

Federal Funds - OMB Part 200

Federal funds subject to the requirements of the Office of Management and Budget's Uniform Administrative Requirements, Cost Principles and Audit Requirements—Part 200 ("Part 200") will be subject to the following policies:

A. Cash Management for Federal Funds

The Board will minimize the time between the receipt of federal funds from the United States Treasury, the Alabama Department of Education, or other pass-through entity, and the disbursement of those federal funds. Federal funds will only be requested to meet immediate cash needs for reimbursement not covered by prior receipts and anticipated disbursements that are generally fixed, such as monthly program salaries and benefits. Disbursements will be made within twenty business days after receipt of funds.

B. The Chief School Financial Officer will maintain financial records that account for the receipt, obligation, and expenditure of each federal program fund. Cash balances for each federal program fund and for the aggregate of all federal program funds will be monitored by the Chief School Financial Officer or designee. Board procedures to minimize the cash balances in federal program funds are expected to prevent the aggregate cash balances of federal program funds from earning \$500 or more for the fiscal year if maintained in interest-bearing accounts. The federal program funds, with the exception of Child Nutrition Program funds, will not be maintained in an interest-bearing bank account if the Chief Financial Officer determines that banking requirements for minimum or average balances are so high that an interest-bearing account would not be feasible. Federal program funds will be maintained in insured checking accounts that are subject to the state requirements for public deposits under the SAFE program.

C. Determination of Allowable Costs

1. Before instituting a financial transaction that will require the expenditure of federal funds the federal program director and the Chief School Financial Officer or designee will determine that the proposed transaction meets the requirements for allowable costs for the federal program. Actions to determine allowable costs will assure that:
 - a. The proposed expenditure is included in the federal program budget;
 - b. The proposed expenditure is reasonable and necessary for the federal program;
 - c. The proposed expenditure is consistent with procedures for financial transactions of the board including:
 1. Purchase order approval procedures;
 2. Contract review and approval procedures;

3. Applicable competitive purchasing procedures; and
 4. Documentation supports allowability of transaction.
2. Before payments are made from federal funds the federal program director and the Chief School Financial Officer or designee will determine that the federal program expenditure complies with generally accepted accounting principles and complies with state, local, and federal laws, rules and regulations.

D. Travel Policy

Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by board employees who are in travel status on official business of the board. The board's travel policy provides for reimbursement and payments for travel costs of employees paid from federal funds that is consistent with the travel costs for board employees paid from state or local funds.

E. Procurement Policy

To the extent allowed by state laws, the board will utilize state, local, regional, and national purchasing agreements where appropriate for the procurement or use of goods and services. All procurement transactions are subject to the board's Conflict of Interest Policy and the procurement decisions of the board will:

1. Avoid acquisition of unnecessary or duplicative goods and services;
2. Use the most economical and efficient approach for acquisitions;
3. Award acquisitions contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement;
4. Consider contractor integrity, compliance with public policy, record of past performance, and financial and technical resources prior to awarding procurement contracts;
5. Maintain records sufficient to document the history of the procurement; and,
6. Conduct procurement transactions in a manner that provides full and open competition.

Procurement transactions for federal programs and child nutrition programs that are not subject to the state procurement laws, but exceed the aggregate amount of the federal micro-purchase threshold, will be obtained by utilizing price or rate quotes from two or more qualified sources. State procurement laws include requirements that comply with the other Uniform Administrative Requirements for procurement of property and services.

The board will request proposals for those professional service contracts (excluding architectural and engineering services) that are exempt under state procurement laws if the contracts exceed the current Simplified Acquisition Threshold and will be paid from federal or child nutrition program funds. The board will utilize a team of three or more qualified individuals to conduct a technical evaluation of proposals received and for selecting recipients. As a part of the evaluation, the

individuals on the evaluation team will sign an assurance that each of the individuals is in compliance with the board's conflict of interest policy.

Source: Athens City Board of Education (revised from AASB Model Policy, 2026)
Adopted: September 29, 2026
Legal Ref.: 2 C.F.R. §200.