

DA Goals and Objectives**DA**

The board shall adhere to strict fiscal accountability procedures as outlined in board policies and rules. The board shall make an effort to secure goods and services from responsible merchants and vendors at a price and quality that will enable the staff to fulfill the district's educational goals.

Approved: USD 303 Board of Education December 2, 1991

DB Budget Planning (see DC, KBA)**DB**

A planned, systematically prepared budget is essential in the management of the district. The board delegates to the superintendent the authority to develop a budget for the board's consideration.

In planning the budget, sufficient moneys shall be allocated in a manner reasonably calculated such that all students may achieve the capacities set forth in K.S.A. 72-3218(c).

Needs Assessment

Each year, the board shall conduct an assessment of the educational needs of each attendance center in the district. Such assessment shall be published on the school district's website. Information obtained from the needs assessment shall be used by the board when approving the budget of the school district to ensure improvement in student academic performance.

The board shall annually review state assessment results and, as part of such review, shall document the following:

- The barriers that must be overcome to have all students achieve proficiency above level 2 for grade level academic expectations on such assessments;
- Any budget actions, including, but not limited to, recommendations on reallocation of resources that should be taken to address and remove such barriers; and
- The amount of time the board estimates it will take for all students to achieve proficiency above level 2 for grade level academic expectations on the state assessments if such budget actions are implemented.

The board shall also prepare a summary of the budget. The budget, the summary of the proposed budget, the needs assessment, and the state assessment documentation shall be on file at the administrative offices of the school district and available on the school district's website. Notice of the hearing on the budget shall include a statement that the budget(s), the summary of the proposed budget, the needs assessment, and state assessment documentation is on file at the administrative offices of the district and available on the school district's website.

DC Annual Operating Budget (DB and KBA)

DC

The district budget shall be prepared by the superintendent in cooperation with selected district employees and shall reflect the district's educational goals, including improvement in student academic performance as described in board policy DB and state law.

The superintendent shall follow the adopted budget.

The district shall fund the operating budget according to approved fiscal and budgetary procedures required by the State of Kansas.

Budget Forms

Budget forms used shall be those prepared and recommended by the Kansas State Department of Education. Budget summary documents shall be prepared on forms provided by the Kansas State Department of Education.

Priorities

The board will establish priorities for the district on a short-term, intermediate, and long-range basis, taking into consideration the requirement for budgeting.

Deadlines and Schedules

Deadlines and time schedules shall be established by the board, unless otherwise provide by state law.

Encumbrances

An encumbrance shall be made when a purchase is made or when an approved purchase order is processed. All encumbrances shall be charged to a specific fund. All necessary encumbrances shall be made by the superintendent.

Recommendations

Recommendations of the superintendent and professional staff concerning the district's budget allocations will be presented to the board prior to submission of the tentative draft budget.

Preliminary Adoption Procedures

The superintendent will be responsible for developing the budget cover letter. It is recommended that the letter include a restatement of the goals and objectives of the district and a list of budget priorities. An explanation of line-item expenditures will be included in the letter. Fund expenditures and line categories will also be explained in terms of how the budget meets the goals and objectives of the district and enhances completion of priority programs. A preliminary draft of the district's budget will be submitted by the superintendent within a timeframe that allows the district to comply with all statutory deadlines.

Hearings and Reviews

The board shall conduct budget hearings according to state law. The minutes of the meeting at which the board approves its annual budget shall state a needs assessment was provided to the board in accordance with board policy DB and state law, the board evaluated such assessment and the manner in which the board used such assessment in the approval of the district's budget.

District budgets, the summary of the proposed budget, the needs assessment and the state assessment documentation described in board policy DB shall be on file at the administrative offices of the district and available on the district's website

Budget Transparency

The district shall comply with the requirements of the Kansas Uniform Financial Accounting and Reporting Act and rules and regulations promulgated by the Kansas State Board of Education thereunder in maintaining, reporting, publishing on the district's website, and making available to the public specified budgetary records, forms and information.

Management of District Assets/Accounts

The superintendent shall establish and maintain accurate, financial management systems to meet the district's fiscal obligations, produce useful information for financial reports, and safeguard district resources. The superintendent shall ensure the district's accounting system provides ongoing internal controls. The superintendent shall review the accounting system with the board.

Approved: USD 303 Board of Education July 11, 2022

DE Fraud Prevention and Investigation (See DFAC and KN)

DE

All employees, board members, consultants, vendors, contractors and other parties maintaining a business relationship with the district shall act with due diligence in duties involving the district's fiscal resources. The superintendent shall develop internal controls that aid in the prevention and detection of fraud, financial impropriety or irregularity.

Reporting Fraud

An employee who suspects fraud, impropriety or irregularity shall promptly report those suspicions to the immediate supervisor and/or the superintendent. If the superintendent is the subject of the complaint, reports shall be made to the board president or the board's legal counsel. The superintendent shall have primary responsibility for any investigations, in coordination with legal counsel and other internal or external departments and agencies as appropriate. If the superintendent is the subject of the report of fraud, impropriety, or irregularity, the board shall retain control over the investigation or may designate its legal counsel or another investigator to act on behalf of the board in investigating the matter and reporting any findings back to the board in accordance with policy KN.

Whistleblowers

The district encourages complaints, reports or inquiries about illegal practices or violations of district policies, including illegal or improper conduct by the district, its leadership or by others on its behalf. Reports could include, but not be limited to, financial improprieties, accounting or audit matters, ethical violations or other similar illegal or improper practices or policies. The district prohibits retaliation by or on behalf of the district against staff members who make good faith complaints, reports or inquiries under this policy or for participations in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The district reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the bases for the complaints, reports or inquiries. They should be directed to the superintendent. If the superintendent is implicated in the complaint, report or inquiry, it should be directed to the board of education). The district will conduct a prompt, review or investigation in accordance with policy KN. The district may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.

An employee who reports evidence of gross misconduct relating to a federal grant or contract shall have the protections afforded in policy DFAC.

Approved: USD 303 Board of Education January 13, 2025

DFAA Grants and Other Outside Financial Resources**DFAA**

The board encourages the superintendent to secure federal, state and private grants, or other alternative funding sources for use in curriculum development, staff development, instructional or activity programs and other areas as directed by the board.

The board shall approve all grant applications before their submission.

Approved: USD 303 Board of Education October 13, 2004

DFAB Standard of conduct for Federally Funded Contracts

DFAB

The following standard of conduct shall be followed by board members, district employees, officers, and their agents in an effort to eliminate conflicts of interest and to govern actions while engaged in the selection, award, and administration of contracts on behalf of the district.

No board member, employee, officer, or agent may participate in the selection, award, or administration of a contract supported by Federal funds if he or she has a real or apparent conflict of interest concerning the contract.

For the purposes of this policy, a conflict of interest would include any instance when a board member, 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 receives or would receive a tangible personal benefit from a firm considered for a contract.

Unless otherwise provided herein, no board member, employee, officer, or agent of the district may solicit or accept gratuities, favors, or anything of monetary value from vendors, contractors, or parties to subcontracts. Therefore, these individuals would be prohibited from accepting offers for free entertainment which would otherwise cost the individual, lodging, transportation, gifts, or meals. However, accepting meals offered by a sponsor and consumed by such individual at school, a school sponsored activity, or a related event and/or accepting free product samples having a retail value greater than \$100 will not be a violation of this policy or standard of conduct.

Employees, officers, and agents of the district found to be in violation of this policy and standard of conduct shall be subject to disciplinary action, up to and including suspension or termination for employees and denial of access to district property and activities and/or the severing of the officer or agency relationship with the district, as appropriate.

Approved: USD 303 Board of Education July 11, 2022

(See CN, DE, DFAA and DFAB)

The board shall ensure federal funds received by the district are administered in accordance with federal requirements, including but not limited to the federal Uniform Grant Guidance. This policy outlines the district's responsibilities when federal funding is considered. The board designates the superintendent or designee as the federal programs coordinator and district contact for all federal programs and funding.

The superintendent or designee shall establish, document and maintain a sound fiscal management system to include internal controls and federal grant management standards covering the receipt of both direct and state-administered federal grants and to track costs and expenditures of funds associated with grant awards. The superintendent or designee, to assist in the proper administration of federal funds and implementation of this policy, may recommend additional procedures and regulations be adopted to supplement this policy.

The district's fiscal management system shall be designed with strong internal controls, including reasonable cybersecurity and other measures to safeguard information consistent with applicable law, a high level of transparency and accountability, and documented procedures to ensure that all fiscal management system requirements are met. Fiscal management standards and procedures shall assure that the following responsibilities are fulfilled:

- Identification – The district must identify all federal awards received and expended and the federal programs under which they were received.
- Financial Reporting – Accurate, current, and complete disclosure of the financial results of each federal award or program must be made in accordance with the financial reporting requirements of the Education Department General Administrative Regulations (EDGAR).
- Accounting Records – the district must maintain records which sufficiently identify the amount, source and expenditure of funds provided for federally-assisted activities.
- Internal Controls – Effective control and accountability must be maintained for all federal funds, real and personal property purchased therewith, and other assets acquired with federal funding. The district must safeguard all assets and ensure that it is used solely for authorized purposes.

- Budget Control – Actual expenditures or outlays must be compared with budgeted amounts for each federal award. Procedures shall be developed to establish determination for allowability of costs for federal funds.
- Case Management – The district shall maintain written procedures to implement the cash management requirements found in EDGAR.
- Allowability of Costs – The district shall maintain written procedures for determining the allowability of all costs charged to each federal award is accurately determined and documented.

Time and Effort Reporting by Employees

All district employees paid with federal funds shall document the time they expend in work performed in support of each federal program, in accordance with law. Time and effort reporting requirements do not apply to contracted individuals.

Recordkeeping

The district shall develop and maintain a records management plan and related board policy, administrative regulations, and/or procedures for the retention, retrieval, and disposition of print and electronic records, including e-mails.

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

- Amount of federal funds
- How funds are used
- Total cost of each project
- Share of total cost of each project provided from other sources
- Other records to facilitate an effective audit
- Other records to show compliance with federal program requirements, and
- Significant project experiences and results.

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

The district shall provide the federal 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 district records which are pertinent to the federal award. The district shall also permit timely and reasonable access to the district's personnel for interview and discussion related to such documents.

Records shall be retained for a minimum of three (3) years from the date on which the final Financial Status Report is submitted, or as otherwise specified in federal law or in the requirements for the federal award, unless a written extension is provided by the awarding agency, cognizant agency audit, oversight agency for audit, or cognizant agency for indirect costs. If any litigation, claim or audit is started before the expiration of the standard record retention period, the records shall be retained until all litigation, claims or audits have been resolved and final action has been taken.

The district shall ensure that all personally identifiable data protected by statute or regulation is handled in accordance with the requirements of applicable law, regulations, board policy, administrative regulations, and procedures.

Subrecipient Monitoring

If the district awards subgrants, the district shall establish procedures to:

- Assess the risk of noncompliance.
- Monitor grant subrecipients to ensure compliance with federal, state, and local laws and board policy, regulations, and procedures.
- Ensure the district's records are adjusted to cure recordkeeping issues discovered through the subrecipient's audits, on-site reviews or other monitoring.

Mandatory Disclosures

Employees and contractors must promptly disclose whenever, in connection with the federal award (including any activities or subawards, thereunder), it has credible evidence of the commission of a violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United State Code or a violation of the civil False Claims Act (31 U.S.C. 3729-3733). The disclosure must be made in writing to the federal agency, the agency's Office of the Inspector General, and passthrough entity, if applicable. Recipients and subrecipients are also required to report matters related to recipient integrity and performance in accordance with the law.

Employees and contractors involved in federally funded programs and subrecipients shall be made aware that failure to comply with federal law, regulations, or terms and conditions of a federal award may result in the federal awarding agency or pass-through entity imposing additional conditions or terminating the award in whole or in part.

Whistleblower Protections

An employee shall not be discharged, demoted, or otherwise discriminated against as a reprisal for reporting or disclosing information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or person or body described in paragraph (a)(2) of 41 U.S.C. 4712.

The Superintendent or designee shall inform their employees in writing of employee whistleblower rights and protections under the law.

Approved: USD 303 Board of Education January 13, 2025

Expenditures of federal funds 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.

Delegation of Responsibility

When determining how the school district will spend its grant funds, the superintendent 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.

Allowability Determinations

All costs supported by federal education funds must meet the standards outlined in EDGAR, 2 CFT Part 3474 and 2 CFT Part 200, Subpart E, which are listed below. The superintendent must consider those factors when making an allowability determination. A section entitled, *Helpful Questions for Determining Whether Costs are Allowable*, is located at the end of this document.

Part 200 sets forth general cost guidelines that must be considered, as well as rules for specific types of items, both of which must be considered when determining whether a cost is an allowable expenditure of federal funds. 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, nonregulatory guidance, and grant award notifications.

Restrictions in state and local rules or policy also must be considered. For example, travel and other job-related expenses incurred by employees are not allowable unless they also are in compliance with board policy GAN, administrative regulations, and related procedures.

Whichever allowability requirements are stricter will govern whether a cost is allowable.

General allowability determination factors include the following:

1. **Be Necessary and Reasonable for the performance of the federal award.** A cost is reasonable if it does not exceed an amount that a prudent person would under the circumstances prevailing when the decision to incur the cost. 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 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 such factors 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 costs for the geographic area.
- Whether the individual incurring the cost acted with prudence in the circumstances considering their responsibility to the district, its employees, its students, the public at large, and the federal government.

- Whether the cost represents a deviation from the district established written policies and procedures for incurring costs (2 CFR Sec. 200.404)

Whether a cost is necessary will be 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 school entity 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 federal award 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.
2. **Allocable to the federal award.** A cost is allocable to the federal award cost is assignable to the federal award or other cost objective 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 CFR Sec. 200.405)

For example, if fifty percent (50%) of a teacher's salary is paid with grant funds, then that teacher must spend at least fifty percent (50%) of his/her time on the grant program.

3. Consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the school entity.
4. Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the federal award.
5. Consistent treatment. A cost must not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.
6. Adequately documented. All expenditures must be properly documented. (200.300 through 200.309)
7. Be determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in Part 200.

8. Not be included as a cost or used to meet cost-sharing requirements of federally financed program in either the current or prior period. Some federal program statutes require the nonfederal entity to contribute a certain amount of nonfederal resources to be eligible for the federal program.
9. Be the net of all applicable credits. The term “applicable credits” refers to transactions that offset or reduce direct or indirect costs 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 direct relate to allowable costs, they must be credited to the federal award, either as a cost reduction or a cash refund, as appropriate. (2 CFR Sec. 200.406)

Selected Items of Cost

Subpart E of Part 200 sets forth principles to be applied in establishing the allowability of fifty-five (55) specific cost items (commonly referred to as Selected Items of Cost), at 2 CFR Sec. 200.420-200.475. These specific cost items are listed in the chart below along with the citation to the section of Subpart E addressing the allowability of that item. These principles are in addition to the other general allowability standards, and apply whether or not a particular item of cost is properly treated as direct cost or indirect (F&A) cost. Meeting the specific criteria for a listed item does not by itself mean the cost is allowable, as it may be unallowable under other standards or for other reasons, such as restrictions contained in the terms and conditions of a particular grant or restrictions established by the state or in board policy. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

School district employees responsible for spending federal grant funds and for determining allowability must be familiar with and refer to the Part 200 selected items of cost section. These rules must be followed when charging these specific expenditures to a federal grant. When applicable, employees must check costs against the selected items of cost requirements to ensure the cost is allowable and also check state, district, and program-specific rules.

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

Item of Cost	Citation of Allowability Rule
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 – fringes 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 and prizes	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, student aid costs, and tuition remission	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
Telecommunication and video surveillance costs	2 CFR 200.471
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

Helpful Questions for Determining Whether Costs are Allowable-

In addition to applying the costs principles and standards described above, district staff involved in expending federal funds should ask the following questions when assessing the allowability of a particular cost:

1. Is the proposed cost allowable under the relevant program?
2. Is the proposed cost consistent with an approved program plan and budget?
3. Is the proposed cost consistent with program specific fiscal rules? For example, the school entity may be required to use federal funds only to supplement the amount of funds available from nonfederal (and possible other federal) sources, or only as a match for funds from nonfederal sources.
4. Is the proposed cost consistent with EDGAR?
5. Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?
6. Is the proposed cost 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.
7. Will the cost be targeted at addressing specific areas of weakness that are the focus of the program, as indicated by available data?

Any questions related to specific costs should be forwarded to the superintendent who shall consult with the board's legal counsel for clarification as appropriate.

Generally, the school district receives payment of federal funds from the Kansas State Department of Education (KSDE) on a reimbursement basis. In some circumstances, the district may receive an advance of federal grant funds. This procedure addresses responsibilities of the district and district staff under those alternative payment methods. In either case, the district shall maintain accounting methods and internal controls and procedures that assure those responsibilities are met when dealing with federal funding.

Payment Methods

Reimbursements –

The school district will initially charge federal grant expenditures to nonfederal funds.

The superintendent or designee will request reimbursement for actual expenditures incurred under the federal grants monthly.

Such requests shall be submitted with appropriate documentation and signed by the requestor.

Requests for reimbursements will be approved by the superintendent.

Reimbursement will be submitted on the appropriate form to the KSDE portal. All reimbursements are based on actual disbursements, not on obligations. KSDE will process reimbursement requests within the timeframes required for disbursement.

Consistent with state and federal requirements, the school district will maintain source documentation supporting the federal expenditures (invoices, time sheets, payroll stubs, etc.) and will make such documentation available for KSDE to review upon request.

Reimbursements of actual expenditures do not involve interest calculations.

Advances –

When the district receives advance payments of federal grant funds, it must minimize the time elapsing between the transfer of funds to the district and the expenditure of those funds on allowable costs of the applicable federal program. (2 CFR Sec. 200.305 (b)) The district shall attempt to expend all advances of federal funds within seventy-two (72) hours of receipt.

When applicable, the district shall use existing resources available within a program before requesting additional advances. If available, the recipient or subrecipient must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on federal funds before requesting additional cash payments. (2 CFR Sec. 305 (b)(5))

Advance payments of federal funds must be deposited and maintained in insured accounts whenever possible.

The recipient or subrecipient must maintain advance payments of federal funds in interest-bearing accounts unless one of the following applies:

- The recipient or subrecipient receives less than \$250,000 in federal funding per year;
- The best available interest-bearing account would not reasonably be expected to earn interest in excess of \$500 per year on federal cash balance;
- The depository would require an average or minimum balance so high that it would not be feasible with the expected federal and non-federal cash resources;
- A foreign government or banking system prohibits or precludes interest-bearing accounts; or
- An interest-bearing account is not readily accessible (for example, due to public or political unrest in a foreign country).

The school district is permitted to retain for administrative expenses up to \$500 per year of interest earned on federal funds. Regardless of the federal awarding agency, interest earning exceeding \$500 per year shall be remitted annually to the Department of Health and Human Services Payment Management System (PMS) through either the Automated Clearing House (ACH) network or a Fedwire Funds Service payment. (2 CFR Sec. 200.305 (b)(12))

Pursuant to federal guidelines, interest earnings shall be calculated from the date that the federal funds are drawn down from the G5/G6 system until the date on which those funds are disbursed by the district. Consistent with state guidelines, interest accruing on total federal grant cash balances shall be calculated on cash balances per grant and applying the actual or average interest rate earned.

Remittance of interest shall be responsibility of the board clerk.

Approved: USD 303 Board of Education January 13, 2025

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In the event the district disperses federal funds received through a federal award to other entities and assigns responsibilities to the outside entity to conduct a portion of the work, the district shall be responsible for determining, on a case-by-case basis, whether the agreement with such entity places the outside entity in the role of a subrecipient receiving a subaward of federal funding, or the role of a contractor.

If the district grants subawards of federal funding to other entities as subrecipients, the district shall be responsible for:

1. Evaluating the entity for risk of noncompliance to determine appropriate monitoring practices.
2. Monitoring the subrecipient entity's implementation to ensure compliance with federal, state, and local laws, conditions of the federal funding award, and board policy and procedures.
3. Notifying the subrecipient entity of identified deficiencies found during the monitoring process and ensuring that identified deficiencies are corrected.
4. Documenting and retaining records on subrecipient identification, notification, evaluation, monitoring, and corrective actions taken.

Definitions

For purposes of policies and procedures related to federal programs, the following definitions shall apply:

Contract – a legal instrument by which a non-federal entity conducts procurement transactions under a federal award. The term as used here does not include a legal instrument, even if the entity considers it a contract, when the substance of the transaction meets the definition of a federal program award or subaward. (2 CFR 200.1)

Contractor – an entity that receives a contract by which a non-federal entity purchases property or services needed to carry out the project or program under a federal award. (2 CFR 200.1)

Pass-through entity – a recipient or subrecipient that provides a subaward to a subrecipient including lower tier subrecipients to carry out part of a federal program. The authority of the pass-through entity under this part flows through the subaward agreement between the pass-through entity and subrecipient. (2 CFR 200.1)

Subaward – an award provided by a pass-through entity to a subrecipient for the subrecipient to contribute to the goals and objectives of the project by carrying out part of a federal award received by the pass-through entity. It does not include payments to a contractor beneficiary, participant. A subaward may be provided through any form of legal agreement consistent with criteria in with §200.331, including an agreement the pass-through entity considers a contract. (2 CFR 200.1)

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Subrecipient – an entity that receives a subaward from a pass-through entity to carry out part of a federal program. The term subrecipient does not include a beneficiary or participant. A subrecipient may also be a recipient of other federal awards directly from a federal agency. (2 CFR 200.1)

Subrecipient Versus Contractor

The district must determine, on a case-by-case basis, whether an entity receiving funds from the district as part of a federal funding program serves in a role of subrecipient or contractor. (2 CFR 200.331)

The Superintendent and/or designee shall be responsible for analyzing the criteria listed in the chart below. The Superintendent/and/or designee may consult with the board's legal counsel or other qualified counsel in making such determination.

Subrecipient	Contractor
Creates a Federal assistance relationship	Purpose is to obtain goods and services for the recipient or subrecipient's uses and creates a procurement relationship
Determines who is eligible to receive what Federal assistance	Provides the goods and services within normal business operations
Has its performance measured in relation to whether the objectives of a Federal program were met	Provides similar goods or services to many different purchasers
Has responsibility for programmatic decision making	Normally operates in a competitive environment
Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and	Provides goods or services that are ancillary to the implementation of a Federal program; and
Implements a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity (PTE)	Is not subject to compliance requirements of a Federal program as a result of the agreement. However, similar requirements may apply for other reasons

The district shall notify subrecipients that they have been identified as a subrecipient and that the funding qualifies as a subaward. The district shall provide the subrecipient with the following information as specified at 2 CFR Sec. 200.332(b) regarding the federal funding award, and any subsequent changes,

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Required information includes:

1. Federal award identification
 - i. Subrecipient's name (must match the name associated with its unique entity identifier);
 - ii. Subrecipient's unique entity identifier;
 - iii. Federal Award Identification Number (FAIN);
 - iv. Federal Award Date;
 - v. Subaward Period of Performance Start and End Date;
 - vi. Subaward Budget Period State and End Date;
 - vii. Amount of Federal Funds Obligated in the subaward;
 - viii. Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current obligation;
 - ix. Total Amount of the Federal Award committed to the subrecipient by the pass-through entity;
 - x. Federal award project description, as required by the Federal Funding Accountability and Transparency Act (FFATA);
 - Name of the federal agency, pass-through entity, and contact information for awarding official of the pass-through entity;
 - xi. Assistance Listings title and number; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at the time of disbursement;
 - xii. Identification of whether the award is for Research and Development; and
 - xiii. Indirect cost rate for the federal award (including if the de minimis rate is charged per used in accordance with §200.414).
2. All requirements of the subaward, including requirements imposed federal statutes, regulations and the terms and conditions of the federal award;
3. Any additional requirements that the pass-through entity imposes on the subrecipient for the pass-through entity to meet its responsibilities under the federal award. This includes information and certification (see § 200.415) required for submitting financial and performance reports that the pass-through entity must provide to the federal agency;
4. Indirect cost rate:
 - i. An approved indirect cost rate negotiated between the subrecipient and the federal government. If no such rate exists, a pass-through entity must determine the appropriate rate in collaboration with the subrecipient. The indirect cost rate may be either:
 - (A) An indirect cost rate negotiated between the pass-through entity and the subrecipient. These rates may be based on a prior negotiated rate between a different pass-through entity and the subrecipient, in which case the pass-through entity is not required to collect information justifying the rate but may elect to do so; or

(B) The de minimis indirect cost rate.

- ii. The pass-through entity must not require the use of the de minimis indirect cost rate if the subrecipient has an approved indirect cost rate negotiated with the Federal Government. Subrecipient may elect to use the cost allocation method to account for indirect costs in accordance with § 200.405(d).

5. A requirement that the subrecipient permit the pass-through entity and auditors to access the subrecipient's records and financial statements for the pass-through entity to fulfill its monitoring requirements; and
6. Appropriate terms and conditions concerning the closeout of the subaward.

Evaluation of Risk

The district shall evaluate each subrecipient's fraud risk and risk of noncompliance with a subaward to determine appropriate subrecipient monitoring practices. (2 CFR 200.332(c))

The Superintendent and/or designee shall be responsible for evaluating risk based on the following factors:

1. The subrecipient's prior experience with the same or similar subawards;
2. The results of previous audits, including whether or not the subrecipient receives a single audit and the extent to which the same or similar subawards have been audited as a major program;
3. Whether the subrecipient has new personnel, or new or substantially changed systems and processes;
4. The extent and results of any federal agency monitoring.

The Superintendent and/or designee shall request adequate documentation from the subrecipient to conduct the evaluation of risk; such documentation may include but may not be limited to ☐ *audit reports* ☐ *financial reports* ☐ *policies and procedures* ☐ *detailed descriptions or users' guides of current systems and processes*.

The district shall evaluate subrecipients for risk of noncompliance ☐ *annually* ☐ *as specified in the legal agreement or contract*.

Based on the results of the risk evaluation, the district may consider imposing specific conditions on implementation of the subaward, in accordance with applicable law and regulations. (2 CFR 200.208, 200.332)

Monitoring

The district shall monitor the implementation and activities of each subrecipient as necessary to ensure that the subrecipient complies with law, regulations and the terms and conditions of the subaward. The pass-through entity is responsible for monitoring the overall performance of a subrecipients to ensure that the goals and objectives of the award are achieved.

As part of the monitoring process, the district shall complete the following steps: (2 CFR 200.331)

1. Review financial and performance reports.
2. Ensure that the subrecipient takes corrective action on all significant development that negatively affect the subaward. Significant developments include Single Audit findings related to the subaward, other audit findings, site visits, and written notifications from a subrecipient of adverse conditions which will impact their ability to meet the milestones or the objectives of a subaward. When significant developments negatively impact the subaward, a subrecipient must provide the pass-through entity with information on their plan for corrective action and any assistance needed to resolve the situation.
3. Issue a management decision for audit findings pertaining to the subaward provided to the subrecipient, in accordance with applicable law and regulations. (2 CFR 200.521)
4. Resolve audit findings specifically related to the subaward. However, the pass-through entity is not responsible for resolving cross-cutting audit findings that apply to the subaward and other Federal awards or subawards. If a subrecipient has a current Single Audit report and has not been excluded from receiving Federal funding (meaning, has not been debarred or suspended), the pass-through entity may rely on the subrecipient's cognizant agency for audit or oversight agency for audit to perform audit follow-up and make management decisions related to cross-cutting audit findings in accordance with section § 200.513(a)(4)(viii). Such reliance does not eliminate the responsibility of the pass-through entity to issue subawards that conform to agency and award-specific requirements, to manage risk through ongoing subaward monitoring, and to monitor the status of the findings that are specifically related to the subaward.

Monitoring Tools –

The Superintendent and/or designee shall be responsible for monitoring of subrecipients. The following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

1. Providing subrecipients with training and technical assistance on program-related matters;
2. Performing site visits to review the subrecipient's program operations; and.
3. Arranging for agreed-upon-procedures engagements as described in § 200.425.

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The district shall verify that subrecipients are audited as required by applicable law and regulations.

Follow-Up Actions –

The Superintendent and/or designee shall provide subrecipients with written documentation detailing their monitoring results and listing any identified deficiencies. The district shall consider whether the results of monitoring indicate the need to revise existing district policy and procedures. (2 CFR 200.332)

The district shall require subrecipients to take immediate action on issues involving ineligible or illegal use of federal funding and notify the district of corrective action taken.

The district shall require subrecipients to develop a corrective action plan to address other identified deficiencies or noncompliance issues; such plan shall be submitted to the district *as specified in the agreed-upon procedures*, and the district shall evaluate and monitor the activities taken by the subrecipient under the corrective action plan. The district may provide technical assistance and/or training to subrecipients in complying with corrective action requirements.

The Superintendent and/or designee shall maintain all documentation on monitoring of subrecipients and corrective action taken during the monitoring process.

The district shall report issues of noncompliance to the appropriate federal agency where required by law, regulations, or requirements of the federal funding program.

Remedies for Noncompliance –

When monitoring activities identify issues of noncompliance that are not addressed through corrective action, the district may take the following actions: (2 CFR 200.332, 200.339)

1. Impose specific conditions on the subrecipient, in accordance with applicable law and regulations. (2 CFR 200.208)
2. Temporarily withhold payments, until the recipient or subrecipient takes corrective action.
3. Disallow costs for all or part of the activity associated with the noncompliance of recipient or subrecipient.
4. Suspend or terminate the federal award in part or in its entirety.
5. Recommend that the federal agency initiate suspension or debarment proceedings.
6. Withhold further awards or agreements for the project or program.
7. Pursue other legal remedies legally available.

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Record Retention

The Superintendent and/or designee shall ensure that all documentation regarding subrecipient identification, notification, evaluation, monitoring activities, and corrective action is maintained in accordance with board policy and regulations.

Records shall be retained in accordance with applicable law, regulations, specific requirements of the federal program, and the district's policies and regulations. (2 CFR 200.334-200.338)

Approved: USD 303 Board of Education January 13, 2025

This document is intended to integrate standard district purchasing procedures with additional requirements applicable to procurements that are subject to the federal Uniform Grant Guidance regulations concerning the use of federal funds and/or U.S. Department of Agriculture (USDA) regulations governing school food service programs. The district maintains the following purchasing procedures, in accordance with federal and state laws, regulations, and board policy to aid in making purchases with federal funds. (2 CFR 200.318-200.327; 7 CFR 210.16, 210.19, 210.21, 215.14a, 220.16; K.S.A. 72-1151; board policies DFAB, DFAC, DJE, DJEB, DJED, DJEE, DJEF, DJEG, DJEJ, DJFA, and DJFAB)

Procurement Thresholds (reviewed 2024)		
Kansas Bid Threshold	\$20,000	For construction, reconstruction or remodeling or for the purchase of materials, goods or wares
Federal Micro-Purchase Threshold	\$10,000	Adjusted periodically and published in Federal Register (48 CFR Subpart 2.1)
Federal Simplified Acquisition Threshold	\$250,000	Adjusted periodically and published in Federal Register (48 CFR Subpart 2.1)

*Please review this Procurement attachment annually and update amounts accordingly

Responsibility for Purchasing

The board has outlined standard district purchasing responsibility, methods of purchasing, price quotations and bid, requirements in the following board policies and their accompanying administrative regulations and/or procedures:

DFAB: Standard of Conduct for Federally Funded Contracts

DFAC: Federal Fiscal Compliance

DJE: Purchasing

DJEB: Quality Control

DJED: Bids and Quotations Requirements

DJEE: Local Purchasing

DJEF: Requisitions

DJEG: Purchase Orders and Contracts

DJEJ: Payment Procedures

DJFA: Purchasing Authority

DJFAB: Administrative Leeway

Purchase Methods

When a request for expenses for construction, reconstruction, or remodeling or for the purchase of materials, goods, or wares has been submitted and approved as outlined below, the procurement method to be used will be determined based on the type of purchase and the total cost of the purchase as further outlined below. This procedure outlines how the cost thresholds for determining when the quote or formal bidding procedures that are required by state law as reflected in Policy DJED must be modified when making purchases for federally funded purposes to which the Uniform Grant Guidance or USDA regulations apply to comply with both state and federal requirements. At each point where requirements for food service-related procurement under USDA regulations differ, a note will refer to the Food Service Program Notes at the end of this procedure. Final determination of which purchasing procedures are to be applied is delegated to Superintendent and/or designee under the authority of the Board.

Standard Procurement Documents and Purchase Request Process

The district shall use purchase order for purchase requests in accordance with the applicable purchase method.

The district shall use electronic purchasing records, which are pre-numbered and are accessible to designated purchasing staff in the District Office.

Purchase requests by an employee must be submitted to the building administrator or immediate supervisor. Purchase of all budgeted items or items approved by an administrator or supervisor must be initiated by use of a purchase order or requisition submitted to the purchasing agent. Purchase orders and requisitions shall contain information including, but not necessarily limited to:

1. Description of the services to be performed or goods to be purchased;
2. Location of where services will be performed, or goods will be delivered;
3. Appropriate dates of service or delivery;

☐ Other (describe) _____.

Documentation on purchase orders and requisitions shall be maintained in accordance with the district's Public Records policy (CN) and Federal Fiscal Compliance policy (DFAC).

Contracts shall be reviewed by the Superintendent and/or designee prior to submission to the board for approval.

Contracts to which the Uniform Grant Guidance apply shall contain the clauses specified in Appendix II to 2 CFR Part 200 (Contract Provisions for Non-Federal Entity Contracts Under Federal Awards), when applicable.

Micro-Purchases Not Requiring Quotes or Bidding

For purposes of this procedure, **micro-purchase** means an individual procurement transaction for supplies or services the aggregate amount of which does not exceed a base amount of \$10,000. The micro-purchase dollar threshold is adjusted periodically by the federal government, and the threshold most recently established and published in the Federal Register shall apply if other than \$10,000. (48 CFR Subpart 2.101)

Note: The micro-purchase threshold for federal purposes is lower than the bid threshold amount outlined in K.S.A. 72-1151, which allows purchase for nonfederal purposes to be made without using formal competitive bidding.

The micro-purchase method is used 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 when the same or materially interchangeable products are identified, and such suppliers offer effectively equivalent rates, prices, and other terms. The Superintendent and/or designee will be responsible to determine the equitable distribution of micro-purchases.

Micro-purchases may be awarded without soliciting competitive quotations if the district considers the price to be reasonable. The district will maintain evidence of this reasonableness in the records of all micro-purchases. **Reasonable** means that sound business practices were followed, and the purchase is comparable to market prices for the geographic area. Such determinations of reasonableness may include comparison of the price to previous purchases of the same item or comparison of the price of items similar to the item being purchased.

Even if the cost of a purchase qualifies it as a micro-purchase, bidding or small purchase procedures may be used optionally when those procedures may result in cost savings.

Simplified Acquisition Procedures

For purposes of this procedure, **simplified acquisition procedures** are those relatively simple and informal procurement methods for securing materials, goods, or wares or for completing construction, reconstruction, or remodeling that cost more than the amount qualifying as a micro-purchase and do not cost \$20,000 or more, or in the case of services other than construction, reconstruction or remodeling, where the total cost does not exceed the \$250,000 federal Simplified Acquisition Threshold at which formal competitive bidding or competitive proposals are required. Small purchase procedures cannot be used for construction, reconstruction or remodeling costing \$20,000 or more or for the purchase of materials, goods or wares costing \$20,000 or more because the board policy and Kansas law requires formal competitive bidding at that level of cost.

The base amount at which bidding is required under state law for construction, reconstruction or remodeling or for the purchase of materials, goods or wares is \$20,000. (K.S.A. 72-1151)

The federal Simplified Acquisition Threshold at which competitive bidding or competitive proposals are required is adjusted periodically by the federal government, and the threshold most recently established and published in the Federal Register shall apply if other than \$250,000. (48 CFR Subpart 2.101)

Because state law does not require **competitive** bidding for the purchase of services other than for construction, reconstruction or remodeling with a cost in excess of \$20,000, simplified acquisition procedures, including a request for proposal (RFP) procedure, may be used for procurement of such other services except when the estimated total cost will be at or over the federal threshold at which formal competitive bidding or competitive proposals are required (\$250,000).

Formal Competitive Bidding

Publicly Solicited Sealed Competitive Bids:

For construction, reconstruction, or remodeling or for the purchase of materials, goods or wares, sealed competitive bids are publicly solicited and awarded to the lowest responsible bidder as provided in Policy DJED when the total cost is estimated to be \$20,000 or more.

Note: The amount at which formal competitive bidding or competitive proposals are required by federal regulations is much higher than the base amount at which the policy and state law requires competitive bidding. Therefore, the lower base amount specified by state law will be used for purchases of equipment or supplies, or for obtaining services for construction, reconstruction or remodeling costing \$20,000 or more.

State law does not require bidding for the purchase of services other than for construction, reconstruction or remodeling regardless of total cost. For procurement of such other services for federally funded purposes to which the Uniform Grant Guidance applies, formal competitive bidding or competitive proposals will be used when the estimated total cost will be at or over the federal threshold of \$250,000.

The federal Simplified Acquisition Threshold at which competitive bidding or competitive proposals are required is adjusted periodically by the federal government, and the threshold most recently established and published in the Federal Register shall apply if other than \$250,000. (48 CFR Subpart 2.101)

For procurement of services costing at or over the \$250,000 federal threshold other than for construction, reconstruction or remodeling, the use of competitive sealed bidding is considered feasible and appropriate when:

1. A complete, adequate, and realistic specification or purchase description is available;
2. Two (2) or more responsible bidders have been identified as willing and able to compete effectively for the business; and
3. The procurement lends itself to a firm-fixed-price contract, and the selection of the successful bidder can be made principally based on price.

If sealed bids are used, the following requirements apply:

- (A) Bids must be solicited from an adequate number of qualified sources, providing them with sufficient response time prior to the date set for opening the bids. Unless specified by the federal agency, the district may exercise judgment in determining what number is adequate. For local governments the invitation for bids must be publicly advertised.
- (B) The invitation for bids must define the items or services with specific information, including any required specifications, for the bidder to properly respond.
- (C) All bids will be opened at the time and place prescribed in the invitation for bids. For local governments, the bids must be opened publicly.
- (D) A firm-fixed- price contract is awarded in writing to the lowest responsive when specified in the invitation for bids, factors such as discounts, transportation cost, and life-cycle costs must be considered in determining which bid is the lowest. Payment discounts must only be used to determine the low bid when the district determines they are a valid factor based on prior experience.
- (E) The district must document and provide a justification for all bids it rejects.

Competitive Proposals

State law does not require public school entities to solicit competitive bids for services other than for construction, reconstruction or remodeling, for which competitive bidding is required if the cost will be a base amount of \$20,000 or more.

Federal regulations allow the use of competitive proposals as an alternative to formal competitive bidding when conditions are not appropriate for the use of sealed bids.

In the case of services other than for construction, reconstruction or remodeling costing less than that threshold, the district may use simplified acquisition procedures or micro-purchase procedures as applicable based on total cost. A request for proposal (RFP) process can also meet or exceed the simplified acquisition competition requirements under state law and Policy DJED for the acquisition of services other than for construction, reconstruction or remodeling, and can be used if the total cost will be less than \$250,000.

When permitted, the technique of competitive proposals is normally conducted with more than one (1) source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. Competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The district shall comply with other applicable state and federal law and regulations, board policy and administrative regulations or procedures regarding purchasing; the district may consult with the school solicitor or other qualified counsel in determining the required process for purchasing through competitive proposals when necessary.

If this method is used, the following requirements apply:

1. Requests for proposals required public notice, and all evaluation factors and their relative importance. To the maximum extent practicable, any proposals submitted in response to the public notice must be considered.
2. Proposals must be solicited from an adequate number of qualified sources.
3. There must be a written method for conducting technical evaluations of the proposals received and for selecting recipients.
4. Contracts must be awarded to the responsible offeror whose proposal is most advantageous to the program, with price and other factors.
5. Competitive proposal procedures for qualifications-based procurement for architectural/engineering (A/E) professional services whereby offeror's qualifications are evaluated and the most qualified offeror 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 to procure an A/E professional services and cannot be used to purchase other services through A/E firms.

Competitive proposals shall be evaluated by Superintendent and/or designee based on factors including but not limited to:

1. Cost.
 - ☐ *Experience of contractor.*
 - ☐ *Availability.*
 - ☐ *Personnel qualifications.*
 - ☐ *Financial stability.*
 - ☐ *Minority business, women's business enterprise, or labor surplus area firm status.*
 - ☐ *Project management expertise.*
 - ☐ *Understanding of district needs.*

 - ☐ *Other* _____.

Evaluations shall be completed in a timely manner, documented, and shall be reviewed by the Superintendent and/or designee.

Contract/Price Analysis

The district performs a cost or price analysis for every procurement transaction in excess of \$250,000, including contract modifications. (2 CFR Sec. 200.324(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 conducted depend on the facts surrounding the particular procurement transaction. However, Superintendent and/or designee must make an independent estimate prior to receiving bids or proposals. (2 CFR Sec. 200.324(a)). As part of the analysis, the Superintendent and/or designee will enact established business practices which may include evaluation of similar prior procurements and a review process.

Noncompetitive Proposals (Sole Sourcing)

Procurement by noncompetitive proposals means procurement through solicitation of a proposal from only one (1) source and may be used only when one of the following circumstances apply:

1. The aggregate amount of the procurement transaction does not exceed the micro-purchases threshold as defined in 48 CFR 2.101.
2. The item is available only from a single source.

3. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation. An **emergency** exists whenever the time required for the board to act in accordance with regular procedures would endanger life or property or threaten continuance of existing school classes.
4. The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the district.
5. After solicitation of several sources, the district determines the competition is inadequate.

In addition to standard procurement policy and procedures, the district will document the grounds for using the noncompetitive method in lieu of an otherwise required competitive method of procurement, which may include written confirmation from the contractor as the sole source of the item. Documentation must be submitted to and maintained by the district office.

All noncompetitive proposals will ultimately be approved by the board. The district may utilize legal advice regarding noncompetitive proposals.

Profit must be negotiated separately for noncompetitive proposals, and a cost or price analysis will also be performed for noncompetitive proposals when the price exceeds \$250,000.

Purchase Cards

The district approves the use of purchase cards for permissible purchases by designated employees to improve the efficiency of purchasing activities, reduce processing expenses, improve controls for small-dollar purchases, and streamline contractor payment.

Purchase cards may be used for purchases under federal programs.

Full and Open Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with 2 CFR Sec. 200.320. 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 must be excluded from competing on those procurements. Examples of situations that may restrict competition include but are not limited to:

1. Placing unreasonable requirements on firms for them to qualify to do business.
2. Requiring unnecessary experience and excessive bonding.
3. Noncompetitive pricing practices between firms or between affiliated companies.
4. Noncompetitive contracts to consultants that are on retainer contracts.
5. Organizational conflicts of interest.

6. 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.
7. Any arbitrary action in the procurement process.

Minority Businesses, Women’s Business Enterprises, Labor Surplus Area Firms

The district should ensure that small businesses, minority businesses, women’s business enterprises, veteran-owned businesses, and labor surplus area firms are considered when possible. Such consideration means: (2 CFR Sec. 200.321)

1. Placing these business types on solicitation lists.
2. Assuring these business types are solicited whenever they are potential sources.
3. Dividing procurement transactions into separate procurements to permit maximum participation by these business types.
4. Establishing delivery schedules that encourage participation by these business types.
5. Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
6. Requiring a contractor under a federal award to apply these considerations to subcontracts.

Prequalified Lists

The district must ensure that all prequalified lists of persons, firms, or products used in procurement transactions are current and include enough qualified sources to ensure maximum open competition. When establishing or amending prequalified lists, the district must consider objective factors that evaluate price and cost to maximize competition. 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 property, equipment, or service to be procured. The description may include a statement of the qualitative nature of the property, equipment, or service to be procured. When necessary, the description must provide minimum essential characteristics and standards to which the property, equipment, or service must conform. Detailed product specifications should be avoided if possible.

When it is impractical or uneconomical to clearly and accurately described the technical requirements, a “brand name or equivalent” description of features may be used to provide procurement requirements. The specific features of the named brand must be clearly stated; and identify any additional requirements which the offerors must fulfill and all other factors that will be used in evaluating bids or proposals.

Avoiding Acquisition of Unnecessary or Duplicative Items

The district must avoid the acquisition of unnecessary or duplicative items. Additionally, consideration must be given to consolidating or breaking out procurements to obtain a more economical purchase; and, where appropriate, an analysis should be made between leasing and purchasing property or equipment 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. Such considerations are accessible in the procedure to Policy DFAC: Allowability of Costs – Federal Programs.

Use of Intergovernmental Agreements and Cooperative Purchasing

To foster greater economy and efficiency, the district enters into state and local intergovernmental agreements where appropriate for cooperative purchasing or use of common or shared goods and services, as permitted by the Intergovernmental Cooperation Act.

When procuring supplies or services for federally funded purposes to which the Uniform Grant Guidance applies, the district shall verify that the organization conducting the procurement pursuant to such agreements complies with the applicable procurement methods, requirements, and standards of the Uniform Grant Guidance as outlined in this procedure.

Use of Federal Excess and Surplus Property

The district encouraged use of federal excess and surplus property instead of purchasing new equipment and property when it 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.

[See Food Service Program Notes below for reference to state requirements regarding contracts with food service management companies and contractors of pre-plated meals.]

The district may not subcontract with or award subgrants to any person or company who is debarred or suspended. For all contracts over \$25,000 the district verifies that the contractor with whom the district intends to do business is not excluded or disqualified. (2 CFR 200.214, Appendix II, and 2 CFR Part 180)

All successful contractors must provide written certification that they have not been suspended or debarred from federal projects. The Superintendent and/or designee will be responsible for verification. Such verification may include accessing the online federal System for Award Management (SAM) to determine whether any relevant party is subject to any suspension or debarment restrictions.

Maintenance of Procurement Records

The district must maintain records sufficient to detail the history of each procurement transaction. These records must include the rationale for the procurement, method, 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.

Maintenance of records of procurement will be governed by board Policies CN and DFAC.

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 to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Settlements of Issues Arising Out of Procurements

The district is responsible 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. The district must report violations of law 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. Protest procedures will be acted on in accordance with current state law and regulations, board policy and administrative regulations and procedures, and the advice of the board's legal counsel.

Food Service Program Notes:**Exemption from Bidding for Perishable Food Items -**

Kansas law exempts purchases of food and foodstuffs necessary for the implementation or operation of any child nutrition program from bidding requirements. Bidding for such items is required only if the cost would be at or over the federal threshold at which formal competitive bidding is required (\$250,000). Small purchase procedures may be used for purchases below \$250,000, or micro-purchase procedures for purchases below \$10,000. Use of bidding should be considered as an option if it is feasible and likely to result in cost savings.

Buy American -

The district shall purchase, to the maximum extent practicable, domestic commodities or products for food service purposes. The term **domestic commodity or product** means: (7 CFR Sec. 210.21, 220.16)

1. An agricultural commodity that is produced in the United States; and
2. A food product that is processed in the United States substantially using agricultural commodities that are produced in the United States.

Mandatory Contract Clauses -

The following provisions shall be included in all cost reimbursable contracts for food services purchases, including contracts with cost reimbursable provisions, and in solicitation documents prepared to obtain offers for such contracts: (7 CFR Sec. 210.21, 215.14a, 220.16)

1. Allowable costs will be paid from the nonprofit school food service account to the contractor net of all discounts, rebates and other applicable credits accruing to or received by the contractor or any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the school food authority;
2. (a) The contractor must separately identify for each cost submitted for payment to the school food authority the amount of that cost that is allowable (can be paid from the nonprofit school food service account) and the amount that is unallowable (cannot be paid from the nonprofit school food service account); or

(b) The contractor must exclude all unallowable costs from its billing documents and certify that only allowable costs are submitted for payment and records have been established that maintain the visibility of unallowable costs, including directly associated costs in a manner suitable for contract cost determination and verification;

3. The contractor's determination of its allowable costs must be made in compliance with the applicable departmental and program regulations and Office of Management and Budget cost circulars;
4. The contractor must identify the amount of each discount, rebate and other applicable credit on bills and invoices presented to the school food authority for payment and individually identify the amount as a discount, rebate, or in the case of other applicable credits, the nature of the credit. If approved by the state agency, the school food authority may permit the contractor to report this information on a less frequent basis than monthly, but no less frequently than annually;
5. The contractor must identify the method by which it will report discounts, rebates and other applicable credits allocable to the contract that are not reported prior to conclusion of the contract; and
6. The contractor must maintain documentation of costs and discounts, rebates and other applicable credits, and must furnish such documentation upon request to the school food authority, the state agency, or the department.

Contracts with Food Service Management Companies -

Procedures for selecting and contracting with a food service management company (FSMC) shall comply with guidance provided by the Kansas State Department of Education, Division of Child Nutrition and Wellness, including standard forms, procedures and timelines for solicitation, selection and approval of proposals and contracts. (7 CFR Sec. 210.16, 210.19, 210.21, 215.14a, 220.16)

Pre-Plated Meals -

Procedures for selecting and contracting with contractors of pre-plated meals shall comply with guidance provided by the Kansas State Department of Education, Division of Child Nutrition and Wellness, including standard forms, procedures and timelines for solicitation, selection and approval of proposals and contracts. (7 CFR Sec. 210.16, 210.19, 210.21, 220.16)

Approved: USD 303 Board of Education January 13, 2025

DFAC – FEDERAL PROGRAM – TYPE OF COSTS, OBLIGATIONS AND PROPERTY MANAGEMENT

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The district establishes and maintains board policies, administrative regulations, and administrative procedures on administration of federal funds in federal programs as required by the Uniform Grant Guidance and other federal, state and local laws, regulations, and requirements. The district's fiscal management system includes internal controls and grant management standards in the following areas when federal funds are involved.

Direct and Indirect Costs

Direct costs – 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.

Indirect costs – costs incurred for a common or joint purpose benefiting more than one (1) cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. (2 CFR Sec. 200.405, 200.413)

The association of costs with a federal award determines whether costs are direct or indirect.

Direct and indirect costs shall be determined in accordance with law, regulations, the terms and conditions of the federal award, and the district's negotiated indirect cost rate.

The district shall develop an indirect cost rate proposal and cost allocation plan in accordance with law, regulations, and the terms and conditions of the federal award.

Timely Obligation of Funds

Financial Obligations – orders placed for property and services, contracts, and subawards made and similar transactions during a given period that require payment by the district during the same or a future period.

The following table illustrates when funds must be obligated under federal regulations:

Obligation is for:	Obligation is made:
Acquisition of property	On the date on which the district makes a binding written commitment to acquire the property
Personal services by a district employee	When the services are performed
Personal services by a contractor who is not a district employee	On the date on which the district makes a binding written commitment to obtain the services

DFAC – FEDERAL PROGRAM – TYPE OF COSTS, OBLIGATIONS AND PROPERTY MANAGEMENT

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Public utility services	When the district receives the services
Travel	When the travel occurs
Rental of property	When the district uses the property
A pre-agreement costs 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 CFR 75.707; 24 CFT 76.7007

All obligations must occur between the beginning and ending dates of the federal award project, which is known as the period of performance. The period of performance is dictated by law and regulations and will be indicated in the federal award. Specific requirements for carryover funds may be specified in the federal award and must be adhered to by the district. (2 CFR Sec. 200.77, 200.309)

The district will handle obligations and carry over of state-administered and direct grants in accordance with state and federal law and regulations and the terms and conditions of the federal award. Carryover will be calculated and documented by the district secretary.

The district may initiate an extension of the period of performance under a direct grant in accordance with law, regulations, and the terms and conditions of the federal award when written notice is provided to the federal awarding agency at least ten (10) calendar days at the conclusion of the period of performance. (2 CFR Sec 200.308(g)(2))

The district secretary will decide when an extension of the period of performance is necessary and will recommend that the board approve this process.

The district secretary will develop the required written notice that includes the supporting justification and revised period of performance; the notice will be issued no later than ten (10) calendar days prior to the end of the currently documented period of performance in the federal award.

The district must seek approval from the federal awarding agency for an extension of the period of performance when the extension is not contrary to federal law or regulations, and the following conditions apply:

1. The terms and conditions of the federal award prohibit the extension;
2. The extension required additional federal funds; or
3. The extension involves any change in the approved scope of the project. (2 CFR Sec 200.308)

The district secretary will determine when an extension must be requested for approval by the federal awarding agency, draft the written request and notify the superintendent of the requested extension.

Management of Property With Federal Funds

Contract and Purchasing Administration –

The district maintains internal controls, administrative regulations, and procedures to ensure that contracts deliver goods and services in accordance with the terms, conditions and specifications of the designated contract, purchase order, or requisition.

Property Classifications –

Property shall be classified as real or personal property as defined and specified in accordance with law and regulations

Inventory Control/Management –

All personal property, other than intangible property, which is purchased with federal funds, regardless of cost, will be inventoried as a safeguard.

Inventory will be received by the department or program requesting the item; designated staff will inspect the property, compare it to the applicable purchase order or requisition, and ensure it is appropriately logged and tagged in the district's property management system.

Items acquired will be physically labeled by source of funding and acquisition date.

Inventory records of equipment and computing devices must be current and available for review and audit, and include the following information:

1. Description of the property.
2. Manufacturer's serial number or another identification number.
3. Identification of funding source including the FAIN, and the title holder.
4. Acquisition date and property cost.
5. Source of items, such as company name.
6. Percentage of the federal agency contribution towards the original purchase.
7. Present location, use, condition of the property, and date information was reported.
8. Pertinent information on the ultimate transfer, replacement or disposition of the item and sale price of the property.

The recipient and subrecipient are responsible for maintaining and updating property records when there is a change in the status of the property.

Physical Inventory –

Physical inventory of property will be completed by designated district staff in accordance with applicable federal law and regulation and board policy DIC.

DFAC – FEDERAL PROGRAM – TYPE OF COSTS, OBLIGATIONS AND PROPERTY MANAGEMENT

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The physical inventory of items will be conducted annually, and the results will be reconciled with the inventory records and reported to the federal awarding agency.

Maintenance –

The district establishes regular maintenance procedures to ensure that property is maintained in proper working condition in accordance with law, regulation, and board policy.

Safeguards –

The district ensures that safeguards are in place for preventing loss, damage, or theft. The district will follow the requirements:

1. Any loss, damage or theft will be reported to the superintendent, investigated and full documented and may be reported to local law enforcement and shall notify the federal agency or pass-through entity of any loss, damage, or theft of equipment that will have an impact on the program.
2. If stolen items are not recovered, the district will submit copies of the investigative report and insurance claim to the federal awarding agency.
3. The district may be responsible for replacing or repairing lost, damaged, destroyed, or stolen items.
4. Replaced equipment is property of the originally funded program and should be inventoried accordingly.
5. District property may only be loaned in accordance with board policy KGA and administrative regulations and procedures.

Disposition of Property Acquired with Federal Funds –

When the district determines that real property, including land, land improvements, structures, and accessories thereto, acquired under a federal award is no longer needed for the originally authorized purpose, the district must obtain disposition instructions from the federal awarding agency or pass-through entity administering the program, in accordance with applicable law and regulations. (2 CFR Sec. 200.313)

When the district determines that equipment or supplies acquired under a federal award are no longer needed for the original project, program or for other activities currently or previously supported by a federal agency, Superintendent will contact the federal agency or pass-through entity for disposition instructions if required by the terms and conditions of the federal award.

However, if the equipment has a fair market value of \$10,000 or less per unit, the district may retain, sell, or otherwise dispose of equipment or supplies acquired under a federal award with no further responsibility to the federal agency or pass-through entity.

Further, if the equipment has a fair market value in excess of \$10,000 and the federal agency or pass-through entity fails to provide requested disposition instructions within 120 days, the district may retain or sell the equipment, however the federal agency is entitled to an amount calculated by multiplying the percentage of the federal agency's contribution towards the original purchase by the current market value or proceeds from the sale. If the equipment is sold, the federal agency or pass-through entity may permit the district to retain from the federal share \$1,000 of the proceeds to cover expenses associated with the selling and handling of the equipment.

The district may transfer title to the property to the Federal Government or to an eligible third party. In such cases, the district shall be entitled to compensation for its attributable percentage of the current fair market value of the property.

If the district fails to take appropriate disposition actions, the federal agency or pass-through entity may direct the district to take disposition actions.

When acquiring replacement equipment, the district may either trade-in or sell the equipment and use the proceeds to offset the cost of the replacement equipment.

The district may use the following methods in disposing of unnecessary equipment or supplies acquired with federal funds:

The district may use the following methods in disposing of unnecessary equipment or supplies acquired with federal funds:

- Public auction and/or online sale – generally conducted by a licensed auctioneer.
- Salvage – scrap sold to local dealers
- Negotiated sale – normally used with disposing of items of substantial value
- Sealed bid – normally used for items of substantial value or unique qualities
- Pew-priced sale – large quantities of obsolete or surplus equipment or supplies may be sold by this method
- Donation to charitable organizations, for equipment or supplies with little to no value
- Disposition to trash for equipment or supplies with no value

The superintendent and/or designee will be responsible for maintaining records of obsolete and surplus property disposed of and will report to the federal awarding agency when required.

The board shall reimburse employees and school board for travel costs incurred in the course of performing services related to official business as a federal grant recipient. School board members must have prior written approval from the federal awarding agency or pass-through entity to get reimbursement for expenses specifically related to a federal award.

For purposes of this procedure, travel costs shall mean the expenses for transportation, lodging, subsistence, and related items incurred by employees and /or board members who are in travel status on official business as a federal grant recipient.

Board members and district employees shall comply with applicable board policies established for reimbursement of travel and other expenses.

The validity of payments for travel costs for all district employees shall be determined by the superintendent or designee.

Travel costs shall be reimbursed on a mileage basis for travel using an employee's or board member's personal vehicle and on an actual cost basis for meals, lodging and other allowable expenses, consistent with those normally allowed in like circumstances in the district's non-federally funded activities, and in accordance with the district's travel expenses policy GAN.

Mileage reimbursements shall be at the rate approved by the board for other district travel reimbursements. Actual costs for meals, lodging and other allowable expenses shall be reimbursed only to the extent they are reasonable and do not exceed the per diem limits established.

All travel costs must be presented with an itemized, verified statement prior to reimbursement.

In addition, if these costs are charged directly to the federal award, documentation must be maintained that justifies that:

- Participation of the individual is necessary to the federal award, and
- The costs are reasonable and consistent with the district's established policy.

Approved: USD 303 Board of Education January 13, 2025

The investment of school district monies shall be the responsibility of the superintendent, business manager and/or the district treasurer.

Any monies not immediately required for the purposes for which the monies were collected or received, may be invested as provided by current statute.

Posting Securities

All investments of district monies shall be secured to 100% of the amount of district monies by FDIC coverage, a pledge of direct federal obligations or direct guaranteed federal agency deposits in accordance with requirements of state law. Exceptions to the required posting of securities shall be only as provided by law and approval of the board.

All offerings of monies for investment shall state the amount to be invested and the maturity date of each investment.

All banks and savings and loan associations with main or branch offices located within the district and the county or counties in which part of the district is located shall be given an opportunity to bid on all monies offered for investment. All bids shall be specified on the basis of simple interest.

Distribution of monies for investment shall be as follows:

The treasurer or other person designated by the board shall inform each eligible bank and savings and loan association of the total amount of money to be invested on a specified date and the maturity date of the investment. Each bank or savings and loan association bidding shall submit a single bid of the rate of interest it would pay on all or part of the funds to be invested.

If bids are taken, monies may be invested with the highest bidder in such amount as the bidder will accept, and any remaining amounts shall be invested with the next highest bidders in order of interest rate offered. No bidder shall be eligible to receive any funds in the same offering at a rate lower than its single bid.

No bid less than the most recently determined investment rate as determined by the state treasurer shall be accepted. No funds will be invested for maturities of more than two years.

Any monies not otherwise invested in eligible banks and savings and loans located in the district due to their inability, for whatever reason, to accept the funds, shall be invested in secured deposits in banks or savings and loans which have offices located in counties in which a part of the school district is located or in adjoining counties.

Any monies not invested in banks and savings and loans in the district or located in counties in which a part of the school district is located may be invested in the municipal investment pool fund or United States Treasury bills or notes as authorized by Kansas law.

Monies available for reinvestment as a result of maturities may be reinvested with the bank or association holding such monies provided the bank or savings and loan association agrees to pay the same or higher rate as that offered by the highest bidder at the time of re-offer.

In the event of identical high bids, the allocation of monies to be invested between the high bidders shall be at the discretion of the superintendent.

The treasurer shall record the following information: the date of each offering; the name of each bank or savings and loan association notified; the name of the officer notified; the bid, carried to five decimal places (.11111); the amount of monies the bank or savings and loan association is willing to accept at the rate bid.

To be eligible to receive invested funds or deposits from the district, any otherwise eligible bank or savings and loan association shall have on file in the office of the district treasurer a letter requesting its inclusion in the bidding process and providing proper assurance of compliance with requirements of applicable laws and board policy relating to maintenance of proper security and assurance of its membership in good standing consistent with current federal regulations. The superintendent shall report monthly to the board on the district's investments.

Approved: USD 303 Board of Education July 13, 2020

DFG Fees, Payments and Rentals (cf. KG)

DFG

Proceeds from fees for building or equipment use or rental will be credited to the general fund.

Approved: USD 303 Board of Education December 2, 1991

DFK Gifts and Bequests**DFK**

Income derived from gifts and bequests will be credited, if possible, as specified by the board.

Approved: USD 303 Board of Education December 2, 1991

DFM Equipment and Supplies Sales (See KK)

DFM

Excess or unusable district-owned equipment and supplies will be disposed of at the discretion of the board.

Approved: USD 303 Board of Education September 8, 2008

DH Bonded Employees

DH

The board shall purchase a blanket or surety bond for school employees. The amount of the bond shall be determined by the board.

Approved: USD 303 Board of Education December 2, 1991

DH Bonded Employees

DH

A surety bond in the amount of \$25,000 is required for the treasurer, clerk and superintendent. A blanket bond in the amount of \$10,000 will be purchased by the board for district employees.

Approved: USD 303 Board of Education December 2, 1991

DIC Inventories**DIC**

An accounting will be made annually for all district-owned personal property.

An inventory record system shall be developed by the superintendent. All inventory records shall be updated annually showing deletions and additions of district-owned property, the estimated value, estimated original cost, date of purchase, serial numbers (where available) and location and condition of each piece of district-owned personal property.

Each building principal shall take an annual inventory of district-owned personal property under the direction of the superintendent. Inventory forms will be developed by the superintendent. One copy of each inventory taken in an attendance center will be filed by the custodian of records in that building, and one copy shall be filed in the central office with the clerk.

Approved: USD 303 Board of Education July 9, 2018

DJB Petty Cash Accounts**DJB**

The board may establish petty cash accounts by resolution. All petty cash funds will be audited annually at the same time as the general fund budget. The board shall also receive monthly reports of the expenditures from and reimbursements to each petty cash account.

Approved: USD 303 Board of Education July 9, 2018

DJE Purchasing**DJE**

The purchasing, receiving, storing and distribution of supplies, equipment and services for use in the district shall be managed efficiently and economically. School employees are not allowed to purchase personal items from vendors using district accounts.

Purchasing Authority

The board shall appoint a purchasing agent for the district.

Approved: USD 303 Board of Education January 10, 2022

DJEB Quality Control

DJEB

The board reserves the right to establish the specifications for and quality of goods or services purchased by the district.

Specifications

It is the responsibility of the originator of a purchase request to see that all specifications requested are completed.

Whenever possible, standard lists of supplies and equipment shall be developed in all budget areas.

Quantity Purchasing

Quantity purchasing is encouraged.

Approved: USD 303 Board of Education July 9, 2018

DJED Bids and Quotations Requirements

DJED

All purchases requiring competitive bids shall be made in accordance with current statutes.

The purchasing agent shall develop and maintain lists of potential suppliers. Bid lists shall be used to notify potential bidders.

Any supplier may be included in the list upon request. All bid lists shall be reviewed annually by the purchasing agent.

A copy of this policy shall be given to all bidders upon request.

All bids and supporting documentation shall be retained in the district office with the clerk for a period of three years after bids have been opened.

Bid Specifications

All bid specifications shall be written by the district's purchasing agent and shall include required characteristics and quality standards. Specifications shall include, when necessary: required performance, surety, bid and statutory bond information; compliance with preferential bid law; financial statements; the board's right to reject any or all bids; compliance with federal, state and local laws, ordinances and regulations; the date, time and place for the opening of bids; and other items as the board directs.

The board shall avoid negotiation of bid specifications after bids have been accepted and shall correct specifications if they are inadequately written and request new bids. If an error is discovered in the bid specifications all bids shall be returned unopened and the project shall be rebid using corrected and/or amended specifications.

Procedure

All bids must be submitted to the clerk in sealed envelopes with the name of the bidder and the date of the bid opening plainly marked in the lower left-hand corner of the envelope. All bids shall be opened publicly on the stated date and time. All bidders and other interested persons may be present when the bids are opened.

Bids may be opened by the purchasing agent or other person designated by the board and such opening shall be witnessed by one other district employee. The bids shall then be arranged in order from low to high before they are presented to the board for action.

Responsible Bidder

All bids shall be awarded to the lowest responsible bidder. The board remains the sole judge of whether a bidder is “responsible.” Criteria that may be used to judge whether the bidder is responsible by way of illustration and not limitation, are: financial standing, reputation, experience, resources, facilities, judgment and efficiency.

The board may investigate whether the bidder is responsible by using information at hand to form an intelligent judgment, such as, but not necessarily limited to, the district’s architect, previous clients of the bidder, their own investigation, or an outside investigation agency.

Withdrawal of Bids

Any bid may be withdrawn and/or corrected prior to the scheduled time for opening of bids and no later than two days after the bids have been opened if a non-judgmental error has been made. Any bid received after the publicized date and time shall not be considered by the board.

Rejection of Bids

The board reserves the right to reject any and all bids and to ask for new bids. This reservation shall be specified in the publication or notification of bid letting.

The board reserves the right to waive any informalities in, or reject any parts of a bid.

Multi-State Purchasing Pools

The board may participate in multi-state purchasing pools.

Approved: USD 303 Board of Education July 9, 2018

DJEE Local Purchasing**DJEE**

The purchasing agent shall make purchases from local vendors when the price, availability of the product and service are competitive with outside vendors for purchases not subject to the bidding law. The board shall not grant preferential bid percentages to local contractors or businesses except as provided by statute.

Approved: USD 303 Board of Education December 2, 1991

DJEF Requisitions

DJEF

The purchasing agent shall develop a requisition form to be used by staff members requesting that certain goods be purchased for the district.

All requisitions shall be submitted to the purchasing agent by the designated deadline. After a purchase order has been issued, the number of the purchase order shall be recorded on the requisition and the number of the requisition shall be recorded on the purchase order. After processing, the original copy of the requisition shall be filed in the office of the purchasing agent in numerical sequence.

The school or district entity shall not be used to order or purchase supplies, goods, or wares for the personal use of employees. Use of the “school entity” in this manner would include, but may not be limited to, the use of the school or district’s name, letterhead, purchase order, fund, credit card and/or check.

Approved: USD 303 Board of Education July 9, 2018

DJEG Purchase Orders and Contracts**DJEG**

The purchasing agent shall develop an order form compatible with the requisition form to be used in purchasing goods, and shall be authorized to sign all purchase orders.

Approved: USD 303 Board of Education December 2, 1991

DJEG-R Purchase Orders and Contracts**DJEG-R**

Each purchase order shall include:

A specification of the item which adequately describes the characteristics and the quality standards; a quoted, firm, net, delivered price, whenever possible, and prices shown both per unit and as extended; clear delivery instructions which include time and place; a signature of the purchasing agent and budget account code number; and the appropriate address and telephone number.

All purchase orders shall be number in sequence; sufficient copies will be made to meet distribution requirements.

A verbal order, subject to subsequent confirmation by a written purchase order, may be issued only in cases where a bona fide emergency exists. Whenever possible, a purchase order number should be given to the supplier. A confirming requisition/purchase order shall be issued immediately thereafter and clearly marked as such.

Approved: USD 303 Board of Education December 2, 1991

DJEJ Payment Procedures**DJEJ**

The superintendent shall recommend payment to vendors and supplies for goods and services upon satisfactory receipt of all goods or completion of all services and for which there is a district purchase order number issued as provided for in board policy. (see DJEG)

The board shall consider payment of bills recommended for payment at regular board meetings except as provided for in policy (see DJFAB).

The board authorizes the Clerk of the Board, when approved by the superintendent, to pay bills in advance of any board meeting in order to avoid a penalty for late payment or to take advantage of any early payment discount.

Approved: USD 303 Board of Education March 14, 1993

DJFA Purchasing Authority**DJFA**

The superintendent is authorized to execute contracts on behalf of the district for the purchase of goods and services if the amount is less than \$20,000. The board shall receive reports on any contracts.

Approved: USD 303 Board of Education August 9, 2006

DJFAB Administrative Leeway (cf. DJEG, DJEJ)

DJEG

In an emergency, the superintendent shall have the authority to make expenditures necessary to prevent additional damage to district property, to keep the schools open or to reopen schools. Emergency purchases shall be ratified by the board at the next regular or special board meeting.

Approved: USD 303 Board of Education July 11, 2022

DK Student Activity Fund Management

DK

Any activity which involves the expenditure of activity funds shall be subject to prior approval of the principal.

Activity Fund Management

The building principals shall maintain an accurate record of all student activity funds in the respective attendance centers. No funds shall be expended from these accounts except in support of the student activity program. No activity account shall have a negative balance.

The board shall receive a monthly report on all activity accounts.

All student activity funds will be audited annually at the same time as the general fund budget.

Activity Fund Deposits

Activity funds from gate receipts or other sources may be deposited directly into a bank account maintained for this purpose.

Inactivity Activity Funds (See JH)

The board will assume control of all inactive activity funds and disburse those funds to other activity accounts or expend the funds as directed by the superintendent. Each student activity fund shall have an employee in charge of the fund. The employee shall be responsible for making a monthly report to the superintendent and the board.

The monthly student activity report shall show opening and closing balances of each fund. The report shall also show the total amount of deposits and an itemized list of expenditures.

Activity Fund Management

All payments from student activity funds shall be made from purchase orders signed by the employee responsible for the fund.

Receipts shall be kept for all revenue deposited in the activity fund of each attendance center. All payments from the activity fund shall be by checks provided for that purpose.

Approved: USD 303 Board of Education February 17, 2005

DLD DISTRICT CREDIT CARD USE**DLD**

District employee's use of the district credit card(s) shall be confined to necessary school business. The board shall approve procedures and restrictions on the use of credit cards and shall monitor receipts and reimbursement expenses at least once a month. Credit card use shall be reported monthly to the board.

DLD-R PROCEDURES FOR DISTRICT CREDIT CARD USE**DLD-R**

USD 303 employees who use the district credit card for making purchases of products directly associated with the operations of the district or attend workshops or conventions and use the district card for food, lodging, fuel for a district vehicle, or other related expenses are expected to comply with the following procedures:

- The district's copy of the credit card receipt must be signed by the person making the purchase.
- An itemized cash register tape, or the equivalent, is to be obtained and attached to the credit card receipt.
- There are to be no purchases of materials which are not directly related to the function and purpose of the school district, (i.e., use for classroom supplies, direct expenses of the school trip, etc.).
- Credit cards and receipts are to be submitted to the district office the next working day after returning from a workshop or convention.
- Expenses for non-district persons shall be reimbursed to the district at the time the credit card and receipts are submitted to the district office.
- Failure to comply with district procedures for submitting credit card purchase documentation shall result in employee reimbursement to the district and denial of future credit card use.
- All district employees shall indicate acceptance of these procedures by their signature on the district credit card form prior to initial using of the card.
- The board shall review an itemized list of the credit card entries on a monthly basis.
- The purchase of alcohol and hotel incidentals (movies, food, etc.) are strictly prohibited.

DLD-R CREDIT CARD ACCEPTANCE PLAN**DLD-R**

In accordance with USD 303 Credit Card Policy DLD, DLD-R and associated items, I have read this policy and do hereby agree to use any district credit cards in a manner prescribed by such policy.

My signature indicates an awareness of the policy and agreement to use the card as indicated in policy.

Approved: USD 303 Board of Education August 11, 2014

DO School Properties Disposal Procedures

DO

School building and school property belonging to the district and no longer needed may be disposed of by the board according to state law.

Approved: USD 303 Board of Education December 2, 1991

Unpaid Fees and Negative Account Balances

Unpaid overdue accounts disrupt accounting practices within the district. All persons who owe overdue fees or have negative account balances with the district shall be notified of the delinquency up to three times in not less than ten day increments by the superintendent or superintendent's designee via letter sent by US First class Mail providing that the individual owes the district fees or that a specified account has insufficient funds or a negative balance and the reason for the fees or account withdrawals.

If, within ten days after the second notice was mailed, the debt is not paid in full or arrangements have not been made with the superintendent or superintendent's designee to pay it, a third and final notice shall be sent to the debtor by mail. Postage and stationary costs may be added to the original bill.

If full payment is not received by the district office within ten days after mailing of the final notice, authorization for the enforcement of collection may be obtained through the local small claims court in compliance with Kansas Statutes, the superintendent or superintendent's designee may turn the matter over to legal counsel to commence debt collection proceedings on behalf of the district or the matter may be handled through the Kansas SetOff Program.

Insufficient Funds Checks

The superintendent or the superintendent's designee is authorized to request charges to be filed against a person or persons giving worthless or insufficient fund checks to the school district. In addition, the board adopts the following procedures for dealing with returned checks in the school setting.

- (1) Once the person is notified of the first returned check via US First Class Mail, if restitution is made within five working days from the notification being mailed, there will be no charge for a returned check. If after a second notification is sent, restitution is not made within an addition five working days, a fee of \$10.00 will be charged.
 - If a person has a second returned check, he/she will be notified and assess a \$15.00 fee, providing restitution is made within five working days. After the second notification is mailed concerning the second returned check, a fee of \$20.00 will be assessed.

- For a third returned check, the person will be notified, assessed a \$30.00 fee, and informed that the district and its schools will not accept any further checks from such person. All future payments to the district or individual schools would then need to be in the form of cash, cashier's check or credit/debit card payment.
- If restitution of the third check is not made within five working days from mailing the final notification, the superintendent or superintendent's designee will be notified, and the superintendent or superintendent's designee may turn the matter over to the county attorney for legal action.

And/or

- (2) The superintendent or the superintendent's designee may also elect to retain the services of a bad check collection agency to collect funds due to the district upon receipt of insufficient funds check.

Approved: USD 303 Board of Education July 9, 2018

During the event that an emergency is called, either locally or state-wide including emergency closing of buildings (see policy AFC), the superintendent shall establish and maintain sound fiscal management during the time.

The superintendent will have the authority to spend funds as deemed necessary (either local, state or federal money) to maintain proper utilization and control of district buildings and property. All accounting and recording procedures will be followed as necessary.