding/Renewing Vendors Procedures	
Lobbying Certification Form LLL		Contract Management Procedures	
Vendor Application Form/Package		Hiring Procedures	
IRS Form W-9		Timekeeping Procedures	
Conflict of Interest Questionnaire		Accounts Payable Procedures	
Felony Conviction Form		Travel Guidelines & Procedures	
Fingerprinting Form – Vendors		Cash Management Procedures	
Contract Review Checklist		Incentive & Award Procedures	
Allowability/Allocability Costs Worksheet		Comparability Sample Procedures	
Supplemental Duties Job Description and Pay Notice		MOE Sample Procedures	
Summary of Employee Benefits		SNS Sample Procedures	
Teacher Hiring Schedule		Federal Grant Management – Common Terminology	
Personnel Requisition Form			
Personnel Recommendation Form			
Stipend & Extra Duty Pay Scale			
Semi-Annual Certification of Time and Effort			
Time & Effort Worksheet			
Travel Authorization/Settlement Form			
Petty Cash Voucher			
Procurement Card Transaction Report			
Purchase Order Flowchart			
Quotation Tabulation Form			
Quotation Request Form			