

Business and Noninstructional Operations

**FEDERAL GRANT FUNDS**

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/designee shall ensure that the District's financial management systems and procedures provide for the following pursuant to 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.

*(cf. 3100 - Budget)*

2. Accurate, current, and complete disclosure of the financial and performance results of each Federal award or program in accordance with the reporting requirements of 2 CFR 200.327 and 200.328.

*(cf. 3460 - Financial Reports and Accountability)*

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, obligations, unobligated balances, assets, expenditures, income, and interest.

*(cf. 1340 - Access to District Records)*

*(cf. 3580 - District Records)*

4. Effective controls 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.

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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.

*(cf. 3400 - Management of District Assets/Accounts)*

The Superintendent/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.

*(cf. 3270 - Sale and Disposal of Books, Equipment and Supplies)*

*(cf. 3440 - Inventories)*

*(cf. 3512 - Equipment)*

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.

*(cf. 4131 - Staff Development)*

*(cf. 4231 - Staff Development)*

*(cf. 4331 - Staff Development)*

The District shall submit 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

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overruns or high unit costs, and other relevant information. The final performance report shall be submitted within 90 days after the ending date of the grant. (2 CFR 200.301, 200.328)

*(cf. 0500 - Accountability)*

*(cf. 6190 - Evaluation of the Instructional Program)*

*Grant Funds during Extraordinary Circumstances*

Notwithstanding the school closure as a result of an emergency (such as closure due to COVID-19), the District will continue to use Federal, State and local funding to facilitate continuing activities, including distance learning opportunities for students served by Federal grants.

The District will continue to provide employees' compensation (including, but not limited to salaries, wages, fringe benefits and other allocable and reasonable costs) funded by a specific Federal grant even with the District closed to the same extent that compensation is paid from all funding sources (including non-Federal funds) under such unexpected or extraordinary circumstances (such as an extended closure due to a public health emergency like COVID-19). However, an employee who is being paid with Federal funds while program grant activities are closed in whole or in part due to extraordinary circumstances (such as the COVID-19 pandemic) may not also be paid for the time during which the program is closed by the organization or another organization for working on other activities that are not closed down. Under no circumstances will an employee receive compensation beyond what he/she is designated to receive.

The District will continue to maintain appropriate records and cost documentation to substantiate the charging of any compensation costs related to interruption of operations or services, in accordance with 2 CFR § 200.302, 2 CFR § 200.430(i), and 2 CFR § 200.333. Despite and throughout the school closure, all employees, whether receiving compensation through Federal funds or non-Federal funds, will continue to perform activities and services to the District as so directed.

Where Federal funds were allocated for a conference, training, or other similar activity which has been cancelled or postponed due to extraordinary circumstances (such as COVID-19), such funds may be used, at the discretion of the Superintendent/Board or their designee, to refund any nonrefundable costs

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related to such cancellation. In order to be eligible to recover lost costs from a cancelled or postponed conference, training or other similar activity, the employee must document and demonstrate that he/she first sought reimbursement or refunds from the sponsoring agency, business, travel or lodging related agents or entities if available. If applicable, the employee must also show that he/she first complied with, to the extent possible (in light of the COVID-19 pandemic) any "act of God" provision that may have been in an agreement or contract for the conference, training, or other similar activity through which refund or reimbursement may be obtained. Once the employee has made the foregoing showings, the District may charge the appropriate grant for the cancellation costs, provided the costs were reasonable and incurred in order to carry out an allowable activity under the grant consistent with the Federal cost principles as set forth in 2 CFR Part 200 Subpart E.

Although the District may use funds from the Department grant to refund lost costs due to cancelled or postponed conferences, trainings and other similar activities, grantees and subgrantees recognize that additional funds may not be available, if such refunds or reimbursement results in a shortage of funds to eventually carry out the event or travel. The District will maintain appropriate records and cost documentation as required by 2 CFR § 200.302 and 2 CFR § 200.333 to substantiate the charging of any cancellation or other fees related to the interruption of operations or services under such extraordinary conditions.

While health concerns related to COVID-19 has suspended or deterred most travel, including grant-supported travel, if travel is permitted by Federal, State, and local directives and is the only means to carry out an essential function that must be accomplished on a time-sensitive basis during the COVID-19 pandemic, consistent with the District's travel policy, travel insurance may be purchased provided the cost is reasonable and allocable to the grant consistent with the Federal cost principles set forth in 2 CFR Part 200 Subpart E.

Legal Reference:

EDUCATION CODE

42122-42129 Budget requirements

CODE OF FEDERAL REGULATIONS, TITLE 2

180.220 Amount of contract subject to suspension and debarment rules

200.0-200.521 Federal uniform grant guidance, especially:

200.1-200.99 Definitions

200.100-200.113 General provisions

200.317-200.326 Procurement standards

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200.327-200.329 Monitoring and reporting  
200.333-200.337 Record retention  
200.400-200.475 Cost principles  
200.500-200.521 Audit requirements

CODE OF FEDERAL REGULATIONS, TITLE 34

76.730-76.731 Records related to Federal grant programs

CODE OF FEDERAL REGULATIONS, TITLE 48

2.101 Federal acquisition regulation; definitions

Management Resources:

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

California Department of Education Audit Guide

California School Accounting Manual

EDUCATION AUDIT APPEALS PANEL PUBLICATIONS

Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting

U.S. DEPARTMENT OF EDUCATION PUBLICATIONS

Questions and Answers Regarding 2 CFR Part 200, March 17, 2016

M-20-11 Memorandum for the Heads of Executive Departments and Agencies from the Office of Management and Budget (OMB), March 2, 2020

WEB SITES

California Department of Education: <http://www.cde.ca.gov>

Education Audit Appeals Panel: <http://www.eaap.ca.gov>

Office of Management and Budget, Uniform Guidance:

[https://www.whitehouse.gov/omb/grants\\_docs](https://www.whitehouse.gov/omb/grants_docs)

State Controller's Office: <http://www.sco.ca.gov>

System for Award Management (SAM): [www.sam.gov/portal/SAM/##11](http://www.sam.gov/portal/SAM/##11)

U.S. Department of Education: <http://www.ed.gov>

U.S. Government Accountability Office: <http://www.gao.gov>

Policy  
Adopted: 10/10/18  
Revised: 05/27/20

Chula Vista Elementary School District  
Chula Vista, California