

FEDERAL GRANT FUNDS

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

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

The Board regards available Federal funds of aid to local school districts and communities as a public trust. It forbids the use of Federal monies for partisan political activities and for any use that would not be in accord **ance** with Federal **regulations and** guidelines, ~~on discrimination.~~ ~~All Federal funds received by the District will be used in accordance with the applicable Federal law.~~ The Superintendent or designee shall ensure that each draw of Federal monies is as close as administratively feasible to the related program expenditures.

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No Federal funds received by the District shall be used (1) to develop or distribute materials, or operate programs or courses of instruction directed at youth, that are designed to promote or encourage sexual activity, whether homosexual or heterosexual; (2) to distribute or to aid in the distribution by any organization or legally obscene materials to minors on school grounds; (3) to provide sex education of HIV-prevention education in schools unless that instruction is age appropriate and includes the health benefits of abstinence; or (4) to operate a program of contraceptive distribution in schools.

Grant Proposal Development

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

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

Grant Proposal Internal Review

- A. Each grant proposal shall be reviewed and approved by the Superintendent, or designee, prior to submission to the funding source.**

Grant Administration

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

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

Employee positions established through the use of grant funding may terminate if and when the related grant funding ceases.

Financial Management

The financial management of grant funds shall be in compliance with all applicable Federal, State, local, and grantor rules, regulations and assurances as well as District policies and administrative guidelines.

The District shall provide for the following:

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

Further, the District must:

- 1. establish and maintain effective internal control over the Federal award that provides reasonable assurance that the District is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;***
- 2. comply with Federal statutes, regulations, and the terms and conditions of the Federal award;***
- 3. evaluate and monitor the District's compliance with statutes, regulations, and the terms and conditions of the Federal award;***

4. take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; and

5. take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive consistent with applicable Federal, State, local, and tribal laws regarding privacy and obligations of confidentiality.

E. Comparison of expenditures with budget amounts for each Federal award.

F. Recordkeeping and written procedures to the extent required by Federal, State, local, and grantor rules and regulations pertaining to the grant award and accountability, including, but not limited to, the following areas:

1. cash management

2. allowability

3. conflict of interest

4. procurement

5. equipment management

6. conducting technical evaluations of proposals and selecting recipients

7. compensation and fringe benefits, and

8. travel

G. Disclosure of any potential conflict of interest and all mandatory violation disclosures potentially affecting the Federal award/grant to the Federal awarding agency or pass-through agency in accordance with applicable Federal policy.

H. Insurance coverage for real property and equipment, if applicable, equivalent to such property owned by the District.

Program Income

Program income means gross income earned by a grant recipient that is directly generated by a supported activity or earned as a result of the Federal award during the grant's period of performance.

It includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts and interest earned on any of them. Additionally, taxes, special assessments, levies, fines, and other such 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.

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

Applicable laws, regulations and guidance:

105 ILCS 5/8-7

20 U.S.C. 7906

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

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

2 C.F.R. 200.309, 200.310, 200. 313, 200.318-.320, 200.343(b)&(e)

Compliance Supplement for Single Audits of State and Local Governments

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To Policy 6/27/2016

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