



GRAND PRAIRIE ISD Administrative Procedures Manual Business
Office Hand Book

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

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Purpose

The Grand Prairie ISD Office of Business Operations is responsible for managing the financial resources of the District to ensure student success through engaging learning experiences, collaborative leadership, and a focus on maximizing student achievement. To achieve this mission, the GPISD Office of Business ensures every decision aligns with the District's vision statement, the 5 district Improvement Plan goals of Grand Prairie Schools and the 12 principles of leadership.

This Business Operations Handbook is written to ensure the processes and guidelines of this department are aligned with the vision statement, 5 Improvement Goals and 12 principles of leadership to demonstrate the department's commitment to excellence in financial management, customer service, and financial transparency for staff and all stakeholders in GPISD.

DIP Goal 1 - Student Achievement:

Students will demonstrate exemplary performance in comparison to state, national and international standards in the areas of reading and writing of the English language and in the understanding of mathematics, science and social studies.

DIP Goal 2 – Unlocking Leadership, Recruitment, Support and Retention of Personnel:

Qualified and highly effective personnel will be recruited, developed and retained, with educators keeping abreast of the development of creative and innovative techniques in instruction and administration, using those techniques to improve student learning.

DIP Goal 3 - Parent/Community Engagement:

Parents, families, and community members will be full partners with educators in the education of GPISD students.

DIP Goal 4 - Instructional Technology:

Instructional Technology will be incorporated to increase the effectiveness of teaching and learning, instructional management, staff development and student progress assessments.

DIP Goal 5: Safe and Orderly Environment - GPISD will provide a safe, disciplined and healthy environment conducive to student learning.

This manual also sets forth the procedures used by Grand Prairie Independent School District to administer federal funds pursuant to [Title 2 of the Code of Federal Regulations \(2 CFR\) Part 200](#), which took effect for non-federal entities on December 26, 2014. It also includes requirements and references from the federal regulations in [EDGAR](#) (*Education Department General*

Administrative Regulations) as well as certain policies and laws pertaining specifically to Texas school districts.

This manual contains the internal controls and grant management standards used by the District to ensure that all federal funds are lawfully expended. It describes in detail or references the District's financial management system, including cash management procedures; procurement policies; inventory management protocols; procedures for determining the allowability of federal expenditures; time-and-effort reporting; record retention; and monitoring responsibilities. All employees of the District who deal with federal funds in any capacity are expected to review this manual to gain familiarity and understanding of the District's rules and practices and to comply with all requirements.

Account Code Overview

The Texas Education Agency has developed a standard fiscal accounting system to be used by Texas school districts. While the major purpose of this standard accounting system is compliance with the law, it was also designed to serve as a basic management tool for use in recording, controlling and reporting the financial activities of the District. The major component of this accounting system is a twenty (20) digit code structure. Within this code structure, fifteen (15) digits are required to be used for state reporting purposes. The remaining five (5) digits may be used at local option. The accounting code structure the District is currently using is dictated by the Texas State Agency. For more information please visit [Texas Education Agency](https://tea.texas.gov/) website at <https://tea.texas.gov/>.

Another great source of account code and budgetary information is contained the Budget Procedure Manual available out on the "Z" drive: <Z:\District\Multi-Campus Shares\BudgetDoc\Budget Procedural Manual 2021-2022.pdf> Please review this manual that is updated annually for instructions before submitting your campus/department's annual budget each year. If you still need further assistance with the structure of the budget code, a "Build A Budget Code" tool has been designed and by choosing the content of what you are doing, it builds the line code for you. Your selections in the drop-down list will build the budget code for you. The "Build A Budget Code" tool can be located at: <Z:\District\Multi-Campus Shares\BudgetDoc\Build A Budget Code.xlsx>.

Budget Transfers And Budget Revisions

If you need to transfer funds between functions, these are called Budget REVISIONS. The Budget Revision form needs to be completed with the campus/department name, the person

who prepared the request, the reason for the request and date. The form can be located at <https://www.gpisd.org/BusinessOperations#calendar54600/20210517/month/Page/37011>: . On this page, click “Budgets and Grants” and you will see the link to the form.

Grand Prairie ISD Budget Revision
Request form

- List the account funds are coming from and the account funds are going to. These amounts should equal.
- When completed, the form should be signed by the Principal/Director and submitted to the Finance Office via e-mail for approval.
- Budget transfers with Grant funds between functions do not require Board approval.

To facilitate financial management and accountability of state revenue, and local funds, please note the following suggested deadlines for expenditures of General Funds (199)

December - 70% of allocated funds should be expended, encumbered or planned.

March – All budget transfers should be SUBMITTED to make the April board meeting, if necessary. Budget transfers will be done on a case-by-case basis after March.

April – 30% or the remainder of allocated funds should be expended and encumbered with correct account codes. After April, purchase orders using 199 funds may or may not be processed.

May – All campus and organization/club funds should be expended and encumbered with correct account code.

■ **Code of Federal Regulation – Title 2, Part 200**

The 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, State and Local funds as applicable, and Education Department General Administrative Regulations (EDGAR) provides basic information on the major grants in place within the district and serves as a guide to policies and procedures regarding requests for and use of grant funds. Adherence to grant policies and procedures ensures compatibility with district goals and compliance with legal requirements for programmatic and financial accountability. To view this document, please follow this link below:

<https://www.gpsid.org/BusinessOperations#calendar54600/20210520/month/Page/37011>

Then click on “Business Operations”, then “Budgets and Grants,” and then on the link: CFR Part 200 - EDGAR

All grants, regardless of what type or amount, should get approval by the Federal & State Program Central Office and the Business Office before submission to the grantor agency.

Activity Funds

GENERAL INFORMATION

Activity Funds are accounted for on a centralized basis in the Business Office. Activity Funds are processed through three main accounts:

Fund 461 – Campus Activity Fund

Fund 865 – Student Activity Fund

Fund 895 – Agency Fund

For more detailed information about these funds and the difference between the three, please click on the following link: <https://www.gpsid.org/BusinessOperations#calendar54600/20210517/month/Page/37011>. Once there, then click on the Activity Fund link. .

PURCHASING OVERVIEW

Please refer to the Purchasing Operating Manual for all purchasing procedures and forms:

GRAND PRAIRIE ISD TRAVEL MANUAL

Grand Prairie ISD Travel Policy follows State and Federal guidelines. Texas Education Code requires School Districts in the State of Texas to limit Travel Reimbursements to the State Rate.

Please refer to the Travel Operating Manual for all travel procedures.
Scowl down the page past the Purchasing Forms.

<https://www.gpisd.org/BusinessOperations#calendar54600/20210517/month/Page/37153>

ACCOUNTS PAYABLE/R RECEIVABLE

INVOICE PROCESSING

Upon receiving item(s), please receive within 24 hours through Skyward for appropriate payment process to occur.

- Invoices must be turned into AP office by Tuesday on or before 4:00 p.m. in order to be on the current week's check run.

- Checks will be available for employee to pick up on Friday morning. All vendor checks will be mailed on Friday.

- Please email invoices to Accounts.Payable@gpisd.org.

ALL EMPLOYEE REIMBURSEMENTS WILL BE DONE THROUGH THE ACH PROCESS, THERE WILL NOT BE CHECKS ISSUED. PO'S ARE STILL REQUIRED.

PAYROLL

For all Payroll information, please click on the link below or visit our web page and select "Departments" then select "Business Operations" and then select "Payroll".

<https://www.gpisd.org/BusinessOperations#calendar54600/20210607/month>

CASH MANAGEMENT

Any cash flow from change orders, activity accounts or other cash generated event that flows through the finance department will always have no less than two individuals from the finance department

present when cash is managed inside or outside the vault. During the placing of change orders via the bank's automated system, two or more individuals will be present and sign/initial the completed change order worksheet. When change orders arrive, two or more individuals will accept it. Maximum limits for ordering cash is set at \$10,000 per approved individual per day. At least two individuals must be present during armored courier pick-up or delivery transactions.

Cash will only be requested for a pre-determined need and within a timely manner so as not to keep excess cash in the vault. Only approved individuals within the finance department can request and handle cash to ensure a positive control environment is created and at the same time to maintain a low risk assessment. The combination to the vault is controlled to maintain limited access to cash. When it comes to handling cash for any purpose, it is always a good practice to have a "two-person" concept whereas no one person is left alone or has lone access to it and always maintain a "chain-of-receipt".

. Federal Cash Management Policy/Procedures

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

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

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

Reimbursement Method

Under the reimbursement method, the District initially charges federal grant expenditures to nonfederal funds and makes appropriate journal entries to charge the federal grant once payment is received. All reimbursements are based on actual disbursements (i.e., payments already made), not on obligations.

The District finance department will request reimbursement for actual expenditures incurred under the federal grants as determined by the finance department or as specified by TEA or other awarding agency through TEA's ER System (described above) or through other awarding agency's

system, such as the Department of Education's G5 system, for direct grants. When using this method, the District will only request *reimbursement* for funds actually paid out.

Reimbursements of *actual expenditures* do not require interest calculations as detailed in the *Advance Method* section.

Noncompliance with Cash Management Requirements

Pursuant to the provisions of 2 CFR § 200.338, grantees that fail to comply with cash management requirements, including the repayment of interest earned, may be subject to the following special conditions or enforcement actions:

- Identification as a high-risk grantee, pursuant to the provisions of 2 CFR § 200.207, which may involve the imposition of special conditions and being placed on reimbursement basis only (grantee would not be able to draw down its own funds in the ER system without first submitting supporting documentation for expenditures)
- Temporarily withholding cash payments pending correction of the deficiency
- Disallowing all or part of a cost not in compliance
- Suspension or termination of the award
- Withholding further awards for future grants from TEA
- Debarment or suspension from receiving any future federal funds from any entity
- Other remedies that may be legally available

Determining Allowability of Costs

Grantees are required to have written procedures for determining the allowability of costs charged to federal grants. 2 CFR § 200.302(b)(7). All costs must be allowable under the federal cost principles in 2 CFR Part 200, Subpart E, and under the terms and conditions of the specific federal award.

Expenditures must be aligned with budgeted items in the approved grant application. Certain changes or variations from the approved budget and grant application need prior approval from TEA or other awarding agency. Refer to TEA's guidelines on [When to Submit an Amendment](#) (under *Amendment Submission Guidance*) to determine when an amendment to the budget is required for TEA grants.

When determining how the District will spend grant funds, the originator of the purchase order, the program/grant manager in coordination with the finance department will review the proposed cost to determine whether it is an allowable use of federal grant funds *before* obligating and spending those funds on the proposed goods or services. All expenditures made with federal education funds must

meet the standards outlined in EDGAR, 2 CFR Part 200. The assigned program manager and fiscal staff, including the originator and any approvers of the purchase order must consider the following factors when making an allowability determination.

Factors Affecting Allowability of Costs

In general, District staff must consider the following elements when determining the allowability of a cost. In accordance with the federal cost principles, all costs budgeted and charged to a federal grant must be:

Necessary and Reasonable for the performance of the federal award.

Reasonable Costs: 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 incur the cost was made. “Reasonable” means that sound business practices were followed, and purchases were comparable to current market prices.

A cost can be *reasonable* if it meets *all* of the following conditions:

§ Prudence was used in making the decision to incur the cost, considering the person’s responsibilities to the District, its employees, the public, and the federal government.

§ It is necessary to carry out the objectives of the grant program or is recognized as an ordinary cost to operate the organization.

§ The District applied sound business practices; arm’s-length bargaining (i.e., the transaction was with an unrelated third party); federal, state, and other laws and regulations; and the terms and conditions of the award in making the decision.

§ The price is comparable to that of the current fair market value for equivalent goods or services.

§ There were no significant deviations from the established practices of the organization which may unjustifiably increase the cost. 2 CFR § 200.404

Necessary Costs: While 2 CFR § 200.404 does not provide specific descriptions of what satisfies the “necessary” element beyond its inclusion in the reasonableness analysis above, *necessary* is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. It means it is vital or required in order to meet the objectives of the grant or for the grant to be successful. *Necessary* does *not* mean “nice to have,” which means it is *not necessary* to accomplish the objectives of the program in that it is not vital or required for the success of the program.

A key aspect in determining whether a cost is *necessary* is whether the district can demonstrate that the cost addresses an existing need and can prove it. For example, the

district may deem a language skills software program necessary for a limited English proficiency program.

When determining whether a cost is *necessary*, the District considers:

- § 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; and
- § Whether the cost addresses program goals and objectives and is based on program data.

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 benefits received*. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. 2 CFR § 200.405. For example, if 50% of a supplementary teacher’s salary is paid with grant funds, then that teacher must spend at least 50% of his or her time on the grant program. Additionally, if equipment or supplies purchased with grant funds benefits more than one grant program, the purchase must be “split-funded” among the grant programs receiving benefit. The District must be able to demonstrate how a particular cost benefits the specific population being served in the grant. This can be an area of frequent audit exceptions if not closely monitored.

Consistent with policies and procedures that apply uniformly to both federally financed and other activities of the District. For example, personnel whose travel is paid with federal funds is reimbursed at the same rates as personnel whose travel is paid with state or local funds and the grant is charged accordingly.

Conform to any limitations or exclusions set forth as cost principles in 2 CFR Part 200, Subpart E, 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 expenditures must be properly documented with original source documentation that is clearly written and maintained on file (either electronically or on paper) with accounting records. Documentation includes purchase orders/requisitions, invoices, receipts, verification of receipt of goods and services, travel authorizations and vouchers, contracts, time-and-effort records, copies of checks, bank statements, etc. Expenditures that are not supported by source documentation cannot be charged to the grant.

Determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in 2 CFR Part 200.

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

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, such as credits. To the extent that such credits accruing to or received by the District 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 CFR § 200.406.

Treatment of miles, points, or awards accrued for travel: Any miles, points, credits, or awards accrued or earned for employee travel using a *district-issued* credit card where the credit card bill is paid directly by the District are the property of the District and will be used for employees travelling on behalf of the District to reduce the overall cost to the District. Any such miles, points, credits, or awards accrued will not be used for personal travel.

2 CFR Part 200’s cost guidelines must be considered when federal grant funds are expended. Federal rules require state- and District-level requirements and policies regarding expenditures to be followed as well. For example, state and/or District policies relating to travel or equipment may be narrower or more restrictive than the federal rules. In this case, the stricter state and/or District policies must be followed.

Requesting Prior Written Approval

Some costs discussed in the following sections and in the instructions to completing the grant application require *prior written approval* from the awarding agency. For TEA grants, prior written approval must be requested in accordance with TEA’s process. The District must submit the request in writing to the TEA Chief Grants Administrator. The Chief Grants Administrator may request additional information, as applicable, and may meet or consult with applicable TEA staff prior to responding to the District in writing.

In addition, for certain costs for which it may be difficult to determine reasonableness or allocability, the District may seek *prior written approval* for “special or unusual costs” not identified in the regulations in advance of the incurrence of such costs. This may prevent future disallowance or dispute based on “unreasonableness” or “non-allocability.” Prior written approval should include the timeframe or scope of the agreement. 2 CFR § 200.407

The Program Manager and the Finance department will determine if and when the district should seek prior written approval for a certain cost prior to incurring the cost. Federal grant funds will not be expended for any costs that require prior written approval in accordance with 2 CFR 200,

Subpart E, or the grant application instructions, if such prior written approval was not properly secured.

In summary, for a cost to be allowable under a federal grant program, the district ensures that it meets *all* of the following conditions. A cost that does not meet all of these conditions could be questioned during an audit or monitoring visit and could require repayment to the awarding agency. The cost must be:

- ü *reasonable* in cost (as described above)
- ü *necessary* to accomplish the objectives of the grant program (as described above)
- ü based on an identified need, concern, or area of weakness within the grant program appropriate under the authorizing program statute
- ü consistent with the underlying needs of the program in that it benefits the intended population of students or teachers for which the funds are appropriated
- ü *allocable* to the grant based on the relative benefits received (as described above)
- ü authorized or not prohibited under state or local laws or regulations
- ü consistent with policies, regulations, and procedures that apply to all activities, including other grants and state and local activities
- ü treated consistently as either a *direct* cost or as an *indirect* cost
- ü determined in accordance with GAAP
- ü not used to meet cost sharing or matching requirements of another federal grant (unless specifically permitted in the other program statute or regulations)
- ü consistent with the terms and conditions of the grant award
- ü budgeted in the approved grant application
- ü adequately documented with appropriate supporting original source documentation the net of any applicable credits such as rebates or discounts
- ü allowable under the federal cost principles
- ü in most cases, supplemental to the core foundation program of the school and to other activities normally conducted by the school (i.e., supplement, not supplant)
- ü if the school is a Title I schoolwide program, the grant program's activities and applicable costs must be included in the schoolwide plan, the school must have conducted a comprehensive needs assessment, and the plan must contain the required components specified in statute (see Title I, Part A, §1114[b]).

District personnel responsible for spending federal grant funds and for determining allowability must be familiar with the Part 200 selected items of cost section. District employees are required to follow these rules when charging these specific expenditures to a federal grant. In addition to

checking the selected items of cost in Part 200, district staff must check costs against TEA's [Guidelines Related to Specific Costs](#), *the Request for Application* (RFA), local district policy, and any grant program restrictions to ensure the cost is allowable.

With each purchase order/requisition, we have a built-in multiple approval process in the Skyward financial system that includes the program/grant manager and fiscal staff. Each approval level views the request for reasonable, necessary, allowable (in accordance with the above list), and allocable before approval is granted.

Time and Effort Procedures

All District employees who are paid in whole or in part with federal funds will maintain documentation in accordance with the following requirements.

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

- **Semi-annual certification** (for employees who work 100% of the time on a single program and/or cost objective (except for programs covered under Ed-Flex [as long as Texas remains an Ed-Flex state], in which case a signed and dated job description must be in the employee's personnel file); also see exception for schoolwide programs below)
- **Time-and-effort records** (for employees working on more than one program and/or multiple cost objectives)
- **Substitute system** - GPISD uses the Semi-annual certification and time and effort monthly Periodic Activity Report (PAR) as noted above.

Additional summary information pertaining to each of these is provided below. Refer to the section "Compensation for personal services" in 2 CFR § 200.430 for more detailed information pertaining to charges to payroll.

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 programs that are part of *consolidated administrative funds* (such as a Federal Programs Director who administers only these programs)
- Work 100% of their time under a *single cost objective* funded from eligible multiple funding sources. A Title I, Part A, schoolwide program is a single cost objective. Refer to TEA’s page on [Schoolwide Programs](#) for further guidance.

*“Cost objective” means a program, function, activity, award, organizational subdivision, contract, or work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc. A cost objective may be a major function of the District, a particular service or product, a federal award, or an indirect cost activity.

These employees are not required to maintain time-and-effort records. However, each employee must certify in writing, at least semi-annually, that he or she worked solely on the program or single cost objective for the period covered by the certification. The certification must be signed by the employee or by the supervisor having first-hand knowledge of the work performed and should reference the employee’s signed and dated job description maintained in their personnel file. Charges to the grant must be supported by these semi-annual certifications. The semi-annual certifications are maintained by the program managers of each grant.

Job descriptions: These employees are also required to maintain on file a signed and dated job description which clearly shows that the employee is assigned 100% to the program or single cost objective. The job description must be updated annually or when a function or activity is added to or deleted from an existing job description, must clearly identify the function and activities performed by the employee for the applicable fund source(s) or cost objective, and must be maintained in the employee’s personnel file.

The semi-annual certification must

- be executed after the work has been completed, and not before
- state that the employee worked solely (i.e., 100% of the time) on activities related to one particular grant program or single cost objective
- identify the grant program or cost objective
- specify the 6-month reporting period
- be signed and dated by the employee or a supervisor with first-hand knowledge of the work performed

Charges to the grant must be supported by these semi-annual certifications. All certifications must be retained for audit and monitoring purposes. It is recommended that the certifications be retained in a central location to facilitate an audit.

Other examples:

Because all funds consolidated on a Title I schoolwide campus benefit only that campus and no other cost objective, a Title I schoolwide program is a single cost objective. However, depending on the funding sources consolidated, personnel may or may not be required to complete a certification. See more information below about consolidating funds on a Title I schoolwide program.

A statutory set-aside within a program is a cost objective. For example, Title I, Part A requires that districts receiving \$500,000 or more in Title I, Part A reserve not less than 1% of their Title I, Part A allocation (at the LEA level, not at the campus level) to carry out parental involvement activities. In order to track the 1% expended for this activity, this parental involvement activity must be identified as a separate activity or cost objective for time and effort purposes.

In January to document the completion of first semester work, GPISD sends a Semi-Annual Certification Form electronically to both the employee and the direct supervisor, Principal or department head.

Time and Effort (i.e., Personnel Activity Reports)

Time and effort 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 to account for their time under a substitute system (see below). Employees must prepare time-and-effort summary reports at least monthly (or every other week, as applicable) to coincide with pay periods. Such reports must reflect an *after-the-fact* distribution of 100% of the *actual* time spent on each activity and must be signed by the employee. Monthly reports must be submitted to the Payroll Department and charges to payroll must be adjusted at least monthly to coincide with preparation and submittal of expenditure reports.

Examples of employees who work on multiple cost objectives:

- An employee who works partially on *administering* programs included in *ESSA consolidated administrative funds pool*, and partially on *administering other programs (not included in ESSA consolidated administrative funds pool)*, must maintain time-and-effort records or account for his or her time under a substitute system. These are two different cost objectives.
- An employee who works partially on *administrative* activities (paid from administrative funds) and partially on *program* activities (paid from program funds) of the same program must maintain time-and-effort records or account for his or her time under a substitute system. These are two different cost objectives.
- An employee who works on regular Title I activities and Title I parent involvement activities must maintain time-and-effort records. (The LEA must document the 1% of its allocation expended on parent involvement activities if the LEA receives more than \$500,000 in Title I, Part A.) These are two different cost objectives.
- An employee who works part of the time on *direct* cost activities and part of the time on *indirect* cost activities must maintain time-and-effort records or account for his or her time under a substitute system. These are two different cost objectives.

Sample forms for Periodic Activity Reports and both Fall and Spring Semi-Annual Certification documents are available from the grant program manager. Generated from the September payroll reports, grant funded employees and their supervisors are informed of their funding and the current job description for the position. Employees and supervisors are instructed to inform the grant Program Manager if the funding and job description is incorrect at that time. Necessary adjustments are made either in the job description or the funding at that time.

Employees are also informed at that time of the responsibility to keep either daily and monthly Periodic Activity Reports or the Semi-Annual Certification requirements for their position. The Program Manager receives monthly reports and generates the Semi-Annual Certification processes in January and in May of each schoolyear.

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

To qualify for this substitute system in lieu of traditional time-and-effort reports, the employee must work on *multiple activities or cost objectives (i.e., more than one federal grant award)* based on a *predetermined, set schedule*, which is most likely applicable to classroom teachers or instructional aides. The employee must also normally be required to complete traditional monthly time-and-effort reports. In order for any employees to use this system, the LEA must also submit a [Management Certification](#) form to TEA by the specified deadline date each year.

Record Retention

The District maintains all records that fully show (1) the amount of funds under the grant or sub grant; (2) how the sub grantee 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.

The District also maintains records of significant project experiences and results. These records and accounts must be retained and made available for programmatic or financial audit.

The U.S. Department of Education is authorized to recover any federal funds misspent within 5 years before the receipt of a program determination letter. 34 C.F.R. § 81.31(c). Consequently, the District retain records for a minimum of five (5) years from the date on which the final Financial Status Report is submitted, unless otherwise notified in writing to extend the retention period by the awarding agency, cognizant agency for audit, oversight agency for audit, or cognizant agency for indirect costs. However, if any litigation, claim, or audit is started before the expiration of the record retention period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. 2 C.F.R. § 200.333.

Collection and Transmission of Records

Records and documentation for federal and other grant funds are required to be kept on file for seven years. Program managers and campus administrators are instructed to keep paper copies for at least three years. These and older required forms may be scanned and stored electronically at any time.

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.

Property Management

Property Classifications

The following property classifications are found in federal law. The District should include all relevant property definitions and revise to ensure that property classifications are also in accordance with state and local law. For example, school districts, open-enrollment charter schools, and ESCs are authorized to alter the definition of equipment as long as the revised definition includes all of the property included within the federal definition.

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 CFR § 200.33. The District's capitalization level is \$5,000.00.

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 CFR § 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 CFR § 200.20.

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 CFR § 200.12.

Inventory Procedure

Inventory is received by the department or campus requesting the items. The department or campus secretary inspects the property to ensure good condition upon receipt and to match the delivery items with the purchase order and invoice. The department or campus secretary enters the receiving information into the Skyward system Fixed Assets/Inventory Worksheet. For procedures and to access the Fixed Assets/Inventory Worksheet see the

All property is tagged by the department or campus secretary. Technology Support and Food Services tag technology or food service items prior to delivery to departments or campuses. The tracking of tagged property is implemented by the department or campus secretary and Technology Support and Food Services. Technology Support is responsible for configuring and installing equipment such as computing devices including highly desirable devices such as laptops, smart phones and tablets.

. Inventory Records

For each equipment and computing device purchased with federal funds, the following information is maintained:

- 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
- Ultimate disposition data including the date of disposal and sale price of the property.

Records are updated as needed with a physical count at year end. Systems maintained are as follows and are maintained by the positions listed.

Fixed Assets - Skyward System by Staff Accountant/Accounting staff
Inventory Food Service - Skyward System Inventory by Associate Food Service Directory
Inventory Maintenance & Operations - Skyward System Inventory by Warehouse Lead
Campus/Department Inventory - Excel Spreadsheet by Department/Campus secretary
Hayes TIPWEB Tech Inventory System - Coordinator of Inventory Control
Dossier Transportation Inventory - Shop Forman

*Pursuant to federal regulations, the District holds a *conditional title* for equipment purchased with federal funds unless a statute specifically authorizes a federal agency to vest title in the District without further obligation to the federal government. Title will vest in the District as long as:

- the District uses the equipment for the authorized purposes of the project until funding for the project ceases, or until the property is no longer needed for the purposes of the project
- the District does not encumber the property without approval of TEA or other awarding agency, and
- the District uses and disposes of the property in accordance with federal rules.

Physical Inventory

A physical inventory of the property is taken by departments and campuses and the results reconciled with the property records every year.

The person responsible for maintaining the system at each department/campus runs the Fixed Assets/Inventory Spreadsheet on or before May 31 each year. Request tags in advance from Staff Accountant for Fixed Assets/Inventory for any items found with no tags. Affix new tags to inventory and update the spreadsheet. Each inventory item is verified by the person maintaining the system by checking off in the last column of the spreadsheet as well as dating and initialing. Once the count is complete, run a report to determine the location or status of the unit of inventory.

Throughout the year as an item becomes obsolete, broken, not working, stolen, transferred or disposed of, the person maintaining the system fills out the proper forms and send the items to the warehouse for determination of disposal or auction. All items purchased with federal funds with a value of over \$5,000 slated for disposal or auction must be approved by the Director of Finance.

Final reports are sent to the Staff Accountant for Fixed Assets/Inventory and must consist of starting inventory count and the completed inventory count and all inventory transferred out of the department or campus. The report also includes all inventory from federal funds sent for disposal or auction.

Equipment Insurance and Maintenance of Equipment

The District insures equipment acquired or improved with federal funds at the same levels and in accordance with the same policies as provided to equipment purchased with state or local funds unless required to be insured by terms and conditions of the federal grant. 2 CFR § 200.310.

In accordance with 2 CFR § 200.313(d) (4), the District maintains adequate maintenance procedures to ensure that property is kept in good condition.

Lost or Stolen Items

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

Equipment insurance is maintained by the Risk Management Coordinator and is updated each year. Each department/campus is responsible for ensuring that property is maintained and in good condition. Restrictions are placed on the use of equipment and/or computing devices by management as a whole and by each department/campus administrator. If an item appears to be broken or not working, the department/campus secretary is contacted to do a work order for regular items to maintenance and operations or to contact the Help Desk for technology items or issues.

Maintenance and Operations staff, as well as Technology staff, will access the equipment to determine the necessary repairs. All repairs that can be done in-house are done by those departments. A requisition process is required to send an item out for repair.

Use of Equipment

Equipment will 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 TEA and the federal awarding agency.

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.

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. However, the original purchase of any equipment to be used in other programs will be properly allocated (i.e., prorated) among the applicable funding sources.

Disposal of Equipment and Supplies

Equipment

In accordance with 2 CFR §200.313(e), 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 Finance department will contact the TEA Chief Grants Administrator or other awarding agency for disposition instructions.

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

- An item that has a current FMV of **\$5,000 or less**, may be retained, sold, or otherwise disposed of with no further obligation to TEA or other federal awarding agency. However, TEA must still approve disposition in accordance with specified procedures.
- If an item has a current FMV of **more than \$5,000**, TEA or other federal awarding agency is entitled to the federal share of the current market value or sales proceeds. Pursuant to the provisions in 2 CFR § 200.313(d) (5), the District uses procedures to ensure the highest possible return. TEA must approve the disposition.

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.

Disposition of equipment will be properly recorded in the fixed asset inventory.

Additionally, TEA's [General Provisions and Assurances](#) for all grants (state and federal) administered by TEA contain the following provision:

Capital Outlay: If the Contractor purchases capital outlay (furniture and/or equipment) to accomplish the objective(s) of the project, title will remain with the Contractor for the period of the Contract. The Agency reserves the right to transfer capital outlay items for Contract noncompliance during the Contract period or as needed after the ending date of the Contract. This provision applies to any and all furniture and/or equipment regardless of unit price and how the item is classified in the Contractor's accounting record.

Supplies

Supplies are all tangible property other than equipment. This includes computing devices. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program, and the supplies are not needed for any other federal award, the District will compensate the federal government for its fair share in accordance with procedures established by TEA. The Finance department will contact the TEA Chief Grants Administrator or other awarding agency for disposition instructions of supplies. 2 CFR § 200.314

Job Descriptions

Each employee must have a current job description on file. The immediate supervisor or manager is responsible for developing a complete and accurate job description for each employee under his or her supervision. The job description must describe the employee's job responsibilities as well as delineate all programs or cost objectives under which the employee works.

Job descriptions must be updated as new assignments are made. The supervisor must review the job description with the employee upon hiring and as the job description is updated. The employee must sign and date that he or she has read and understands the job description and the programs under which he or she is working.

The job description must be immediately available upon request by an auditor or monitor.

Specific procedure for ensuring each employee, especially who is paid in whole or in part with federal funds, has a updated job description that has been signed by the employee include notification to all Principals and department heads of this requirement for all employees. Human Resources completes a job description notification process annually that requests feedback from employees if a change or error correction is necessary. The process informs the employee to print and sign the job description and keep it in a personal file. The September payroll information for all grant funded positions is reviewed annually. Additional notice is given to Principals and department heads to ensure that grant funded employees are correct on the payroll and that each of these employees has a signed job description for that year.

Use of Federal Funds Benefitting Students and Teachers in Private Schools (Equitable Participation)

Many federal programs contain the requirement that equitable services be provided to students and **teachers in private nonprofit schools located within the District's boundaries if the officials of the nonprofit school desire that their children and teachers receive the benefits of those federal** programs. In the event that private nonprofit schools wish to participate, there are restrictions with regard to the use and control of funds which benefit those students and teachers. 34 CFR §§ 76.658 - .662.

The expenditure of all federal funds for the benefit of participating private school students and teachers is directly related to the specific federal program under which private school students and teachers are receiving benefit. The following provisions will be adhered to in the use of federal funds for the benefit of private school students and teachers.

- The District shall maintain continuing administrative direction and control over funds and property that benefit private school teachers and students. No funds will ever be paid to a private school. All goods and services are purchased by the District on behalf of and for use by the participating private school.
- The District will monitor participating private schools to verify compliance with these requirements.
- The District shall not use funds to finance the existing level of instruction in a private school or to otherwise benefit the private school.
- The District shall use funds to meet the *specific program needs of students* enrolled in private schools, rather than the *needs of a private school* or the *general needs of the students* enrolled in a private school.
- The District may use funds to make *District* personnel available in *other than* District facilities to the extent necessary to provide equitable program benefits designed for students enrolled in a private school and if those benefits are not normally provided by the school.
- The District may use funds to pay for the services of a *private school employee* if the employee performs the services outside of his or her regular hours of duty and the employee performs the services under the supervision and control of the District or other public entity.
- Equipment and Supplies
 - The District must keep title to and exercise continuing administrative control of all equipment and supplies that the District acquires with federal funds. The District will only place equipment and supplies in a private school for the period of time needed for the federal grant project. (The equipment and supplies are “on loan” to the private school for the duration of the grant project.)

- The District will monitor to ensure that the equipment or supplies placed in a private school are used only for the purposes of the project and can be recovered from the private school without remodeling the private school facilities.
- The District will remove the equipment or supplies from a private school if the equipment or supplies are no longer needed for the purposes of the project or if removal is necessary to avoid use of the equipment or supplies for other than project purposes.
- The District will ensure that federal funds are not used for the construction of private school facilities.

GPISD partners with the Region 10 Education Service Center to work with participating private nonprofit schools for the planning process and implementation of services. Region 10 ESC staff monitor use of materials and equipment and provide quarterly reports to the grant Program Manager.

Internal Controls

Effective control and accountability must be established and maintained for all funds, real property (i.e., land and buildings), personal property, and other assets. The District must adequately safeguard all such property and must ensure that it is used solely for authorized purposes.

In accordance with 2 CFR § 200.61, “internal controls” means a process implemented by the District to provide reasonable assurance regarding the achievement of objectives in the following categories:

- (a) Effectiveness and efficiency of operations
- (b) Reliability of reporting for internal and external use, and
- (c) Compliance with applicable laws and regulations.

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

- Transactions are properly recorded and accounted for in order to:
 - permit the preparation of reliable financial statements and federal reports
 - maintain accountability over assets

- demonstrate compliance with statutes, regulations, and the terms and conditions of the award
- Transactions are executed in compliance with:
 - laws, regulations, and the terms and conditions of the award that could have a direct and material effect on a federal program
 - any other statutes and regulations that are identified in the Audit Compliance Supplement
- Funds, property, and other assets are safeguarded against loss and from unauthorized use or disposition.

Internal controls are tools (i.e., policies, procedures, best practices, and activities) to help program and financial managers achieve results and safeguard the integrity of their program. The District's internal controls are in compliance with guidance in the [*Standards for Internal Control in the Federal Government*](#) (the Green Book) issued by the Comptroller General of the United States and the [*Internal Control Integrated Framework*](#), issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and are designed to provide *effective and efficient operations* and reasonable assurance that the following objectives are achieved.

To accomplish these objectives, the District:

- develops and maintains policies, procedures, and effective practices to ensure federal funds are properly administered and spent and federal property is safeguarded against loss and from unauthorized use or disposition. The District also ensures that all employees who deal with federal funds are aware of the policies and procedures and are properly trained in the use of them.
See Business Operations Manual for more information on Internal Controls
- ensures that employees comply by regularly and frequently evaluating and monitoring their compliance with the policies and procedures, statutes, regulations, and the terms and conditions of the award.
- takes prompt action when instances of noncompliance are identified, including noncompliance identified in audit findings, and takes the appropriate disciplinary action for employees who do not comply, and
- takes reasonable measures to safeguard protected personally identifiable information and other information designated as sensitive consistent with applicable federal, state, and local laws regarding privacy and obligations of confidentiality.

The District uses the following, at least in part, to determine if internal controls are effective:

- Only valid or authorized transactions are processed.
- Transactions occurred during the grant period and were processed in a timely manner.
- No proper transactions were omitted from the accounting records.
- Transactions are calculated using an appropriate methodology.

- Transactions appear reasonable relative to other data.
- Property (including supplies and equipment) is tracked and used only for authorized purposes.
- Property is properly disposed of.

Internal controls are reviewed throughout the year for effectiveness. Finance Department meetings and departmental review are scheduled several times a year.

Federal Grant Application Process

TEA Grants

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

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

Request for Application (RFA)

TEA publishes a *Request for Application* (RFA) for each grant (formula and discretionary) and posts all grants on the [TEA Grants Opportunities](#) page. Some grants are available only in eGrants, while others are available only in paper. Applicants for eGrants must be approved for access to [TEA Secure Applications \(TEAL\)](#) before applying for an eGrant. Each District staff member who wishes to access the application must ensure that he or she is approved for access to eGrants in enough time to allow timely access to the electronic application.

The process an applicant must follow to apply for funds is different for eGrants than for paper applications. Applicants can find detailed information about individual grants by selecting a grant from the **Application Name** dropdown list on the [TEA Grants Opportunities](#) page. For each individual grant available, the following information is displayed:

- **Program Information:** Briefly describes the program purpose and lists eligible applicants and eligibility criteria
- **Eligibility:** Describes organizations that are eligible to apply for the grant

- **Statutory Authority:** Cites the legislation that authorizes the grant
- **Funding Information:** Provides the start and ending date of the grant, whether it is state or federal, and the total amount that will be awarded
- **Application and Support Information:** Lists links to components of the Request for Application (RFA) such as the General and Fiscal Guidelines, Program Guidelines, Application, and any other pertinent grant materials, such as the announcement letter and any issued errata notices
- **Critical Events:** Lists all deadlines associated with the grant, including the application due date, amendment due date, and fiscal and programmatic reporting due dates
- **Contact Information:** Lists the TEA program and fiscal contacts. The TEA Program Contact can provide information about eligibility, program purpose or description, or allowable uses of funds. The TEA Funding Contact can answer questions about the grant application, including allocation and amendment questions.

Each RFA published by TEA includes the [General and Fiscal Guidelines](#) that apply to all federal and state grants, the *Program Guidelines* (that apply to a specific grant program), and the [General Provisions and Assurances](#) that apply to all grants administered by TEA. District employees who manage the program or fiscal aspects of any TEA grant should consult the *General and Fiscal Guidelines* regularly and frequently, as they may change or be updated periodically.

All employees who deal with federal grants must also carefully review and be familiar with all [Provisions and Assurances](#), *as* applicable:

- *General Provisions and Assurances:* Required for every TEA grant agreement
- *Debarment and Suspension:* Required for all federal grants, regardless of dollar amount
- *Lobbying Certification:* Required for all federal grants greater than \$100,000
- *No Child Left Behind Act of 2001:* Required for all programs funded under the Elementary and Secondary Education Act of 1965, as amended by Public Law 107-110, No Child Left Behind Act of 2001
- *Every Student Succeeds Act:* Required for all programs funded under the Elementary and Secondary Education Act of 1965, as amended by Public Law 114-95, Every Student Succeeds Act (ESSA)

The RFA also includes the grant application (i.e., Standard Application System, or SAS) and the instructions for completing the SAS schedules (i.e., forms). Program managers preparing grant applications should carefully review all contents of the RFA package *prior to planning and developing a grant application* to ensure all requirements are met and the application is completed correctly. Some applications require advance coordination among district staff and/or among other entities such as local businesses, community organizations, or institutions of higher education (IHEs) (i.e., colleges and universities).

Submitting Complete Applications on Time

It is equally important that federal grant applications be prepared and submitted *on time*. For formula grants administered by TEA that usually begin July 1, the District cannot obligate funds and begin grant activities until the District submits the application to TEA in *substantially*

approvable form. To prevent unnecessary delays in program implementation and the provision of services to students, it is the policy of the District that all formula grant applications will be submitted as soon as possible but no later than July 1 unless a later grant beginning date is published by TEA.

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

Authorized Official

The person signing/certifying the application must be an authorized official of the District who will represent the District in the event of a legal dispute. The General Superintendent, or Assistant Superintendent for School Improvement in his or her absence, is the authorized official for this District. By signing/certifying the application, the authorized official is certifying that he or she will comply with the terms and conditions of the grant, all applicable provisions and assurances, and the approved application. The signed/certified application submitted to TEA, and the NOGA issued by TEA, together constitute a legally binding contractual agreement between the District and TEA. Campus principals do not have the authority to submit a grant application.

District program staff, fiscal staff, and management are responsible for knowing all requirements and for complying with them. It is the policy of the District that the grant program described in the application is carried out in compliance with applicable statutes, regulations, rules, and guidelines, and in accordance with the approved application to achieve maximum efficiency and effectiveness with the goal of providing an integrated, coordinated delivery of services for students. Grant funds will be obligated, expended, and accounted for in an environment based on ethical principles and sound business practices.

The District program manager assigned to the grant program is responsible and held accountable for knowing the program requirements, fiscal requirements, and reporting requirements. In addition to the policies and procedures outlined in this manual, the program manager may be required to develop additional policies and procedures in order to comply with the specific requirements that may apply to a particular grant program. Any such additional policies and procedures must be used in conjunction with the policies and procedures outlined in this manual.

TEA monitors federal grants for compliance with fiscal and program requirements. In addition, the District's independent auditor is required to determine compliance with certain requirements during the annual independent audit. Failure to comply with applicable statutes, regulations, rules, and guidelines or to implement the grant program in accordance with the approved

application could result in the District being identified as a high-risk grantee and having corrective actions or additional sanctions imposed by TEA or other awarding agency; the repayment of federal dollars as a result of monitoring or audit findings; or termination of the grant. Refer to TEA's [Corrective Actions Related to Federal Grants](#) for more information related to potential actions for noncompliance.

Other Federal Grants

The assigned program manager is responsible for monitoring grant opportunities that may be available from agencies other than TEA. Approval from the Assistant Superintendent for School Improvement to pursue the grant opportunity must be obtained in advance of completing and submitting the application. An authorized official of the District (as previously described) must sign/certify the application prior to submittal.

Opportunities for other federal grants passed through other state agencies might be published in the [Texas Register](#) in the "IN ADDITION" section. Opportunities for federal grants available directly from the USDE or from another federal awarding agency are published in www.grants.gov.

Reporting Expenditures

TEA Grants

The [General Provisions and Assurances](#) that accompany every grant application funded by or through TEA contains an assurance that grantees agree to comply with expenditure reporting requirements. The District will submit expenditure reports in the time and manner requested by TEA.

TEA requires that districts and other grantees use a standard format for reporting expenditures for grants funded through TEA. Reports are submitted electronically through the automated [Expenditure Reporting](#) (ER) system by class/object code. The *Program Guidelines* for each RFA published by TEA and/or the *Critical Events* calendar provided on the TEA [Grant Opportunities page](#) for a specific program identify the required expenditure reporting dates. However, even though dates for submitting interim expenditure reports may not be specified, the District will submit expenditure reports more frequently, such as monthly, to indicate that grant activities and expenditures are occurring as planned and there are no major delays in the project.

Final expenditure reports are generally due 30 days after the ending date of the grant. If the grant program has a cost share or matching funds requirement, the grantee must also report the total cost share or matching funds in ER.

Each District employee who reports and/or certifies expenditures in ER is required to have a TEAL (TEA Secure Environment) username and password to access ER. The District reports

cumulative expenditures to date in ER, and the system automatically calculates the amount already paid to the District and the amount owed and generates a payment to the District.

When filing interim reports, the District will only report actual expenditures, and any expenditures that will be paid out within three business days once payment is received by the District. In addition, the District will comply with the cash management procedures described in *II. Financial Management System, H. Federal Cash Management Policy/Procedures* of this manual.

Currently, the grant specialist or other assigned individuals in the District's finance department submits the reports in ER. Each report is certified by the Director of Budget, or an authorized official who attests that expenditures are true and correct and will be paid out within three business days. Effective July 1, 2015, the fiscal reports requesting payment may include a certification signed/certified by an official who is authorized to legally bind the District. 2 CFR § 200.415. The certification reads as follows:

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, or false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).”

See *II. Financial Management System, H. Federal Cash Management Policy/Procedures* in this manual for more information on requesting grant payments and the “three-day rule.”

The ER system automatically rejects expenditure reports if:

- The District is claiming expenditures in a class/object code not budgeted in the application.
- The total amount reported exceeds the total amount awarded.

TEA (or other agency administering the grant on behalf of TEA) reserves the right to require supporting documentation (such as an accounting ledger) that lists the individual expenditures by object code, as well as invoices, receipts, travel vouchers, and other expenditure documents for expenditures at any time during or after the grant period for as long as the records are retained according to requirements for record retention. The District will be required to reimburse all expenditures that are unsupported by appropriate documentation or found to be unallowable under the grant. Depending upon the severity of noncompliance with allowable cost principles, additional sanctions may be imposed, up to and including termination of the grant and refund of all unallowable costs.

In addition, failure to submit the expenditure reports according to the required reporting dates could cause the grantee to be identified as high risk and could result in additional sanctions. (See *Part VIII. Monitoring, B. TEA Monitoring, Identification as a High-Risk Grantee* in this manual.)

Refunds Due to TEA

If the final expenditure report indicates that a refund is due to TEA, within 30 days of notification that a refund is due the District will submit a refund check to the following address:

Texas Education Agency—MSC
P.O. Box 13717
Austin TX 78711-3717

The District will write the name of the grant program and the NOGA ID number on the refund check and note the reason for the refund, such as due to an internal audit or an annual audit.

Failure to comply with the requirements for submitting a refund within 30 days will result in an enforcement action by TEA to withhold future payments. 2 CFR § 200.338

Grants from Other Awarding Agencies

The District will submit expenditure reports to other awarding agencies in the time and manner requested by the agency.

Administering CARES Act Funding:

ESSER I, II, & III will provide our district with short-term relief to address the effects of COVID-19 on our campuses and departments, and are not intended for an ongoing program to support long-term expenses. All activities can benefit all students and schools or be targeted to select students and schools, depending on our district's needs. The district will follow the guidelines of TEA as updates are announced and released and will follow all requirements of EDGAR.

