

Policy 3230: Federal Grant Funds

Status: ADOPTED

Original Adopted Date: 09/01/2016 | Last Revised Date: 03/01/2021 | Last Reviewed Date: 09/01/2016

CSBA NOTE: All grants awarded by the federal government, including formula grants (e.g., Title I funding, Part B of the Individuals with Disabilities Education Act) and discretionary grants, are subject to the requirements contained in the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (commonly called "Uniform Guidance"), as specified in 2 CFR 200.0-200.521 and Appendices I-XII. 2 CCR 200.109 requires that the Uniform Guidance be reviewed every five years. Revisions to the Uniform Guidance (85 Fed. Reg. 49506), effective November 12, 2020, address the information that grant recipients are required to report, implement relevant statutory requirements, and clarify existing requirements.

Pursuant to 2 CFR 200.302, 200.318, and 200.319, the district is mandated to adopt written procedures related to procurement, conflict of interest, cash management, payments, and allowable costs. In addition to the following policy, it is recommended that districts maintain a detailed administrative regulation or procedures manual addressing the mandated components.

The Governing Board recognizes the district's responsibility to maintain fiscal integrity and transparency in the use of all funds awarded through federal grants. The district shall comply with all requirements detailed in any grant agreement with an awarding agency and with the federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards specified in 2 CFR 200.0-200.521 and any stricter state laws and district policy.

Any goods or services purchased with federal funds shall be reasonable in cost and necessary for the proper and efficient performance or administration of the program.

The Superintendent or designee shall ensure that the district's financial management systems and procedures provide for the following: (2 CFR 200.302)

1. Identification in district accounts of each federal award received and expended and the federal program under which it was received
2. Accurate, current, and complete disclosure of the financial results of each federal award or program in accordance with the reporting requirements of 2 CFR 200.328 and 200.329
3. Records and supporting documentation that adequately identify the source and application of funds for federally funded activities, including information pertaining to federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income, and interest
4. Effective control over and accountability for all funds, property, and other assets and assurance that all assets are used solely for authorized purposes
5. Comparison of actual expenditures with budgeted amounts for each federal award
6. Written procedures to implement provisions governing payments as specified in 2 CFR 200.305
7. Written procedures for determining the allowability of costs in accordance with 2 CFR 200.400-200.475 and the terms and conditions of the federal grant award

The Superintendent or designee shall develop and implement appropriate internal control processes to reasonably assure that transactions are properly executed, recorded, and accounted for so that the district can prepare reliable financial statements and federal reports, maintain accountability over assets, and demonstrate compliance with federal laws, regulations, and conditions of the federal award. (2 CFR 200.61, 200.62, 200.303)

Equipment purchased with federal funds shall be properly inventoried and adequately maintained to safeguard against loss, damage, or theft of the property.

All staff involved in the administration or implementation of programs and activities supported by federal funds shall receive information and training on the allowable use of federal funds, purchasing procedures, and reporting processes commensurate with their duties.

CSBA NOTE: Pursuant to 2 CFR 200.328 and 200.329, districts must submit financial and performance reports at the interval required by the awarding agency, which shall be at least annually but no more often than quarterly except in unusual circumstances. Status reports due annually must be submitted no later than 90 calendar days after the reporting period, and reports due quarterly or semi-annually must be submitted no later than 30 calendar days after the reporting period. As amended by 85 Fed. Reg. 49506, 2 CFR 200.329 increases the time period for submitting final performance reports from 90 to 120 days after the performance end date. The district may request an extension of the due date for any performance report for justifiable reasons.

In addition, the California Department of Education (CDE) is required under Education Code 64001 to monitor districts' compliance with legal requirements for federal categorical programs. This monitoring is accomplished through the Federal Program Monitoring process, which is based on a combination of data and document reviews and on-site visits. For further information, see the CDE's website and BP 6190 - Evaluation of the Instructional Program.

The district shall submit financial and performance reports to the awarding agency in accordance with the schedule and indicators required for that federal grant by law and the awarding agency. As required, such reports may include a comparison of actual accomplishments to the objectives of the federal award, the relationship between financial data and performance accomplishments, the reasons that established goals were not met if applicable, cost information to demonstrate cost-effective practices, analysis and explanation of any cost overruns or high unit costs, and other relevant information. The final performance report shall be submitted no later than 120 calendar days after the ending date of the grant. (2 CFR 200.301, 200.328, 200.329)

Policy Reference Disclaimer: These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State References

Ed. Code 42122-42129

Ed. Code 64001

Description

[Budget requirements](#)

[School plan for student achievement, consolidated application programs](#)

Federal References

2 CFR 180.220

2 CFR 200.0-200.521

2 CFR 200.1-200.99

2 CFR 200.100-200.113

2 CFR 200.317-200.326

2 CFR 200.327-200.329

2 CFR 200.333-200.337

2 CFR 200.400-200.475

2 CFR 200.500-200.521

34 CFR 76.730-76.731

48 CFR 2.101

Description

[Amount of contract subject to suspension and debarment rules](#)

[Federal uniform grant guidance](#)

[Definitions](#)

[General provisions](#)

[Procurement standards](#)

[Monitoring and reporting](#)

[Record retention](#)

[Cost principles](#)

[Audit requirements](#)

[Records related to federal grant programs](#)

[Federal acquisition regulation; definitions](#)

Management Resources References

California Department of Education Publication

California Department of Education Publication

Education Audit Appeals Panel Publication

U.S. Department of Education Publication

Website

Website

Description

[California Department of Education Audit Guide](#)

[California School Accounting Manual](#)

[Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting](#)

[Questions and Answers Regarding 2 CFR Part 200, March 17, 2016](#)

[Office of Management and Budget, Uniform Guidance](#)

[State Controller's Office](#)

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| Website | System for Award Management (SAM) |
| Website | U.S. Government Accountability Office |
| Website | Education Audit Appeals Panel |
| Website | U.S. Department of Education |
| Website | California Department of Education |

Cross References

Description

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|-----------|--|
| 0500 | Accountability |
| 1340 | Access To District Records |
| 1340 | Access To District Records |
| 3100 | Budget |
| 3100 | Budget |
| 3231 | Impact Aid |
| 3270 | Sale And Disposal Of Books, Equipment And Supplies |
| 3270 | Sale And Disposal Of Books, Equipment And Supplies |
| 3300 | Expenditures And Purchases |
| 3311 | Bids |
| 3311 | Bids |
| 3311.4 | Procurement Of Technological Equipment |
| 3312 | Contracts |
| 3314 | Payment For Goods And Services |
| 3314 | Payment For Goods And Services |
| 3350 | Travel Expenses |
| 3400 | Management Of District Assets/Accounts |
| 3400 | Management Of District Assets/Accounts |
| 3440 | Inventories |
| 3460 | Financial Reports And Accountability |
| 3460 | Financial Reports And Accountability |
| 3512 | Equipment |
| 3512-E(1) | Equipment |
| 3551 | Food Service Operations/Cafeteria Fund |
| 3551 | Food Service Operations/Cafeteria Fund |
| 3580 | District Records |
| 3580 | District Records |
| 4131 | Staff Development |
| 4231 | Staff Development |
| 4331 | Staff Development |
| 6173.4 | Title VI Indian Education Program |
| 6178 | Career Technical Education |
| 6178 | Career Technical Education |
| 6190 | Evaluation Of The Instructional Program |
| 9270-B | Conflict Of Interest |