

No. 629

SECTION: Finances

TITLE: Federal Fiscal Compliance

ADOPTED: April 11, 2017

CATASAUQUA AREA SCHOOL DISTRICT

629 – FEDERAL FISCAL COMPLIANCE		1
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1. Purpose	This Policy is intended to ensure that federal funds received by the District are administered in accordance with all applicable federal requirements, including but not limited to the federal Uniform Grant Guidance.	3
2 CFR Part 200		4
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2. Definitions	The following words and phrases, when used in this policy, shall have the meaning given to them below:	9
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	Coordinator — means the Coordinator of Instructional Technology & Federal Programs, except that with respect to federal awards relating to the District’s food service program, the term shall mean the Food Service Director.	11
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2 CFR § 200.38	Federal award — means (1) federal financial assistance that the District receives directly from a federal awarding agency or indirectly from a pass-through entity, (2) a cost-reimbursement contract under the Federal Acquisitions Regulations that the District receives directly from a federal awarding agency or indirectly from a pass-through entity, and (3) the instrument setting forth the terms and conditions of the Federal award, including the grant agreement, cooperative agreement, other agreement for assistance under 2 CFR § 200.40(b) (<i>i.e.</i> , loans, loan guarantees, interest subsidies, and insurance), or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.	15
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3. Delegation of Responsibility	The Board of School Directors shall review and approve all applications for a federal award submitted by the District. The Board designates the Coordinator as the District contact for all federal programs and funding.	27
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	The Superintendent or his/her designee, in collaboration with the Coordinator and the Business Supervisor, shall establish and maintain a sound financial management system to include internal controls and federal grant management standards covering the receipt of both direct and state-administered federal grants, and to track costs and expenditures of funds associated with federal awards.	31
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	The Superintendent may promulgate administrative regulations consistent with applicable law, regulations, and Board policies to assist in the proper administration of federal funds and the implementation of this Policy.	38
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4. Guidelines

A. *In General.*

The District shall administer all federal awards and funds received in connection with federal awards consistent with all applicable requirements of federal and state law and regulations and Board policies and administrative regulations, including the federal Uniform Grant Guidance and U.S. Department of Agriculture regulations governing school food service programs.

The Board of School Directors has provided certain rules and procedures with a special application to federal awards and programs in the following Board policies, which should be consulted, together with their related administrative regulations and procedures, in connection with this Policy:

Policies 627-628,
630-636

- Policy 627 — Travel Expenses
- Policy 628 — Conflicts of Interest
- Policy 630 — Classification of Costs (Federal Programs)
- Policy 631 — Allowability of Costs (Federal Programs)
- Policy 632 — Timely Obligation of Funds (Federal Programs)
- Policy 633 — Cash Management (Federal Programs)
- Policy 634 — Procurement (Federal Programs)
- Policy 635 — Management of Property Acquired with Federal Funds
- Policy 636 — Grant Subrecipient Monitoring Procedures (Federal Programs)

B. *Financial Management System.*

The District’s financial management system shall be designed with strong internal controls, a high level of transparency and accountability, and documented procedures to ensure that all financial management system requirements are satisfied in connection with federal awards.

In addition to all requirements of other Board policies and administrative regulations, including those identified in Part 4A above, the financial management standards and procedures shall assure that the following requirements are fulfilled:

1. Identification — The District must identify in its accounts all federal awards received and expended, and the federal programs under which they were received.
2. Financial Reporting — Accurate, current, and complete disclosure of the financial results of each federal award or program must be made in accordance with the Education Department General Administrative Regulations (EDGAR).

34 CFR Parts 75-
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- 3. Accounting Records — The District must maintain records which adequately identify the source and application of funds provided in connection with a federal award.
- 4. Internal Controls — Effective control and accountability must be maintained for all funds, real and personal property, and other assets received or acquired in connection with a federal award. The District must adequately safeguard all such property and assure that it is used solely for authorized purposes.
- 5. Budget Control — Actual expenditures or outlays must be compared with budgeted amounts for each federal award.

C. *Employee Time and Effort Reporting.*

2 CFR § 200.430

All District employees providing services in connection with a federal award and for whom any federal funds will be used to pay any part of their compensation shall document the time they expend in work performed in support of each federal award and program, in accordance with law and regulations. Time and effort reporting requirements do not apply to contracted individuals.

D. *Records Management.*

2 CFR §§ 200.333 to 200.337

The District shall develop and maintain a Records Management Plan and related policies and administrative procedures for the retention, retrieval, and disposition of manual and electronic records, including e-mails, pertinent to a federal award in accordance with federal law and regulations. The Records Management Plan should delineate the record retention format, retention period(s), method of disposal, identification of staff authorized to access records, appropriate training, and preservation measures to protect the integrity of records and data.

34 CFR §§ 75.730 to 75.732

The District shall ensure the proper maintenance of federal fiscal records documenting:

- 1. Amount of federal funds.
- 2. How funds are used.
- 3. Total cost of each project.
- 4. Share of total cost of each project provided from other sources.
- 5. Other records to facilitate an effective audit.

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- 6. Other records to show compliance with federal program requirements.
- 7. Significant project experiences and results.

All records must be retrievable and available for programmatic or financial audit.

2 CFR § 200.336

The District shall provide the federal awarding agency, the Inspector General, the Comptroller General of the United States, the appropriate officials of the Commonwealth of Pennsylvania for federal funds administered through the state, and any of their authorized representatives the right of access to any documents, papers, or other District records which are pertinent to a federal award. This right of access lasts as long as the records are retained. The District shall also permit timely and reasonable access to the District’s personnel for the purpose of interview and discussion related to such documents.

2 CFR § 200.333

Records shall be retained for a minimum of three (3) years from the date on which the final Financial Status Report is submitted, or as otherwise specified in the requirements of the federal award or federal regulations, unless the District is notified by the awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or the Commonwealth to extend the retention period.

If any litigation, claim, or audit is started before the expiration of the standard record retention period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

Records for real property and equipment acquired with federal funds must be retained for at least three (3) years after final disposition.

2 CFR § 200.337

The District shall ensure that all personally identifiable information protected by law or regulation is handled in accordance with the requirements of applicable law, regulations, Board policy, and administrative regulations.

