

**SECTION D  
FISCAL MANAGEMENT**

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- D.20 . . . . . FEDERAL GRANT MGMT - POLICY & PROCEDURES

Descriptor term:

Descriptor code:

Issue date:

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BUDGET COMMITTEE

D.1

7/1/90

Article X  
BUDGET COMMITTEE

A. A budget committee shall be established consisting of selected Board members, principals, and the District Senate. The District Senate is composed of the following:

- 1) Superintendent
- 2) One teacher from each building, elected at large
- 3) One principal elected by the Administration Team
- 4) One member of the Association

B. When budget cuts are necessary, this committee shall investigate district needs and shall recommend to the Board those areas in which the cut in funds should be exercised.

C. When a budget cut is made in a given area, the Board shall ask for and consider the recommendations of the principal and teacher(s) involved in that area to decide how the remaining funds shall be spent.

REF.: Master Contract dated July 1, 1990

Descriptor term:

Descriptor code:

Issue date:

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BUDGET HEARINGS AND REVIEWS D.2

8/17/81

33-801

No later than twenty-eight (28) days prior to its annual meeting, the board of trustees of each school district shall have prepared a budget, in from prescribed by the state board of education, and shall have called and caused to be held a public hearing thereon, and at such public hearing, or at a special meeting held no later than fourteen (14) days after the public hearing, shall adopt a budget for the ensuing year. Notice of the hearing shall be posted, and published as prescribed in section 33-401, Idaho Code, and a record of the hearing shall be kept by the clerk of the board of trustees. At the time said notice is given and until the date of the hearing, a copy of the budget shall be available for public inspection at all reasonable times at the administrative offices of the school district, or at the office of the clerk of the district. The board of trustees of each school district shall also prepare and publish, as a part of such notice, a summary statement of the budget for the ensuing year. Such statement shall be prepared in a manner consistent with standard accounting practices and in such form as the state board of shall prescribe, and , among other things, said statement shall show amounts budgeted for all major classifications of income and expenditures, with total amounts budgeted for salary and wage expenditures in each such classification shown separately. Such statement shall show amounts previously budgeted for the then current year for the same classification for purposes of comparison. The budgeted dollar amounts of revenue in those categories included within the provisions of section 33-802, Idaho Code, as approved within the adopted budget shall be the same as presented to the respective county commissioners for mill levy purposes.

LEGAL REF.: Idaho Code, as cited above

Descriptor term:

Descriptor code:

Issue date:

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BUDGET LINE ITEM TRANSFER  
AUTHORITY

D.3

8/17/81

Administration may transfer any unencumbered funds within their own building/department's tangible budgets from one account to another to offset accounts that may have been overspent or to prevent from overspending. All transfers will be included in an amended budget at each fiscal year end and presented to the Board of Trustees for approval.

BASED ON CURRENT PRACTICE

Revised 08/19/15

Descriptor term:

Descriptor code:

Issue date:

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BOND SALES

D.4

8/17/81

33-1103

The board of trustees of any school district, upon approval of a majority thereof, may submit to the qualified school district electors of the district the question as to whether the board shall be empowered to issue negotiable coupon bonds of the district in an amount and for a period of time to be named in the notice of election.

An elementary school district which employs not less than six (6) teachers, or a school district operating an elementary school or schools, and a secondary school or schools, or issuing bonds for the acquisition of a secondary school or schools, may issue bonds in an amount not to exceed five percent (5%) of the market value for other school district shall issue bonds in an amount to exceed at any time two percent (2%) of the market value for assessment purposes thereof less the aggregate outstanding indebtedness. The market value for assessment purposes, the aggregate outstanding indebtedness and the unexhausted debt-incurring power of the district shall each be determined as of the date of approval by the electors in the school bond election.

Notice of the bond election shall be given. The election shall be conducted and the returns thereof canvassed, and the qualifications of electors voting or offering to vote shall be, as provided in sections 33-401 - 33-406, Idaho Code.

The question shall be approved only if the percentage of votes cast at such election were cast in favor thereof is that which now, or may hereafter be, set by the Constitution of the state of Idaho. Upon such approval of the issuance of bonds, the same may be issued at any time within two (2) years from the date of such election.

Levies required to satisfy all maturing bond and bond interest obligations shall be exempt from the limitation imposed by section 63-923 (1), Idaho code.

LEGAL REF.: Idaho Code, as cited above, 33-401 - 33-406; 63-923(1)

Descriptor term:

Descriptor code:

Issue date:

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GIFTS AND BEQUESTS

D.5

8/17/981

The Board shall have the power to accept on behalf of and for the district any gift or bequest of money or property for a purpose deemed by the Board to be suitable. The board shall utilize such money or property for the purpose so designated.

BASED ON CURRENT PRACTICE

Descriptor term:

Descriptor code:

Issue date:

GIFTS AND BEQUESTS FORM

D.5.1

8/15/89

FILER PUBLIC SCHOOLS  
**SCHOOL DISTRICT No. 413**  
700B STEVENS AVENUE  
FILER, IDAHO 83328  
(208)326-5981

**Tax Credit Contribution**

(Name)

(Address)

would like to make a charitable contribution to Filer School

District #413. Amount to be given (CASH) \*\$\_\_\_\_\_and/or

(PROPERTY)\_\_\_\_\_

(PROPERTY MARKET VALUE)\_\_\_\_\_.

I would like this contribution to be used for:

\_\_\_\_\_ Instructional Material/Equipment

\_\_\_\_\_ Athletics

\_\_\_\_\_ Scholarship Fund

\_\_\_\_\_ No Stipulation

\_\_\_\_\_ Other (Specify)\_\_\_\_\_

This donation qualifies you for an itemized deduction on your tax return and a credit on your Idaho return.

Thank you for your generous donation to the Filer School District. Your gift will be acknowledged in the record of the school district and special recognition will be provided.

\_\_\_\_\_  
Superintendent (Date)

\* You are responsible for specifying the price of the donated item or service, Filer School District #413 is only responsible for stating that said item/service was donated.

Descriptor term:

Descriptor code:

Issue date:

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DEPOSITORY OF FUNDS

D.6

8/15/86

The Board shall annually select the official bank for the district.

The treasurer shall deposit the moneys of the district in the official bank in accordance with the provisions of the Public Depository Law.

LEGAL REF.: Idaho Code, 33-509, 57-101, 57-145 as cited above

Descriptor term:

Descriptor code:

Issue date:

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BONDED EMPLOYEE

D.7

8/17/81

All employees of the district handling money shall be covered by a blanket bond in an amount determined by the Board.

LEGAL REF.: Idaho Code, 33-509

Descriptor term:

Descriptor code:

Issue date:

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AUDITS

D.8

4/19/88

The Board "shall cause to be made each year, a full and complete audit of all of the financial transactions of the district, and of the activity or student body funds, except that in elementary school districts such audit shall be made at intervals of not more than two (2) years. Any audit shall be made by and under the direction of the board of trustees by an independent auditor, in accordance with generally accepted auditing standards and procedures.

The auditor shall be employed on a written contract.

One (1) copy shall be filed with the state department of education, after its acceptance by the board of trustees, but not later than October 15.

REF.: Idaho Code 33-701 (6)

Revised 08/12/15

Descriptor term:

Descriptor code:

Issue date:

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PETTY CASH ACCOUNTS

D.9

8/17/81

In order to facilitate refunds and minor purchases, the treasurer shall establish a small petty cash fund in each school. Expenditures against this fund must be carefully itemized by the principals and turned into the revolving fund treasurer on the last school day of each month. After a budget item is exhausted, no expenditures against this item may be made, even from the petty cash fund.

The petty cash accounts will be part of the monthly financial report made to the board.

BASED ON CURRENT PRACTICE

Descriptor term:

Descriptor code:

Issue date:

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SALARY DEDUCTIONS

D.10/G.16

7/1/90

Article XI  
PAYROLL DEDUCTION

In addition to those salary deductions required by law, salary deductions are permitted for the following:

Group Insurance  
Association Dues  
Annuities  
Savings Bonds  
Public Employee Credit Union Deposits.

All notice for deductions must be into the business office by October 1st of the contract year. Employees may drop a deduction at any time during the year. Any companies taking deductions must have an enrollment of at least five employees by October 1 of the contract year.

EXPENSE REIMBURSEMENT

D.11

1/19/88

It shall be the policy of the Filer School District to provide reimbursement of travel expenses incurred by an employee for official participation in school related activities at the request of the District. Such reimbursement shall be at the discretion of the Board of Trustees and conducted in accordance with the conditions specified in this policy. In addition, reimbursement shall be limited to the budgetary parameters of the District.

**1. Transportation:**

- a. Mileage: Reimbursement will be made at the current state rate per mile
  - b. Air Fare: Reimbursement will be limited to coach fare only. Air fare tickets should be purchased as early as possible to assure the best possible ticket rates. Reimbursement is contingent upon transmittal of receipts or ticket coupons with an expense reimbursement claim.
  - c. Rail/Bus: Reimbursement will be limited to standard coach fare. Reimbursement is contingent upon transmittal of receipts or ticket stubs with an expense reimbursement claim.
  - d. Car Rental: Reimbursement will be made only upon pre-approval of car rental by the superintendent. Reimbursement is contingent upon transmittal of a car rental receipt with an expense reimbursement claim.
- 2. Lodging:** Reimbursement will be made for the official traveler only. However, travelers are encouraged to share lodging with another individual in order to take advantage of any double occupancy rate. If arrival is earlier or departure is later than necessary for the specific travel assignment, except in unusual circumstance, the additional cost will not be reimbursed. Reimbursement is contingent upon transmittal of a lodging receipt with an expense reimbursement claim.
- 3. Meals:** Reimbursement for meals will be made up to a maximum of \$45.00 per day for in-state travel, and \$51.00 per day for out-of-state travel. The maximum allowable reimbursement for partial day's meals is as follow:

<u>Meal</u>	<u>In-state</u>	<u>Out-of-state</u>
Breakfast	\$ 9.00	\$ 10.20
Lunch	\$13.50	\$ 15.30
Dinner	\$22.50	\$ 25.50

3A. When meal reimbursement will be made:

**Breakfast:** Employee must depart for travel at or before 7:00am or return from travel at 8:00am or after.

On day of departure, destination will determine approximate needed time of departure to arrive safely by the appropriate time.

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EXPENSE REIMBURSEMENT CONT. pg 2

**Lunch:** Employee must depart for travel at or before 11:00am, or return from travel at 2:00pm or after.

**Dinner:** Employee must depart for travel at or before 5:00pm or return from travel at 7:00pm or after.

Departing before or after the respective times referred to above strictly for the convenience of the employee will not justify the appropriate meal reimbursement.

4. **Ground Transportation:** (Taxi, Uber, Lyft, Buses, Tolls, Other Public Transportation) Reimbursement will be made only for travel from and to airports, and from and to the site of lodging if the meeting site is different. Receipts are required. Reimbursement is contingent upon transmittal of receipts with an expense reimbursement claim.
5. **Parking:** Reimbursement is contingent upon transmittal of receipts with an expense reimbursement claim.
6. **Telephone:** Reimbursement will be made only for telephone calls related to the official purpose of travel.
7. **Incidentals:** (Laundry, entertainment, liquor, newspapers, toiletries) Reimbursement will not be made for incidentals except under unusual circumstances approved by the superintendent. Reimbursement of incidentals, approved by the superintendent, is contingent upon transmittal of receipts with an expense reimbursement request.
8. **Tips:** Reimbursement will be made, with receipt, for usual and customary tips for meals, lodging, and transportation.
9. **Registration:** Reimbursement is contingent upon transmittal of receipts with an expense reimbursement claim.
10. **Rebates:** Any rebates (cash or complementary services) resulting from the District's payment of expenses, shall be returned to the District.

Questions or decisions involving unusual or substantial expenditures shall be reviewed and/or approved in advance with the superintendent.

Edited 12/13/06; 1/16/08, 3/9/11, 11/4/16

Descriptor term:

Descriptor code:

Issue date:

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EQUIPMENT PURCHASING

D.12

9/20/88

The final authority for purchasing rests with the Board of Trustees. Approval of payment of all bills shall take place at a meeting of the Board. If there is a single expenditure of \$2,500.00 or more, the administration will secure at least three (3) informal price quotations. The quotations will be presented to the Board of Trustees prior to final authorization for purchase.

If an emergency purchase is necessary, the superintendent will authorize an immediate purchase and notify the Board at the next Board of Trustees meeting.

Revised 2/10/10

Descriptor term:

Descriptor code:

Issue date:

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PROPERTY RECORDS

D.12.1

2/13/18

Property records and inventory records shall be maintained on all land, buildings, and physical property under the control of the District. Such records shall be updated annually.

For purpose of this policy, "equipment" shall mean a unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles which retains its shape and appearance with use, is nonexpendable, and does not lose its identity when incorporated into a more complex unit. The Superintendent shall ensure that inventories of equipment are systematically and accurately recorded and are updated annually. Property records of facilities and other fixed assets shall be maintained on an ongoing basis. No equipment shall be removed for personal or non-school use except according to Board policy.

Property records shall show, appropriate to the item recorded, the:

1. Description and identification;
2. Manufacturer;
3. Date of purchase;
4. Initial cost;
5. Location;
6. Serial number, if available; and
7. Model Property Records number, if available

Equipment may be identified with a permanent tag that provides appropriate District and equipment identification.

#### Retention of Records

The Board directs the Superintendent to ensure that fiscal records are retained for a minimum of three (3) years from the obligation of funds. These records shall be available for inspection if required.

GASB Statement 34 (Accounting System)

Legal Reference: I.C. § 33-701 Fiscal Year – Payment and Accounting of Funds

#### Policy History:

Adopted on: 2/13/18

Revised on:

Descriptor term:

Descriptor code:

Issue date:

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BIDS AND QUOTATIONS

D.13

8/17/81

The Board has the power to contract for the construction, repair, or improvement of any real property, or the acquisition, purchase or repair of any equipment, or other personal property necessary for the operation of the school district.

No such contract shall be executed which entails the expenditure of more than the amount considered as a small purchase (presently \$50,000) as outlined in Idaho Administrative Code, Rules of the Division of Purchasing, IDAPA 35.05.01.044 without notice first being given by publishing twice in the manner required by subsections g and h of section 33-402, Idaho Code, unless in cooperation with the division of purchasing or cooperative agency established pursuant to chapter 23, title 67, and/or sections 33-315 – 33-318 inclusive, Idaho Code. An exception to the preceding requirement will exist if the purchase is determined to be a sole source purchase as outlined in Idaho Administrative Code, Rules of the Division of Purchasing, IDAPA 35.05.01.045. The board of trustees may let the contract to the lowest responsible bidder, or reject any bid, or reject all bids and publish notice for bids, as before. If, thereafter, no satisfactory bid is received, the board may proceed under its own direction, subject to the approval of the state board of education.

REF.: Idaho Code 33-601 (2)

Edited 5/7/97; Edited 3/15/06

FOOD SERVICE PROCUREMENT  
PLAN

D.14

3-12-19

**PROCUREMENT PLAN**

The **Filer School District** plan for procuring items for use in the Child Nutrition Program is as follows. The procurement plan provides for free-and-open competition, transparency in transactions, comparability, and documentation of all procurement.

- A. If the amount of purchases is \$100,000 and above or SFA approved threshold if less, **Formal** procurement procedures will be used as required by 2 CFR 200.319 and IC §67-2806 (2).
- B. If the amount of purchases is \$50,000 to \$99,999 **Semi-Formal** procurement procedures will be used as required by IC §67-2806 (1)
- C. If the amount of purchases is \$10,000 to \$49,999 **Small Purchase** procurement procedures will be used as required by 2 CFR 200.320 (b)
- D. If the amount of purchases is \$0-\$10,000 **Micro Purchase** procurement procedures will be used as required by 2 CFR 200.320 (a) and defined by 2 CFR 200.
- E. **Contract cost and price** Per 2 CFR 200.323 (a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.
- F. **Prohibition of the acquisition of unnecessary or duplicative items** Per CFR 200.318 (d)/7 The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. The following procedures will be used for all other purchases.

1. Formal bid procedures will be applied on the basis of:

CATEGORY	PROCUREMENT METHOD	AWARD METHOD	TIME FRAME OF BID
FOOD & NON-FOOD SUPPLIES	FORMAL	LINE ITEM	ANNUAL
FOOD & NON-FOOD SUPPLIES	FORMAL	BOTTOM LINE	ANNUAL
PRODUCE	INFORMAL (SMALL PURCHASE)	BOTTOM LINE	WEEKLY
LOCALLY-GROWN PRODUCE	INFORMAL (SMALL PURCHASE)	BOTTOM LINE	ANNUAL
CHEMICALS FOR CLEANING	FORMAL (SMALL PURCHASE)	LINE ITEM	ANNUAL
PEST MANAGEMENT	INFORMAL (MICRO PURCHASE)	BOTTOM LINE	ANNUAL
HOOD CLEANING	INFORMAL (MICRO PURCHASE)	BOTTOM LINE	ANNUAL
EQUIPMENT	INFORMAL (SMALL PURCHASE OR SEMI FORMAL OR FORMAL)	BOTTOM LINE	AS NEEDED
TECHNOLOGY	INFORMAL (SMALL PURCHASE OR SEMI FORMAL OR FORMAL)	BOTTOM LINE	AS NEEDED

FOOD SERVICE PROCUREMENT  
PLAN CONT. Pg. 2

D.14

3-12-19

2. Formal bid procedures will be applied on **the basis of a:**

Centralized System  
 Individualized School  
 Multi-School Systems  
 State Contract  
 Combination of above (specify)

3. Because of the potential for purchasing more than \$50,000, it will be the responsibility of Filer School District #413 to document the amounts to be purchased so the correct method of procurement will be followed for coop purchasing.

A. When a **FORMAL** procurement method is required, the following **COMPETITIVE SEALED BID or an Invitation for Bid (IFB) or COMPETITIVE NEGOTIATION in the form of a Request for Proposal (RFP)** procedures will apply:

1. An announcement of an **Invitation for Bid (IFB) or a Request for Proposal (RFP)** will be placed in the TIMES NEWS with the intent of the Gooding Jt. School District to purchase needed items. The advertisement for bids/proposals or legal notice will be run for 2 Weeks
2. An advertisement is required for all purchases over the threshold of 7 CFR 200.319 and IC §67-2806 (2) \$100,000. The announcement advertisement/legal notice will contain a general description of items to be purchased, the deadline for submission of sealed bids or proposals, and the address where the complete specifications and bid forms may be obtained.
3. In an IFB or RFP, each vendor will be given an opportunity to bid on the same specifications.
4. The developer of written specifications or descriptions for procurements will be prohibited from submitting bids or proposals for such products or services.
5. The IFB or RFP will clearly define the purchase conditions. The following, shall be addressed in the procurement document:
  - (1) Contract period
  - (2) SFA is responsible for all contracts awarded (statement)
  - (3) Date, time, and location of bid opening
  - (4) How vendor is to be informed of bid acceptance or rejection
  - (5) Delivery schedule
  - (6) Set forth requirements which bidder must fulfill in order for bid to be evaluated
  - (7) Benefits to which the School Food Authority will be entitled if the contractor can not or will not perform as required
  - (8) Statement assuring positive efforts will be made to involve minority and small business
  - (9) Statement regarding the return of purchase incentives to the School Food Authority's non-profit Child Nutrition account
  - (10) Termination provisions and the basis for any settlement for all procurement over \$10,000.00
  - (11) Provision requiring compliance with Executive Order 11246 entitled "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in the Department of Labor regulations required for all contracts over \$10,000.00

FOOD SERVICE PROCUREMENT D.14  
PLAN CONT. Pg 3

3-12-19

- (12) Procuring instrument to be used are purchase orders from firm fixed prices after formal bidding
  - (13) Escalation/De-escalation clause based on appropriate standard or cost index
  - (14) Specific bid protest procedures
  - (15) Provision requiring access by duly authorized representatives of the School Food Authority, State Agency, United State Department of Agriculture, or Comptroller General to any books, documents, papers and records of the contractor which are directly pertinent to all negotiated contracts
  - (16) Method of shipment or delivery upon Contract award
  - (17) Provision requiring contractor to maintain all required records for *three* years after final payment and all other pending matters are closed for all negotiated contracts
  - (18) Description of process for enabling vendors receive or pick up orders upon Contract award
  - (19) Provision requiring the contractor to recognize mandatory standards and polices related to energy efficiency which are contained in the State Energy Plan issued in compliance with the Energy Policy and Conservation Act (PL 94-165)
  - (20) All contracts over \$100,000.00 will require compliance with the Clean Air Act issued under Section 306, Executive Order 11738
  - (21) Signed Certificate of Lobbying for all contracts over \$100,000
  - (22) Signed statement of non-collusion
  - (23) Signed Debarment/Suspension Certificate or statement included in contract or copy of Excluded Parties List System (EPLS).
  - (24) Provision requiring “**Buy American**” as outlined in Policy Memorandum 210.21-14; specific instructions for prior approval of any and all of non domestic product.  
*By submitting and signing this proposal/bid, the bidder acknowledges and certifies that his/her company complies with the **Buy American provision** that the food delivered is of domestic origin or the product is substantially produced in the United States. For these purposes, substantially means over 51 percent of the processed food is from American-produced products. If the bidder is unable to certify compliance with the Buy American provision, the bidder shall state this in his/her response and provide an explanation as to why it cannot certify compliance.”*
  - (25) Provision requiring the Contractor to abide with the Idaho Sex Offender Registration Act (sample language is attached with this document).
6. Specifications will be prepared and provided to potential contractors desiring to submit bids or proposals for the products or services requested. Vendors will be selected by the following methods:
- a. Pricing
  - b. Service
  - c. Quality
  - d. Geographic Preference

*“Positive efforts shall be made by recipients to utilize small businesses, minority owned firms, and women’s business enterprises whenever possible.” This means that schools may find ways to structure solicitations in order to target these types of businesses. For example, if a district is conducting an informal procurement, it may decide only to request bids from minority- or women-owned businesses. If a formal RFP is issued, the school may choose to award additional points to small businesses.*

7. If any potential vendor is in doubt as to the true meaning of specifications or purchase conditions, an interpretation will be provided by, **Ginger Fisher, Child Nutrition Director Filer School District #413.**

8. The Filer School District will be responsible for securing all bids or proposals.
9. The Filer School District will be responsible to ensure all SFA procurements are conducted in compliance with applicable Federal regulations, State General Statutes or policies of the local Board of Education.
10. The following criteria will be used in awarding contracts as a result of bids.
  - a. Pricing
  - b. Service
  - c. Quality
  - d. Geographic Preference
11. *In awarding a competitive negotiation (RFP), a set of award criterion in the form of a weighted evaluation sheet will be provided to each bidder in the initial bid document materials. Price alone is not the sole basis for award, but remains the primary consideration when awarding a contract. Following evaluation and negotiations a firm fixed price or cost reimbursable contract is awarded.*
12. The contracts will be awarded to the responsible bidder/proposer whose bid or proposal is responsive to the invitation and is most advantageous to the SFA, price, and other factors considered. Any and all bids or proposals may be rejected in accordance with law.
13. The Filer School District is required to sign on the bid tabulation of competitive sealed bids or the evaluation criterion score sheet of competitive proposals signifying a review and approval of the selections.
14. To ensure compliance with applicable laws, the Filer School District will review procurement plan annually, using the SP03-2017 procurement review tool.
15. The Filer School District will be responsible for documentation that the actual product specified is received.
16. Any time an accepted item is not available, the Filer School District will select the acceptable alternate. The contractor must inform Filer School District 30 days prior to a product not being available. In the event a non-domestic agricultural product is to be provided to the SFA, the contractor must obtain, in advance, the written approval of the product. The Filer School District must comply with the Buy American Provision.
17. Full documentation as to the reason an accepted item was unavailable, and to the procedure used in determining acceptable alternates, will be available for audit and review. The person responsible for this documentation is Magic Valley Coop for bid group. *Purchases made outside the bid co-op, for products not listed on the Master bid, are the responsibility of each individual school district.*
18. The Filer School District will be responsible for maintaining all documentation of the procurement process.

- B. If the amount of purchases for items is less than the district's formal purchase threshold, the following, **SEMI-FORMAL PURCHASE PROCEDURES IC §67-2806 (1)** Issue written requests for bids describing goods or services desired to at least three vendors. Allow 3 days for written response, unless an emergency exists; 1 day for objections.
- C. If the amount of purchases for items is less than the district's semi-formal purchase threshold, the following, **SMALL PURCHASE PROCEDURES 2 CFR 200.320 (b) Procurement by small purchase procedures including quotes**, will be used. Quotes from an adequate number of qualified sources will be required.
1. Written Specifications will be prepared and provided to the each vendor.
  2. Each vendor will be contacted and given an opportunity to provide a price quote on the same specifications. A minimum of three vendors shall be contacted, but if there are not that many vendors in the area, then 2 will suffice.
  3. The **Filer School District** will be responsible for contacting potential vendors when price quotes are needed.
  4. The price quotes will receive appropriate confidentiality before award.
  5. Quotes will be awarded by **Filer School District**. Quotes awarded will be to the lowest and best quote based upon quality, service availability, and price. *If small purchase procedures are used, **verbal price or rate quotations must be obtained from an adequate number of qualified sources. Document all responses. You can call or talk to vendors at a farmers market.***
  6. The **Filer School District** will be responsible for documentation of records to show selection of vendor, reasons for selection, names of all vendors contacted, price quotes from each vendor, and ***written specifications***.
  7. The **Filer School District** will be responsible for documentation that the actual product specified is received.
  8. Any time an accepted item is not available, the **Filer School District** will select the acceptable alternate. Full documentation will be made available as to the selection of the acceptable item.
  9. Bids will be awarded on the following criteria:
    - a. Pricing
    - b. Service
    - c. Quality
    - d. Geographic Preference
  10. If any potential vendor is in doubt as to the true meaning of specifications or purchase conditions, an interpretation will be provided by, the **Filer School District**
  11. The **Filer School District** is required to sign all quote tabulations, signifying a review and approval of the selections.

- D. If the amount of purchases for items is less than the district's than the small purchase threshold, **\$0-\$10,000** the following, **MICRO PURCHASE PROCEDURES 2 CFR 200.320 (a) and defined by 2 CFR 200.67**
1. The **Filer School District** distribute micro-purchases equitably among qualified suppliers.
  2. Micro Purchases may be awarded without soliciting competitive quotations if the District considers the price to be reasonable. The District maintains evidence of this reasonableness in records of all micro-purchases.
- G. If it is necessary to make an emergency procurement to continue service, the purchase shall be made and a log of all such purchases shall be maintained by the **Filer School District**  
The following emergency procedures shall be followed. All emergency procurements shall be approved by the **Filer School District** At a minimum, the following emergency procurement procedures shall be documented:
- a. Item name
  - b. Dollar amount
  - c. Vendor, and
  - d. Reason for emergency
1. If any potential vendor is in doubt as to the true meaning of specifications or purchase conditions, an interpretation will be provided by, the **Filer School District**
- H. The contractor shall agree to retain all books, records and other documents relative to the contract agreement for three (3) years after final payment, or until audited by SFA, whichever is sooner. The SFA, its authorized agents, and/or USDA auditors shall have full access to and the right to examine any of said materials during said period.
- I. The SFA shall agree to retain all books, records and other documents relative to the award of the contract agreement for three (3) years after final payment. Specifically shall maintain, at a minimum, the following documents:
- Written rationale for the method of procurement;
  - A copy of the RFP or IFB;
  - The selection of contract type;
  - The bidding and negotiation history and working papers;
  - The basis for contractor selection;
  - Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained;
  - The basis for award cost or price;
  - The terms and conditions of the contract;
  - Any changes to the contract and negotiation history;
  - Billing and payment records;
  - A history of any contractor claims; and
  - A history of any contractor breaches.
- J. **CODE OF CONDUCT** The following conduct will be expected of all persons who are engaged in the awarding and administration of contracts supported by School Food and Nutrition Program Funds.

Descriptor term:

Descriptor code:

Issue date:

FOOD SERVICE PROCUREMENT  
PLAN CONT. Pg 7.

D.14

3-12-19

1. No employee, officer or agent of the **Filer School District** shall participate in the selection or in the award or administration of a contract supported by program funds if a conflict of interest, real or apparent, would be involved.

Conflicts of interest arise when one of the following has a financial or other interest in the firm selected for the award:

- a. The employee, officer or agent;
  - b. Any member of the immediate family;
  - c. His or her partner;
  - d. An organization, which employs or is about to employ one of the above.
2. The **Filer School District** members, employees, officers or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.
  3. Penalties for violation of the code of conduct of the **Filer School District** Child Nutrition Program should be:
    - a. Removal by the coop for those accepting monetary value
    - b. Any legal action deemed necessary.

**K. Idaho Sex Offender Registration Act**

Idaho Code §18-8329 prohibits any person who is registered or required to register under the Idaho Sex Offender Registration Act, from being on school property if the person has reason to believe children under the age of 18 are present.

As a provider of goods and/or services to the **Filer School District**, your company and those in your employment are subject to this law.

Please sign and return this letter confirming to the Districts that your company will prohibit any person in your employ who are registered or required to register, under the Idaho Sex Offender Registration Act from participation in company business with the District(s) if such participation would require them to be present on school property. Further, by signing, you confirm that you have cross-checked such employees against the National Sex Offender Registry found at the following web link:

<http://www.nsopr.gov/>

\_\_\_\_\_  
Company/Contractor Name (Print)

\_\_\_\_\_  
Signature of Company/Contractor Representative

Descriptor term:

Descriptor code:

Issue date:

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FOOD SERVICE PROCUREMENT  
PLAN CONT. PG. 8

D.14

3-12-19

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations

and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering

USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g.

Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where

they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact

USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made

available in languages other than English.

To file a program complaint of discrimination, complete the [USDA Program Discrimination Complaint Form](#), (AD-3027) found online at: [How to File a Complaint](#), and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of

the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW

Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

This institution is an equal opportunity provider.

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**STUDENT ACTIVITY FUND  
MANAGEMENT****D.15****7-17-90**

The Filer Board of Trustees shall approve all student activity fund accounts and the purpose of each. Monies raised for these student activity funds must be expended for the benefit of the students. Sources of student activity funds must be approved by the superintendent or his/her designee. The establishment of new student activity accounts must be authorized by the treasurer of the district. The building principal shall be responsible for the management of the student activity funds in accordance with current governmental, school district, and Idaho High School Activities Association accounting procedures. The following minimum accounting procedures shall be implemented for all activity accounts:

- a. All gate receipts shall be documented through a school provided reconciliation form.
- b. All other cash receipts shall be documented through the current student funds management software.
- c. All checks shall be signed by two parties. Checks will be signed by the building principal and school business manager or principal's designee.
- d. All checks shall be accompanied by an invoice or receipt.
- e. Invoices or bills for services shall not be paid until the merchandise is received or service is completed.
- f. A report of all student activity funds will be presented to the board of trustees at their monthly meeting. This report shall include a simplified balance sheet.
- g. The student activity funds shall be audited annually by an independent audit firm selected by the Board of Trustees.
- h. All funds, including cash on hand, will be recorded in the current student funds management software and reconciled by building staff monthly and submitted to the Business Manager for approval on or before the Friday before the regular monthly board meeting.
- i. Major credit cards shall be accepted as payment for student fees, activity fees, etc. Cash back will be prohibited regardless of card type.
- j. Cashing personal checks will be prohibited.
- K. All funds received will be received and receipted at each building. The Treasurer of the District or his/her designee shall deposit all moneys of the district in the official bank.

All student funds must reside and be accounted for within the school that the class/extra-curricular activity is held. Under no circumstances will outside accounts be allowed for any reason.

Edited: June 12, 2013, 8/12/15

Descriptor term:

Descriptor code:

Issue date:

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RESERVE AND SURPLUS FUNDS

D.16

8/15/86

The Board shall consider purchasing certificates of deposit with excess money. The interest from such certificates shall be deposited into the general fund account. The clerk has the authority to purchase certificates when a surplus of money exists.

ADOPTED: 2/16/81

The treasurer shall keep all money belonging to the School District in places of deposit prescribed by law. However, the treasurer may be directed and empowered by the Board of Trustees, to invest money of the School District in a manner stipulated by State law. 50-1013

LEGAL REF.: Idaho Code, 50-1013, as cited above

REVISED 8/12/15

PROPERTY DISPOSAL PROCEDURES D.17

11/15/88

The Board of Trustees of the Filer School District shall have the duty and power to convey, except as provided by (b) of this subsection, by deed, bill of sale, or other appropriate instrument, all of the estate and interest of the district in any property, real or personal.

Prior to such sale or conveyance, the board shall have the property appraised by three (3) disinterested residents of the district, which appraisal shall be entered in the records of the board of trustees. The property may be sold at public auction or by sealed bids, as the board of trustees shall determine, to the highest bidder. Such property may be sold for cash or for such terms and conditions as the board of trustees shall determine for a period not exceeding ten (10) years, with the annual rate of interest on all deferred payments not less than seven percent (7%) per annum. The title to all property sold on contract shall be retained in the name of the school district until full payment has been made by the purchaser, title to all property sold under a note and mortgage or deed of trust as the board of trustees shall determine. Notice of the time and the conditions of such sale shall be published twice, and proof thereof made, in accordance with subsections g and h of section 33-402, Idaho Code, except that when the appraised value of the property is less than five hundred dollars (\$500), one (1) single notice by publication shall be sufficient and the property shall be sold by sealed bids.

The board of trustees may accept the highest bid, may reject any bid, or reject all bids. If the real property was donated to the school district the board may, within a period of one (1) year from the time of the appraisal, sell the property without additional advertising or bidding. Otherwise, the board of trustees must have new appraisals made and again publish notice for bids, as before. If, thereafter, no satisfactory bid is made and received, the board may proceed under its own direction to sell and convey the property. In no case shall any real property of the school district be sold for less than its appraisal.

The board of trustees may sell personal property, with an estimated value of less than five hundred dollars (\$500), without appraisal, by sealed bid or at public auction, provided that there has been not less than one (1) published advertisement prior to the sale of said property.

(b) Real and personal property may be exchanged hereunder for other property if the consideration received by said school district shall be deemed adequate by the board of trustees, provided, however, that aside from the provisions of this paragraph hereof, any school district may by a vote of one-half (1/2) plus one (1) of the members of the full board of trustees, by resolution duly adopted, authorize the transfer or conveyance of any real or personal property owned by such school district to the government of the United States, any city, county, the state of Idaho, any hospital district organized under chapter 13, title 39, Idaho Code, any other school district, any library district, any junior college district, or any recreation district, with or without any consideration accruing to the school district, when in the judgment of the board of trustees it is for the interest of such school district that said transfer or conveyance be made.

Ref.: Idaho Code 33-601 (4)

Descriptor term:

Descriptor code:

Issue date:

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PURCHASE ORDERS

D.18

5/20/97

All purchases require a purchase order prior to the purchase. The superintendent and the business manager are the only district personnel authorized to give final approval and thus sign purchase orders. All purchase orders must be submitted electronically for approval through the financial management system.

In establishing purchasing procedures, the department will consider those that will contribute toward:

- purchases that effectively meet the needs of the school system;
- purchases that represent the best value for every dollar expended; and
- equal consideration of all responsible suppliers within the framework of the law.

Purchasing procedures will be designed to ensure the best possible price for the desired products and services.

These procedures will require that all purchases are made on properly approved purchase orders and that for items not put to bid, price quotations will be solicited.

Special arrangements may be made for ordering perishable and emergency supplies.

REF: Board Policy D.12; D.13

Revised 8/12/15

Descriptor term:

Descriptor code:

Issue date:

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FISCAL ACCOUNTABILITY OF  
SUB-RECIPIENT OF IDEA PART  
B FUNDS

D.19

4/19/12

The administrative responsibility of Filer School District's fiscal accountability, as a recipient of IDEA Part B funds, is to:

1. To provide general supervision requirements of IDEA; and
2. To provide fiscal monitoring required by both IDEA law and regulations and other federal statutes and regulations:
  - a. 34 CFR Part 80 – Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments;
  - b. Office of Management and Budget (OMB) Circular A-87 – Cost Principles for State, Local, and Indian Tribal Governments;
  - c. OMB Circular A-133 – Audits of States, Local Governments, and Non-Profit Organizations;
  - d. 34 CFR Part 76 – State Administered Programs

Filer School District's fiscal accountability shall be supervised by the district's business manager, special education director, and superintendent.

Filer School District adopts within this policy the Idaho Special Education Manual, provided by the Idaho State Department of Education. Thus, Filer School District is committed to following all required procedures, including fiscal accountability related procedures, as outlined in the Special Education Manual.

Filer School District adopts within this policy the IDEA Part B Funding Manual, provided by the Idaho State Department of Education. Thus, Filer School District is committed to following all required procedures as outlined with the IDEA Part B Funding Manual.

#### **FISCAL ACCOUNTABILITY MONITORING PLAN**

The Idaho State Department of Education has established a statewide fiscal accountability monitoring program wherein Filer School District is required to adhere to and report on components of compliance, including:

1. Allowable Costs and Internal Controls
  - a. Filer School District ensures that IDEA Part B funds are only used for the allowable, excess costs of providing special education and related services to children with disabilities as required by 34 CFR §300.202, and described in the IDEA Part B Funding Manual.
2. Time and Effort Reporting and Certification
  - a. Filer School District maintains a system for time and effort reporting that complies with the requirements of OMB Circular A-87 and OMB Circular A-133 as described in the IDEA Part B Funding Manual.
3. Maintenance of Effort
  - a. Filer School District ensures that all special education and related services costs, and only the excess costs of special education and related services are being accounted for in the proper function/program codes as described in 34 CFR §§300.202-205.



Descriptor term:

Descriptor code:

Issue date:

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FEDERAL GRANT MGMT  
POLICY & PROCEDURES

D.20

3/13/18

## **Introduction and Overview**

### **Introduction**

This manual sets forth the policies and procedures used by Filer School District #413 (District) to administer federal funds. The manual contains the internal controls and grant management standards used by Filer School District to ensure that all federal funds are lawfully expended. It describes in detail Filer School District's financial management system, including cash management procedures, procurement policies; inventory management protocols; procedures for determining the allowability of expenditures; time and effort reporting; record retention; and subrecipient monitoring responsibilities. New employees of Filer School District, as well as incumbent employees, are expected to review this manual to gain familiarity and understanding of Filer School District's rules and practices.

### **Overview**

Federal regulations require grantees to use fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for federal funds (34 CFR 76.702 and 2 CFR 200.302). Implementing and maintain a proper accounting system is a fiduciary responsibility associated with receiving a federal award. The acceptance of an award creates a legal duty on the part of the District to use the funds or property made available under the award in accordance with the terms and conditions of the grant. The approved grant application itself constitutes an accounting document that establishes the purposes and amount of the awarding agency's obligation to the grantee. In turn, it establishes a commitment by Filer School District to perform and expend funds in accordance with the approved grant agreement and the applicable laws, regulations, rules, and guidelines. 2 CFR 200.306(b)

Financial management requirements for Idaho school Districts are established by the following:

- Local, State and SDE Policies
- Federal Regulations
- Idaho Code
- IDAPA Rules
- Idaho's Financial Reporting Management System (IFARMS)

IFARMS provides the basis for complete financial and cost accounting, for the development of program budgets, and for the preparation of periodic financial reports. The uniformity of the system will enable small or large school Districts to fulfill state requirements and give each District the flexibility to obtain program and account detail to meet their management needs.

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**Financial Management System Procedures**

Filer School District maintains a proper financial management system in order to receive both direct and state-administered grants and to expend funds associated with a grant award. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in return of funds or termination of the award.

**A. Financial Management Standards**

The standards for financial management systems are found at 2 C.F.R. § 200.302. The required standards include:

***Identification***

Filer School District must identify, in its accounts, all federal awards received and expended and the federal programs under which they were received. Federal program and award identification must include, as applicable, the CFDA title and number, federal award identification number and year, name of the federal agency, and, if applicable, name of the pass-through entity.

***Financial Reporting***

Accurate, current, and complete disclosure of the financial results of each federal award or programs must be made in accordance with the financial reporting requirements set forth in the Education Department General Administrative Regulations (EDGAR).

***Accounting Records***

Filer School District must maintain records which adequately identify the source and application of funds provided for federally-assisted activities. These records must contain information pertaining to grant or sub-grant awards, authorizations, obligations, unobligated balances, assets, expenditures, income, and interest, and be supported by source documentation.

***Internal Controls***

Effective control and accountability must be maintained for all funds, real and personal property, and other assets. Filer School District must adequately safeguard all such property and must assure that it is used solely for authorized purposes.

“Internal controls” are tools to help program and financial managers achieve results and safeguard the integrity of their program. Internal controls should be designed to provide reasonable assurance that the following objectives are achieved:

- Effectiveness and efficiency of operations;
- Adequate safeguarding of property;
- Assurance property and money is spent in accordance with grant program and to further the Selected objectives; and
- Compliance with applicable laws and regulations.

***Budget Control***

Actual expenditures or outlays must be compared with budgeted amounts for each federal award.

***Cash Management***

Filer School District must maintain written procedures to implement the cash management requirements found in EDGAR.

Please see page 15 for these written cash management procedures.

***Allowable Costs***

Filer School District must maintain written procedures for determining allowability of costs in accordance with EDGAR.

Please see page 9 for these written allowability procedures.

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**Overview of the Financial Management/Accounting System**The District uses Skyward School Business software for all its accounting, Financial Management and Human Resources systems. The Skyward software consists of multiple modules that interface, including General Ledger, Purchasing, Receiving, Inventory, Accounts Payable and General Fixed Assets. In addition, the Human Resources components include Employee Management, Payroll, Applicant Tracking and Salary Negotiations.

The District Business Manager is responsible for managing budgets, payroll, purchasing and accounts payable. The general District budget is developed and loaded into the system during the months of April and May each year. Budgets for federal programs are based upon allocation estimates provided by the State Department of Education. The Filer School District Board holds a budget hearing in accordance with Idaho Code and formally approve the budget. In June, Federal Program Directors, working with estimated allocation figures, submit the Consolidated Federal and State Grant Application (CFSGA). Once the CFSGA is approved and actual allocation figures are known, the original budget(s) are revised to align with each grant approval.

Unique fund numbers are set up to track each federal award in the Skyward system. The fund name is consistent with the CFDA title. A paper file is maintained for each federal award where award documents are maintained, along with monthly financial reports and copies of reimbursement requests. Federal award files contain the CFDA title and number, federal award identification number and year, name of the federal agency, and, if applicable, the name of the pass-through entity. The federal award files are retained for a minimum of five (5) years plus the current year in accordance with the District retention policy. The District Business Manager is responsible for compiling timely and accurate financial reports subject to the review and approval of the director of the grant program and/or the Superintendent (or designee). Detail transaction reports are programmed to email to responsible staff on a monthly basis directly from the Skyward financial management system. The reports do include monthly and cumulative expenditures, project budgets and balance(s) remaining.

## **B. Budgeting**

### ***The Planning Phase: Meetings and Discussions***

#### ***Before Receiving the Grant Award Notice (GAN):***

The Federal program director develops program goals and objectives to supplement District resources in serving students in alignment with the District Continuous Improvement Plan. Federal program director consults with the District Business Manager to calculate salaries and benefits that will be paid to employees paid with grant funds. The preliminary budget is submitted with the grant application and adjusted after receipt of the GAN if necessary.

#### ***Reviewing and Approving the Budget:***

By October, the federal program director reviews the items in the budget with advisory staff at the SDE to ensure all items are allowable. See page 9 for a discussion on performing allowability determinations. If the federal program director determines that a cost is not allowable, then the program plan is revised to remove the non-allowable component and replaced with an allowable component. The budget is not submitted for final approval until all components are determined to be allowable.

Once the federal program director determines that all budgeted items are allowable, the budget is submitted to the SDE for final review and approval. Generally, the budget receives final

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approval by November. Once the SDE has approved the final budget, the federal program director notifies the Director of Business Services, who makes any necessary adjustments to the preliminary budget loaded in the Skyward financial management system.

***After Receiving the GAN:***

The federal program director meets with program staff and directs the program to proceed as outlined in the plan and within the approved budget.

***Amending the Budget:***

If budget amendments are necessary because of a change in the federal allocation, the District is notified by the SDE. The federal program director meets with the District Business Manager to discuss how the budget will be changed, including what activities will be added or subtracted and the dollar amounts associated with them; appropriate changes will be made in the Skyward system. All documents related to the budget amendment are retained in the official grant file. Electronic records of all budget entries are maintained in the Skyward system history files for easy retrieval.

***Budget Control:***

Filer School District monitors its financial performance by comparing and analyzing actual results with budgeted results. Detail transaction reports are programmed to email to responsible staff on a monthly basis directly from the Skyward financial management system. The reports do include monthly and cumulative expenditures, project budgets and balance(s) remaining.

**C. Accounting Records**

All accounting records are maintained in the Skyward Financial Management System. The Chart of Accounts was developed in alignment with the Idaho Financial Accounting Reporting Management System (IFARMS). The District Business Office is responsible for maintaining the accounting records, subject to approval of the Superintendent (or designee).

**D. Spending Grant Funds**

While developing and reviewing the grant budget, the Federal program director should keep in mind the difference between direct costs and indirect costs. All costs charged to a federal grant are classified as either direct or 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 indirect costs as defined in EDGAR and 2 CFR Part 200 the Uniform Administrative Requirements Cost Principles and Audit Requirements for Federal Awards (referred to as Part 200). All costs must be properly and consistently identified as either direct or indirect in the accounting system. It is the policy and/or procedure for the Filer School District to review these costs to ensure the principles of the award are followed.

***Direct and Indirect Costs***

*Determining Whether a Cost is Direct or Indirect:* Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. 2 C.F.R. § 200.413(a). Indirect costs are those that have been incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. 2 C.F.R. § 200.56. Costs incurred for the same

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purpose in like circumstances must be treated consistently as either direct or indirect costs. 2 C.F.R. § 200.413(a).

Identification with the federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials, and other items of expense incurred for the Federal award. 2 C.F.R. § 200.413(b). The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
- The costs are not also recovered as indirect costs. 2 C.F.R. § 200.413(c).

*Indirect Cost Rate:* The State Department of Education, Public School Finance Department computes and issues the restricted indirect cost rate to those Districts who request one for one fiscal year. Annually, the District Business Manager completes the SDE prescribed Indirect Cost Rate Form and submits the completed form to the Public-School Finance Department by February of each year. The Indirect cost rate is issued in the spring to be used for the upcoming school year.

*Applying the Indirect Cost Rate:* Once the District has an approved indirect cost rate, the percentage is multiplied against the actual direct costs (excluding distorting items such as equipment, contracts in excess of \$25,000, pass-through funds, etc.) incurred under a particular grant to produce the dollar amount of indirect costs allowable to that award. 34 C.F.R. § 75.564; 34 C.F.R. § 76.569. Once the District applies the approved rate, the funds that may be claimed for indirect costs have no federal accountability and may be used as if they were non-federal funds. For Direct Grants, reimbursement of indirect costs is subject to the availability of funds and statutory or administrative restrictions. 34 C.F.R. § 75.564. The Filer School District reserves the right to waive the application of indirect costs to any grant project in the interest of maintaining the entire project award for the benefit of direct program services.

Where a federal program has a specific cap on the percentage of administrative costs that may be charged to a grant, that cap must include all direct administrative charges as well as any recovered indirect charges.

### **Determining Allowability of Costs Procedures**

Expenditures must be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from the state.

When determining how the District will spend its grant funds, the Federal programs director will determine whether it is an allowable use of federal grant funds *before* obligating and spending those funds on the proposed good or service. All costs supported by federal education funds must meet the standards outlined in EDGAR, 2 CFR Part 3474 and 2 CFR Part 200, which are provided in the bulleted list below. The following factors must be considered when making an allowability determination specific to each program.

### ***Necessary and Reasonable***

All costs must Be *Necessary and Reasonable* for the performance of the federal award. The department staff must consider these elements when determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to

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incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the SDE or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the federal award.
- Market prices for comparable goods or services for the geographic area.
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the SDE, its employees, its students, the public at large, and the federal government.
- Whether the District significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award cost. 2 C.F.R. §200.404.

When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant program.
- Whether the cost is identified in the approved budget or application.
- Whether there is an educational benefit associated with the cost.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- Whether the cost addresses program goals and objectives and is based on program data.

### ***Allocable to the federal award***

All costs must be *allocable* to the federal award. A cost is *allocable* to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. 2 C.F.R. §200.405. For example, if 50% of an employee's salary is paid with grant funds, then that employee must spend at least 50% of his or her time on the grant program.

### ***Consistent with policies and procedures***

All costs must be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the SDE.

- Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the federal award.
- Consistent treatment. A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.

### ***Adequately documented***

All costs must be adequately and properly documented. All costs must be determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in Part 200.

***Not included as a match or cost-share***

Costs cannot be included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such. Some federal program statutes require the non-federal entity to contribute a certain amount of non-federal resources to be eligible for the federal program.

***Be the net of all applicable credits***

The term “applicable credits” refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the state relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate. 2 C.F.R. §200.406.

***District vs Federal and State Cost Guidelines***

Federal rules require State/District level requirements and policies regarding expenditures to be followed as well. For example, District policies relating to travel or equipment may be narrower than the State rules. **The stricter guidance must be followed.**

***Frequent Types of Costs***

*Travel:* Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of a grant recipient. 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 selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the recipient’s non-federally funded activities and in accordance with the recipient’s written travel reimbursement policies. 2 C.F.R §200.474(a).

The costs must be consistent with the State or District’s established policy. 2 C.F.R §200.474(b).

**The stricter policy must be followed.**

The State Department of Education adheres to the State Travel Policies and Procedures as approved by the State Board of Examiners. Reference link

<http://www.sco.idaho.gov/web/sbe/sbeweb.nsf/pages/trvlpolicy.htm>

Idaho State Department of Education Accounting Handbook

[http://www.sde.idaho.gov/employee\\_web/doc/travel\\_pcard/Accounting-Handbook.pdf](http://www.sde.idaho.gov/employee_web/doc/travel_pcard/Accounting-Handbook.pdf)

The Filer School District’s Travel Policy adheres to Filer School Board Policy Section D.11.

[http://www.filer.k12.id.us/docs/policy\\_manual/Section%20D%20Fiscal%20Management%202017.pdf](http://www.filer.k12.id.us/docs/policy_manual/Section%20D%20Fiscal%20Management%202017.pdf)

***Selected Items of Cost***

Part 200 examines the allowability of 55 specific cost items (commonly referred to as Selected Items of Cost) at 2 C.F.R. §§ 200.420-200.475. These cost items are listed in the chart below along with the citation where it is discussed whether the item is allowable. Please do not assume that an item is allowable because it is specifically listed in the regulation as it may be un-allowable despite its inclusion in the selected items of cost section. The expenditure may be

Descriptor term:

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Issue date:

un-allowable for a number of reasons, including: the express language of the regulation states the item is unallowable; the terms and conditions of the grant deem the item unallowable; or State/local restrictions dictate that the item is unallowable. The item may also be unallowable because it does not meet one of the cost principles. For example, the item is applicable to the grant, but the price is too expensive, which would make the purchase unreasonable, which automatically makes it unallowable. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

District personnel responsible for spending federal grant funds and for determining allowability must be familiar with the Part 200 selected items of cost section. The District must follow these rules when charging these specific expenditures to a federal grant. When applicable, District staff must check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, State, District, and program-specific rules may deem a cost as unallowable and District personnel must follow those non-federal rules as well.

The selected item of cost addressed in Part 200 includes the following (in alphabetical order):

<b>Item of Cost</b>	<b>Citation of Allowability Rule</b>
Advertising and public relations costs	2 CFR § 200.421
Advisory councils	2 CFR § 200.422
Alcoholic beverages	2 CFR § 200.423
Alumni/ae activities	2 CFR § 200.424
Audit services	2 CFR § 200.425
Bad debts	2 CFR § 200.426
Bonding costs	2 CFR § 200.427
Collection of improper payments	2 CFR § 200.428
Commencement and convocation costs	2 CFR § 200.429
Compensation – personal services	2 CFR § 200.430
Compensation – fringe benefits	2 CFR § 200.431
Conferences	2 CFR § 200.432
Contingency provisions	2 CFR § 200.433
Contributions and donations	2 CFR § 200.434
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435
Depreciation	2 CFR § 200.436
Employee health and welfare costs	2 CFR § 200.437
Entertainment costs	2 CFR § 200.438
Equipment and other capital expenditures	2 CFR § 200.439
Exchange rates	2 CFR § 200.440
Fines, penalties, damages, and other settlements	2 CFR § 200.441
Fundraising and investment management costs	2 CFR § 200.442
Gains and losses on disposition of depreciable assets	2 CFR § 200.443
General costs of government	2 CFR § 200.444
Goods and services for personal use	2 CFR § 200.445
Idle facilities and idle capacity	2 CFR § 200.446

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Insurance and indemnification	2 CFR § 200.447
Intellectual property	2 CFR § 200.448
Interest	2 CFR § 200.449
Lobbying	2 CFR § 200.450
Losses on other awards or contracts	2 CFR § 200.451
Maintenance and repair costs	2 CFR § 200.452
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454
Organization costs	2 CFR § 200.455
Participant support costs	2 CFR § 200.456
Plant and security costs	2 CFR § 200.457
Pre-award costs	2 CFR § 200.458
Professional services costs	2 CFR § 200.459
Proposal costs	2 CFR § 200.460
Publication and printing costs	2 CFR § 200.461
Rearrangement and re-conversion costs	2 CFR § 200.462
Recruiting costs	2 CFR § 200.463
Relocation costs of employees	2 CFR § 200.464
Rental costs of real property and equipment	2 CFR § 200.465
Scholarships and student aid costs	2 CFR § 200.466
Selling and marketing costs	2 CFR § 200.467
Specialized service facilities	2 CFR § 200.468
Student activity costs	2 CFR § 200.469
Taxes (including Value Added Tax)	2 CFR § 200.470
Termination costs	2 CFR § 200.471
Training and education costs	2 CFR § 200.472
Transportation costs	2 CFR § 200.473
Travel costs	2 CFR § 200.474
Trustees	2 CFR § 200.475

In order for a cost to be allowable, the expenditure must also be allowable under the applicable program statute (e.g., Title I of the Elementary and Secondary Education Act (ESEA), or the Individuals with Disabilities Education Act (IDEA) Part B and Preschool) along with accompanying program regulations, non-regulatory guidance, and grant award notifications.

As a practical matter, the District staff should also consider whether the proposed cost is consistent with the underlying needs of the program. For example, program funds must benefit the appropriate population of students for which they are allocated. This means, for instance, that funds allocated under Title III of the Elementary and Secondary Education Act (ESEA) governing language instruction programs for English Learners must only be spent on ELL students and cannot be used to benefit non-ELL students.

Also, funds should be targeted to address areas of weakness, as necessary. To make this determination, the District staff should review data when making purchases to ensure that federal funds meet these areas of concern.

**State Department of Education Resources**  
IDEA part B

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<http://www.sde.idaho.gov/sped/funding/>

Title I-A Allowable vs Unallowable (Fiscal compliance tab):

<http://www.sde.idaho.gov/federal-programs/funding/index.html>

Title II-A Allowable Activities

<http://www.sde.idaho.gov/federal-programs/teacher/index.html>

Title I-C Non-Regulatory Guidance

<http://www.sde.idaho.gov/el-migrant/migrant/files/general/Title-I-C-Non-Regulatory-Guidance.pdf>

Title III-Program Guidance

<http://www.sde.idaho.gov/el-migrant/el/index.html>

### ***Helpful Questions for Determining Whether a Cost is Allowable***

This section provides additional helpful questions to ask when determining whether a cost is allowable. Sample language is provided below and should be modified based on the needs and practices of the Filer School District.

In addition to the cost principles and standards described above, the District staff can refer to this section for a useful framework when performing an allowability analysis. In order to determine the allowability of the purchase, it is helpful to ask the following questions:

- Is the proposed cost allowable under the relevant program?
- Is the proposed cost consistent with an approved program plan and budget?
- Is the proposed cost consistent with program specific fiscal rules?
  - For example, the District may be required to use federal funds only to supplement the amount of funds available from non-federal (and possibly other federal sources).
- Is the proposed cost consistent with EDGAR?
- Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

### **Federal Cash Management Procedures**

The Filer School District will comply with all applicable methods and procedures for payments that minimize the time elapsing between the transfer of funds and disbursement by the District, in accordance with the Cash Management Improvement Act at 31 CFR Part 205. Generally, the District receives payment from the State Department of Education on a reimbursement basis. 2 CFR § 200.305. However, if the District receives an advance in federal grant funds, the District will remit interest earned on the advanced payment quarterly to the federal agency. The District may retain interest amounts up to \$500 per year for administrative expenses. 2 CFR § 200.305(b)(9).

#### ***Payment Methods***

*Reimbursements:* The Filer School District will initially pay for federal grant expenditures with non-federal funds.

The District Business Manager will request reimbursement for actual expenditures incurred under the federal grants. Requests for reimbursement will be supported by an expense report

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from the Skyward financial management system showing the dollar amounts expended in each expense object (category).

### **Federal subawards / allocations**

All reimbursement requests will be submitted through the Grant Reimbursement Application (GRA) electronically.

GRA portal: <https://apps.sde.idaho.gov/GrantReimbursement/>

The State Department of Education will process reimbursement requests received on or before the 10th of the month and the 24th of the month and will be paid by the 11th and 25th of the month, accordingly.

Some funding will require the completion of traditional paper invoices or separate reimbursement requests.

GRA requests or invoices (whichever applies) are submitted to the State Department of Education. All reimbursements are based on actual disbursements, not on obligations.

Consistent with state and federal requirements, the District will maintain source documentation supporting the federal expenditures (invoices, timesheets, payroll stubs, etc.) and will make such documentation available for State Department of Education review upon request.

Reimbursements of actual expenditures do not require interest calculations.

### **Timely Obligation of Funds When Obligations are Made**

Obligations are 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. 34 C.F.R. § 200.71

The following table illustrates when funds are determined to be obligated under federal regulations:

<b>If the obligation is for:</b>	<b>The obligation is made:</b>
Acquisition of property	On the date which the District makes a binding written commitment to acquire the property
Personal services by an employee of the District	When the services are performed
Personal services by a contractor who is not an employee of the District	On the date which the District makes a binding written commitment to obtain the services
Public utility services	When the District receives the services
Travel	When the travel is taken
Rental of property	When the District uses the property
A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 CFR part 200, Subpart E- Cost Principles.	On the first day of the project period

34 C.F.R. § 75.707; 34 C.F.R. § 76.707.

In addition, the District system requires encumbrance accounting. When Purchase Orders are issued, funds are encumbered accordingly. The amount committed (or obligated) must also be known to avoid over-expenditure of budgeted funds.

### **Period of Performance of Federal Funds**

**State-Administered Grants** (*Grants that are received through the pass-through agency such as State Department of Education*)

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All obligations must occur on or between the beginning and ending dates of the grant project. 2 C.F.R. § 200.309. This period of time is known as the period of performance. 2 C.F.R. § 200.77. The period of performance is dictated by statute and will be indicated in the GAN. Further, certain grants have specific requirements for carryover funds that must be adhered to.

**State-Administered Grants** (also known as pass-through grants)

The period of availability is 27 months. Federal education grant funds are typically awarded on **July 1 of each year**. This maximum period includes a 15-month period of initial availability, plus a 12-month period for carryover 34 C.F.R. § 76.709. For example, funds awarded on July 1, 2015 would remain available for obligation through September 30, 2017.

The following grants have the period of availability of 27 months:

**Grants under the Individuals with Disabilities Education Act (IDEA)**

- IDEA Part B
- Preschool

**Grants under Every Student Succeeds Act (ESSA)**

- Title I, Part A - Improving Basic Programs
- Title I, Part A (Sec. 1003) - School Improvement
- Title I, Part C - Education of Migratory Children
- Title I, Part D - Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or at Risk
- Title II, Part A - Supporting Effective Instruction
- Title III - Language Instruction for English Learners and Immigrant Students
- Title VI-B, (Sec. 5003) - Rural Education Initiative (Title will change to Title V in 2017)
- Title X - Education for the Homeless (Title will change to Title IX in 2017)

All grants under ESSA (coming in 2017) have limitation on maximum carryover amounts (see page 25).

***State-Administered Grants available for less than 27 months***

The Filer School District From may be eligible for grants that have additional State restrictions on the period of availability, such as the 21st Century Community Learning Centers (CCLC) program or GEARUP.

Direct Grants: The District may also apply for certain grants directly to the US Department of Education. There is no intermediary agency. Direct DOE grants include Indian Education under Title VII, for which reimbursement requests are made directly to the DOE via the online G5 system. In general, the period of availability for funds authorized under direct grants is identified in the Grant Award Notice.

For both state-administered and direct grants, regardless of the period of availability, the District must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period unless an extension is authorized. 2 C.F.R. § 200.343(b). Any funds not obligated within the period of availability or liquidated within the appropriate time frame are said to lapse and must be returned to the awarding agency. 2 C.F.R. § 200.343(d). Consequently, the District closely monitors grant spending throughout the grant cycle.

**Carryover**

**State-Administered Grants** (also known as pass-through grants).

As described above, the Tydings Amendment extends the period of availability for applicable state-administered program funds. Essentially, it permits recipients to “carryover” any funds left over at the end of the initial 15-month period into the next year. These leftover funds are typically referred to as carryover funds and continue to be available for obligation for an additional 12 months. 34 C.F.R. § 76.709. Accordingly, the District may have multiple years of grant funds available under the same program at the same time.

Carryover limitation depends on program requirements:

<b>Program</b>	<b>Maximum Percent of Total Allocation</b>
Title IA Basic Program	15%
Title IC Migrant Program	15%
Title IIA Improving Teacher Quality	25%, reasonable and necessary
Title III English Language Acquisition	reasonable and necessary
Title VI-B Rural and Low Income	25%, reasonable and necessary
IDEA Part B	>10% will require justification

**Carryover Procedures**

For all applicable grants, the carryover certification/verification is part of the grant application process. The State Department of Education (SDE) requires that each District calculate the amount of funds to be carried from one school year to the next and include the carryover amount in the current school year’s budget. Each District must submit an application for funding to the SDE to receive Federal grants at the District level. The calculation of carryover amount is part of the plan and budget. Preliminary carryover amount is estimated by the District upon each Federal application submission. When final allocations are available, the District will adjust the budgets to align the final allocation amount with the internal budget, as well as reflect the actual carryover amount as of September 30th.

**Excess Carryover for ESSA grants only:** Should a District exceed the carryover limitation and be ineligible for a waiver, the amount that has been exceeded reverts back to the State.

**Waiver:** The District may waive the carryover limitation if the State Department of Education determines that the request of an District is reasonable and necessary.

<b>Program</b>	<b>How often can waiver be requested?</b>

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Title IA Basic Program	Once every three years
Title IC Migrant Program	Waived with exception per occurrence
Title IIA Improving Teacher Quality	Waived with exception per occurrence
Title III English Language Acquisition	Waived with exception per occurrence
Title VI-B Rural and Low Income	Waived with exception per occurrence

The waiver is submitted through the comment section of the Consolidated Federal and State Grants Application. Narrative explanation:

- ✓ WHY the District has the excess carryover
- ✓ The plan to expend the funds in the coming year, to avoid the excess carryover in the future

**Direct Grants**

Grantees receiving direct grants are not covered by the 12-month Tydings period. However, under 2 C.F.R. § 200.308, direct grantees enjoy unique authority to expand the period of availability of federal funds. The District is authorized to extend a direct grant automatically for one 12-month period. Prior approval is not required in these circumstances; however, in order to obtain this extension, the District must provide written notice to the federal awarding agency at least 10 calendar days before the end of the period of performance specified in the award. This one-time extension may not be exercised merely for the purpose of using unobligated balances.

The District will seek prior approval from the federal agency when the extension will not be contrary to federal statute, regulation or grant conditions and:

- The terms and conditions of the federal award prohibit the extension;
- The extension requires additional federal funds; or
- The extension involves any change in the approved objectives or scope of the project. 2 C.F.R. § 200.308(d)(2).
- The extension of kind will require Board approval.

**Program Income**

The Filer School District generally does not have program income with respect to federal grant funds. The following definitions are guidelines are to be used in the event that program income becomes a factor in any grant-funded program.

Program income means gross income earned by a grant recipient that is directly generated by a supported activity or earned as a result of the federal award during the grant's period of performance. 2 C.F.R. § 200.80.

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, license fees and royalties on patents and copyrights, and 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 them. 2 C.F.R. § 200.80.

Additionally, taxes, special assessments, levies, fines, and other such revenues raised by a recipient 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 C.F.R. § 200.307.

***Use of Program Income***

The default method for the use of program income for the District is the deduction method. 2 C.F.R. § 200.307(e). Under the deduction method, program income is deducted from total allowable costs to determine the net allowable costs. Program income will only be used for current costs unless the District is otherwise directed by the federal awarding agency or pass-through entity. 2 C.F.R. § 200.307(e)(1). The District may also request prior approval from the federal awarding agency to use the addition method. Under the addition method, program income may be added to the federal award by the federal agency and the non-federal entity. The program income must then be used for the purposes and under the conditions of the federal award. 2 C.F.R. § 200.307(e)(2).

While the deduction method is the default method, the District always refers to the GAN prior to determining the appropriate use of program income.

**Procurement System Procedures**

The Filer School District maintains the following purchasing procedures.

**A. Responsibility for Purchasing**

Any purchases using federal funds will need to have a first level authorization from the Federal Programs Director and a second level authorization from the District Business Manager.

***Overview***

Procurement involves the planning that goes into purchasing food, supplies, goods, and services. In terms of federal programs (such as Child Nutrition, Education grants under ESSA, IDEA Part B and Preschool), the District must comply with federal procurement standards found in 2 CFR Part 200, as well as any additional applicable state and local procurement regulations (which may be more restrictive than federal standards). The District must follow whichever regulations are the most restrictive. These standards are meant to prevent fraud, waste, and program abuse.

**B. Purchase Methods**

<b>Must have a Code of Conduct</b>		
<b>Must have written procedures relating to procurement transactions</b>		
\$0 to \$3,500	<p>Micro Purchases</p> <p>To the extent practicable, the District distributes micro-purchases equitably among qualified suppliers. Micro Purchases may be awarded without soliciting competitive quotations if the District considers the price to be reasonable. The District maintains evidence of this reasonableness in records of all micro-purchases.</p> <p><b>Note:</b> <i>The Federal minimum requirement is up to \$3,500; however, it is considered to be</i></p>	<p>2 CFR 200.320 (a) and defined by 2 CFR 200.67</p>

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	<p><i>a good practice to implement a strong internal control over compliance requirements which allows maintaining accountability over purchased assets (2 C.F.R. § 200.62(a)(2). Filer School District discourages using federal funds to purchase any capital outlays (e.g. machinery, land, facilities).</i></p> <p><i>Electronic devices are to be purchased in coordination with IT.</i></p>	
\$3,501 - \$24,999	<p>Small Purchase Procedures</p> <p>No sealed bids, but quotations are obtained from at least 2 numbers of qualified sources - we suggest three, but if there are not that many in the area, then 2 will suffice. If small purchase procedures are used, <b>verbal</b> price or rate quotations must be obtained from an adequate number of qualified sources. Document all verbal responses.</p>	2 CFR 200.320 (b) Procurement by small purchase procedures IDAPA 38.05.01
\$25,000 to \$49,999	<p>Large Purchase Procedures</p> <p>Semi-Formal bidding: Issue written requests for bids describing goods or services desired to at least three vendors. Allow 3 days for written response, unless an emergency exists; 1 day for objections.</p>	IC 67-2806 (1)
\$50,000 and above	<p>Formal bidding</p> <p>Publish notice at least 2 weeks in advance of bid opening. Make bid specifications available; written objections allowed. May request bid security/bond.</p> <p>All bids will be publicly opened at the time and place prescribed in the invitation for bids. A firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bid, is the lowest in price. Any or all bids may be rejected if there is a sound documented reason.</p>	IC 67-2806 (2) Idaho requirements. 2 CFR Part 200.319 provides the language below (see the section Purchases over \$50,000) provides the minimum requirements of a solicitation –Must take the most restrictive

### **Purchases over \$50,000**

**Sealed Bids (Formal Advertising):** For purchases over \$50,000, bids are publicly solicited, and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction services, if the following conditions apply:

- A complete, adequate, and realistic specification or purchase description is available;

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- Two or more responsible bidders are willing and able to compete effectively for the business; and
  - The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, and the invitation for bids must be publicly advertised;
- The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
- A firm fixed price contract award must be made in writing to the lowest responsive and responsible bidder.

Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of. Any or all bids may be rejected if there is a sound documented reason.

*Competitive Proposals:* The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- Proposals must be solicited from an adequate number of qualified sources; and
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

The District may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

The RFP/RFQ bid documents shall include an evaluation matrix or tool that will be used to conduct technical evaluations of the proposal submitted and for selecting the successful proposal. Each evaluation tool shall be constructed to evaluate specific components contained in the specifications of the project to be completed by the firm selected. Technical evaluations shall be made by a committee made up of representatives approved by the Superintendent or designee. The evaluation committee shall make a recommendation to the Board and the Board shall award the bid in an open meeting.

*Contract/Price Analysis:* The District performs a cost or price analysis in connection with every procurement action in excess of \$50,000, including contract modifications. A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements.

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The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the Superintendent must come to an independent estimate prior to receiving bids or proposals. 2 C.F.R. § 200.323(a).

When performing a cost analysis, the Superintendent negotiates profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. 2 C.F.R. § 200.323(b).

### ***Noncompetitive Proposals (Sole Sourcing)***

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

- The item is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District; or
- After solicitation of a number of sources, competition is determined inadequate.

A cost or price analysis will be performed for noncompetitive proposals when the price exceeds \$50,000.

### **C. Purchasing Cards**

The Filer School District does not issue Purchasing Cards. The District does however use credit cards that are kept in the Business Office vault. In order to use a District credit card, a Purchase Order with pre-approval of intended purchases is needed. The District Business Manager is responsible for the credit cards and may designate District staff to make authorized purchases after the regular approval process has been completed.

### **D. Full and Open Competition**

All procurement transactions must be conducted in a manner providing full and open competition consistent with 2 C.F.R §200.319. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- 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.

EDGAR further requires the following to ensure adequate competition.

### ***Geographical Preferences Prohibited***

The District must conduct procurements in a manner that prohibits the use of statutorily or

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administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

***Prequalified Lists***

The District must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the District must not preclude potential bidders from qualifying during the solicitation period.

***Solicitation Language***

The District must ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided, if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and identify all requirements which the offers must fulfill and all other factors to be used in evaluating bids or proposals. 2 C.F.R § 200.319(c).

**E. Federal Procurement System Standards*****Avoiding Acquisition of Unnecessary or Duplicative Items***

The District must avoid the acquisition of unnecessary or duplicated items. Additionally, consideration is given to consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, an analysis must be made of leases versus purchase alternatives, and another other appropriate analysis to determine the most economical approach.

These considerations are given as part of the process to determine the allowability of each purchase made with federal funds. Please see page 9 for written procedures on determining allowability.

***Use of Intergovernmental Agreements***

To foster greater economy and efficiency, the District enters into state and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.

***Use of Federal Excess and Surplus Property***

The District considers the use of federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

***Debarment and Suspension***

The District awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

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The District may not subcontract with or award sub-grants to any person or company who is debarred or suspended. For all contracts over \$25,000 the District verifies that the vendor with whom the District intends to do business with is not excluded or disqualified. 2 C.F.R. Part 200, Appendix II (1) and 2 C.F.R. §§ 180.220 and 180.300.

District Business Office personnel checks Excluded Parties List System database maintained by the Federal government at <https://www.sam.gov> and checks the Idaho State Repository: <https://www.idcourts.us/repository/start.do> to ensure the person or company is neither debarred or suspended prior to awarding the contract.

#### ***Maintenance of Procurement Records***

The District must maintain records sufficient to detail the history of all procurements. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price (including a cost or price analysis), and verification that the contractor is not suspended or debarred.

Please see page 30 for more information on the District's record policies.

#### ***Time and Materials Contracts***

The Filer School District does not use time and materials type contracts. (e.g. A contract in which a contractor is paid on the basis of actual cost of direct labor, usually at specified hourly rates. Actual cost of materials and equipment usage. Agreed upon fixed add-on to cover the contractor's overhead and profit.)

#### ***Settlements of Issues Arising Out of Procurements***

The District alone is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the District of any contractual responsibilities under its contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

#### ***Protest Procedures to Resolve Dispute***

The District maintains protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency.

Bidding is carried out pursuant to the procedures set forth in Idaho Code § 67-2806 entitled Purchasing by Political Subdivisions. The following language shall appear in the Notice soliciting bids, describing the process for filing objections and instructing respondents to direct objections to the District Business Manager. Sub-section 67-2806(2)(c) describes the process for objections to specifications or bid procedures: "Written objections to specifications or bid procedures must be received by the clerk, secretary or other authorized official of the political subdivision at least three (3) business days before the date and time upon which bids are scheduled to be received." Idaho Code § 67-2806(2)(j) describes the process for objections to the award: "If any participating bidder objects to such award, such bidder shall respond in writing to the notice from the political subdivision within seven (7) calendar days of the date of transmittal of the notice, setting forth in such response the express reason or reasons that the award decision of the governing board is in error. Thereafter, staying performance of any procurement until after addressing the contentions raised by the objecting bidder, the governing board shall review its decision and determine whether to affirm its prior award, modify the award, or choose to re-bid, setting forth its reason or reasons therefor. After completion of the review process, the political subdivision may proceed as it deems to be in the public interest."

### **F. Conflict of Interest Requirements**

#### ***Standards of Conduct***

In accordance with 2 C.F.R. §200.18(c)(1), the District maintains the following standards of

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conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.

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. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. Idaho Code § 18-1359(e) describes immediate family as any person related by blood or marriage within the second degree.

The officers, employees, and agents of the District may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value. Idaho Code § 18-1359(b) states that a nominal value is Fifty dollars (\$50.00).

### ***Organizational***

### ***Conflicts***

The Filer School District does not have a parent, affiliate, or subsidiary organization with which organizational conflicts of interest in procurement actions may occur.

### ***Disciplinary Actions***

Filer School District employees who intentionally violate standards of conduct shall be entitled to due process as required by law. If found guilty of intentional violation of standards of conduct and/or state or local statute, the supervisor of such employee will take corrective action in consultation with the Human Resources Supervisor up to and including termination. The District may also have an obligation to report it to the legal authorities if appropriate.

### ***Mandatory Disclosure***

Upon discovery of any potential conflict, the District will disclose in writing the potential conflict to the federal awarding agency in accordance with applicable federal awarding agency policy.

## **G. Contract Administration**

The District maintains the following oversights to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

The District Office Administrator responsible for the contract for services shall submit an invoice from the contractor or service provider and acknowledge by signature that the invoiced is accurate as to dollar amount and payment for services is authorized. This documentation is presented to the District Business Office and the Accounts Payable staff will process the payment. District payables are approved by the Board of Directors on a monthly basis before being released to vendors.

## **Property Management Systems Procedures**

### **A. Property Classifications**

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 District for financial statement purposes, or \$5,000. 2 C.F.R. §200.33.

Supplies means all tangible personal property other than those described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the District for financial statement purposes or \$5,000, regardless of the length of its useful life. 2 C.F.R. §200.94.

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. 2 C.F.R. §200.20.

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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. Capital assets include:

- Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
- Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance). 2 C.F.R. §200.12.

#### **B. Inventory Procedure**

The IT department is responsible for tagging and controlling all Computing devices.

Lost or stolen items need to be reported as soon as possible to the building administrator or the employee's supervisor. If needed the District's insurance company will be contacted concerning any missing items.

#### **C. Inventory Records**

For each equipment and computing device purchased with federal funds, the following information is maintained the Filer School District IT department.

- Serial number or other identification number;
- Source of funding for the property;
- Who holds title;
- Acquisition date and cost of the property;
- Percentage of federal participation in the project costs for the federal award under which the property was acquired;
- Location, use and condition of the property; and
- Any ultimate disposition data including the date of disposal and sale price of the property.

#### **D. Physical Inventory**

A physical inventory of the property must be taken, and the results reconciled with the property records at least yearly.

The Superintendent shall ensure that inventories of equipment are systematically and accurately recorded and are updated annually. Property records of facilities and other fixed assets shall be maintained on an ongoing basis.

Property records shall show, appropriate to the item recorded, the:

1. Description and identification;
2. Manufacturer;
3. Date of purchase;
4. Initial cost;
5. Location;
6. Serial number, if available; and
7. Model number, if available

Equipment may be identified with a permanent tag that provides appropriate District and equipment identification.

#### **Maintenance of Equipment**

In accordance with 2 C.F.R.313(d)(4), the District maintains adequate maintenance procedures

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to ensure that property is kept in good condition. Protective cases are purchased for all hand-held computing devices, cameras and similar fragile items and the equipment is stored in the protective cases at all times it is not in use by students or staff.

**E. Lost or Stolen Items**

The District maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property. All those maintaining a business relationship with the District shall act with integrity and due diligence in matters involving District fiscal resources. The Superintendent shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety, and loss of District property and resources. Every member of the District's administrative team shall be familiar with these controls within his or her areas of responsibility. Any employee who suspects fraud, financial impropriety, or loss of District resources shall immediately report those suspicions to their immediate supervisor or the Superintendent.

**F. Use of Equipment**

Equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the federal award. The District will not encumber the property without prior approval of the federal awarding agency and the pass-through entity.

During the time equipment is used on the project or program for which it was acquired, the equipment will also be made available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the federal awarding agency that financed the equipment. Second preference is given to programs or projects under federal awards from other federal awarding agencies. Use for non-federally funded programs or projects is also permissible.

When no longer needed for the original program or project, the equipment may be used in other activities supported by the federal awarding agency, in the following order of priority: (1) activities under a federal award from the federal awarding agency which funded the original program or project; then (2) activities under federal awards from other federal awarding agencies.

**G. Disposal of Equipment**

When it is determined that original or replacement equipment acquired under a federal award is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the Federal Programs Director will contact the awarding agency (or pass-through for a state-administered grant) for disposition instructions.

Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of \$5,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency. If the item has a current FMV of more than \$5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.

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

State references: The State of Idaho Board of Examiners - State Personal Surplus Property Policy and Procedures <http://www.sco.idaho.gov/>

The Filer School District's disposal of equipment policy can be found in Section D.17 of the Board Policy manual.

[http://www.filer.k12.id.us/docs/policy\\_manual/Section%20D%20Fiscal%20Management%202017.pdf](http://www.filer.k12.id.us/docs/policy_manual/Section%20D%20Fiscal%20Management%202017.pdf)

### **Written Time and Effort Procedures**

#### **Time and Effort Requirements/Standards**

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. This includes an employee whose salary is paid with state or local funds but is used to meet a required "match" in a federal program. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
- Encompass both federally assisted, and all other activities compensated by the District on an integrated basis;
- Comply with the established accounting policies and practices of the District and
- Support the distribution of the employee's salary or wages among specific activities or costs objectives.

#### **Reconciliation and Closeout Procedures Requirements/Standards**

Because all employee compensation charges must be consistent with a subgrantee established policies it is important for subgrantees to ensure their human resources policies are up-to-date and carefully followed.

1. The District has a written procedure for describing time and effort requirements.
  - a) The District has a written process to include type of documentation maintained and what the requirements are for the documentation, such as who must sign the documentation, how often the certifications are completed, whether the certifications are completed on paper or electronically, if the certification is reviewed by a supervisor, timeframe for reviewing the certification, and sample certifications, and
  - b) A description of the close-out procedure that is conducted at the end of the fiscal year addressing that the certifications are annually collected and reviewed for accuracy and appropriate signatures and dates.
2. The District has a written process to reconcile actual costs to budgeted distributions.
  - a) Multi-funded payroll charges must match the actual distribution of time recorded on the monthly certification documents.
  - b) Fully federally funded (100%) payroll charges can be document semi-annually.

Budget estimates may be used for interim accounting purposes; however, there is a requirement to identify and enter into the records in a timely manner any significant changes in the corresponding work activity. There must be a system of internal controls to review after-the-fact interim charges made to a Federal award based on budget estimates. All necessary adjustments must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated. The process description should include:

- a) The position/office that performs the reconciliation
- b) How often the reconciliation is completed (recommend at least quarterly)
- c) The difference between the actual costs and budgeted distributions before adjustments are made (recommend annual adjustments only if the quarterly comparisons show the differences between budgeted amounts and actual costs are less than 10%; and the

budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.

3. The District has a written procedure for an employee that is separating service from the District that addresses when the employee is required to submit final certification.

4. The District has a written procedure for an employee that is separating service from the District that addresses when the employee is required to submit final certification.

### **Employee Exits Standards**

When a Filer School District employee terminates, either voluntarily or involuntarily, from service to the District, the employee must provide final certification of duties performed on a federally funded program prior to receiving their final paycheck. The employee's Supervisor shall work with the employee to ensure compliance with the federal program standards at the time of separation. The Human Resources Supervisor will provide guidance in the separation process.

The Filer School District's Termination Policy can be found in Section G.61 of the Board Policy manual.

[http://www.filer.k12.id.us/docs/policy\\_manual/Section%20G%20Personnel%20Management%202017.pdf](http://www.filer.k12.id.us/docs/policy_manual/Section%20G%20Personnel%20Management%202017.pdf)

### **Example of Written Time and Effort Procedures for District#XXX**

#### **District XXX**

#### **Example: Written Time and Effort Procedures**

All charges to payroll for personnel who work on one or more federal programs or cost objectives are based on one of the following, depending on the circumstances:

- **Semi-annual certification:** (single cost objective 100%)
- **Personnel Activity Reports (PARs)** (multiple cost objectives)
- **Substitute system** (multiple cost objectives with predetermined, set schedule.)

#### **Semi-annual certification**

Semi-annual certification applies to employees who do one of the following:

- Work 100% of their time on a single grant program and/or single cost objective.
- Work 100% of their time in administering one program such as a Federal Programs Director who administers only one program.

Director who administers only one program.

- Work 100% of their time under a single cost objective funded from eligible multiple funding sources.

These employees are not required to maintain time-and-effort records, if their job description clearly shows that the employee is assigned 100% to the program or single cost objective.

Each employee must certify in writing, at least semi-annually, that he/she worked solely on the program or single cost objective for the period covered by the certification. The certification is signed by the employee or by the supervisor having first-hand knowledge. Charges to the grant must be supported by these semi-annual certifications. The semi-annual certification is executed after the work has been completed, and not before. The semi-annual certifications are maintained by the Human Resources Department of the District.

Examples of the District employees who work on a "single cost objective"

A District supports an elementary school teacher with local funds but pays her with Title I, Part A funds to provide after-school tutoring for low-achieving students. Although the teacher could not be paid with Title I, Part A funds to provide elementary education in general, the portion of her time spent on after-school tutoring is easily separated from her teaching position by her

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schedule. Accordingly, the teacher's after-school tutoring is a single cost objective and she need only file a semiannual certification for the time she works in the after-school program supported by Title I, Part A funds.

### **Personnel Activity Reports (PAR)**

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

- Do not work 100% of their time on a single grant program and/or single cost objective
- Work under multiple grant programs or multiple cost objectives

These employees are required to maintain time-and-effort records OR (NEW) to account for their time under a substitute system (NEW) (see below). Employees must prepare time-and-effort summary reports monthly (recommended) to coincide with pay periods. Such reports must reflect an after-the-fact distribution of the actual time spent on each activity and must be signed by the employee. These reports are submitted monthly (recommended) to the District's Payroll Department.

### **Substitute System** (multiple cost objectives with fixed schedule)

Only eligible employees participate in the substitute system. To qualify for this substitute system in lieu of traditional PARs, the employee must work on multiple activities or cost objectives (i.e., more than one federal grant award) based on a **predetermined, set schedule**. Most likely it is applicable to classroom teachers or instructional aides. The certification is signed by the employee or by the supervisor having first-hand knowledge. Documented employee work schedule must include sufficient controls to ensure that the schedules are accurate.

To be eligible to document time and effort under the substitute system, employees must: –

1. Currently work on a schedule that includes multiple activities
2. Work on specific activities or cost objectives based on a predetermined schedule; and
3. Not work on multiple activities or cost objectives at the exact same time on their schedule.

Employee schedules must:

- Indicate the specific activity or cost objective
- Account for the total hours
- Be certified at least semiannually and signed by the employee or a
- Any significant revisions to an employee's established schedule must be documented
- The effective dates of any changes must be clearly indicated in the documentation provided.

Federal rules require District's to submit a management certification form to the SDE before eligible employees participate in the substitute system. C.F.R 200.430 (5)(i). The form is included on page 43.

### **Reconciliation and Closeout Procedures**

It is critical for payroll charges to match the actual distribution of time recorded on the monthly certification documents. Grantees may initially charge payroll costs based on budget estimates. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards but may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed.

Descriptor term:

Descriptor code:

Issue date:

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If using budget estimates, the District will periodically, at least quarterly, reconcile payroll charges to the actual time and effort reflected in the employees' time-and-effort records.

- If the difference between the actual and budgeted amounts is 10% or greater:  
The District will adjust its accounting records at least quarterly
- If the reconciled difference is less than 10%:  
The District will adjust the accounting records at least annually

But in both cases, the accounting records will be adjusted to reflect actual time-and-effort records.

### **Employee Exits**

For an employee that is separating his or her services with the District. The employee will complete the required paperwork and submit his or her final certification or time-and-effort report to the Human Resources Department. The HR department will verify the final paperwork as complete and notify the Business Office of completion prior to the issuance of the final paycheck.

**Examples: Time and Effort Documentations (see next page)**

Descriptor term:

Descriptor code:

Issue date:

**Filer School District 413  
Semi-Annual Certification Form**

This is to certify that the following individuals have worked 100% of their time from July 1, 2017 through December 31, 2018, performing **special education duties associated with and authorized under Title IA.**

OMB Circular A-87 states “where employees are expected to work solely on a single federal award...their salaries and wages will be supported by periodic certifications that the employees worked solely on the program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee and supervisory official having first-hand knowledge of the work performed by the employee.”

<b>FILER SCHOOL</b>		
<b>Name</b>	<b>Position</b>	<b>Signature</b>

I have first-hand knowledge of the work performed by these individuals.

\_\_\_\_\_  
Signature of Supervisor

\_\_\_\_\_  
Date

**Filer School District 413  
Semi-Annual Certification Form**

This is to certify that the following individuals have worked 100% of their time from January 1, 2017 through June 30, 2018, performing **special education duties associated with and authorized under Title IA.**

Descriptor term:

Descriptor code:

Issue date:

OMB Circular A-87 states "where employees are expected to work solely on a single federal award...their salaries and wages will be supported by periodic certifications that the employees worked solely on the program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee and supervisory official having first-hand knowledge of the work performed by the employee."

<b>FILER SCHOOL</b>		
<b>Name</b>	<b>Position</b>	<b>Signature</b>

I have first-hand knowledge of the work performed by these individuals.

\_\_\_\_\_  
Signature of Supervisor

\_\_\_\_\_  
Date

**Filer School District**  
**Personal Activity Report**

Employee Name:

<b>Month/Year</b>		<b>Title IA</b>	<b>Other</b>	<b>Total % of Time Worked</b>
September/2017				
October				

Descriptor term:

Descriptor code:

Issue date:

November				
December				
January/2018				
February				
March				
April				
May				
June				

The signature below certifies this employee performed activities reflected in the attached log as distributed in the above percentages during the time specified.

\_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Position/Title

\_\_\_\_\_  
School Name

\_\_\_\_\_  
Signature of Supervisor

\_\_\_\_\_  
Date

**Type of certification (Substitute System) EXAMPLE**

\_\_\_ **Semi-annual** (*single cost objective 100%*)

\_\_\_ **Personnel Activity Report (PAR)** (*multiple cost objectives*)

**X Substitute System** (*multiple cost objectives with predetermined, set schedule*)

Type of Schedule:

\_\_\_ Daily

Weekly

\_\_\_ Biweekly

\_\_\_ Other: \_\_\_\_\_

Employee: \_\_\_\_\_

Position: \_\_\_\_\_

Reporting Period: \_\_\_\_\_

Cost objective (program activity)	Fund Code-Program Function Code	Program	Distribution of Time (percentage or hours)

Descriptor term:

Descriptor code:

Issue date:

Paraprofessional	251-500	Title I-A	41%
Paraprofessional	257-500	IDEA Part B	14%
Paraprofessional	100-500	Non-Federal	45%
Total			100%

Employee's Signature \_\_\_\_\_ Date \_\_\_\_\_

I hereby certify this report is an accurate representation of the total activity expended during the period indicated.

Reviewed by supervisor: \_\_\_\_\_ Date \_\_\_\_\_

**Attachments (for substitute systems only) EXAMPLE**

**2015-16 SCHOOL YEAR SCHEDULE**

Employee: Jane Doe

Position: Instructional Assistant

School: Lincoln Elementary

<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
8:00-8:30 Consult with staff regarding Title I students/curriculum	8:00-8:30 Consult with staff regarding Title I students/curriculum	8:00-8:30 Consult with staff regarding Title I students/curriculum	8:00-8:30 Consult with staff regarding Title I students/curriculum	8:00-8:30 Consult with staff regarding Title I students/curriculum
8:45-9:15 Special ed. support	8:45-9:15 Special ed. support	8:45-9:15 Special ed. support	8:45-9:15 Special ed. support	8:45-9:15 Special ed. support
9:15-10:00	9:15-10:00	9:15-10:00	9:15-10:00	9:15-10:00

Descriptor term:

Descriptor code:

Issue date:

Small group reading	Small group reading	Small group reading	Small group reading	Small group reading
10:00-10:30 Small group math	10:00-11:00 2 <sup>nd</sup> grade Title I reading/math	10:00-10:30 Small group math	10:00-11:00 2 <sup>nd</sup> grade Title I reading/math	10:00-10:30 Small group math
10:30-11:00 2 <sup>nd</sup> grade Title I reading/math		10:30-11:00 2 <sup>nd</sup> grade Title I reading/math		10:30-11:00 2 <sup>nd</sup> grade Title I reading/math
11:30-11:45 Individual special ed. student catch-up	11:30-11:45 Individual special ed. student catch-up	11:30-11:45 Individual special ed. student catch-up	11:30-11:45 Individual special ed. student catch-up	11:30-11:45 Individual special ed. student catch-up
11:45-12:35 Small group math	11:45-12:35 Small group math	11:45-12:35 Small group math	11:45-12:35 Small group math	11:45-12:35 Small group math
12:35-1:05 Small group writing	12:35-1:05 Small group writing	12:35-1:05 Small group writing	12:35-1:05 Small group writing	12:35-1:05 Small group writing
1:20-1:40 Title I prep	1:20-1:40 Title I prep	1:20-1:40 Title I prep	1:20-1:40 Title I prep	1:20-1:40 Title I prep
1:40-2:30 First grade Title I reading/math	1:40-2:30 First grade Title I reading/math	1:40-2:30 First grade Title I reading/math	1:40-2:30 First grade Title I reading/math	1:40-2:30 First grade Title I reading/math
2:30-3:30 Title I lesson planning and student learning plan follow-up	2:30-3:00 Title I lesson planning	2:30-3:30 Title I lesson planning and student learning plan follow-up	2:30-3:00 Title I lesson planning	2:30-3:30 Title I lesson planning and student learning plan follow-up
	3:00-3:30 Bus duty		3:00-3:30 Bus duty	

Descriptor term:

Descriptor code:

Issue date:

**Example: DISTRICT MANAGEMENT CERTIFICATION (for substitute system)**

District's Name & #: \_\_\_\_\_

State educational agencies (SEAs) are authorized to approve Districts to use a substitute system for time-and-effort reporting in accordance with the following guidelines. In permitting an District to use the substitute system, the SEA must obtain from the District a management certification certifying that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate. Complete the form below and email this form to [efeather@sde.idaho.gov](mailto:efeather@sde.idaho.gov)

System Guidelines

- (1) To be eligible to document time and effort under the substitute system, employees must:
  - a. Currently work on a schedule that includes multiple activities or cost objectives that must be supported by monthly personnel activity reports;
  - b. Work on specific activities or cost objectives based on a predetermined schedule; and
  - c. Not work on multiple activities or cost objectives at the exact same time on their schedule.
- (2) Under the substitute system, **in lieu of personnel activity reports**, eligible employees may support a distribution of their salaries and wages through documentation of an established work schedule that meets the standards under section (3). An acceptable work schedule may be in a style and format already used by an District.
- (3) Employee schedules must:
  - a. Indicate the specific activity or cost objective that the employee worked on for each segment of the employee's schedule;
  - b. Account for the total hours for which each employee is compensated during the period reflected on the employee's schedule; and
  - c. Be certified at least semiannually and signed by the employee and a supervisory official having firsthand knowledge of the work performed by the employee.
- (4) Any revisions to an employee's established schedule that continue for a prolonged period must be documented and certified in accordance with the requirements in section (3). The effective dates of any changes must be clearly indicated in the documentation provided.
- (5) Any significant deviations from an employee's established schedule, that require the employee to work on multiple activities or cost objectives at the exact same time, including but not limited to lengthy, unanticipated schedule changes, must be documented by the employee using a personnel activity report that covers the period during which the deviations occurred.

The District discloses the following known deficiencies with the system or known challenges with implementing the substitute system (if applicable):

\_\_\_\_\_  
\_\_\_\_\_

I certify that only eligible employees will participate in the substitute system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate.

Superintendent/Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Applicable School Year: \_\_\_\_\_ **Email completed form to**  
[efeather@sde.idaho.gov](mailto:efeather@sde.idaho.gov)

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## Record Keeping

### **A. Record Retention**

The District maintains all records that fully show (1) the amount of funds under the grant or subgrant; (2) how the subgrantee uses those funds; (3) the total cost of each project; (4) the share of the total cost of each project provided from other sources; (5) other records to facilitate an effective audit; and (6) other records to show compliance with federal program requirements. 34 C.F.R. §§ 76.730-.731 and §§ 75.730-.731. The District also maintains records of significant project experiences and results. 34 C.F.R. § 75.732. These records and accounts must be retained and made available for programmatic or financial audit.

The State Department of Education hereby recommends that the District maintain five years and one audit year to comply for their record retention schedule for all federal fiscal and programmatic records, which is a total of six (6) years.

Physical records are destroyed using a certified document shredding agency. Records kept on Skyward, our electronic accounting software, are kept indefinitely.

The State Department of Education follows the state's policy as set in the Human Resource Records Retention Schedule of the Records Management Guide which can be found at [http://history.idaho.gov/sites/default/files/uploads/Human\\_Resource\\_Records\\_Book\\_0.pdf](http://history.idaho.gov/sites/default/files/uploads/Human_Resource_Records_Book_0.pdf) and the Payroll Records Retention Schedule of the Records management Guide [http://history.idaho.gov/sites/default/files/uploads/Payroll\\_Records\\_Book\\_0.pdf](http://history.idaho.gov/sites/default/files/uploads/Payroll_Records_Book_0.pdf)

The Filer School District Record Retention policy can be found in Section C.5 of the Board Policy manual.

[http://www.filer.k12.id.us/docs/policy\\_manual/Section%20C%20General%20Administration%202017.pdf](http://www.filer.k12.id.us/docs/policy_manual/Section%20C%20General%20Administration%202017.pdf)

### **B. Collection and Transmission of Records**

Electronic records are maintained in the Skyward accounting system and are also kept as paper copies, described above. Electronic records are backed up nightly and copies of the backup records are periodically stored off-site. Both electronic and paper records are provided to awarding agencies to meet reporting requirements and to auditors and monitors. Electronic records exceed the requirements of the District Retention Schedule and paper records contain backup documentation. 2 C.F.R. 200.335 allows recipients to transmit them electronically, meaning there's no need to make paper copies.

### **C. Access to Records**

The District provides the awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives the right of access to any documents, papers, or other records of the District which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the District's personnel for the purpose of interview and discussion related to such documents.

### **D. Privacy**

Access to both the Skyward Accounting and Human Resources System, as well as the PowerSchool Student Management System and the Special Education IEP system are password

protected. Employees are trained in the requirements of the Family Educational Rights and Privacy Act (FERPA). When requests for confidential information are received from sources not having clear written authority (court order, for example), legal counsel is consulted prior to disclosure.

**I. Legal Authorities and Helpful Resources**

The following documents contain relevant grants management requirements. Staff should be familiar with these materials and consult them when making decisions related to the federal grant.

- Education Department General Administrative Regulations (EDGAR)
  - <http://www2.ed.gov/policy/fund/reg/edgarReq/edgar.html>
- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 200)
  - <http://www.ecfr.gov/cgi-bin/text-idx?SID=ccccf77e01c9e6d4b3a377815f411704&node=pt2.1.200&rgn=div5>
  -
- USDE's Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 3474)
  - [http://www.ecfr.gov/cgi-bin/text-idx?SID=ccccf77e01c9e6d4b3a377815f411704&tpl=/ecfrbrowse/Title02/2cfr3474\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?SID=ccccf77e01c9e6d4b3a377815f411704&tpl=/ecfrbrowse/Title02/2cfr3474_main_02.tpl)
- Federal program statutes, regulations, and guidance
  - <http://www.ed.gov/>
- State regulations, rules, and policies
  - <http://www.sde.idaho.gov/federal-programs/funding/index.html>
- District regulations, rules, and policies
  - [http://www.filer.k12.id.us/district\\_policy.php](http://www.filer.k12.id.us/district_policy.php)
- Organizational Chart
  - [http://www.filer.k12.id.us/docs/policy\\_manual/Section%20A%20Organization%20Plan%202017.pdf](http://www.filer.k12.id.us/docs/policy_manual/Section%20A%20Organization%20Plan%202017.pdf)