

**OXFORD PUBLIC SCHOOLS  
SCHOOL BUSINESS OFFICE**



**INTERNAL CONTROL MANUAL  
FOR FEDERAL GRANTS**

August 2019

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## **Introduction**

This manual sets forth the policies and procedures used by Oxford Public Schools to administer federal funds. The manual contains the internal controls and grant management standards used by the District to ensure that all federal funds are lawfully expended. It describes in detail the District's financial management system, including cash management procedures, procurement policies, inventory management protocols, procedures for determining the allowability of expenditures, time and effort reporting, record retention, and sub-recipient monitoring responsibilities. New employees of the District, as well as incumbent employees, are expected to review this manual to gain familiarity and understanding of the District's rules and practices.

Prior to July 1, 2018, Oxford Public Schools will adhere to Education Department General Administrative Regulations (EDGAR) Part 80 standards.

## **I. Financial Management System**

The District maintains a proper financial management system in order to receive both direct and state-administered grants and to expend funds associated with a grant award. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in return of funds or termination of the award.

### **A. Financial Management Standards**

The standards for financial management systems are found at 2 C.F.R. §200.302. The required standards include:

#### ***Identification***

The District must identify, in its accounts, all federal awards received and expended and the federal programs under which they were received. Federal program and award identification must include, as applicable, the CFDA title and number, federal award identification number and year, name of the federal agency, and, if applicable, name of the pass-through entity.

#### ***Financial Reporting***

Accurate, current, and complete disclosure of the financial results of each federal award or programs must be made in accordance with the financial reporting requirements set forth in the Education Department General Administrative Regulations (EDGAR).

#### ***Accounting Records***

The District must maintain records which adequately identify the source and application of funds provided for federally-assisted activities. These records must contain information pertaining to grant or sub grant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest, and be supported by source documentation.

### ***Internal Controls***

Effective control and accountability must be maintained for all funds, real and personal property, and other assets. The District must adequately safeguard all such property and must assure that it is used solely for authorized purposes.

“Internal controls” are tools to help program and financial managers achieve results and safeguard the integrity of their program. Internal controls should be designed to provide reasonable assurance that the following objectives are achieved:

- Effectiveness and efficiency of operations;
- Adequate safeguarding of property;
- Assurance property and money is spent in accordance with grant program and to further the selected objectives; and
- Compliance with applicable laws and regulations.

### ***Budget Control***

Actual expenditures or outlays must be compared with budgeted amounts for each federal award.

### ***Cash Management***

The District must maintain written procedures to implement the cash management requirements found in EDGAR.

Please see page 17 for these written cash management procedures.

### ***Allowable Costs***

The District must maintain written procedures for determining allowability of costs in accordance with EDGAR.

Please see page 10 for these written allowability procedures.

## **B. Overview of the Financial Management/Accounting System**

The Oxford Public School District utilizes the VADAR Systems, Inc. Financial management system. VADAR is the primary system for purchasing, budget, and accounting. Separate inventory systems exist for information technology, instructional materials, and fixed assets. Fixed assets are managed by the School Business Administrator and Director of Operations in conjunction with the Town Accountant. The Director of Technology is responsible for the inventory of all hardware and software District-wide. Inventory for instructional materials is the responsibility of the respective Principal and/or Department Head. Grant Managers are responsible for the inventory of items purchased with grant funds from the time of purchase through their disposal. All inventories are reviewed on a semi-annual basis.

Once a grant award notice (GAN) is received by the District, the School Business Administrator and Director of Operations and Grant Manager meet to review the planned expenditures in light

of the approval. The School Business Administrator and Director of Operations will assign the appropriate account codes and provide a copy to the Grant Manager. In compliance with 2 C.F.R. 200.302, the District must track the CFDA title and number, federal award identification number and year, name of the federal agency, and, if applicable, name of the pass-through entity. The grant application documentation is the method used by the District to meet this requirement. An example of a grant application can be found in Appendix A. Once the School Business Administrator and Director of Operations establishes the account codes and budgeted amounts in VADAR, the budgets are available for use. All grant expenditures must be within the dates of the grant award (start and end dates). Budgeted amounts in VADAR must match the current grant award notice. If an amendment is approved, VADAR should be updated within five (5) days of receipt of the GAN.

### C. Budgeting

#### **The Planning Phase: Meetings and Discussions**

*Before Receiving the Grant Award Notice (GAN):* Once a grant opportunity has been identified, the Assistant Superintendent is notified of the potential grant funds. A memo should be sent to the Assistant Superintendent with the following information:

1. Source of funds;
2. Purpose of grant;
3. Benefits and pitfalls of the grant for Oxford Public Schools;
4. Benefits to the students;
5. Identification of Grant Manager;
6. Timeline for application and approval;
7. Match requirements, if applicable; and
8. Potential amount and length of funds.

The Superintendent must review and approve all grant applications. If the Superintendent approves the concept of applying for the grant, the Grant Manager should meet with both the Assistant Superintendent and School Business Administrator and Director of Operations. Grant management falls under the responsibilities of the Assistant Superintendent, see the organization chart in Appendix B. These meetings are designed to review the timeline, curriculum impacts, match requirements, grant reporting requirements, budget development / projections and potential concerns. If the grant would result in additional health insurance costs, a conversation with the Town Manager should occur in advance of the submittal deadline. If the grant could impact other departments, a list of individuals is developed for the Grant Manager to have follow-up discussions. For instance, if an application could result in technology purchases, the Director of Technology would be involved in the planning process.

Grant funds can supplement the Oxford Public Schools budget but cannot supplant budgeted funds. Therefore, when possible, it is critical that the grant application be developed in conjunction with the Oxford Public Schools annual budget. Finally, Grant Managers should make use of existing furniture and equipment rather than purchasing new items with grant funds. The

School Business Administrator and Director of Operations or the Director of Technology are good resources to locate available furniture and equipment for use.

Pension costs and reporting requirements should be discussed when preparing the application. Federally-funded grants are required to set aside an additional 9% of the total salary for Massachusetts Teachers' Retirement System (MTRS) eligible employees. Massachusetts General Laws Chapter 35, Section 32A and Chapter 40, Section 5D require that all federal grants received by local governments be charged for pension costs incurred because of the grant. When possible, Oxford Public Schools does not fund MTRS-eligible individuals with federal grant funds.

*Reviewing and Approving the Budget:* Before the grant application is completed (preferably 14 days in advance of the grant application deadline), the Assistant Superintendent reviews the items in the budget to ensure allowability. See Page 12 for a discussion on performing allowability determinations. If the Assistant Superintendent determines that a cost is not allowable, then the grant application is returned to the Grant Manager noting the items that are ineligible and suggestions for modification. The Grant Manager, in conjunction with the Assistant Superintendent, will collaboratively revise the grant budget to ensure all items meet the allowability determination.

Once the Assistant Superintendent determines that all budgeted items are allowable and approves the budget, the grant application is forwarded to the Superintendent for final approval. Generally, the budget receives final approval seven (7) days before the application is due. A copy of the full grant application is submitted to the School Business Administrator and Director of Operations once signed by the Superintendent. The application is filed in the Business Office's grant binder for the appropriate fiscal year.

#### **After Receiving the GAN**

After receiving the GAN, the approved budget can be loaded into VADAR. If the GAN mirrors the grant submission budget, the GAN amounts are loaded into VADAR without additional discussions. If the GAN amounts vary from the submission (whether increased or decreased), the Grant Manager and School Business Administrator and Director of Operations meet to review the differences and implications for the variance. A revised budget is developed based on the GAN and program objectives. The revised amounts, in sync with the GAN, are then loaded into VADAR by the School Business Administrator and Director of Operations.

#### **Amending the Budget**

The District ensures grant amendments are submitted and approved in advance of the needs. Grant amendments can be made for financial and/or programmatic purposes. The Grant Manager, Assistant Superintendent, or the School Business Administrator and Director of Operations can create a grant amendment. If a grant amendment is financial in nature, the School Business Administrator and Director of Operations shall review in advance of submission. Grant amendments must be submitted in advance of need; implementation of the amendment (either financial or programmatic) is reliant on the amendment approval date.



## Budget Control

The District monitors its financial performance by comparing and analyzing actual results with budgeted results. The School Business Administrator and Director of Operations runs year-to-date budget to actual reports for all grant funds on a monthly basis. A sample of the budget to actual report is in Appendix A. The budget to actual reports are sent electronically to each Grant Manager and School Committee member monthly. If significant variances exist, or a trend that may lead to a significant variance is determined by the School Business Administrator and Director of Operations or the Assistant Superintendent, the Grant Manager is notified. The Grant Manager and/or Assistant Superintendent will determine if an amendment is appropriate.

### D. Accounting Records

Accounting records are kept in electronic format. The Business Office is responsible for the maintenance of all Purchase Orders and related accounting records in conformance with the Municipal Records Retention Schedule. The web address for the retention schedule is:

[http://www.sec.state.ma.us/arc/arcpdf/MA\\_Municipal\\_Records\\_Retention\\_Manual.pdf](http://www.sec.state.ma.us/arc/arcpdf/MA_Municipal_Records_Retention_Manual.pdf).

Relevant definitions in this section include the following:

- An asset is: anything owned by an individual or a business, which has commercial or exchange value. Assets may consist of specific property or claims against others, in contrast to obligations due others.
- A liability is: a loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honored by that entity.
- Revenue is: the inflows of assets from selling goods and providing services to customers; including the reduction of liabilities from selling goods and providing services to customers.
- An expense is: the amount of assets or services used during a period.

If an error is found while reviewing the grant budget to actual report, the individual will notify the School Business Administrator and Director of Operations. The School Business Administrator and Director of Operations will research the potential error, and if necessary, generate and perform a journal entry with supporting documentation.

The Chart of Accounts for the grant funds were set up so that an individual could track expenses by type of grant, fund, location, object, function, and program. Below is an outline detailing the structure of the organization codes for grant funds?

|           |               |             |                       |
|-----------|---------------|-------------|-----------------------|
| Fund Code | Location Code | Object Code | Function/Program Code |
| 3 Digits  | 3 Digits      | 4 Digits    | 6 Digits              |

#### Federal Grant Fund:

This three-digit code designates the account as a federal grant. Since the range for school federal grant funds is between 301 and 389, all school federal grant accounts begin with one of these numbers.

#### Type of Grant & Fund Code:

The Fund Code designates the source of the grant funds. The ranges are:

- 301-389: Federal Grants (DOE Administered)
- 390-399: Federal Grants (Other)
- 400-429: State Grants (DOE Administered)
- 430-449: State Grants (Other)
- 450-459: Private Grants

#### Location Code:

The three-digit Location Code designates the location or program the grant funds are allocated. There are many codes and include (but not limited to):

- 302 Chaffee Elementary School
- 304 Clara Barton School
- 306 Oxford Middle School
- 307 Oxford High School
- 309 Special Education

#### Object Codes:

The Object Codes are the same used by the general fund accounts.

#### Function/Program Codes:

The Function/Program Codes are the same used by the general fund accounts.

#### E. Spending Grant Funds

As the recipient of federal funds, Oxford Public Schools is responsible for administering the grant consistent with the grantor's terms and conditions. Federal funds must be administered in a manner consistent with the cost principles contained in EDGAR and 2 CFR Part 200, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal awards. The School Business Administrator and Director of Operations is responsible for ensuring compliance with EDGAR and 2 CFR Part 200.

Although each grant may have specific allowable and unallowable costs, Oxford Public Schools adheres to the federal cost principles when developing and administering the budget. Federal cost principles require costs to be allowable, reasonable, and allocable.

To meet the definition of "allowable," a cost must be:

1. necessary and reasonable to carry out the grant;

2. consistent with the policies and procedures that apply uniformly to federal and non-federally financed expenses;
3. included as part of a match of federal funds; and
4. adequately documented.

Please refer to the Oxford Public Schools Financial Policy and Procedure Manual for further guidance on documentation at:

<http://www.oxps.org/Financial%20Policies%20and%20Procedures%20Manual.pdf>

To meet the definition of “reasonable,” the cost of the good or service does not exceed the amount a prudent person would spend on an item at the time the decision was made to incur the cost. Reasonable is further defined as:

1. Use of sound business practices, adherence to federal, state, and local laws and regulations, and the terms and conditions of the Federal award.
2. Use of market prices in the Central Massachusetts area for comparing the costs of goods and services.

To meet the definition of “allocable,” the cost of the goods or services involved are chargeable or assignable to that federal award or cost objective in accordance with relative benefits received. Allocable is further defined as:

1. costs incurred specifically for the federal award.
2. costs distributed in proportions that may be approximated using reasonable methods.
3. costs necessary to the overall operation of the non-federal entity.

These definitions are copied from the Code of Federal Regulations (CFR).

While developing and reviewing the grant budget, the School Business Administrator and Director of Operations should keep in mind the difference between direct costs and indirect costs.

### **Direct and Indirect Costs**

*Determining Whether a Cost is Direct or Indirect:* Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. 2 C.F.R. §200.413(a). Indirect costs are those that have been incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. 2 C.F.R. §200.56. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. 2 C.F.R. §200.413(a).

Identification with the federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of federal awards. Typical

costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials, and other items of expense incurred for the federal award. 2 C.F.R. §200.413(b). The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
- The costs are not also recovered as indirect costs. 2 C.F.R. §200.413(c).

*Indirect Cost Rate:* The Massachusetts Department of Elementary and Secondary Education (MA DESE) determines an unrestricted and restricted indirect cost rate for every district in the Commonwealth. The rates are determined annually based on information submitted in the End of Year report and are the maximum allowable rate for any fiscal year. Under 34 C.F.R. §75.561 and 34 C.F.R. §76.561, a state educational agency may approve an indirect cost rate for longer than one year. According to MA DESE, if a district utilizes an indirect cost figure, it must be equal to or less than the currently approved restricted rate. The decision to recover indirect costs using these established rates is a local option. Oxford Public Schools does not apply an indirect cost rate to federal grants.

The MA DESE Grants Procedure Manual provides the following information on calculating the indirect cost allowable for a particular grant. The grant manual, and other important information, can be found at <http://www.doe.mass.edu/grants/procedure/manual.html>. Indirect rates cannot be applied to capital expenditures or to the indirect cost themselves. The following formula is recommended:

1. Total entitlement;
2. Minus capital expenditures (Line 10); and
3. Divided by one plus the restricted rate.

The resulting amount is the amount that can be used for grant activities. When this amount is subtracted from the total entitlement, the result equals the amount allowed for indirect cost.

If indirect costs are recovered, they shall be returned to the general fund of the city or town in accordance with Massachusetts General Laws, Chapter 44, Section 53.

*Applying the Indirect Cost Rate:* Once the District has an approved indirect cost rate, the percentage is multiplied against the actual direct costs (excluding distorting items such as equipment, contracts in excess of \$25,000, pass-through funds, etc.) incurred under a particular grant to produce the dollar amount of indirect costs allowable to that award. 34 C.F.R. §75.564; 34 C.F.R. §76.569. Once the District applies the approved rate, the funds that may be claimed for indirect costs have no federal accountability and may be used as if they were non-federal

funds. For Direct Grants, reimbursement of indirect costs is subject to the availability of funds and statutory or administrative restrictions. 34 C.F.R. §75.564.

Where a federal program has a specific cap on the percentage of administrative costs that may be charged to a grant, that cap must include all direct administrative charges as well as any recovered indirect charges.

### **Determining Allowability of Costs**

Expenditures must be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from the state.

When determining how the District will spend its grant funds, the School Business Administrator and Director of Operations will review the proposed cost to determine whether it is an allowable use of federal grant funds *before* obligating and spending those funds on the proposed good or service. All costs supported by federal education funds must meet the standards outlined in EDGAR, 2 CFR Part 3474 and 2 CFR Part 200, which are provided in the bulleted list below. The School Business Administrator and Director of Operations must consider these factors when making an allowability determination. Additional helpful questions to ask when making allowability determinations are located on Page 10 of this policy.

**Be Necessary and Reasonable for the performance of the federal award.** District staff must consider these elements when determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining reasonableness of a cost, consideration must be given to:

- ❖ Whether the cost is a type generally recognized as ordinary and necessary for the operation of the District or the proper and efficient performance of the federal award.
- ❖ The restraints or requirements imposed by factors, such as: sound business practices, arm's-length bargaining, federal, state and other laws and regulations, and terms and conditions of the federal award.
- ❖ Market prices for comparable goods or services for the geographic area.
- ❖ Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the District, its employees, its students, the public at large, and the federal government.
- ❖ Whether the District significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award's cost. 2 C.F.R. §200.404

While 2 C.F.R. §200.404 does not provide specific descriptions of what satisfies the "necessary" element beyond its inclusion in the reasonableness analysis above, necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve

an important program objective. A key aspect in determining whether a cost is necessary is whether the District can demonstrate that the cost addresses an existing need, and can prove it. For example, the District may deem a language skills software program necessary for a limited English proficiency program.

When determining whether a cost is necessary, consideration may be given to:

- ❖ whether the cost is needed for the proper and efficient performance of the grant program.
- ❖ whether the cost is identified in the approved budget or application.
- ❖ whether there is an educational benefit associated with the cost.
- ❖ whether the cost aligns with identified needs based on results and findings from a needs assessment.
- ❖ whether the cost addresses program goals and objectives and is based on program data.

**Allocable to the federal award.** A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. 2 C.F.R. §200.405. For example, if 50% of a teacher's salary is paid with grant funds, then that teacher must spend at least 50% of his or her time on the grant program.

**Consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the District.**

**Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the federal award.**

**Consistent treatment.** A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.

**Adequately documented.** All expenditures must be properly documented.

**Be determined in accordance with General Accepted Accounting Principles (GAAP), unless provided otherwise in Part 200.**

**Not included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such.** Some federal program statutes require the non-federal entity to contribute a certain amount of non-federal resources to be eligible for the federal program.

**Be the net of all applicable credits.** The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the state relate to the federal award, they

shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate. 2 C.F.R. §200.406.

Purchases for goods and services paid for with grant funds shall be net of all applicable credits. To avoid the earning of “credits” where the benefits are not reimbursable or credited to the federal grant, personal reimbursements are discouraged for purchases made with federal grant funds. The District will take advantage of all prompt pay discounts. All payments from federal grants shall be processed through the Town’s accounting system either through the invoice payment process or School Department’s debit card.

Part 200’s cost guidelines must be considered when federal grant funds are expended. As provided above, federal rules require state- and District-level requirements and policies regarding expenditures to be followed as well. For example, state and/or District policies relating to travel or equipment may be narrower than the federal rules, and the stricter state and/or District policies must be followed. Further, certain types of incentives are allowable under federal law, but are not allowable under state law.

### **Selected Items of Cost**

Part 200 examines the allowability of 55 specific cost items (commonly referred to as Selected Items of Cost) at 2 C.F.R. §§200.420-200.475. These cost items are listed in the chart below along with the citation where it is discussed whether the item is allowable. Please do not assume that an item is allowable because it is specifically listed in the regulation as it may be unallowable despite its inclusion in the selected items of cost section. The expenditure may be unallowable for a number of reasons, including: the express language of the regulation states the item is unallowable, the terms and conditions of the grant deem the item unallowable, or state/local restrictions dictate that the item is unallowable. The item may also be unallowable because it does not meet one of the cost principles, such as being reasonable because it is considered too expensive. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

District personnel responsible for spending federal grant funds and for determining allowability must be familiar with the Part 200 selected items of cost section. The District must follow these rules when charging these specific expenditures to a federal grant. When applicable, District staff must check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, state, District and program-specific rules may deem a cost as unallowable and District personnel must follow those non-federal rules as well.

The selected item of cost addressed in Part 200 includes the following (in alphabetical order):

| <b>Item of Cost</b>   | <b>Citation of Allowability Rule</b> |
|---|--------------------------------------|
| Advertising and public relations costs  | 2 CFR §200.421                       |
| Advisory councils   | 2 CFR §200.422                       |
| Alcoholic beverages   | 2 CFR §200.423                       |
| Alumni/ae activities  | 2 CFR §200.424                       |
| Audit services  | 2 CFR §200.425                       |
| Bad debts   | 2 CFR §200.426                       |
| Bonding costs   | 2 CFR §200.427                       |
| Collection of improper payments   | 2 CFR §200.428                       |
| Commencement and convocation costs  | 2 CFR §200.429                       |
| Compensation – personal services  | 2 CFR §200.430                       |
| Compensation – fringe benefits  | 2 CFR §200.431                       |
| Conferences   | 2 CFR §200.432                       |
| Contingency provisions  | 2 CFR §200.433                       |
| Contributions and donations   | 2 CFR §200.434                       |
| Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements | 2 CFR §200.435                       |
| Depreciation  | 2 CFR §200.436                       |
| Employee health and welfare costs   | 2 CFR §200.437                       |
| Entertainment costs   | 2 CFR §200.438                       |
| Equipment and other capital expenditures  | 2 CFR §200.439                       |
| Exchange rates  | 2 CFR §200.440                       |
| Fines, penalties, damages and other settlements   | 2 CFR §200.441                       |
| Fund raising and investment management costs  | 2 CFR §200.442                       |



|  |                |
|--|----------------|
| Gains and losses on disposition of depreciable assets              | 2 CFR §200.443 |
| General costs of government  | 2 CFR §200.444 |
| Goods and services for personal use                                | 2 CFR §200.445 |
| Idle facilities and idle capacity                                  | 2 CFR §200.446 |
| Insurance and indemnification                                      | 2 CFR §200.447 |
| Intellectual property  | 2 CFR §200.448 |
| Interest   | 2 CFR §200.449 |
| Lobbying   | 2 CFR §200.450 |
| Losses on other awards or contracts                                | 2 CFR §200.451 |
| Maintenance and repair costs                                       | 2 CFR §200.452 |
| Materials and supplies costs, including costs of computing devices | 2 CFR §200.453 |
| Memberships, subscriptions, and professional activity costs        | 2 CFR §200.454 |
| Organization costs   | 2 CFR §200.455 |
| Participant support costs  | 2 CFR §200.456 |
| Plant and security costs   | 2 CFR §200.457 |
| Pre-award costs  | 2 CFR §200.458 |
| Professional services costs  | 2 CFR §200.459 |
| Proposal costs   | 2 CFR §200.460 |
| Publication and printing costs                                     | 2 CFR §200.461 |
| Rearrangement and reconversion costs                               | 2 CFR §200.462 |
| Recruiting costs   | 2 CFR §200.463 |
| Relocation costs of employees                                      | 2 CFR §200.464 |
| Rental costs of real property and equipment                        | 2 CFR §200.465 |
| Scholarships and student aid costs                                 | 2 CFR §200.466 |
| Selling and marketing costs  | 2 CFR §200.467 |

|                                   |                |
|-----------------------------------|----------------|
| Specialized service facilities    | 2 CFR §200.468 |
| Student activity costs            | 2 CFR §200.469 |
| Taxes (including Value Added Tax) | 2 CFR §200.470 |
| Termination costs                 | 2 CFR §200.471 |
| Training and education costs      | 2 CFR §200.472 |
| Transportation costs              | 2 CFR §200.473 |
| Travel costs                      | 2 CFR §200.474 |
| Trustees                          | 2 CFR §200.475 |

Likewise, it is possible for the state and/or District to put additional requirements on a specific item of cost. Under such circumstances, the stricter requirements must be met for a cost to be allowable. Accordingly, employees must consult federal, state and District requirements when spending federal funds. Massachusetts procurement laws are more restrictive than the federal guidelines; therefore, all purchases must follow state procurement laws.

In order for a cost to be allowable, the expenditure must also be allowable under the applicable program statute (e.g., Title I of the Elementary and Secondary Education Act (ESEA), or the Carl D. Perkins Career and Technical Education Act (Perkins)), along with accompanying program regulations, non-regulatory guidance, and grant award notifications.

The state and/or District rules related to some specific cost items are discussed below:

Technology purchases (hardware, software and web-based systems) require the prior approval of the Director of Technology. New purchases must be compatible with current operating, storage, and network configurations.

Furniture (including carpet) purchases require the prior approval of the respective Building Principal. The following fire requirements must be met:

Carpets: must meet Class II interior finish and comply with National Fire Protection Association (NFPA) 253 and meet the state building code regulations (780 CMR 780). Carpets must meet the “pill test” and meet the Department of Commerce (DOC) FF-1 “pill test” as stated in the Code of Federal Regulations 16 CFR, Part 1630. Permanent labels must be affixed to the carpet ensuring compliance with the above stated fire requirements.

Furniture: All furniture purchases must comply with the California Technical Bulletin 133 and regulated by 527 CMR 29 (Board of Fire Protection Regulations). Permanent labels must be affixed to the furniture ensuring compliance with the above stated fire

requirements.

Decorations, Curtains, Draperies, Blinds and Other Window Treatments: All purchases in this category shall meet the applicable test(s) described in NFPA 701 and regulated by 527 CMR 21 (Board of Fire Protection Regulations).

Professional development (workshops, conferences, and consultants) require prior approval by the Superintendent or Assistant Superintendent. All professional development must be in line with the planned District-wide professional development.

District employees must be aware of these state and District rules and ensure they are complying with these requirements.

### **Frequent Types of Costs**

*Travel:* Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of a grant recipient. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the recipient's non-federally funded activities and in accordance with the recipient's written travel reimbursement policies. 2 C.F.R §200.474(a).

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the District in its regular operations as the result of its written travel policy. In addition, if these costs are charged directly to the federal award, documentation must be maintained that justifies that (1) participation of the individual is necessary to the federal award; and (2) the costs are reasonable and consistent with the District's established policy. 2 C.F.R §200.474(b).

In addition to the federal guidelines regarding travel, employees and officers must adhere to Oxford Public Schools travel reimbursement policy. The travel reimbursement policy covers travel reimbursement for all school business.

Please refer to the Oxford Public Schools School Committee Policy Manual for further guidance on documentation at:

<http://www.oxps.org/POLICY%20MANUAL.pdf>

### **Helpful Questions for Determining Whether a Cost is Allowable**

In addition to the cost principles and standards described above, the School Business Administrator and Director of Operations can refer to this section for a useful framework when performing an allowability analysis. In order to determine whether federal funds may be used to purchase a specific cost, it is helpful to ask the following questions:

- Is the proposed cost allowable under the relevant program?
- Is the proposed cost consistent with an approved program plan and budget?
- Is the proposed cost consistent with program specific fiscal rules?
- For example, the District may be required to use federal funds only to supplement the amount of funds available from non-federal (and possibly other federal) sources.
- Is the proposed cost consistent with EDGAR?
- Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

As a practical matter, the School Business Administrator and Director of Operations, the Assistant Superintendent, and the Grant Manager should also consider whether the proposed cost is consistent with the underlying needs of the program. For example, program funds must benefit the appropriate population of students for which they are allocated. This means that, for instance, funds allocated under Title III of the Elementary and Secondary Education Act (ESEA) governing language instruction programs for limited English proficient (LEP) students must only be spent on LEP students and cannot be used to benefit non-LEP students. Further, under most major elementary and secondary education programs, recipients may use federal funds only to supplement the amount of funds available from non-federal sources for the education of students participating in the program. The recipients cannot use federal funds to supplant non-federal funds that would otherwise have been used for the expenditure in question.

Also, funds should be targeted to address areas of weakness, as necessary. To make this determination, the Superintendent and Assistant Superintendent should review data when making purchases to ensure that federal funds to meet these areas of concern. This should be a collaborative effort of the School Business Administrator and Director of Operations and Budget Specialist who review and approve requisitions, as well as, the Bookkeeper who processes the payments made from Purchase Orders and is involved in the grant administration process.

#### F. Federal Cash Management Policy/Procedures

The District will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by the District, in accordance with the Cash Management Improvement Act at 31 CFR Part 205. Generally, the District receives payment from the Massachusetts Department of Elementary and Secondary Education on a reimbursement basis. 2 CFR §200.305. However, if the District receives an advance in federal grant funds, the District will remit interest earned on the advanced payment quarterly to the federal agency. The District may retain interest amounts up to \$500 per year for administrative expenses. 2 CFR §200.305(b) (9).

According to guidance from the U.S. Department of Education (ED), when calculating the interest earned on ED grant funds, regardless of the date of obligation, interest is calculated from the date that the federal funds are drawn down from the G5 system until the date on which those funds are disbursed by the LEA.

Interest would not accrue if the LEA uses non-federal funds to pay the vendor and/or employees prior to the funds being drawn down from the G5 system, commonly known as a reimbursement.

### **Payment Methods**

*Reimbursements:* The District will initially charge federal grant expenditures to non-federal funds. The School Business Administrator and Director of Operations will request reimbursement for actual expenditures incurred under the federal grants on a monthly basis. By the 20th of each month, the School Business Administrator and Director of Operations will run a budget to actual report for review. Once reviewed, the School Business Administrator and Director of Operations will log into the Massachusetts Department of Elementary and Secondary Education (MA DESE) grant management system (<http://doegrants.wji.com>) to request funds. For Special Education IDEA, Title I, Title IIA, Title IV, and Early Childhood Special Education (current year and carry forward), the MA DESE will notify Oxford when the requests can be submitted. Included to all cash request paperwork is the current VADAR year-to-date budget report that is the supporting documentation for the grant fund request. All reimbursements are based on actual disbursements and anticipated expenditures for the next 30 days. In addition, cash requests do not include the amounts paid by MA DESE to the Massachusetts Teachers' Retirement Board (MTRB).

The Massachusetts Department of Elementary and Secondary Education (MA DESE) will process reimbursement requests in a timely manner. Consistent with state and federal requirements, the District will maintain source documentation supporting the federal expenditures (invoices, time sheets, payroll stubs, etc.) and will make such documentation available for the MA DESE review upon request. Reimbursements of actual expenditures do not require interest calculations.

*Advances:* To the extent the District receives advance payments of federal grant funds, the District will strive to expend the federal funds on allowable expenditures as expeditiously as possible. Specifically, the District attempts to expend all drawn downs of federal funds within 72 hours of receipt.

### G. Timely Obligation of Funds

#### **When Obligations are Made**

Obligations are orders placed for property and services, contracts and sub-awards made, and similar transactions during a given period that require payment by the non-federal entity during the same or a future period. 34 C.F.R. §200.71

The following table illustrates when funds are determined to be obligated under federal regulations:

| <b>If the obligation is for:</b>  | <b>The obligation is made:</b>  |
|---|---|
| Acquisition of property   | On the date which the District makes a binding written commitment to acquire the property |
| Personal services by an employee of the District  | When the services are performed   |
| Personal services by a contractor who is not an employee of the District  | On the date which the District makes a binding written commitment to obtain the services  |
| Public utility services   | When the District receives the services   |
| Travel  | When the travel is taken  |
| Rental of property  | When the District uses the property   |
| A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 CFR part 200, Subpart E- Cost Principles. | On the first day of the project period.   |

34 C.F.R. §75.707; 34 C.F.R. §76.707.

**Period of Performance of Federal Funds**

All obligations must occur on or between the beginning and ending dates of the grant project. 2 C.F.R. §200.309. This period of time is known as the period of performance. 2 C.F.R. §200.77. The period of performance is dictated by statute and will be indicated in the GAN. Further, certain grants have specific requirements for carryover funds that must be adhered to.

*State-Administered Grants:* As a general rule, state-administered federal funds are available for obligation within the year that Congress appropriates the funds for. However, given the unique nature of educational institutions, for many federal education grants, the period of availability is 27 months. Federal education grant funds are typically awarded on July 1 of each year. While the District will always plan to spend all current grant funds within the year the grant was appropriated for, the period of obligation for any grant that is covered by the “Tydings Amendment” is 27 months, extending from July 1 of the fiscal year for which the funds were appropriated through September 30 of the second following fiscal year. This maximum period includes a 15-month period of initial availability, plus a 12-month period for carryover. 34 C.F.R.

§76.709. For example, funds awarded on July 1, 2015 would remain available for obligation through September 30, 2017.

*Direct Grants:* In general, the period of availability for funds authorized under direct grants is identified in the GAN.

For both state-administered and direct grants, regardless of the period of availability, the District must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period unless an extension is authorized. 2 C.F.R. §200.343(b). Any funds not obligated within the period of availability or liquidated within the appropriate timeframe are said to lapse and must be returned to the awarding agency. 2 C.F.R. §200.343(d). Consequently, the District closely monitors grant spending throughout the grant cycle.

### **Carryover**

*State-Administered Grants:* As described above, the Tydings Amendment extends the period of availability for applicable state-administered program funds. Essentially, it permits recipients to “carryover” any funds left over at the end of the initial 15 month period into the next year. These leftover funds are typically referred to as carryover funds and continue to be available for obligation for an additional 12 months. 34 C.F.R. §76.709. Accordingly, the District may have multiple years of grant funds available under the same program at the same time.

Once a carryover GAN has been received by the School Business Administrator and Director of Operations, the remaining balance of the grant is input into the VADAR software as the beginning balance of the new fiscal year. The fund code and account numbers stay the same (unless amended)

For example, if the Special Education I.D.E.A. (Fund 345) grant was authorized in fiscal year 2018, the account numbers of the Special Education I.D.E.A would stay the same in fiscal year 2019. If the carryover of excess funds was approved by the Massachusetts Department of Elementary and Secondary Education (MA DESE), the organizations codes/account numbers would be made available in the VADAR software for staff to request encumbrances.

The School Business Administrator and Director of Operations creates and maintains a grant tracking sheet for the carryover grant for the purposes of tracking, reporting expenses, and calculating the carry-forward balance.

*Direct Grants:* Grantees receiving direct grants are not covered by the 12 month Tydings period. However, under 2 C.F.R. §200.308, direct grantees enjoy unique authority to expand the period of availability of federal funds. The District is authorized to extend a direct grant automatically for one 12-month period. Prior approval is not required in these circumstances; however, in order to obtain this extension, the District must provide written notice to the federal awarding agency at least 10 calendar days before the end of the period of performance specified in the award. This one-time extension may not be exercised merely for the purpose of using unobligated balances.

Six months before the grant is set to expire, the School Business Administrator and Director of Operations and the Grant Manager shall meet to review closing out the grant. If a surplus is anticipated due to unmet program objectives, the School Business Administrator and Director of Operations will notify the appropriate staff and understand the steps, justification and timeline needed to request an extension of the grant. The Grant Manager will then inform the Superintendent and the Assistant Superintendents of the following:

1. The grant objectives that were not met and the financial implications;
2. Explanation of why the objectives were not met;
3. Financial and/or personnel impacts on Oxford Public Schools if an extension is granted;
4. Revised period of performance; and
5. Steps, justification, and timeline needed to complete the extension request.

If approved by the Superintendent, the Grant Manager will complete the steps necessary to seek an extension.

The District will seek prior approval from the federal agency when the extension will not be contrary to federal statute, regulation or grant conditions and:

- The terms and conditions of the federal award prohibit the extension;
- The extension requires additional federal funds; or
- The extension involves any change in the approved objectives or scope of the project. 2 C.F.R. § 200.308(d) (2).

#### H. Program Income

##### **Definition**

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. 2 C.F.R. §200.80.

Program income 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. 2 C.F.R. §200.80. Additionally, taxes, special assessments, levies, fines, and other such 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, proceeds from the sale of real property, equipment, or supplies are not program income. 2 C.F.R. §200.307.

##### **Use of Program Income**

The default method for the use of program income for the District is the deduction method: 2 C.F.R. §200.307(e). Under the deduction method, program income is deducted from total



allowable costs to determine the net allowable costs. Program income will only be used for current costs unless the District is otherwise directed by the federal awarding agency or pass-through entity. 2 C.F.R. §200.307(e) (1). The LEA may also request prior approval from the federal awarding agency to use the addition method. Under the addition method, program income may be added to the federal award by the federal agency and the non-federal entity. The program income must then be used for the purposes and under the conditions of the federal award. 2 C.F.R. §200.307(e) (2).

While the deduction method is the default method, the District always refers to the GAN prior to determining the appropriate use of program income.

## **II. Procurement System**

The District maintains the following purchasing procedures.

### **A. Responsibility for Purchasing**

The Superintendent, or designee, is the Procurement Officer for the District and as such, retains the authority to review and approve all purchases. Oxford Public Schools requires all requests to purchase goods or services be initiated through the VADAR financial system. Principals and administrators may request access to the VADAR system for their employees. The School Business Administrator and Director of Operations, working through the Town Finance Director, provides appropriate access (security) to VADAR. Training on the VADAR financial system is conducted by the Budget Specialist.

Requisitions are entered by an approved VADAR user. Prior to release of the requisition, the individual must obtain verbal (or written) approval by their supervisor. Once released, requisitions are routed to either the Budget Specialist or to the School Business Administrator and Director of Operations. Approved requisitions are processed into Purchase Orders. Printed Purchase Orders are processed by the EduCare Director and/or Bookkeeper.

On an annual basis, the School Business Administrator and Director of Operations and Town Finance Director review the list of authorized VADAR users. Additions to and deletions from the list are made as employees are hired and/or terminated by Oxford Public Schools. All VADAR users are set up with budgetary controls in place that notify a user when processing a requisition in excess of the budgeted amounts.

### **B. Purchase Methods**

The type of purchase procedures required depends on the cost of the item(s) being purchased. In addition to these rules, sub-recipients must also follow both state and local procurement rules, and local procurement rules are often stricter than federal requirements. Accordingly, this section should be revised to account for the appropriate thresholds and purchasing procedures within each threshold amount in accordance with any state and local procurement rules.

### **Purchases up to \$9,999 (Micro-Purchases)**

Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed \$9,999. The micro-purchase method is used in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold.

To the extent practicable, the District distributes micro-purchases equitably among qualified suppliers. Distribution of micro-purchases can be accomplished in two ways. First, the individual requesting the purchase, who is most knowledgeable about vendors who can provide the goods or services requested, equitably distribute the purchases throughout the life of the grant. Secondly, the Business Office staff can review the equitable distribution of purchases as part of the monthly grant review. If it appears micro-purchases are not being equitably distributed, the School Business Administrator and Director of Operations will deny Purchase Orders until the issue is remedied.

Micro-purchases may be awarded without soliciting competitive quotations if the District considers the price to be reasonable. The District maintains evidence of this reasonableness in the records of all micro-purchases. Please see page 8 for written procedures on how to determine whether a price is reasonable.

Oxford Public Schools utilizes VADAR Systems, Inc. financial management system for the processing of all Purchase Orders. Administrative Assistants, Building Principals, Building Secretaries, Department Heads and Directors may request access to VADAR. Access is reviewed by the School Business Administrator and Director of Operations. If access is approved, the employee's supervisor and School Business Administrator and Director of Operations discusses the level of security appropriate for the individual. Based on the outcome of this meeting, a security profile is assigned. Once the user name and password have been assigned, the Budget Specialist schedules training with the individual. Once training is completed, the individual can enter a requisition through the following process:

1. Enter a request to purchase a good or services into VADAR (remote requisition entry) and submit the requisition for review.
2. Each requisition must contain the vendor name/number, ship to location, quantity, item description, unit price, and account code to be charged. The item description must be clear so as to properly communicate to the vendor the exact item requested and/or service to be performed, and deadlines for delivery and/or completion.
3. The Budget Specialist and/or School Business Administrator and Director of Operations reviews the requisition. If there are no errors, the requisition is approved and converted to a Purchase Order. Requisitions containing errors are sent back to the enterer for correction.

4. The VADAR system assigns a unique tracking number to every requisition. Once the requisition is approved and converted to a Purchase Order, the Purchase Order is assigned a unique number.
5. Upon approval of the Purchase Order, the system generates four (4) copies of the printed Purchase Order: vendor copy, two school copies (green & yellow) and bookkeeper copy. The vendor copy is faxed and/or sent to the vendor. The two school copies are sent to the school/person initiating the order. The bookkeeping copy is maintained in the bookkeeping files to await the green copy and invoice. The green copy is sent back to the business office signaling to the bookkeeper that the good and/or services have been received and the invoice is ready to be paid.

#### **Purchases between \$0 and \$9,999 (Sound Business Practices)**

Procurement of supplies and services under \$10,000 are governed by Massachusetts General Law, Chapter 30B. The procurement procedure for purchasing supplies and services under \$10,000 require sound business practices. This is defined as ensuring the receipts of favorable prices by periodically soliciting price lists or quotes. No formal advertising is required. The contract is awarded to the vendor offering the best price. Software licenses can only be purchased for one-year at a time. A written contract is not required. A contract cannot exceed three years unless Town Meeting authorizes a longer contract period.

#### **Purchases between \$10,000 and \$49,999 (Solicit Quotes)**

Procurement of supplies and services between \$10,000 and \$49,999 are governed by Massachusetts General Law, Chapter 30B. The procurement procedure for purchasing supplies and services between \$10,000 and \$49,999 requires soliciting three written or oral quotes. Oxford Public Schools recommends a written description / terms be provided to all vendors to ensure an 'apples to apples' comparison of prices. No formal advertising is required. The contract is awarded to the responsible and responsive person offering the best price. A responsible vendor is defined as a person who has the capability to perform fully the contract requirements, and the integrity and reliability which assures good faith performance. A responsive bidder is defined as a person who has submitted a bid or proposal which conforms in all respects to the invitation for bids or requests for proposals. A written contract is required. A contract cannot exceed three years unless Town Meeting authorizes a longer contract period.

#### **Purchases over \$50,000 (Sealed Bids or Proposals)**

*Sealed Bids (Formal Advertising):* For purchases over \$50,000, bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. If a Request for Proposal is issued, the most advantageous proposal from a responsible and responsive proposer taking into consideration price and no-price proposals. The sealed bid method is the preferred method for procuring construction, if the following conditions apply:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business; and

- The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, the invitation for bids must be publically advertised;
- The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
- A firm fixed price contract award must be made in writing to the lowest responsive and responsible bidder.

Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of. Any or all bids may be rejected if there is a sound documented reason.

Advertising is required once in a newspaper of general circulation and on the Oxford Public Schools web site at least two weeks before bids or proposals are due. If \$100,000 or more, advertise once in the *Goods and Service Bulletin* maintained by the Massachusetts Secretary of State's Office.

*Competitive Proposals:* The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- Proposals must be solicited from an adequate number of qualified sources; and
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

The District may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

Massachusetts General Law, Chapter 30B has additional requirements regarding Requests for Proposals (RFP). Below are the RFP requirements:

1. The Chief Procurement Officer shall determine in writing that the selection of the most advantageous offer requires comparative judgement of factors in addition to price.
2. Bidders must submit separate price and non-price proposals.
3. Comparative criteria reflect those factors for which Oxford would be willing to pay more money, and are used to further evaluate the relative merits of all proposals that meet the quality requirements.
4. Quality requirements establish standards of acceptability for the supplies and services you are purchasing.
5. Comparative criteria rating factors include: highly advantageous, advantageous, not advantageous, and unacceptable.

(Information copied from the Massachusetts Inspector General's Office, Chapter 30B training materials).

In addition, all Invitation for Bid (IFB) and Request for Proposal (RFP) require vendors submitting bids to sign and submit a non-collusion and tax compliance forms.

*Contract/Price Analysis:* The District performs a cost or price analysis in connection with every procurement action in excess of \$150,000, including contract modifications. 2 C.F.R. §200.323(a). A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the School Business Administrator and Director of Operations must come to an independent estimate prior to receiving bids or proposals. 2 C.F.R. §200.323(a).

When performing a cost analysis, the School Business Administrator and Director of Operations or Grant Manager negotiates profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. 2 C.F.R. §200.323(b).

### **Non-competitive Proposals (Sole Sourcing)**

Procurement by non-competitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- The item is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District; or
- After solicitation of a number of sources, competition is determined inadequate.

Under M.G.L. Chapter 30B, a sole source procurements of any supply or service under \$50,000 is allowable when a reasonable investigation shows that there is only one practicable source for the required supply or service.

Sole source contracts in excess of \$50,000 are only allowable for the following purchases:

1. Software maintenance, library books, school textbooks and educational materials; and
2. Utilities.

All sole source procurements must include a sole source letter that details the basis for determining that there was only one practicable source for the purchase. The letter should be sent to the School Business Administrator and Director of Operations to be included in the procurement file. The Purchase Order associated with the procurement will provide the contractor's name, amount of the contract, and a listing of supplies or services procured. The School Business Administrator and Director of Operations will ensure each sole source contract is appropriate and properly documented.

### C. Purchase Cards

The Oxford Public Schools has a single debit card that has been issued by the Town of Oxford to the School Business Administrator and Director of Operations. The limit is \$3,000. Debit card use is limited to the following:

- Hotel and airline reservations;
- Tax exempt purchases where companies will not accept a Purchase Orders;
- Emergency purchases; and
- Other purchases as approved by the School Business Administrator and Director of Operations.

When use of the debit card is requested, the request is acknowledged when a requisition is entered into VADAR and the Business Office staff is notified. Once the Purchase Order is approved, the debit card authorization can be completed. All detailed receipts must be retained and attached to the invoice prior to payment. When the invoice is received, the Purchase Order provides the appropriate account code to be charged. The information is provided to the Town Treasurer, the Town Accountant's office, and the Purchase Order is liquidated.

On occasion, a company will issue a purchase card. Currently, the District has purchase cards for Home Depot, Staples, Market Basket, and Walmart. The list of users is maintained by the School Business Administrator and Director of Operations. The list is reviewed annually with the School Business Administrator and Director of Operations. On an annual basis, each card user is issued a letter with the guidelines for use of the card:

- Cards must be used in connection with a pre-approved Purchase Order;
- Purchases must be for use by Oxford Public Schools; personal use will result in the loss of use of the card;
- All orders must be completed by June 20th of each year; and
- Prior to the last day of school, the card must be returned to the Business Office.

Request for the use and/or addition of a purchase card is at the discretion of the School Business Administrator and Director of Operations in consultation with the Town Treasurer.

#### D. Full and Open Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with 2 C.F.R §200.319. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Non-competitive pricing practices between firms or between affiliated companies;
- Non-competitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

EDGAR further requires the following to ensure adequate competition.

#### **Geographical Preferences Prohibited**

The District must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

#### **Prequalified Lists**

The District must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the District must not preclude potential bidders from qualifying during the solicitation period.

#### **Solicitation Language**

The District must ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service

to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals. 2 C.F.R. §200.319(c).

E. Federal Procurement System Standards

**Avoiding Acquisition of Unnecessary or Duplicative Items**

The District must avoid the acquisition of unnecessary or duplicative items. Additionally, consideration is given to consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, an analysis must be made of leases versus purchase alternatives, and another other appropriate analysis to determine the most economical approach.

These considerations are given as part of the process to determine the allowability of each purchase made with federal funds. Please see page 10 for written procedures on determining allowability.

**Use of Intergovernmental Agreements**

To foster greater economy and efficiency, the District enters into state and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.

**Use of Federal Excess and Surplus Property**

The District considers the use of federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

**Debarment and Suspension**

The District awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The District may not subcontract with or award sub-grants to any person or company who is debarred or suspended. For all contracts over \$25,000 the District verifies that the vendor with whom the District intends to do business with is not excluded or disqualified. 2 C.F.R. Part 200, Appendix II (1) and 2 C.F.R. §§180.220 and 180.300.



Prior to approving a requisition for a contracted services in excess of \$25,000 funded by a federal grant, the School Business Administrator and Director of Operations will check Sam.gov and document the search results.

### **Maintenance of Procurement Records**

The District must maintain records sufficient to detail the history of all procurements. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price (including a cost or price analysis), and verification that the contractor is not suspended or debarred.

Please see page 38 for more information on the District's record policies.

### **Time and Materials Contracts**

The District may use a time and materials type contract only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to the District is the sum of: the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the District must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

### **Settlements of Issues Arising Out of Procurements**

The District alone is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the District of any contractual responsibilities under its contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

### **Protest Procedures to Resolve Dispute**

The District maintains protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency. Contract disputes arise from a belief the procurement process was not conducted properly. A vendor has three options to seek a remedy:

1. Contact the local jurisdiction;
2. Contact the state agency in charge of enforcing the law (i.e. Inspector General's Office for Chapter 30B contracts); and/or
3. Superior Court.

If a vendor contacts the District with a complaint regarding the procurement or award of contract, the complaint should be forwarded to the Superintendent. The Superintendent, School Business Administrator and Director of Operations, and the individual responsible for contract will offer to meet with the vendor. The meeting should seek all information as to the complaint of the vendor. Once the meeting has concluded, and the concerns reviewed, the Superintendent will issue a written report to the complainant with a determination.

If there is a potential error in the way the procurement was conducted, or the District seeks advice on correcting the error, the School Business Administrator and Director of Operations will ask the advice of the applicable state agency. If the vendor files a complaint in Superior Court, the District will seek the advice of legal counsel.

#### F. Conflict of Interest Requirements

##### **Standards of Conduct**

In accordance with 2 C.F.R. §200.18(c)(1), the District maintains the following standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of the District may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value. Massachusetts General Law, Chapter 268A, governs the state's conflict of interest law. There are three main provisions of the law:

- Public employees are prohibited from seeking or accepting anything of substantial value for or because of their official acts or any act within their official responsibilities.
- Public employees are prohibited from using or attempting to use their position to obtain for themselves or others unwarranted privileges of substantial value that are not properly available to similarly situated individuals.
- The conflict of interest law will require public employees to disclose to their appointing authority the gift and their relationship to the giver.

The Massachusetts State Ethics Commission interprets the conflict of interest law and publishes advisories. The Ethics Commission interprets substantial value to mean anything with a value of \$50 or more. Gifts less than \$50 that may have an appearance of a conflict of interest should be disclosed. Disclosures should be made in writing and given to their appointing authority.

Massachusetts defines “immediate family” as spouse, parent, brother, sister, child or a spouse of your parent, brother, sister, or child. The financial disclosure law which, like the conflict of interest law, is interpreted and enforced civilly by the State Ethics Commission. Chapter 268B, of the Massachusetts General Law, is the financial disclosure law. This statute requires public officials, political candidates and certain public employees to disclose their and their immediate family member's private business associations and other financial interests on their Statements of Financial Interests or SFIs. The law covers all elected state and county officials and candidates for these positions as well as all state and county employees who are designated as holding major policymaking positions.

Every municipal employee (with few exceptions) must complete the Ethic Commission's online training program once every two years. New employees must complete the online training program within 30 days of becoming such an employee, and once every two years thereafter.

### **Organizational Conflicts**

Oxford Public Schools will comply with Massachusetts General Law, Chapter 268A conflict of interest law and disclosure. Additionally, the District may not be operated for the benefit of an affiliated or unaffiliated organization or an individual in his or her own private capacity or individuals related to any employee of Oxford Public Schools or members of its management, unless the private benefit is considered merely incidental. The private benefit preclusion will extend to the following:

- The sale, exchange or leasing of property between the District and an affiliated or unaffiliated organization or a private or related individual.
- Lending money or other extension of credit between an agency and an affiliated or unaffiliated organization or a private or related individual.
- Furnishing of goods, services, or facilities between the District and an affiliated or unaffiliated organization or a private or related individual except for the rental of District facilities as specified in the Oxford School Committee Policy Manual.
- Payment of compensation, unless authorized by the Oxford School Committee, by the District to an affiliated or unaffiliated organization or a private or related individual.
- The transfer to, use by or for the benefit of a private or related individual of the income of assets of Oxford Public Schools unless specifically voted by the Oxford School Committee.
- Thus, Oxford Public Schools will be guided by the principle of arms-length standards with all affiliated or unaffiliated organizations or with a private or related individual(s). Related party transactions shall include transactions between a school/district and members of the Oxford School Committee, administration, employees, related individuals and affiliated companies. Related individuals within the scope of this definition include spouses, parents, children, spouses of children, grandchildren, siblings, fathers-in-law, mothers-in-law sisters-in-law and brothers-in-law of a school committee member or school district employee.

### **Disciplinary Actions**

All associated entities must comply with the policies and procedures of the District.

### **Mandatory Disclosure**

Upon discovery of any potential conflict, the District will disclose in writing the potential conflict to the federal awarding agency in accordance with applicable federal awarding agency policy.

### **G. Contract Administration**

The District maintains the following oversights to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or Purchase Orders. See the Property Management section on page 32.

The contract manager for the Oxford Public Schools varies based on the type of contract. For example, Special Education related contracts are overseen by the Assistant Superintendent. When a contract does not clearly fall within a department, the School Business Administrator and Director of Operations will act as the contract manager. The contract manager is responsible for the following:

1. Coordinate communications with the vendor;
2. Evaluate the qualifications of contract personnel for compliance with contract requirements;
3. Determine acceptability of reports and deliverables produced by the contractor;
4. Approve or reject contractor payment requests; and
5. Ensure the contract amendments are in writing and approved by the School Business Administrator and Director of Operations.

A file containing a copy of all contracts is maintained in the Business Office.

## **III. Property Management Systems**

### **A. Property Classifications**

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the District for financial statement purposes, or \$5,000. 2 C.F.R. §200.33.

Supplies means all tangible personal property other than those described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the District for financial statement purposes or \$5,000, regardless of the length of its useful life. 2 C.F.R. §200.94.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. 2 C.F.R. §200.20.

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

- Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
- Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance). 2 C.F.R. §200.12.

#### B. Inventory Procedure

Inventory will be maintained on all information technology hardware and software; textbooks; and fixed assets. The school/department placing an order will add the appropriate ship to address. At the time of receipt, the package is inspected to ensure the ordered materials were received in good order and the items mirror the order placed through the Purchase Order system. Items are inventoried at the time they are unpacked. Inventory records are inputted by a member of the technology staff (hardware and software), Grant Manager (textbooks) and the accounting office (fixed assets).

All technology hardware is tagged. The tags state “Property of Oxford Public Schools” and include an asset number and related barcode. The technology department is responsible for configuring all computers, laptops, netbooks, and iPads.

#### C. Inventory Records

For each equipment and computing device purchased, the following information is maintained by the technology staff in a spreadsheet:

- Device Type and/or model;
- Serial number or other identification number;
- Asset tag number;
- Program or person the device is assigned to;
- Location and use of the property

On an annual basis, the Grant Manager will review the inventory list and note changes. Changes to the inventory based on property being sold, lost, stolen or broken will be noted. If the item was stolen, a copy of the police report should be included in the file. The updated inventory spreadsheet should be printed annually and provided to the Director Finance and Operations.

#### D. Physical Inventory

A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. Prior to the start of the school year in odd numbered years, a physical inventory will be conducted. If there is a discrepancy between the previous physical inventory and the current inventory, a report detailing the discrepancies will be provided to the business office.

#### E. Maintenance

In accordance with 2 C.F.R.313 (d) (4), the District maintains adequate maintenance procedures to ensure that property is kept in good condition. Oxford Public Schools does not place restrictions on computer devices for employees. Employees who are issued a device(s) are responsible for maintaining and securing the equipment. When a device is not working properly, the employee will submit a help desk ticket. A member of the technology staff will work with the employee to identify and repair the computer as quickly as possible. A loaner computer is available for faculty upon request.

#### F. Lost or Stolen Items

The District maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property. Employees issued computer devices are responsible for abiding by the Computer and Acceptable Use Policy acknowledged at the time of hire. The Computer and Acceptable Use Policy is available in Appendix E. As previously stated, all hardware is inventoried and marked as property of the Oxford Public Schools. Employees are required to file a police report when equipment is determined to be missing. A copy of the report must be provided to the Director of Technology within 24 hours of filing the police report. In the next physical inventory the item is listed as missing with the date of the police report. If the item continues to be missing on the second inventory, the item is removed from the list.

#### G. Use of Equipment

Equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the federal award, and the District will not encumber the property without prior approval of the federal awarding agency and the pass-through entity.

During the time equipment is used on the project or program for which it was acquired, the equipment will also be made available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the federal awarding agency that financed the equipment. Second preference is given to programs or projects under federal

awards from other federal awarding agencies. Use for non-federally funded programs or projects is also permissible.

When no longer needed for the original program or project, the equipment may be used in other activities supported by the federal awarding agency, in the following order of priority: (1) activities under a federal award from the federal awarding agency which funded the original program or project; then (2) activities under federal awards from other federal awarding agencies.

#### H. Disposal of Equipment

When it is determined that original or replacement equipment acquired under a federal award is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the Grant Manager will contact the awarding agency (or pass-through for a state-administered grant) for disposition instructions. Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of \$5,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency. If the item has a current FMV of more than \$5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.

Surplus property is turned over to the Oxford municipal government. The items are offered to other Oxford Town departments and are allocated by the Board of Selectmen. Any remaining items, that have a potential value, are auctioned through an online auction site.

### IV. **Written Compensation Policies**

#### A. Time and Effort

##### **Time and Effort Standards**

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. This includes an employee whose salary is paid with state or local funds but is used to meet a required “match” in a federal program. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;

- Encompass both federally assisted and all other activities compensated by the District on an integrated basis;
- Comply with the established accounting policies and practices of the District and
- Support the distribution of the employee's salary or wages among specific activities or costs objectives.

### **Time and Effort Procedures**

Oxford Public Schools prioritizes funding consultants, supplies & materials, and out-of-District tuitions on federal grants. In addition, hourly employees whom are not members of the Massachusetts Teacher Retirement System (MTRS) are prioritized to be charged to a federal grant. For example, a 1:1 Special Education Instructional Aide would be an appropriate choice as an employee to charge to the Early Childhood Special Education federal grant. All employees, whom hold a position funded through federal funds, receive an annual letter stating the source of funding for his or her position.

The monthly time and effort after-the-fact certification is completed for positions partially funded with federal funds. The semi-annual time and effort after-the-fact certification is completed for positions completely funded with federal funds. The certification must be signed and dated by the employee or supervisor with first-hand knowledge of the employee's work after the work has been completed.

### **Reconciliation and Closeout Procedures**

It is critical for payroll charges to match the actual distribution of time recorded on the monthly certification documents. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards, but may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed.

The reconciliation process is conducted by the School Business Administrator and Director of Operations in conjunction with the HR Specialist. At the beginning of each grant year, the School Business Administrator and Director of Operations creates a spreadsheet with the following information:

1. Federal grant name;
2. Federal grant account number;
3. Employee's name;
4. Position Title; and
5. Annual salary;

Annual adjustments will be made only if (1) the monthly comparisons show the differences between budgeted amounts and actual costs are less than ten percent; and (2) the budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances. If not performed annually, quarterly adjustments should be made. All necessary adjustments must be made such that the final amount charged to the federal award is accurate, allowable, and properly allocated.



## **Employee Exits**

An employee who is separating from service with the Oxford Public Schools should submit a letter of intent to the Superintendent. In the letter, the employee shall note the purpose of separation (retirement, resignation, etc.) and the effective date. Advance notification of separation is greatly appreciated to limit negative impacts on student learning. Although a formal exit interview is not required, it is suggested that the HR Specialist discuss the reasons for leaving with every employee leaving for purposes other than retirement.

### **B. Human Resources Policies**

The District School Committee Policies ensure that that personnel compensation costs are spent in accordance with written policies and procedures. Refer to School Committee policy manual, collective bargaining unit contracts and personnel handbook. Unless authorized by the School Committee and the grantor, Oxford Public Schools will not use federal funds for relocation or severance pay.

The allowability of various types of personnel compensation costs is dependent on whether they are spent in accordance with written policies and procedures. For example, the cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as annual leave, sick leave, or holidays, is allowable if, among other criteria, the costs are provided under established written leave policies. Therefore, ensure that the District has human resource policies which at least cover (1) how employees are hired (2 CFR §200.430(a)(2)); (2) the extent to which employees may provide professional services outside the District (2 CFR §200.430(c)); (3) the provision of fringe benefits, including leave and insurance, (2 CFR §200.431)); (4) the use of recruiting expenses to attract personnel (2 CFR §200.463(b)); and (5) reimbursement for relocations costs. 2 CFR §200.464.

## **V. Record Keeping**

### **A. Record Retention**

The District maintains all records that fully show (1) the amount of funds under the grant or sub-grant; (2) how the sub-grantee uses those funds; (3) the total cost of each project; (4) the share of the total cost of each project provided from other sources; (5) other records to facilitate an effective audit; and (6) other records to show compliance with federal program requirements. 34 C.F.R. §§76.730-.731 and §§75.730-.731. The District also maintains records of significant project experiences and results. 34 C.F.R. §75.732. These records and accounts must be retained and made available for programmatic or financial audit.

The U.S. Department of Education is authorized to recover any federal funds misspent within 5 years before the receipt of a program determination letter. 34 C.F.R. §81.31(c). Consequently, the District retain records for a minimum of five (5) years from the date on which the final Financial Status Report is submitted, unless otherwise notified in writing to extend the retention period by the awarding agency, cognizant agency for audit, oversight agency for audit, or

cognizant agency for indirect costs. However, if any litigation, claim, or audit is started before the expiration of the record retention period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. 2 C.F.R. §200.333.

At the state level, records retention is overseen by the Massachusetts Secretary of State's Office ([www.mass.gov/sec](http://www.mass.gov/sec)). The department head of any office that creates, receives or stores public records must designate a Records Access Officer. The Records Access Officer is the point of contact for all public records requests; ensures record security, and follows proper destruction of records protocol.

Maintaining an inventory of records will allow for the identification of records that may be at the end of the retention period. Prior to the destruction of records, a written request must be made to the Supervisor of Records. Once the written request is approved, each district can choose a method of destruction or recycling. Districts are advised to choose the method of destruction carefully especially if employee or student records are involved. The municipal records retention schedule is available on the website at:

[http://www.sec.state.ma.us/arc/arcpdf/MA\\_Municipal\\_Records\\_Retention\\_Manual.pdf](http://www.sec.state.ma.us/arc/arcpdf/MA_Municipal_Records_Retention_Manual.pdf).

#### B. Collection and Transmission of Records

Most records may be maintained in either paper or electronic form, based on the current practices in the District. Electronic storage will provide an easier means to share documents upon request i.e. auditors, records inquires, etc. In either case, care must be taken to ensure the materials chosen to create the record will last through the records retention period. Minutes of governmental bodies must be maintained in a paper format. Proper storage of the records is the responsibility of the District. The municipal records retention schedule provides recommended storage standards.

#### C. Access to Records

The District provides the awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives the right of access to any documents, papers, or other records of the District which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the District's personnel for the purpose of interview and discussion related to such documents.

#### D. Privacy

The Family Educational Rights and Privacy Act (FERPA) affords parents and students who are 18 years of age or older ("eligible students") certain rights with respect to the student's education records. Oxford Public Schools protects personal information of both students and employees through regular training and updated policies and procedures. On an annual basis, Oxford Public

Schools employees will take the mandatory training. Each module contains a short introduction, important documentation on the topic, and additional materials. The modules include:

- Blood Borne Pathogens;
- Bullying & Cyber-Bullying;
- Civil Rights & Section 504;
- Computer and Internet Acceptable Use;
- Confidentiality & Family Educational Rights and Privacy Act (FERPA);
- Conflict of Interest;
- Food Allergy Awareness;
- Managing Life Threatening Allergies in Schools;
- Physical Restraint and Behavior Support;
- Sexual Harassment Policy;
- Social Networking Policy;
- 51A Mandated Training

The website for these mandatory trainings is:

<http://www.oxps.org/staff-links/mandatory-trainings>

Oxford Public Schools Computer and Internet Acceptable Use Policy addresses the protection of personal information of both students and employees, see Appendix E.

#### **VI. Sub-recipient Monitoring**

In the event that the District awards sub-grants to other entities, it is responsible for monitoring those grant sub-recipients to ensure compliance with federal, state, and local laws. Monitoring is the regular and systematic examination of all aspects associated with the administration and implementation of a program. Each program office that awards a sub-grant must have its own monitoring policy. This policy must ensure that any monitoring findings are corrected.

#### **VII. Frequently Asked Questions**

As questions arise, this section will be populated.

#### **VIII. Legal Authorities and Helpful Resources**

The following documents contain relevant grants management requirements. Staff should be familiar with these materials and consult them when making decisions related to the federal grant.

Education Department General Administrative Regulations (EDGAR)

- <http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html>

Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 200)

- <http://www.ecfr.gov/cgi-bin/text-idx?SID=ccccf77e01c9e6d4b3a377815f411704&node=pt2.1.200&rgn=div5>

USDE's Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 3474)

- [http://www.ecfr.gov/cgi-bin/text-idx?SID=ccccf77e01c9e6d4b3a377815f411704&tpl=/ecfrbrowse/Title02/2cfr3474\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?SID=ccccf77e01c9e6d4b3a377815f411704&tpl=/ecfrbrowse/Title02/2cfr3474_main_02.tpl)

Federal program statutes, regulations, and guidance

- <http://www.ed.gov/>

State regulations, rules, and policies

- Massachusetts Department of Elementary and Secondary Education, Grants Manual: <http://www.doe.mass.edu/grants/procedure/manual.html>
- Massachusetts Department of Early Education and Care Grants: <http://www.mass.gov/edu/birth-grade-12/early-education-and-care/financial-assistance/funding-opportunities/forms-for-grant-recipients/>
- Massachusetts Municipal Records Retention Schedule: [http://www.sec.state.ma.us/arc/arcpdf/MA\\_Municipal\\_Records\\_Retention\\_Manual.pdf](http://www.sec.state.ma.us/arc/arcpdf/MA_Municipal_Records_Retention_Manual.pdf)
- Massachusetts Inspector General's' Office, Chapter 30B Procurement: <http://www.mass.gov/ig/procurement-assistance/>

District regulations, rules, and policies

- Oxford Public Schools, School Committee Policies: <http://www.oxps.org/POLICY%20MANUAL.pdf>
- Oxford Public Schools, Finance and Operations Procedure Manual: <http://www.oxps.org/Financial%20Policies%20and%20Procedures%20Manual.pdf>

Organizational Chart

- Current organization chart can be found in Appendix B.

Filter by: Segment 1: 345

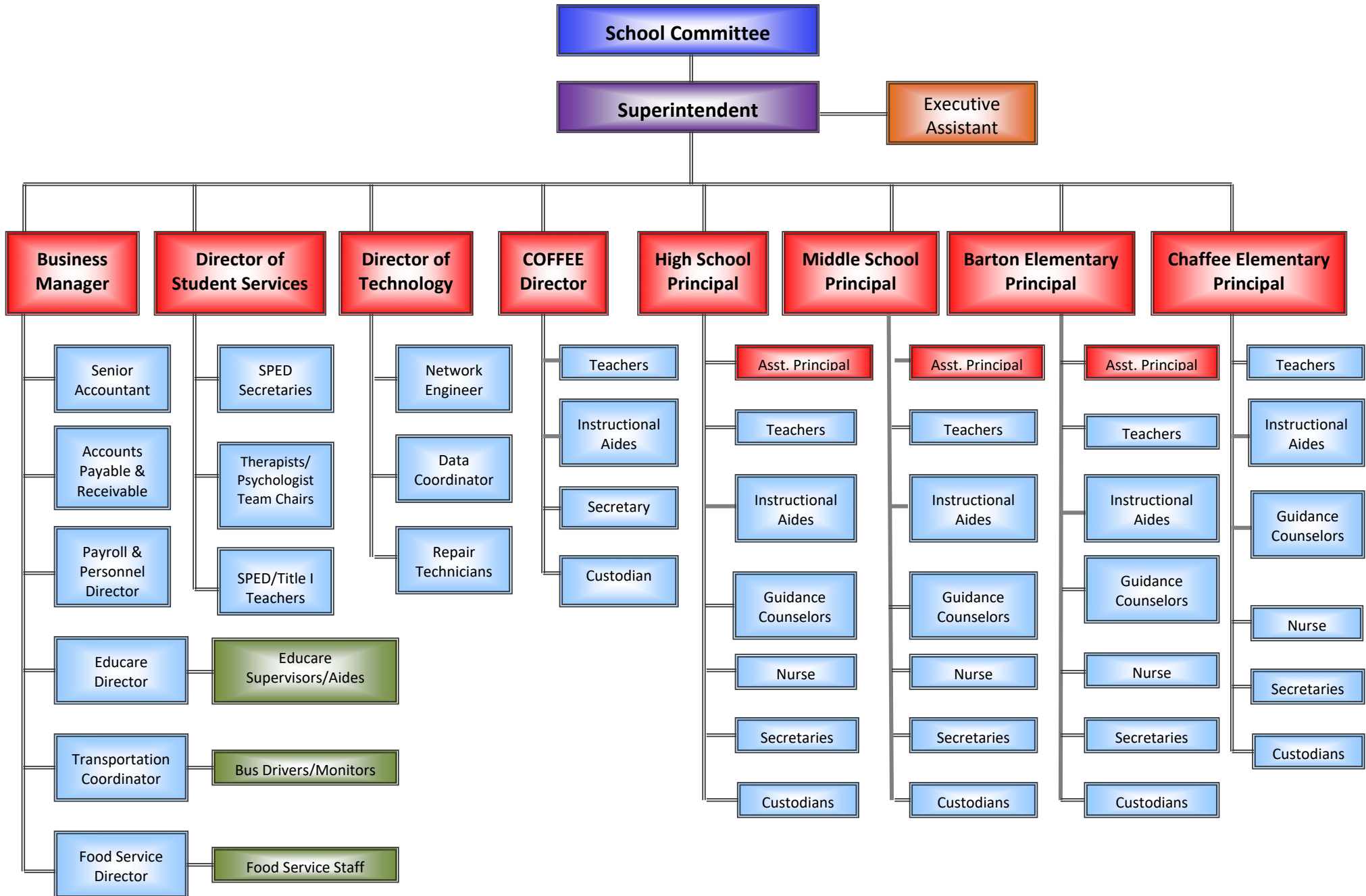
Group as: \*\*\*\_\*\*\*\_\*\*\*\*\_\*\*\*\*\*

Parameters: Fiscal Year: 2019 Start Date: 07/01/2018 end: 06/30/2019

## Ledger History - Allocated Summary - with PO - Expenditure Ledger

| Account Number                        | Name  | Allocated         | Expended           | PO Enc           | Ending          | % Var.       |
|---------------------------------------|---|-------------------|--------------------|------------------|-----------------|--------------|
| <b>Group 1: Segment 1: Fund</b>       | Code: 345 - FY19 SPED ENTITLEMENT               |                   |                    |                  |                 |              |
| 345-309-5401-211020                   | FY19 SPED ENTITLEMENT - CONTRACTED SERVICES     | 5,000.00          | -5,000.00          | 0.00             | 0.00            | 100.00       |
| 345-309-5401-920020                   | FY19 SPED ENTITLEMENT - OUT OF STATE TUITION    | 108,898.00        | -108,452.40        | 0.00             | 445.60          | 99.59        |
| 345-309-5401-930020                   | FY19 SPED ENTITLEMENT - IN STATE TUITION        | 207,843.00        | -200,884.80        | -1,758.68        | 5,199.52        | 96.65        |
| 345-309-5401-940020                   | FY19 SPED ENTITLEMENT - PUBLIC COLLABORATIVES   | 154,791.00        | -154,792.02        | 0.00             | -1.02           | 100.00       |
| 345-309-5501-241520                   | FY19 SPED ENTITLEMENT - OTHER INSTRUCT SUPPLIES | 5,000.00          | -4,875.25          | 0.00             | 124.75          | 97.51        |
| 345-309-5606-211020                   | FY19 SPED ENTITLEMENT - DUES & SUBSCRIPTIONS    | 500.00            | 0.00               | 0.00             | 500.00          | 0.00         |
| 345-309-5613-235620                   | FY19 SPED ENTITLEMENT - PROFESSIONAL DEVELOPM   | 5,000.00          | -3,945.00          | 0.00             | 1,055.00        | 78.90        |
| <b>Total Group 1: Segment 1: Fund</b> | Code: 345 - FY19 SPED ENTITLEMENT               | <b>487,032.00</b> | <b>-477,949.47</b> | <b>-1,758.68</b> | <b>7,323.85</b> | <b>98.50</b> |
|                                       | 7 Account(s) totaling:                          | 487,032.00        | -477,949.47        | -1,758.68        | 7,323.85        | 98.50        |

# Oxford Public Schools – Organizational Chart



# OXFORD PUBLIC SCHOOLS

## COMPUTER AND INTERNET ACCEPTABLE USE POLICY

The purpose of this policy is to meet the requirements of state and federal law (i.e., Children's Internet Protection Act, CIPA) and to provide guidelines for safe, legal, moral, and ethical use of District Technology by our students and staff. In order to comply with CIPA this document will serve as the Oxford Public Schools' Internet Safety Policy. Questions regarding this policy or computer use should be directed to the Director of Technology, Principal, Superintendent or his/her designee.

**A PRIVILEGE NOT A RIGHT:** Use of the District computer network, including hardware, software (both locally installed and web-based), Internet access, the District website, and e-mail is a privilege, not a right. All users must complete and return the appropriate "agreement acknowledgement".

### USERS WILL

- only access the District's computers, network, Internet, applications and e-mail with the username(s) and password(s) assigned to them.
- keep private the username and password assigned to them.
- change their password(s) frequently and when requested.

### USERS WILL NOT

- access the district's computers, network, Internet, applications, or e-mail with the username(s) and password(s) of others.
- store their assigned username and password in a location where others may easily find it.
- use password(s) that can be easily guessed such as names and birthdates.

**NO EXPECTATION OF PRIVACY:** The District reserves the right to monitor all computer use and reserves the right to access and examine all data stored on or accessed from District computers or its network. Users are advised that they should have no expectation of privacy.

### USERS WILL

- respect the privacy and confidentiality of others.

### USERS WILL NOT

- attempt to access or delete the files of others.

**LIABILITY AND RESPONSIBILITY:** The District will not be liable for the actions of users; each user bears full legal and financial liability for their use of District technology. The District takes no responsibility for any information or materials that are accessed or transmitted by users via the Internet. Student use of District technology will only occur under the supervision of faculty or staff.

### USERS WILL

- take full moral, legal, and financial responsibility for their actions while using District technology.
- limit their use of District technology to purposes deemed appropriate by the District.
- demonstrate appropriate etiquette when using District technology.
- inform a staff member if they receive or intercept a threatening or inappropriate message or file.

### USERS WILL NOT

- use the District's technology to engage in illegal activity, such as the purchase or sale of drugs, criminal gang activity or "hacking."
- violate any local, state, or federal statute.
- create, copy, distribute material that is threatening or obscene.
- use profane, vulgar, racist, sexist, harassing or other inappropriate language or images.
- use the system for political lobbying or commercial purposes.

**CONTENT FILTERING AND SECURITY:** The District maintains a firewall that filters material deemed obscene or harmful to minors, including child pornography. Anti-virus software protects the network and computers. The District will monitor the activities of users for compliance with this policy.

#### USERS WILL

- only access websites that are not blocked by the District's content filters.
- immediately close out of a website if the content displayed is inappropriate.
- inform a staff member if they become aware of a possible security issue.

#### USERS WILL NOT

- attempt to subvert network security or to impair the functionality of any District technology.
- attempt to bypass the District's content filters and restrictions.
- post chain letters. distribute spam. create and/or infect the District's network with a virus.

**HARDWARE AND SOFTWARE:** The District provides users with hardware and software appropriate for use in an educational setting. Users will respect District owned technology and use personal devices with caution.

#### USERS WILL

- understand that computers and peripherals are the property of the District.
- be permitted to use personal portable devices in conjunction with district technology as long as they are not left in the District overnight. This includes the use of laptops, memory sticks, digital cameras, etc.
- ensure their personal laptops are running an up-to-date antivirus program.
- only use software purchased by and licensed to the District on District computers.

#### USERS WILL NOT

- take any action that impairs the operation of any piece of the District's technology.
- bring large technology devices into the District. This includes desktop computers, monitors, printers, scanners, televisions, etc.
- place food or beverages in close proximity to District technology.
- attempt to install software on District computers.
- copy District owned software or use District computers to copy software owned by others.

**INTERNET ACCESS AND SAFETY:** The District provides Internet access to staff and students for the purpose of research, dissemination of information, collaboration, and access to curriculum/professional materials.

#### USERS WILL

- participate in Internet safety instruction provided by the District. Instruction will occur annually by assembly, guided lessons or distributed materials.
- only use District computers and Internet for educationally relevant purposes and school related business.
- access only oxps.org e-mail accounts from District computers. Personal accounts, including but not limited to AOL, Hotmail, Charter, Yahoo. et al., are not allowed.
- inform a staff member if they become aware of a safety issue.

#### USERS WILL NOT

- use other Internet services to display information/material to students on school property. Internet access through an outside provider is not allowed.
- post or share personal information about themselves or anyone else on the Internet.
- access social websites including, but not limited to, Myspace, Twitter and Facebook, as well as, chat rooms and instant messaging services.
- use District technology to offer, provide, or purchase products or services.



**COPYRIGHT AND PLAGIARISM:** Users will obey all copyright laws and agree not to plagiarize.

**USERS WILL**

- agree to use copyrighted material only when permission has been granted.
- correctly cite all materials referenced in their work.

**USERS WILL NOT**

- take the ideas or writings of others and present them as their own.
- "copy/cut and paste" from the Internet or other digital sources to a document which they will submit as their work.

**Website:** The district maintains and posts an up-to-date website for the benefit of faculty, staff, students, parents, guardians and the community at large. Users granted permission to post information will do so using good judgment. All guidelines listed in this document apply to the use and design of the District's website.

**USERS WILL**

- only post information that is educationally relevant and/or related to school business.

**USERS WILL NOT**

- attempt to disable or impair the functionality of the District website.

**Exceptions:** In order to allow individual users and groups to function and operate as necessary, the following exceptions are allowed:

- The NJROTC unit is required, and therefore authorized, to utilize computers to purchase supplies required for unit operation.
- Faculty and staff may access e-mail accounts other than oxps.org using the computers designated as teacher workstations, as long as such use does not violate other sections of this policy.
- The Superintendent and/or Director of Technology may approve additional exceptions to this policy. Requests for exceptions must be submitted and approved in writing. Exceptions will not violate local, state or federal statute nor compromise student safety and the security of the network.

**Consequences of Misuse:** Prohibited conduct may result in loss of computer/network privileges, disciplinary action and/or criminal or civil prosecution under State and Federal law.

- For students, violations of any of the above guidelines may result in the loss of access and/or additional disciplinary action as deemed appropriate at the building level.
- For staff, a violation of this policy may result in disciplinary action ranging from a verbal warning or suspension of system privileges up to discharge from employment.
- For students and staff, when applicable, the District will advise appropriate law enforcement agencies of suspected illegal activities conducted through the District's network.

Parents who do not want their child to use the Internet at school must notify their principal in writing.

The District reserves the right to seek reimbursement and/or indemnification from the user, for any losses incurred or penalties paid as a result of a user's disallowed activities. District administration will make the final determination as to what constitutes unacceptable use and their decision is final.

{Adoption Date -March 8, 1999}

{Revised Polley Adoption Date –September 5, 2003}

{Revised Polley Adoption Date –June 22, 2009}