

Grants - POST-AWARD/ EXPENDITURES/ DISBURSEMENTS (Federal, State, and Local Grant Accounting and Control)

The following procedures will be observed with respect to federal, state, and local grant accounting and control:

Section 1: Acceptance

Projects are formally established upon receipt of funding agency approval and upon acceptance of the grant by the Superintendent if greater than or equal to \$100,000, by the authorized representative if under \$100,000, or by a department head or the school principal for a local grant if less than or equal to \$10,000 and without salaries, benefits and/or technology. All federal and state funds are to be managed by the Director of Grants or designee. These include federal and state grants under the \$10,000 threshold or such grants that include salaries, benefits and/or technology.

Before grants under \$10,000 are accepted, administrators will complete and return the Awards Notification Form to the Director of Grants. Any new staffing generated from grant acceptance will require written notification of the Division of Human Resources. Any grant with significant contracting activity will require written notification of the Procurement and Contracting Office.

Grants that require payment of expenditures and subsequent reimbursement after payment (i.e., negative cash flow situations) require pre-approval of the Director of Grants and the Chief Financial Officer (CFO) or his designee.

The Director of Grants may designate a grants manager and delegate responsibility for grants administration in writing to that person. Fiscal management responsibility and the authorized representative for all grants in excess of \$10,000 will be the Director of Grants. The school principal shall be the grants manager for grants recorded and accounted for in the school student activity accounts.

Section 2: Appropriations

The Director of Grants will submit an annual proposed budget to the Superintendent identifying federal, state, and local grants. The budget shall include anticipated program revenues, expenditures, carry-over when necessary and authorized staffing levels for each grant. A supplemental grant appropriation will be forwarded to the Colorado Springs School District 11 Board of Education (the Board) through the CFO and Superintendent.

Section 3: Grant implementation on receipt of moneys

It may take as long as 90 days after grant award before grant funds are actually received. Prudent fiscal practice generally does not permit Colorado Springs School District 11 (the District) to enter into any financial obligation if there is no cash on hand. However, the CFO may approve written requests for financial obligations such as contracts or purchase orders prior to the receipt of grant funds. Foresight shall be

applied so that grant funding is received by the District prior to making grant expenditures. Board authorization must be received in advance in order for the general fund to make a temporary cash flow loan for any grant activity.

Section 4: Reallocation of funds: written authorization

There will be no transferring of funds by budget or line item without proper authorization of federal/state/local authorities in writing. Signature by the Director of Grants and/or the authorized representative is also required.

Section 5: Accounting requirements, terms, and procedures

- (a) Each grant will be set up as a separate set of accounts consisting of revenues and expenditures. Federal, state, and local grants over \$10,000 and local grants less than \$10,000 with salaries/technology shall be recorded in the Designated Purpose Grant Fund (DPGF). The grants officer will provide the Budget and Planning Department with detailed budget information for those grants recorded in the annual budget of the Designated Purpose Grant Fund.
- (b) Other local grants without salaries/technology and less than \$10,000 shall be permitted to be accounted for at the site level in the student activity fund with a final report submitted to the grants officer. If there is no student activity fund available, the Superintendent may designate the Designated Purpose Grant Fund to account for local grants.
- (c) Account appropriation, by line item amounts for approved items, is required to show the following:
 - (1) Total encumbered
 - (2) Total expended
 - (3) Account balance

An **encumbrance** is the total amount of a purchase order and reduces the budget balance by that amount. An **expenditure** can be either cash paid out for all or any part of an encumbrance, thereby reducing the encumbered balance; or an expenditure can be cash paid out for an item that is not encumbered, thus reducing the budget balance.

Section 6: Grant Compliance

It is a responsibility of the grants manager to comply with all requirements stipulated by each grant. Principals shall be the grant managers for grants of \$10,000 or less, which do not include salaried employees or technology purchases. Principals shall be fully responsible for complying with Board Policy DD, Grants Management and any compliance regulation. Final accounting reports on grants are due at the end of the grant period and will be filed with the Director of Grants.

Federal law dictates that “the grantee shall keep intact and accessible records relating to the receipt and expenditure of federal funds (and to the expenditure of the recipient’s contribution to the cost of the project if any) in accordance with section 434(a) of the General Education Provisions Act, including all accounting records and

related original and supporting documents that substantiate direct and indirect costs charged to the grant.”

All previously adopted District policies, including, but not limited to, procurement fiscal services, and payroll related policies, will apply to the grants administration and grant applications and organization regulations unless otherwise noted.

All records shall be retained for seven (7) years after the grant is closed out.

Section 7: Reconciliation

All grants shall be reconciled periodically to assure that funds are expended legally and appropriately. The balances shall be verified between the Director of Grants and the Division of Fiscal Services. Reconciliation shall occur at least annually; at the end of the fiscal year or at the conclusion of the grant whichever comes first.

Section 8: Final Reporting Audit

All grant funds shall be subject to audit by the federal, state, District or independent auditors and the Division of Business Services to determine, at a minimum, the fiscal integrity of financial transactions and reports, and compliance with laws and regulations.

Adopted: June, 1998
Adopted March 18, 2015

CROSS REFS.: DD, Grants – Pre-Award Planning and Budgeting
DD-R-1, Cost Sharing/Matching
DD-R-2, Supplantation
DD-E-1, Internal Intent to Apply form
DD-E-2, External Intent to Apply form
DE-R-1, Allowable Use of Funds
DE-R-2, Time and Effort
DE-R-3, Indirect Costs
DE-R-4, Audit/Audit Resolution
DE-R-5, Grant Reporting
DE-E-1, Time and Effort form – Single Cost Objective
DE-E-2, Time and Effort form – Partial Payment
DE-E-3, Time and Effort form – Multiple Cost Objectives
LC, Research Projects, Studies, Experiments, and Surveys
Colorado Springs Education Association Master Agreement
Colorado Springs Education Support Professionals Meet and Confer Handbook
Executive/Professional Meet and Confer Handbook