GALENA PARK
INDEPENDENT SCHOOL DISTRICT

Federal Programs & Grants Policies and Procedures Manual

Pursuant to Requirements in 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and Education Department General Administrative Regulations (EDGAR)

General Information

Purpose

This section sets forth the policies and procedures used by Galena Park Independent School District (the District) to administer federal funds pursuant to Title 2 of the Code of Federal Regulations (2 CFR) Part 200, which took effect for non-federal entities on December 26, 2014. It also includes requirements and references from the federal regulations in EDGAR (Education Department General Administrative Regulations) as well as certain policies and laws pertaining specifically to Texas school districts.

Type of Grant	Effective Date of These Policies and Procedures
Formula grants administered by TEA that begin on or after July 1, 2015	July 1, 2015
Discretionary grants administered by TEA that begin on or after July 1, 2015	July 1, 2015
Multi-year discretionary grants that began prior to July 1, 2015	

"Direct grants" are those grants that do not pass through another agency such as TEA and are awarded directly by the federal awarding agency to the grantee organization. These are usually discretionary grants that are awarded by the U.S. Department of Education (USDE) or by another federal awarding agency. In many instances, TEA may apply for a direct grant from the USDE on a competitive basis and then award subgrants. Or the District may apply directly from the USDE for a competitive grant. In either case, these grants are "direct grants", and the District must comply with the requirements in 34 CFR Part 75 in addition to the requirements in 2 CFR Part 200.

All of the requirements outlined in these policies and procedures apply to both direct grants and state-administered grants.

The federal provisions contained and referenced in this document apply to all non-federal entities receiving and expending federal funds. A "non-federal entity" as defined in 2 CFR Part 200 means, "a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a federal award as a recipient or subrecipient." Thus, for the purposes of these federal grant policies and procedures, a "non-federal entity" means a school district, open-enrollment

Board Policy

The following Board Policy should be referenced for additional information associated with this section of the manual:

Policy Code	Title: Subtitle
DEA (LOCAL)	Compensation and Benefits Compensation Plan
DBD (LOCAL, EXHIBIT)	Employment Requirements and Restrictions: Conflict of Interest

Federal Grant Application Process

TEA Grants

The majority of federal grants the District applies for and receives are formula grants administered by TEA (i.e., state-administered grants). The District may also apply for and receive discretionarygrants from TEA or directly from the USDE or another federal awarding agency. The policies and procedures outlined in this document apply to all federal formula and discretionary grants, regardless of the awarding agency. Federal agencies that award direct grants may impose requirements or conditions that are not addressed herein and that may result in the need to create additional policies and/or procedures to comply with those requirements.

Refer to TEA's Grant Process for a description of their process for administering state and federal formula and discretionary grants. Also refer to TEA's description of Applying for a Grant for information on allocations, notices of grant funding opportunities, and the competitive review process.

Submitting Complete Applications on Time

It is equally important that federal grant applications be prepared and submitted on time. For formula grants administered by TEA that usually begin July 1, the District cannot obligate funds and begin grant activities until the District submits the application to TEA in substantially approvable form. In order to prevent unnecessary delays in program implementation and the provision of services to students, it is the policy of the District that all formula grant applications will be submitted as soon as possible, but no later than July 1 unless a later grant beginning date is published by TEA. TEA will process the applications in the order received.

For competitive discretionary grants, it is the policy of the District that those applications be submitted in sufficient time for TEA to receive the application by the established deadline date and time specified in the competitive RFA. Failure for TEA to receive the application by the specified deadline date and time will render the application ineligible for consideration for review and scoring and for funding. In addition, all required forms must be completed in accordance with the instructions in the RFA in order to be eligible for consideration for funding. The program manager assigned to the grant is responsible for ensuring the application is completed accurately and submitted on time to TEA.

Authorized Official

The person signing/certifying the application must be an authorized official of the District (usually the Superintendent) who will represent the District in the event of a legal dispute. The Superintendent and the Executive Director for Federal Programs and Compliance, are the authorized officials for this district. By signing/certifying the application, the authorized official is certifying that he or she will comply with the terms and conditions of the grant, all applicable provisions and assurances, and the approved application. The signed/certified application submitted to TEA, and the NOGA issued by TEA, together constitute a legally-binding contractual agreement between the District and TEA. Campus principals do not have the authority to submit a grant application.

District program staff, fiscal staff, and management are responsible for knowing all requirements and for complying with

Federal

Financial management requirements for Texas school districts are established through a pyramid consisting of:

- federal regulations
- Texas Education Code (TEC)
- Texas Administrative Code (TAC), Title 19 TEA's Financial Accountability System Resource Guide (FASRG)

Texas Law and Rule

TEC, Section 44.007 requires the State Board of Education (SBOE) to establish a mandatory fiscal accounting system with which all school districts, ESCs, and open-enrollment charter schools in Texas must comply. TEC further requires each school district and open-enrollment charter school to adopt and install a standard accounting system that conforms with generally accepted accounting principles (GAAP) and that meets the minimum requirements prescribed by the commissioner of education. It also requires these entities to maintain records of all revenues and expenditures.

Title 19 of the Texas Administrative Code (19 TAC), Chapter 109, establishes the SBOE rule for school district budgeting, accounting, and financial reporting. The detailed requirements of the financial accounting system adopted by the SBOE are published in TEA's FASRG (Financial Accountability System Resource Guide), adopted and incorporated by reference as TEA's official rule.

FASRG currently consists of the following 6 modules:

- Module 1 – Financial Accounting & Reporting (FAR) (PDF, 2,518 KB) and FAR Appendices (PDF, 7,241 KB)
- Module 2 –Special Supplement - Charter Schools (PDF, 1,556 KB)
- Module 3 – Special Supplement - Nonprofit Charter School Chart of Accounts (PDF, 3,398 KB)
- Module 4 – Auditing (PDF, 2,376 KB)
- Module 5 – Purchasing (PDF, 1,401 KB)
- Module 6 –

Federal

Accounting Records

The District maintains records which adequately identify the source and application (i.e., use) of funds provided for federally-assisted activities. In accordance with federal regulations, these records contain information pertaining to grant or subgrant awards, authorizations, obligations, unobligated balances, assets, expenditures, income, and interest. All transactions are supported by source documentation (i.e., purchase orders/requisitions, invoices, receipts, travel vouchers, time-and-effort documentation and employee salary records, copies of checks, etc.).

The accounting system mandated in FAR conforms to generally accepted accounting principles (GAAP). The accounting structure is organized and operated on a fund basis and is organization-wide covering all funds. The District uses the 3-digit fund code specified in FAR for each grant received to identify the source of funds. The use of funds is identified by using the required function code, object code, organization code, program intent code, and fiscal year code specified in FAR.

The District uses the minimum 15-digit account code structure mandated in FAR to record all revenues, encumbrances, and expenditures. The district's financial software program is used to ensure that the minimum 15 digit structure coding is adhered to prior to any transaction being allowed to be entered into the system for authorization. In the event that a manual journal entry is required, the Special Revenue Accountant reviews and approves the transaction prior to any final system entry.

"Internal control over compliance requirements for federal awards" means a process implemented by the District designed to provide reasonable assurance regarding the achievement of the following objectives for federal awards:

- µ Transactions are properly recorded and accounted for in order to:
  - o Permit the preparation of reliable financial statements and federal reports
  - o µ µ

As part of the annual financial audit the external auditors are required to conduct an analysis of the District's internal controls and report on their effectiveness. If there are any findings and/or recommendations for improvements then these are implemented immediately by the Business Office.

Budget Control

The budget for each federal award is recorded in the general ledger in accordance with FAR using the designated 3-digit fund code. Obligations/encumbrances and expenditures are also recorded in the general ledger for each federal award. On a regular basis, the District compares actual expenditures or outlays with budgeted amounts for each federal award. See the procedures listed under the Identification of All Federal Awards and Financial Reporting sections.

- Expenditures requiring manual approval are usually due to requests for funds that exceed the threshold of the grant or 25% of the total grant award.
- Thresholds are established for each grant and reimbursement is automatic within the thresholds,
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Prior to completing the application, the program manager develops a detailed budget in a document (such as in an Excel spreadsheet) separate from the application. The program manager coordinates with the District's Business Office in preparing the budget to ensure budgeted items are categorized according to the proper class/object code. This detailed budget, which serves as the guide for expenditures and becomes part of the "working papers" maintained by the program manager, is used to complete the application. In most instances, particularly for formula grants, the budget entered into the grant application will not be as detailed. The detailed budget is to be modified or revised as necessary to accommodate changes, which may result in an amendment to the application prior to incurring certain expenditures.

If the grant program will be implemented on a Title I schoolwide campus, the planned activities and expenditures must be identified in the schoolwide plan. Conducting activities and expending funds that are not included in the schoolwide plan could result in an audit exception or monitoring finding for the District. Therefore, the program manager is responsible for coordinating with the Title I program director and for ensuring the activities and anticipated expenditures are described in the schoolwide plan.

Prior to a grant award, the following proposal development has occurred:

- Identification of any issues or needs and the funding source to be used: A request for funding must relate to an identified need or problem with a school or the district.
- Development of the proposed budget: Involvement of all parties who will be affected by the project and all funding

Federal

specifically identified and listed. See Financial Management System: Expending Grant Funds, for a discussion on performing allowability determinations. If the Executive Director for Federal Programs and Compliance determines that a cost is not allowable, then the expenditure is removed from the proposed federal budget. If an expenditure is deemed to be unallowable, the department requesting the expenditure is then notified by the Federal Programs Specialist that an alternate fund source should be considered to cover the expenditure.

Once the Federal Programs Specialist determines that all budgeted items are allowable and are budgeted in the proper class/object code according to FAR, the budget is sent to the Executive Director for Federal Programs and Compliance for final review and approval. Generally, the budget receives final approval by the last day of May. The assigned program manager then enters the final approved budget into the appropriate budget schedules of the grant application.

Negotiating the Submitted Application

Once the grant application is submitted to the awarding agency, the designated program contact, usually the Program or Project Director assigned to the grant program, is available via phone and/or e-mail in the event that the awarding agency needs to contact the District to negotiate the application or to ask questions or seek clarification related to the proposed program and/or budget. The assigned Program/Project Director will seek guidance, if needed, from appropriate District personnel and will respond to any inquiries from the awarding agency within 48 hours. A delay in contacting the awarding agency delays final approval of the grant application, which delays grant program implementation and providing services to intended beneficiaries of the grant.

After Receiving the Approved Application and NOGA/GAN

Once the application has been approved by the awarding agency and a NOGA has been issued, the Federal Programs Specialist then moves forward with requesting the setup of the appropriate account codenecigroveprd05 Tc -0.014cd (ys)-1.6 3unt ctbeepec ad w(t

- All budget planning documents are prepared and completed by the Federal Programs Specialist before the start date of the grant award. All budget entries in the financial system are complete on or around the start date of the grant and are ready for final approval and posting by the Special Revenue Accountant.

Amending the Application

The District consults and complies with the guidelines and procedures provided by TEA or other awarding agency as it pertains to when and how to submit an amendment to an approved application. TEA publishes its requirements for when to amend the application online. Specific deadlines for submitting amendments are published in the corresponding RFA and/or in the Critical Events calendar on the TEA Grant Opportunities Page for the specific grant program. Procedures are in place to ensure the District does not exceed any maximum allowable variation in the budget.

Monitoring and Amending the Budget:

Once the programn46i ainsurs approved and a NOGA is-issued, rebudgeting within the approved direct cost budget to meet unanticipated requirements and make certain changes to the approved budget is-permitted without submitting written amendments. Expenditures in eachnbject class are monitored and reviewed by the Fedens Programs Specialist on a monthly basis to determine if an amendment is required.

Monitoring and Amending the Program Description:

Amendment with awarding agency-is required in the following circumstances:

- Add a class/object code not previously budgeted on the Pro1 45 (i)5.1 ens Budget Suma
- Increase -4.9 (n46i a)2.decrease the amou0.5 (ur)-budgeted in any class/object code -4.9 (nn t)2.7 (he)9.1 (P)3.9 (r)4.6 (o)-10.1 (

- Increase or decrease the amount of funds currently approved in a class/object code as long as a new line item requiring specific approval is not being added and as long as the previous condition does not require an amendment.

Formula Grants

- Increase or decrease the amount of funds approved in an object code as long as a new line item requiring specific approval is not being added & cumulative transfers don't exceed 25% of the total approved budget.

All Grants

- Increase the quantity of technology hardware (not capitalized) previously approved under Inventory Items (6300) as long as a new item of technology hardware is not being added.
- Increase the quantity of capital outlay items previously included and approved in the list of articles costing less than $5,000 under Capital Outlay (6600) as long as a new item of capital outlay is not being added.
- Follow procedures listed in the grant for submission of schedules and reasons for amendments.

NOTE: Budget amendments to the awarding agency will be reviewed by the Executive Director for Federal Programs and Compliance or grant administrator prior to submission.

Timely Obligation of Funds

When Obligations are Made

"Obligations" are defined as orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period. (This does not mean obligations for which goods and services will be delivered in a future grant period.) Essentially, an obligation is a commitment to pay.

July – September (Forward Funding)	3 months
October – September (Federal fiscal year)	12 months
October – September (carryover period; Tydings Amendment)	12 months
	27 months

Federal education formula grant funds are typically awarded on July 1 of each year. While funds not obligated during the initial 15-month grant period remain available as carryover in the subsequent 12-month period, the District will always plan to spend to the best of its ability all current grant funds within the year for which the funds were initially appropriated. Per TEA, excess carryover and lapsing of funds may be an indicator in TEA's risk assessment process.

at the completion of the extension. If a termination occurs, the Period of Performance will be amended to end upon the effective date of termination. If a renewal award is issued, a distinct Period of Performance will begin.

TEA Grants: As previously described, the Tydings Amendment typically extends the period of availability for formula grants for an additional 12 months. Accordingly, the Dis osI-0.9j2t MI-0.9j2t Mly

- The expense category (i.e., supplies, instructional materials, equipment, travel, etc.)
- The billing date of the charge

Rebates on Purchase Cards: Per 2 CFR 200.406, Applicable Credits, requires the refund or rebate to be credited back, either as a cost reduction or cash refund, to the federal grant program in proportion to the amount of federal program expenditures that were charged on the card that generated the refund/rebate. When the rebate or applicable credit is received after the end of the fiscal year in which the expenditure was incurred, the type of grant program will determine how the rebate is credited back to the federal grant. For continuous formula programs where the subgrantee has a continuing grant under the federal program in the subsequent year, the rebate may be credited back to the current year grant program as a cost reduction. If the grant has permanently ended (there is no continuing grant) then a refund equaling the rebate amount must be remitted to TEA and subsequently will be returned to the federal government.

Expending Grant Funds

All costs charged to a federal grant are classified as either director indirect While developing and reviewing the grant budget and when expending grant funds, program and fiscal staff should keep in mind the difference between direct costs and indirectcosts as defined in the federal cost principles. All costs must be properly and consistently identified as either direct or indirectin the accounting system.

Direct and Indirect Costs

Determining Whether a Cost is D-0 11.2.07 Tc -0.003 Tw 11.0(g)6(e)3 (d)-6.1 (a)-3.9 (s)4.4 ( )-12 r2w 11. te.0(g)6(e)337.9 (o)

When determining how the District will spend grant funds, the Executive Director for Federal Programs and Compliance and the Federal Programs Specialist will review the proposed cost **and document** how it is determined whether it is an allowable use of federal grant funds **before** obligating and spending those funds on the proposed goods or services. All expenditures made with federal education funds must meet the standards outlined in EDGAR, 2 CFR Part 3474, and 2 CFR Part 200. The assigned program manager and fiscal staff, including campus principals and financial clerks, must consider the following factors when ma

Requesting Prior Written Approval

Some costs discussed in the following sections and in the instructions to completing the grant application require prior written approval

The selected items of cost addressed in 2 CFR Part 200, Subpart E include the following (in alphabetical order):

Item of Cost	Citation of Allowability Rule
Advertising and public relations costs	2 CFR § 200.421
Advisory councils	2 CFR § 200.422
Alcoholic beverages	2 CFR § 200.423
Alumni/ae activities	2 CFR § 200.424
Audit services	2 CFR § 200.425
Bad debts	2 CFR § 200.426
Bonding costs	2 CFR § 200.427
Collection of improper payments	2 CFR § 200.428
Commencement and convocation costs	2 CFR § 200.429
Compensation – personal services	2 CFR § 200.430
Compensation – fringe benefits	2 CFR § 200.431
Conferences	2 CFR § 200.432
Contingency provisions	2 CFR § 200.433
Contributions and donations	2 CFR § 200.434
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435
Depreciation	2 CFR § 200.436
Employee health and welfare costs	2 CFR § 200.437
Entertainment costs	2 CFR § 200.438

[redacted]

Interest	2 CFR § 200.449
Lobbying	2 CFR § 200.450
Losses on other awards or contracts	2 CFR § 200.451
Maintenance and repair costs	

NOTE: The opposite case does not apply; that is, a traveler may not reduce the amount spent on lodging and increase the amount spent on meals. Under no circumstances may a traveler be reimbursed from grant funds for meals at a rate that exceeds the rate given on the Federal Rate Schedule.

Temporary Dependent Care Costs: Pursuant to the provisions in 2 CFR § 200.464(c), the District may reimburse an employee on travel status for temporary dependent care costs above and beyond regular dependent care that directly results from travel to conferences. Such travel is allowable provided that all of the following conditions are met:

- The costs are a direct result of the individual's travel for the federal grant.
- The costs are consistent with the District's documented travel policy for all District travel regardless of funding source of the employee or of the travel.
- The dependent care costs are only temporary during the travel period.

Travel costs for dependents are unallowable.

The District does not reimburse employees for temporary dependent care costs.

Documentation that Travel Costs are Reasonable and Justifiable: Additionally, costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be deemed by the District to be reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the District in its regular operations as the result of its written travel policy.

Pursuant to the requirements in 2 CFR § 200.464(b), documentation must be maintained that justifies that (1) participation of the particular individual is necessary to the federal award; and (2) the costs are reasonable and consistent with the District's established policy.

In order for travel to be allowed from a federal fund, the following questions must be completed and submitted prior to making travel arrangements:

1. What concepts will be covered?
2. How will GPISD students or staff benefit from this event? Justification tied to CIP/DIP/Supt & District Goals?
3. How will the information be shared with others?
4. How is the expenditure reasonable and necessary to carry-out the purpose of the grant?
5. What need, as identified in the comprehensive needs assessment, does the expenditure address?
6. What is the description in the Campus/District Improvement Plan, of the goal, objective and strategy addressed by expenditure?
7. If it is for school-wide use, how will the expenditure upgrade the entire program on campus?
8. How is the expenditure supplemental to other non-federal programs?
9. How will the expenditure be evaluated to measure positive impact on student achievement?

The answers must be submitted on a Non-Overnight or Overnight Travel Request form and sent to the Executive Director for Federal Programs and Compliance for initial approval. Once this approval step has been cleared, it will be forwarded to the Business Office for secondary approval. When the travel is approved by the Business Office, the originator of the travel will be notified that they may then enter logistics for their travel purchase order.

Refer to Section 6: Employee Travel, which complies with TEA's guidelines related to travel, for specific provisions related to travel. 2 CFR § 200.464(a).

Request to Travel Form

Employees who plan to travel must complete a Non-Overnight or Overnight Travel Request form located in Eduphoria Formspace prior to travel, detailing the dates of the proposed travel, purpose of the travel, how it will benefit the grant program, and estimated travel expenses. The Non-Overnight or Overnight Travel Request form must be approved by the Program Manager, the Executive Director for Federal Programs and Compliance, and the Assistant Superintendent for Student Support Services. A notification is sent to the Senior Accounts Payable Clerk/Travel Specialist in the Business Office.

- Actual amount expended on a rental car, with receipt attached and justification for why a rental car was necessary and how it was more cost effective than alternate transportation; receipts for any gasoline purchased for the rental car must be attached (mileage is not reimbursed for a rental car – only the actual cost for gasoline is reimbursed)
- Actual cost of gasoline for a rental car (receipts must be attached)
- Actual cost of parking (receipt may be required at the local level, but is not required by TEA)
- Actual amount expended on incidentals, such as hotel taxes, copying of materials, and other costs associated with

Cost of Identifying Local Dependent Care: Pursuant to the provisions in 2 CFR § 200.432, the District may use grant funds to pay for identifying, but not providing, locally available dependent-care resources for those attending the conference. For example, allowable costs might include accessing, compiling, and providing a list of nearby child care facilities for attendees at a conference.

The District does not use grant funds to pay for identifying locally available dependent care resources.

Entertainment Costs and Field Trips

Pursuant to 2 CFR § 200.438, costs of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable, except where specific costs that might otherwise be considered entertainment have a programmatic purpose. TEA interprets this section to include some field trips, depending on the nature and purpose of the field trip. All field trips require the prior written approval of TEA.

TEA's Guidance Related to Specific Costs (under Allowable Cost Guidance) includes information about allowable and unallowable field trips. District staff will consult these guidelines and secure prior written approval from TEA prior to planning and scheduling any field trips.

The District permits the use of federal funds for education field trips out of Title I, C and Tile IV, A. Educational field trip expenditures require written justification documented on the TEA Grants Administration Division form. This form is maintained locally as specified in the application guidelines and instructions. See Appendices for forms.

Use of Federal Funds for Religion Prohibited

Without exception, federal

space in which the minor remodeling is undertaken but within the confines of the previously completed building. The term does not include building construction, structural alterations to buildings, building maintenance, or repairs."

The purchase of a portable building is a capital purchase (i.e., equipment) and may be allowable under certain federal programs if necessary to carry out the objectives of the grant program, if appropriate for the circumstances, and if approved in the applicable grant application. However, preparing the site for the installation of the portable building, including ground leveling, electrical wiring, plumbing, and constructing a sidewalk and steps, is considered constructionand is not allowable from a federal grant unless the authorizing federal program statute specifically permits construction and it is approved in the grant application.

If construction and/or major remodeling and renovation are allowable and approved under a particular federal program, there are numerous laws and regulations with which the District must comply. The District will comply with all applicable state and federal laws, regulations, and guidelines for construction and/or major remodeling and renovation, including those found in 34 CFR § 76.600 and in 34 CFR §§ 75.600 - .617, as well as those found in 2 CFR §§ 200.317 - .326 related to procurement. In addition, the District will comply with requirements under the Department of Labor's Davis-Bacon and o

Generally, grantees receiving state and federal grants from TEA receive payment from TEA by reporting cumulative expenditures (by class/object code) and requesting payment in TEA's electronic Expenditure Reporting (ER) system. Specific expenditure reporting requirements are provided in TEA's General and Fiscal Guidelines that accompany each Request for Application(RFA) from TEA. These guidelines are updated regularly and must be consulted on a regular basis.

Payments through ER are deposited into the District's depository bank by the state comptroller's office within six to seven business days of the payment request (provided TEA receives any supporting documentation requested in a timely manner and there are no other complications with the automated system).

Two methods of payment are provided in federal regulations: advance and reimbursement The District uses the reimbursement method for requesting grant payments from TEA and other awarding agencies.

Reimbursement Method

Under the reimbursement method, the District charges federal grant expenditures to the federal grant, records the receivables due from the federal agencies and recognizes revenue. When the payment is received, it is applied to the receivables. All reimbursements are based on actual disbursements and wages, not on obligations.

The District Special Revenue Accountant will request reimbursement for actual expenditures incurred under the federal program income as part of a federal grant award, unless it is a requirement of the grant, to reinvest the income in the federal grant award to accomplish the grant activities.

Program income includes, but is not limited to:

- income from fees for services performed
- the use or rental of real or personal property acquired under federal awards
- the sale of commodities or items fabricated under a federal award (costs to purchase or fabricate items must be allowable under the grant and the activities must be appropriate for the grant program)
- license fees and royalties on patents and copyrights
- principal and interest on loans made with federal award funds

Interest earned on advances of federal funds is not program income. Except as otherwise provided in federal statutes, regulations, or the terms and conditions of the federal award, program income does not include rebates, credits, discounts, and interest earned on any of these. 2 CFR § 200.80. Additionally, taxes, special assessments, levies, fines, and other such revenues raised by the District are not program income unless the revenues are specifically identified in the federal award or federal awarding agency regulations as program income. Finally, proceeds from the sale of real property, equipment, or supplies are not program income. 2 CFR § 200.307.

Use of Program Income

The District does not currently utilize or produce any program income. In the event that this situation arises in the future, the following is a rough draft of the possible applicable procedures for use.

Deduction Method: Per federal regulations, the default method for the use of program income for the District is the deduction method. 2 CFR § 200.307(e). Under the deduction method, program income is deducted from total allowable costs to determine the net allowable costs. Thus, prior to submitting the expenditure report, the amount of program income must be deducted from total expenditures. Program income will only be used for current costs unless the District is otherwise directed by TEA or other awarding agency. 2 CFR § 200.307(e) (1).

Addition Method

the grant, the District is no longer required to report any program income generated for the grant. For multi-year discretionary grant projects, this means at the end of the multi-year grant project.

Procurement System

Module 5 of TEA's FASRG outlines requirements and best practices related to the purchasing function. Reflecting state (and some federal) requirements for purchasing, Module 5 is based on statutes containing requirements for districts for competitive purchasing/contracting processes found in the Texas Education Code, Local Government Code, Texas Government Code, Texas Revised Civil Statutes, Texas Attorney General Opinions, federal regulations and other sources. The Handbook on Purchasing for Texas Public Schools, Junior Colleges and Community Colleges (Appendix 1 of Module 5) was written to provide information about purchasing and also be a ready reference regarding:

- Purchasing ethics
- Questions and answers on bidding and purchasing topics
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over another can open up the potential for disputes and lawsuits that can be costly and can significantly delay the completion of projects.

In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals (RFPs) are excluded from competing for such procurements. The District does not engage in the following situations that may restrict full and open competition, including but not limited to:

- placing unreasonable requirements on firms in order for them to qualify to do business;
- requiring unnecessary experience and excessive bonding;
- noncompetitive pricing practices between firms or between affiliated companies;
- noncompetitive contracts to consultants that are on retainer contracts;
- organizational conflicts of interest;
- specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- any arbitrary action in the procurement process. 2 CFR § 200.319(a).

The District will only receive questions on RFP’s or bids in writing and the responses for those questions will be sent to all interested vendors via e-mail or addendum. The Director for Purchasing is responsible for communicating this information and ensuring that no limits to open competition are created.

CAA (Local)

The District also complies with the following requirements in 2 CFR 200 to ensure full and open competition when purchasing with federal funds.

Geographical Preferences Prohibited

µ dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
µ establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
µ using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
µ

Debarment and Suspension: The District will not subcontract with or award subgrants to any person or company who is debarred or suspended from receiving federal funds. The Director for Purchasing is required to check for excluded parties at the System for Award Management (SAM) website before any procurement transaction paid with federal funds in accordance with THE DISTRICT'S Board Policy CH (LEGAL). This list is located at: http://www.sam.gov/. 2 CFR Part 180 and 2 CFR Part 3485.

As a part of the vetting process, purchasing reviews of the SAM system for any person or company who is debarred or suspended prior to allowing the vendor to be set up as a vendor in our financial system.

State Rules for Selecting Vendors

In addition to federal standards for making awards only to responsible contractors, TEC § 44.031 establishes nine criteria that school districts must use in determining contract awards to vendors, whether using state, local, or federal funds. All nine criteria must be considered unless federal law prohibits it or is more restrictive as noted below. These criteria are as follows:

- the purchase price
- the reputation of the vendor and of the vendor's goods or services
- the quality of the vendor's goods or services
- the extent to which the goods or services meet the District's needs
- the vendor's past relationship with the District
- the impact on the ability of the District to comply with laws and rules relating to historically underutilized businesses
- the total long-term cost to the District to acquire the vendor's goods or services
- for a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner:
  - has its principal place of business in this state; or
  - employs at least 500 persons in this state

(**Note**: Federal requirements prohibit geographic preference when purchasing with federal funds. Therefore, this requirement cannot be used to select a contractor when the purchase is made with federal funds)

- any other relevant factor specifically listed in the request for bids or proposals. Factors that a school district may consider under this criteria would include vendor response time and compatibility of goods/products purchased with those already in use in the District.
- 2 CFR § 200.215 Never contract with the enemy. Federal awarding agencies and recipients are subject to the regulations implementing Never Contract with the Enemy in 2 CFR part 183. à200.216 Prohibition on certain

- All contracts paid from state or federal grants administered by TEA must retain copyright for the Texas Education Agency (TEA) and for the federal government (if a federally funded contract) unless otherwise negotiated in writing with TEA. Pursuant to the provisions in 2 CFR § 200.315, title to intangible property vests in the District as long as such property is used for authorized purposes. However, TEA and the federal awarding agency reserve a royaltypurchase, 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 <u>contracts</u> and <u>purchase orders</u> for work or products under this award. 2 CFR § 200.318

- Both the flow and retention of forms including requisitions, purchase orders, petty cash and cash reimbursement receipts.
- Full documentation of all competitive procurements with comprehensive competitive procurement files containing specifications, competitive procurement advertisement, pre-competitive procurement conference minutes (as appropriate), competitive procurements submitted, competitive procurement tabulation, board minutes indicating competitive procurement awards (or a similar award notice) and related records.
- Full documentation of procurement procedures utilized to obtain goods and services through competitive sealed proposals, design/buildve p3 (d)-21EMC /L (p3 (d)-21E6g)6.2 (n/)5.5y71aumw21E913n8M(e)9.1 (r)4.6 ((pr)4.6 (o)181 (c)6.4 u(r)

Time and materials type contract means a contract whose cost to the District is the sum of: the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. In other words, the contractor is saying it will work until the task is completed, but it has no idea how long it will take, nor how much money it will cost. This obviously can be very cost prohibitive and can encourage fraudulent behavior by some unscrupulous contractors. Therefore, federal regulations permit the use of a time and materials contract only after a determination is made that no other contract is suitable and only if the contract includes a ceiling price that the contractor exceeds at its own risk. Further, the District must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

The District may use a time and materials type contract paid with federal funds in accordance with the above and only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk.

Settlements of Issues Arising Out of Procurements

The District alone is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements made with federal funds. 2 CFR § 200.318(k). These issues include, but are not limited to, source evaluation (i.e., analyzing information sources in order to assess their credibility), protests, disputes, and claims. These standards do not relieve the District of any contractual responsibilities under its contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction. The Director for Purchasing in the District is the primary officer responsible for handling and coordinating the settlement of any contractual and administrative issues arising out of procurements.

Protest Procedures to Resolve Disputes

The District maintains protest procedures to handle and resolve disputes relating to procurements made with federal funds and, in all instances, discloses information regarding the protest to TEA or other awarding agency. 2 CFR § 200.318(k). The protestor must exhaust all administrative remedies with the District before pursuing a protest with a federal agency. The Director for Purchasing in the District is the primary officer responsible for handling and coordinating any disputes relating to procurements.

Responsibility for Purchasing

The Director for Purchasing is responsible for overseeing all procurements of the District. This includes development and revision of the policies and procedures related to the purchasing function, training staff in how to use and implement the policies and procedures, and monitoring for employee compliance with policies and procedures. It also includes reporting any potential or realized conflicts of interest to TEB (r)-1.4 (r-9.1 (t)-18.4 ()-3.4 (o)-493.4 (0 Td( )TjE 1 (i)-0-3.6 (e) (t)m1 (t)-4 (i)-0.9 (a)- r50.602T (r)-4.4 (o) (o)1.9 (9e)-3.1 (e)9.1 (c)6.3 2.1 (nd p)-12.2 .9 ()1.9 (()12.6 (o)1.6 (e)9.1 (ng)6.1 (s3.1 (e))-1.6 (e)9 (a)28 (pl)5.1 (i)5.1 riiancei.3Tc D3 (5 (nt)2.po)1.9 ((,)2 (.7 (o)1..1 (a)22.1 (ndn6 (i)5.(o)1.9 (c)6r)4.7 (c)-5)1.S)(i)-0pie w9.3Tcvhe.3Tc Aiiplifndn6 (i)5.(.1 (a)2u9

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of learning, skill, and intelligence including guest speakers, consultants, writers, and artists." A professional is only one who "'is a member of [a] discipline with widely accepted standards of required study or specified attainments in special knowledge as distinguished from mere skill.'" Id. (quoting Wooddell, 230 S.E.2d at 470).

Certain professional services, specifically those covered under Chapter 2254, Subchapter A of the Texas Government Code, (i.e., architects, CPAs, registered engineers, optometrists, physicians, surgeons, land surveyors, landscape architects, registered nurses and state

- whether the proportion of federal work to the District's total business is such as to influence the District in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to work under federal awards;
- whether the service can be performed more economically by direct employment rather than contracting;
- the qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-federally funded activities; and
- the adequacy of the contractual agreement for the service (e.g., description of the service, estimate of time required, rate of compensation, and termination provisions).

Purchasing Goods or Services with Federal Funds

In accordance with 2 CFR Part 200, Subpart E, Cost Principles, all purchases made with federal funds, regardless of the method of purchase, must be determined to be:

- reasonable in cost (comparable to current fair market value)
-

Five Methods for Procuring with Federal Funds

2 CFR § 200.320 provides for five methods that must be used when making purchases with federal funds. In some cases, these federalmethods are less restrictive than state requirements; in other cases, the state requirements are more restrictive than these federal methods. Additionally, if local requirements are more restrictive than either state or federal, then local requirements must bTw ls, td erlshases

- The Director for Purchasing is responsible for receiving the bids
- All required documents are verified by the Purchasing Coordinator and maintained on the Business Office shared drive under Purchasing and a hard copy filed in the Purchasing Department

- Requests for Proposals (RFP) 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
    - 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

Noncompetitive Proposals (Sole Sourcing)

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) (1)]

A sole source vendor is defined as a vendor that meets the following requirements:
(1) The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold;

- The goods or services are only available from a single source [2 CFR 200.320 (f)(1)]
    - 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 .2 (s64st)-31 (]TJ/TT0 1T4.4 (h)-6.1
  - The Dis43.4 (t)-3.3 (r)-1.4 (i)19 (ct)-3 shalle(l)-0.9 aeapuu l (e)3.1 xrien oremer.9 (e)3 (n)-6.1 cyo pu rirominuhaspuur(

  - o The District has received written authorization from the Texas Education Agency that the Education Service Center, Region 20 is approved as a non-competitive proposal
- After solicitation of a number of sources, competition is determined to be inadequate [2 CFR 200.320 (f)(4)]
  - o 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.

Cost/Price Analysis for Federal Procurements in Excess of $150,000

In accordance with the requirements in 2 CFR § 200.324, the District will make independent estimates of the goods or services being procured before receiving bids or proposals to get an estimate of how much the goods and services are valued in the current market.

To accomplish this, after bids and proposals are received, but before awarding a contract, the District conducts either a price analysis or a cost analysis, depending on the type of contract, in connection with every procurement with federal funds in excess of $250,000. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the District will come to an independent estimate prior to receiving bids or proposals. 2 CFR § 200.324(a). The cost analysis or price analysis, as appropriate for the particular situation, will be documented in the procurement files.

Accordingly, the District performs a cost or price analysis in connection with every nu-7.1 (nr (i)5..1 (o)-/TTh)-9

- A competitive contract may be awarded on a fixed-price basis or on a cost-reimbursement basis. If awarded on a cost-reimbursement basis, the federal cost principles apply and costs are approved by expense category, and not a lump sum.

Costs or prices based on estimatedcosts for contracts are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable costs under the federal cost principles.

Purchase Cards (District-Issued Credit Cards/Pro Cards)

The use of District-issued credit cards or procurement cards is carefully controlled and monitored to prevent fraud, waste, and abuse. Section 3.3.3.3 in Module 5 of the FASRG addresses the use of credit/pro cards. Misuse and abuse will not be tolerated.

In accordance with suggested procedures in Module 5of FASRG, the District:

- holds reviewers of credit card purchases to the same standards as cardholders
- applies the same set of rules to all card users, although spending limits may vary
- restricts card usage by spending limits, unauthorized merchant category codes, and time of use to business hours
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The documentation of monitoring will be maintained at the District's Administration Building in the Federal Programs and Compliance Department. WTc 0 T (d)-623p(i)-12.9 .1 (a)23.9 (l)5t d

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The District maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property. Any loss, damage, or theft is investigated in accordance with the following procedures. 2 CFR § 200.313(d)(3).

Equipment that is allowed to be removed from campus is checked out to teachers and/or students through the Instructional Technology Department or the campus librarian. All equipment is label(i)-0ed o ougrty. r (e)9 (0.277 -2.(e)o(be)9 4w(1s7)T-(d)4 federal awarding agency, the Fixed Asset Specialist will contact the TEA Chief Grants Administrator or other awarding agency for disposition instructions.

Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition.

- An item that has a current FMV of **$5,000 or less**, may be retained, sold, or otherwise disposed of with no further obligation to TEA or other federal awarding agency. However, TEA must still approve disposition in accordance with specified procedures.
- If an item has a current FMV of **more than $5,000**, TEA or other federal awarding agency is entitled to the federal

- is reasonable for the services rendered and conforms to the established written policy of the District consistently applied to both federal and non-federal activities;
- follows an appointment made in accordance with the District's rules or written policies and meets the requirements of federal statute; and
- is determined and supported by documentation that meets the federal Standards for Documentation of Personnel Expenses

- state that the employee worked solely (i.e., 100% of the time) on activities related to one particular grant program or single cost objective
- identify the grant program or cost objective
- specify the 6-month reporting period
- be signed and dated by the Budget Manager and the Executive Director For Federal Programs and Compliance with first-

Documentation of rationale and calculations for allocating salaries and wages based on a substitute system must be maintained for audit purposes.

TEA Substitute System of Federal Time-and-Effort Reporting for Employees Supported by Multiple Cost Objectives

TEA issued guidance in a letter dated December 12, 2012, pertaining to the Substitute System of Federal Time-and-Effort Reporting for Employees Supported by Multiple Cost Objectives. Pursuant to this guidance, employees who work on multiple cost objectives (i.e., more than one federal grant award or more than one cost objective) and who meet certain conditions may complete a schedule at the beginning of the reporting period and a certificate (similar to the semi-annual certification) at the end of the reporting period in lieu of traditional time-and-effort records.

To qualify for this substitute system in lieu of traditional time-and-effort reports, the employee must work on multiple activities or cost objectives (i.e., more than one federal grant award) based on a predetermined, set schedule, which is most likely applicable to classroom teachers or instructional aides. The employee must also normally be required to complete traditional monthly time-and-effort reports. In order for any employees to u

Not every piece of paper or every piece of data is an official record Materials used for reference are just that – reference materials; they are not records. District personnel must use some judgment in determining whether a record constitutes an “official business record” by looking at the content of the record to determine its value in serving as evidence. A good place to start is by consulting the District’s Records Management Officer and Records Management Policy The Manager of Warehouse Services serves as the District’s Records Management Officer

Records are created by the District to support a grant activity and they are retained as evidence of that activity. Records may come in a variety of different forms and may be created by the District or be received by the District in any medium, including hard copy paper or electronic, audio, or video. Whether the District creates it, or receives it from someone outside the District, if it documents school operations, it’s a record and must be retained according to the records retention schedule.

Most e-mails are records; telephone messages can be records. The record can be on a computer’s hard drive, on a USB, on a DVD, in a filing cabinet, or on someone’s desk. Even if the record contains confidential information and may be exempt from release under a Public Information Request (PIR), it is still a record and must be retained using proper security procedures to safeguard the confidential data.

Records generally include but are not limited to:

- General correspondence, including letters and e-mail
- Handwritten notes and electronic notes
- Completed forms and reports and the data used to complete the reports
- Personnel documentation
- Websites created by the District
- Audio tapes and video tapes
- Final, complete, and signed (if applicable) documents
- Plans, photographs, or drawings
- Data in spreadsheets and databases
- Financial records, including but not limited to budgets, accounting ledgers, all supporting documentation for expenditures, copies of checks, bank statements, etc.Rta in tn<</MCI16. bp171 (005 Tc -0 0.4 (,)0.4 (,)m0.4 (,)m0.4-0.004 T

- Ccs of e-mails (or letters) or convenience copies of e-mails (or letters) (the recipient in the “To” line is the keeper of the official record)

Collection and Transmission of Records

It is becoming more common to store records electronically to conserve storage space. Storing records electronically is acceptable and is encou3 (n)-6T(s)4.5 (e)4.4d7 (e)3 Ie6.1 4 (e)3 (co)-4.1 (r)-4.5 (p)-6.1 (e)3 (nl)-0.9w-121 (n)-6.2 (p)-6.1 (h)-4.2 (n)-6.

- The results of previous audits including whether or not the District receives a Single Audit in accordance with Subpart F of 2 CFR, and the extent to which the same or similar award has been audited as a major program;
- Whether the District has new personnel or new or substantially changed systems; and
- The extent and results of USDE monitoring if the District also receives federal awards directly from the USDE.

Special Conditions

Based on the evaluation of risk, TEA mustconsider imposing one or more of the following specific conditions upon the District if appropriate:

- Requiring payments as reimbursements rather than advance payments
- Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance
- Requiring additional, more detailed financial reports
- Requiring the District to obtain technical or management assistance
- Establishing additional prior approvals. 2 CFR § 200.207.

TEA is required to notify the District as to:

- The nature of the additional requirements
- The reason why the additional requirements are being imposed
- The nature of the action needed to remove the additional requirements, if applicable
- The time allowed for completions the actions, if applicable, and
- The method for requesting reconsideration of the additional requirements imposed.

TEA must promptly remove any special conditions once the condition that prompted them has been corrected.

Identification as a High-Risk Grantee

In accordance with the provisions 2 CFR § 3474.10, TEA has the authority to identify the District as a high-risk grantee:

- Based on the results of the risk assessment;
- If the District has a history of failure to comply with the general or specific terms and conditions of a federal award;
- If the District fails to meet expected performance goals; and
- If the District is not otherwise responsible.

TEA may impose one or more special conditions as needed to bring the District into compliance.

Monitoring

TEA must monitor the activities of the District as necessary to ensure that the award is used for authorized purposes, in compliance with the federal statutes, regulations, and the terms and conditions of the award; and that the award performance goals are achieved. 2 CFR § 200.331(d). Monitoring mustinclude:

- Reviewing financial and programmatic reports required by TEA;
- Following up and ensuring that the District takes timely and appropriate action on all deficiencies pertaining to the award provided to the District from TEA detected through audits, on-site reviews, and other means; and
- Issuing a management decision for audit findings pertaining to the award.

Depending on the District's assessment of risk by TEA, TEA may use the following monitoring tools (not all-inclusive) to ensure 1m0.4 (pe)MC /(e)a7MC TJ0 Tc 0 Te

the requirements governing the federal program by reviewing the provisions of grant agreements and the laws and regulations applicable to those federal programs.

The cost to conduct the Single Audit can be prorated among the federal programs being audited in proportion to the total award amount of each program.

What Happens During a Single Audit?

During a Single Audit, the auditor examines

- the District's financial statements and schedule of expenditures of federal awards
- compliance with laws, regulations, and the provisions of contract or grant agreements that have a direct and material effect on each of the District's federal programs
- the effectiveness of internal control over federal programs in preventing or detecting noncompliance

Auditors are required to classify and select federal programs for audit using a risk-based approach. Where a district receives only one federal program, the auditor may conduct a program-specific audit rather than a Single Audit.

Auditors use the suggested audit procedures in the Audit Compliance Supplement to test general compliance requirements for each federal program selected for audit during the Single Audit or program-specific audit process. Program and fiscal managers should be aware of the requirements and what the auditor may look for so they can be properly prepared. Auditors may potentially interview program managers and fiscal managers to solicit evidence of compliance with certain requirements.

As the auditor is reviewing the compliance requirements, he or she identifies any significant deficiencies in internal control and any noncompliance with laws, regulations, or grant agreements. The auditor also identifies any known questioned costs which are greater than $25,000. Auditors must present the findings in a written report in sufficient detail for the District to prepare a corrective action plan and take corrective action, and for TEA or other awarding agency to arrive at a management decision.

The auditor assembles the report in accordance with 2 CFR Part 200, Subpart F and submits the audit package to the local board of directors for approval. A copy of the full audit report, including the required annual audit, and the Single Audit or program-specific audit, is submitted to TEA as the pass-through entity. The auditor must also complete a data collection form that includes certain prescribed information about the District and the results of the audit. The District must submit the data collection form and a copy of the complete audit package to the Federal Audit Clearinghouse operated on behalf of OMB.

TEA audit staff review the audit report and issue a management decision within six months of receiving the package. The management decision (written letter) must inform the District whether or not the finding by the auditor is sustained, the reasons for the decision, and the expected action to repay disallowed costs, make financial adjustments, or take other corrective action. The District is responsible for follow-up and must prepare a corrective action plan for all audit findings, along with the anticipated completion date for each action and who is responsible.

TEA is required to follow up to ensure the District resolved the corrective actions. The audit in the subsequent year will include a follow up to ensure the District implemented the corrective actions.

TEA also uses the results of the report as a monitoring tool and may use the results to identify the District as high-risk and impose special conditions on federal awards.

As information is requested by the auditor the individual reports are prepared or located for review by the individual department that is over the information. A centralized location is provided for the auditors to conduct their audit. If applicable,the auditors findings are reviewed, corrective action plans are established and incorporated into the procedures and processes of the District. The Business Office assists the auditors in their audit process as needed.

Audits and Special Investigations Conducted by TEA or By Another Regulatory Agency

A review of the annual independent audit report and/or the Single Audit report may prompt TEA to schedule a subsequent desk audit or on-site audit or investigation. Additionally, TEA may schedule an audit or investigation on the basis of legitimate complaints received by TEA about the District's use of federal funds.

Federal regulations require that subgrantees, including school districts, also cooperate with the Secretary of Education and the Comptroller General of the United States or any of their duly authorized representatives in the conduct of audits authorized by federal law. This cooperation includes access without unreasonable restrictions to records and personnel of the District for the purpose of obtaining relevant information.

The Comptroller General of the United States is the Director of the U.S. Government Accountability Office (GAO). GAO is an independent, nonpartisan agency that works with Congress. GAO ensures fiscal and managerial responsibility of the federal government by investigating how the federal government spends taxpayer dollars.

In addition, the Office of Inspector General (OIG) at the USDE may conduct an audit, investigation, or other activities to promote the efficiency, effectiveness, and integrity of the Department's programs and operations. Anyone knowing of fraud, waste, or abuse of federal education funds is able to contact the OIG Hotline to make a confidential report.

TEA also has a procedure for reporting fraud, waste, or abuse of state and federal resources. In addition, TEA has a procedure for filing a complaint with regard to federal programs when it cannot be resolved at the local level following District policies and procedures.

District Procedures for Reporting Fraud, Waste, or Abuse

As fraud, waste, and abuse are suspected by any individual in the District, it is their responsibility to report this information to their immediate supervisor.

Any person who suspects fraud or financial impropriety in the District shall report their suspicions immediately to any supervisor, the Superintendent or designee, the Board of Trustees' President, or local law enforcement. If anonymity is desired, please use the Fraud and Ethics Reporting Hotline via telephone or their web-based service:

- (800) 398-(b14]TJH3 (m)89 (po) 02cw0.8276

The fiscal requirements for supplement, not supplant are slightly different for Title I schoolwide programs than for Title I Targeted Assistance schools. In a Title I Targeted Assistance school, the District must identify low-achieving students and provide additional, supplemental services only to those identified students. In no case can federal funds replacor

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Federal

Instructional Leadership (previously Administration)	21
Instructional Leadership (previously Administration)	12

Curriculum Development and Instructional Staff Development

Federal

Federal

- Designate at least one employee to coordinate its efforts to comply with and carry out its responsibilities under the Age Discrimination Act, including investigating any complaint communicated to the recipient alleging its noncompliance with the Act. The District must notiihe-0.8 (l)-1 (el)-1 (.)4.24iEw26.3 (a)2.1 4.9 (]TJ0 Tc 0 .he)9 n4iEw26.3 (a)

Appendices

Appendix 1 – Request for A