



Book	Policy Manual
Section	Policies for the Board
Title	Copy of GRANT FUNDS
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### 6110 - GRANT FUNDS

It is the objective of the School Board to provide equal educational opportunities for all School Corporation students. Government agencies, as well as foundations, businesses, and individuals, periodically offer both human and material resources to the Corporation that benefit students and the educational program. Therefore, it is the intent of the Board to consider grant proposals and applications for their potential to enhance the educational opportunities, the educational environment, and the physical and mental growth for each student.

The Superintendent shall review new Federal education legislation and prepare proposals for programs ~~s/he the~~ Superintendent deems would be of aid to the students of this Corporation. The Superintendent shall approve each such proposal prior to its submission, and the Board shall approve all grants resulting from such proposals.

The Board regards available Federal funds of aid to local school corporations and communities as a public trust. It forbids the use of Federal monies for partisan political activities and for any use that would not be in accord with Federal regulations and guidelines.

No Federal funds received by the Corporation shall be used ~~to~~:

- A. for construction, renovation, or repair of any school facility, except as authorized under the Federal award;
- B. for transportation, unless otherwise authorized under the Federal award;
- C. to develop or distribute materials or operate programs or courses of instruction directed at youth that are designed to promote or encourage sexual activity, whether homosexual or heterosexual;
- D. to distribute or aid in the distribution by any organization of legally obscene materials to minors on school grounds or at school sponsored activities;
- E. to provide sex education or HIV-prevention education in schools unless that instruction is age appropriate and includes the health benefits of abstinence; or
- F. to operate a program of contraceptive distribution in schools; or
- G. or the provision of a dangerous weapon or training in the use of a dangerous weapon except with respect to programs authorized under the Federal award that provide students with educational instruction or educational enrichment activities.

The Superintendent shall review grant opportunities and authorize the development of proposals.

### Grant Proposal Development

- A. All grant proposals must support at least one (1) Corporation goal or priority.

- B. For projects where grant funds will not cover the entire cost of project implementation, additional fund sources must be identified, documented, and approved during the internal review process.

### Grant Proposal Internal Review

Each grant proposal shall be reviewed and approved by the Superintendent prior to submission to the funding source.

The Superintendent may identify a project director prior to proposal submission.

### Grant Administration

- A. The administration of grants will adhere to all applicable Federal, State, local, and grantor rules and regulations, including the terms and conditions of the Federal awards as well as Board policies and administrative guidelines.
- B. The Superintendent is responsible for the efficient and effective administration of grant awards through the application of sound management practices.
- C. The Superintendent is responsible for administering grant funds in a manner consistent with underlying agreements, applicable statutes, regulations, and objectives, and the terms and conditions of the grant award.
- D. The Corporation, in recognition of its unique combination of staff, facilities, and experience, shall employ internal controls, including the organizational and management strategies necessary to assure proper and efficient administration of grant awards.
- E. All Federal funds received by the Corporation will be used in accordance with the applicable Federal law and regulations and the terms and conditions of the Federal award. The Superintendent shall require that each draw of Federal monies be aligned with the Corporation's payment process (whether reimbursement, cash advance, or a combination). If funds are permitted to be drawn in advance, all draws will be as close as administratively feasible to the related program expenditures and that, when restricted, such monies are used to supplement programs and funding and not to supplant or replace existing programming or current funding.

Maintenance of Effort (MOE) and Maintenance of Equity (MOEQuity) requirements of the Federal program will be met in accordance with the requirements of the specific funded program. The Corporation shall maintain appropriate documentation and records to substantiate compliance or to justify allowable exceptions, exemptions, or waivers.

- F. The Superintendent is authorized to sign related documents for grant administration, including documents required for submittal of grant proposals.

### Financial Management

~~The financial management of grant funds shall be in compliance with all applicable Federal, State, local, and grantor rules, regulations, and assurances as well as Corporation policies and administrative guidelines.~~ The financial management of grant funds shall be in compliance with all applicable Federal, State, local, and grantor statutes, rules, and regulations; the terms and conditions of the Federal award; and Corporation policies and administrative guidelines.

The Corporation shall provide for the following:

- A. Identification, in Corporation accounts, of all grant awards received and expended and the programs under which they were received. For Federal programs and awards, identification shall include the Catalog of Federal Domestic Assistance (CFDA) title and number, Federal award identification number and year, name of the Federal agency and name of the pass-through entity, as applicable.
- B. Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements of the grant. Maintaining records that sufficiently identify the amount, source, and expenditure of Federal funds for Federal awards. These records must contain information necessary to identify Federal awards, authorizations, financial obligations, unobligated balances, as well as assets, expenditures, income, and interest. All records must be supported by source documentation.
- C. ~~Records that identify adequately the source and application of funds provided for Federally funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.~~ Effective control and accountability for all funds, property, and assets. The Corporation must safeguard all assets and ensure they are used solely for authorized purposes.

- D. ~~Effective control over, and accountability for, all funds, property, and other assets. The Corporation must adequately safeguard all assets and assure that they are used solely for authorized purposes.~~ Comparison of expenditures with budget amounts for each Federal award.
- E. Written procedures to implement the requirements of 2 C.F.R. 200.305 regarding payment.
- F. Written procedures for determining the allowability of costs in accordance with Federal regulations and the terms and conditions of the Federal award.
- G. Further, the Corporation must:
1. establish, document and maintain effective internal control over the Federal award that provides reasonable assurance that the Corporation is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;
  2. comply with the U.S. Constitution, Federal statutes, regulations and the terms and conditions of the Federal award;
- H. ~~Comparison of expenditures with budget amounts for each Federal award~~ Actual expenditures or outlays must be compared with budgeted amounts for each Federal award.
- I. Recordkeeping and written procedures to the extent required by Federal, State, local, and grantor rules and regulations pertaining to the grant award and accountability, including, but not limited to, the following areas:
1. cash management in accordance with 2 C.F.R. 200.305
  2. allowability of costs in accordance with subpart E and the terms and conditions of the Federal award
  3. conflict of interest
  4. procurement
  5. equipment management
  6. conducting technical evaluations of proposals and selecting recipients
  7. compensation and fringe benefits
  8. travel
- J. Disclosure of any potential conflict of interest and all mandatory violation disclosures potentially affecting the Federal award/grant to the Federal awarding agency or pass through agency in accordance with applicable Federal policy.
- K. Insurance coverage for real property and equipment, if applicable, equivalent to such property owned by the Corporation.

### **Audit Requirements**

A single or program-specific audit (2 C.F.R. 200.514, 2 C.F.R. 200.507) is required for any year if the Corporation expends \$1,000,000 or more in Federal awards during the Corporation's fiscal year. When Federal awards expended are less than \$1,000,000 the Corporation may be exempt from Federal audit requirements (2 C.F.R. 200.501) for that year. However, in all instances, the Corporation's records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and the Government Accountability Office (GAO).

### **The Corporation shall:**

- A. arrange for the audit required in accordance with 2 C.F.R. 200.509 and make sure that the audit is properly performed and submitted in accordance with 2 C.F.R. 200.512;

- B. prepare financial statements including the schedule of expenditures of Federal awards in accordance with 2 C.F.R. 200.510;
- C. promptly follow up and take corrective action on audit findings, including preparing a summary schedule of prior audit findings and a corrective action plan (2 C.F.R. 200.511); and
- D. provide the auditor access to personnel, accounts, books, records, supporting documentation, and any other information needed for the auditor to perform the audit.

### **Certifications and Records Retention**

Financial reports must include a certification, signed by an official who is authorized to legally bind the Corporation. The certification should state:

"I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343, and Title 31, Sections 3729-3730 and 3801-3812."

Each certification must be maintained pursuant to the requirements of 2 C.F.R. 200.334. The Corporation shall retain all Federal award records for three (3) years from the date of submission of the final financial report or longer if required by the Board-adopted records retention schedule.

### **Program Income**

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.

It 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. Additionally, taxes, special assessments, levies, fines and ~~other such~~ similar 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, p~~Proceeds from the sale of real property, equipment or supplies are not program income. Finally, license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions made under the Federal award subject to 57 C.F.R. Part 401 are not program income.

Unless it has received prior approval to use a different method or the terms and conditions of the grant authorize a different method, the Corporation uses the deduction method of accounting for program income. Under the deduction method, program income is deducted from total allowable costs to determine the net allowable costs. Program income will be used only for current costs unless the Corporation is otherwise directed by the Federal awarding agency or pass-through entity.

### **Mandatory Disclosures**

The Corporation must promptly disclose whenever they have credible evidence of a violation of Federal criminal law potentially affecting the Federal award including any, but not limited to, fraud, embezzlement, bribery, gratuity violations, identity theft, or sexual assault and exploitation, or a violation of the civil False Claims Act (2 C.F.R. 200.113) regarding the obligation to report credible information related to conduct prohibited by the Trafficking Victims Protection Act, 22 U.S.C. 7104c.

### **Whistleblower Protections**

An employee of the Corporation may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information to the appropriate agency or individual that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal

contract or grant, See Policies 1411 - Required Reports and Protection of Whistleblowers, 3211 - Required Reports and Protection of Whistleblowers, 4211 - Required Reports and Protection of Whistleblowers, and 8900 - Anti-Fraud.

I.C. 20-26-5-4

Compliance Supplement for Single Audits of State and Local Governments

20 U.S.C. 7906

31 U.S.C. 3729-3733

Education Department General Administrative Regulations (EDGAR)

2 C.F.R. 200.113

2 C.F.R. 200.56, 200.71, 200.77, 200.80, 200.112, 200.302, 200.307

2 C.F.R. 200.309, 200.310, 200.313, 200.318-.320, 200.343(b)&(e)

2 C.F.R. 200.501-511

34 C.F.R. 75.707, 76.563, 76.565, 76.707

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