

Book Policy Manual

Section Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO

Title Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Policy Disposition Sheet

Code 02 - Disposition Sheet

Status 3) Approved and ready for NEOLA

Adopted December 18, 2024

Last Revised October 30, 2024

Last Reviewed November 20, 2024

**DISPOSITION OF NEW/REVISED/REPLACEMENT
POLICIES FOR BOARD ADOPTION**

VOL. 43, NO. 1 - UGG/EDGAR REVISIONS - OCTOBER 2024

Coding for District-Specific Edits

*1 = drafted by District staff

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Policy Number	Date Adopted	District-Specific Edits (1, 2, or 3)	Date Tabled	Date Rejected
po1130	12/18/2024			
po3113	12/18/2024			
po4113	12/18/2024			
po6110	12/18/2024			
po6111	12/18/2024			
po6112	12/18/2024			
po6114	12/18/2024			
po6325	12/18/2024			
po6550	12/18/2024			
po7310	12/18/2024			
po7450	12/18/2024			

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised CONFLICT OF INTEREST
Code	po1130
Status	1) Reading and Review
Adopted	June 10, 2008
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

1130 - CONFLICT OF INTEREST

A. The proper performance of school business is dependent upon the maintenance of unquestionably high standards of honesty, integrity, impartiality, and professional conduct by the Governing Board's members, and the Educational Service Center's ("Center's") employees, officers, and agents. Further, such characteristics are essential to the Board's commitment to earn and keep the public's confidence in the Center. For these reasons, the Board adopts the following guidelines to assure that conflicts of interest do not occur. These guidelines apply to all Center employees, officers, and agents, including members of the Board. These guidelines are not intended to be all inclusive, nor to substitute for good judgment on the part of all employees, officers, agents, and Board members and agents.

1. No employee, officer, agent, or Board member or agent shall engage in or have a financial or other interest, directly or indirectly, in any activity that conflicts or raises a reasonable question of conflict with his/her duties and responsibilities in the school system.
2. Employees, officers, agents, and Board members and agents shall not engage in business, private practice of their profession, the rendering of services, or the sale of goods of any type where advantage is taken of any professional relationship they may have with any student, client, or parents of such students or clients in the course of their employment or professional relationship with the Center.

Included, by way of illustration rather than limitation are the following:

- a. the provision of any private lessons or services for a fee
 - b. the use, sale, or improper divulging of any privileged information about a student or client gained in the course of the employee's, officer's, agent's, or Board member's or agent's employment or professional relationship with the Center through the employee's, officer's, agent's, or Board member's his/her access to Center records
 - c. the referral of any student or client for lessons or services to any private business or professional practitioner if there is any expectation of reciprocal referrals, sharing of fees, or other remuneration for such referrals
 - d. the requirement of students or clients to purchase any private goods or services provided by an employee, officer, agent, or Board member or agent or any business or professional practitioner with whom any employee, officer, agent, or Board member or agent has a financial or other relationship, as a condition of receiving any grades, credits, promotions, approvals, or recommendations
3. Employees, officers, agents, or Board members or agents shall not make use of materials, equipment, or facilities of the Center in private practice. Examples would be the use of facilities before, during, or after regular business hours for service to private practice clients, or the checking out of items from an instructional materials center for private practice.

Legal

R.C. Chapter 102, 2921.42, 2921.43

Ohio Ethics Commission Advisory Opinions No. 92-014 and 2001-03

2 C.F.R. 200.112, 200.113, 200.318

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised CONFLICT OF INTEREST
Code	po3113
Status	1) Reading and Review
Adopted	June 10, 2008
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

3113 - CONFLICT OF INTEREST

A. The proper performance of school business is dependent upon the maintenance of unquestionably high standards of honesty, integrity, impartiality, and professional conduct by the Governing Board's members, and the Educational Service Center's ("Center's") employees, officers, and agents. Further, such characteristics are essential to the Board's commitment to earn and keep the public's confidence in the Center. For these reasons, the Board adopts the following guidelines to assure that conflicts of interest do not occur. These guidelines apply to all Center employees, officers, and agents, including members of the Board. These guidelines are not intended to be all inclusive, nor to substitute for good judgment on the part of all employees, officers, ~~agents, and Board members~~ and agents.

1. No employee, officer, ~~agent, or Board member~~ or agent shall engage in or have a financial or other interest, directly or indirectly, in any activity that conflicts or raises a reasonable question of conflict with his/her duties and responsibilities in the school system.
2. Employees, officers ~~agents, and Board members~~ and agents shall not engage in business, private practice of their profession, the rendering of services, or the sale of goods of any type where advantage is taken of any professional relationship they may have with any student, client, or parents of such students or clients in the course of their employment or professional relationship with the Center.

Included, by way of illustration rather than limitation are the following:

- a. the provision of any private lessons or services for a fee
- b. the use, sale, or improper divulging of any privileged information about a student or client gained in the course of the employee's, officer's ~~agent's, or Board member's~~ or agent's employment or professional relationship with the Center through the employee's, officer's, agent's, or Board member's ~~his/her~~ access to Center records
- c. the referral of any student or client for lessons or services to any private business or professional practitioner if there is any expectation of reciprocal referrals, sharing of fees, or other remuneration for such referrals
- d. the requirement of students or clients to purchase any private goods or services provided by an employee, officer, agent, or Board member ~~officer or agent~~ or any business or professional practitioner with whom any employee, officer, agent, or Board member ~~officer or agent~~ has a financial or other relationship, as a condition of receiving any grades, credits, promotions, approvals, or recommendations
3. Employees, ~~officers, agents, or Board members~~ officers and agents shall not make use of materials, equipment, or facilities of the Center in private practice. Examples would be the use of facilities before, during, or after regular business hours for service to private practice clients, or the checking out of items from an instructional materials center for private practice.

Legal

R.C. Chapter 102, 2921.42, 2921.43

Ohio Ethics Commission Advisory Opinions No. 92-014 and 2001-03

2 C.F.R. 200.112, 200.113, 200.318

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised CONFLICT OF INTEREST
Code	po4113
Status	1) Reading and Review
Adopted	June 10, 2008
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

4113 - CONFLICT OF INTEREST

A. The proper performance of school business is dependent upon the maintenance of unquestionably high standards of honesty, integrity, impartiality, and professional conduct by the Governing Board's members, and the Educational Service Center's ("Center's") employees, officers, and agents. Further, such characteristics are essential to the Board's commitment to earn and keep the public's confidence in the Center. For these reasons, the Board adopts the following guidelines to assure that conflicts of interest do not occur. These guidelines apply to all Center employees, officers, and agents, including members of the Board. These guidelines are not intended to be all inclusive, nor to substitute for good judgment on the part of all employees, officers, agents, and Board members and agents.

1. No employee, officer, agent, or Board member or agent shall engage in or have a financial or other interest, directly or indirectly, in any activity that conflicts or raises a reasonable question of conflict with his/her duties and responsibilities in the school system.
2. Employees, officers, agents, and Board members and agents shall not engage in business, private practice of their profession, the rendering of services, or the sale of goods of any type where advantage is taken of any professional relationship they may have with any student, client, or parents of such students or clients in the course of their employment or professional relationship with the Center.

Included, by way of illustration rather than limitation are the following:

- a. the provision of any private lessons or services for a fee
- b. the use, sale, or improper divulging of any privileged information about a student or client gained in the course of the employee's, officer's, agent's, or Board member's or agent's employment or professional relationship with the Center through the employee's, officer's, agent's, or Board member's his/her access to Center records
- c. the referral of any student or client for lessons or services to any private business or professional practitioner if there is any expectation of reciprocal referrals, sharing of fees, or other remuneration for such referrals
- d. the requirement of students or clients to purchase any private goods or services provided by an employee, officer, agent, or Board member or agent or any business or professional practitioner with whom any employee, officer, agent, or Board member or agent has a financial or other relationship, as a condition of receiving any grades, credits, promotions, approvals, or recommendations
3. Employees, officers, agents, or Board members officers and agents shall not make use of materials, equipment, or facilities of the Center in private practice. Examples would be the use of facilities before, during, or after regular business hours for service to private practice clients, or the checking out of items from an instructional materials center for private practice.

Legal

R.C. Chapter 102, 2921.42, 2921.43

Ohio Ethics Commission Advisory Opinions No. 92-014 and 2001-03

2 C.F.R. 200.112, 200.113, 200.318

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised GRANT FUNDS
Code	po6110
Status	1) Reading and Review
Adopted	June 10, 2008
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

6110 - GRANT FUNDS

It is the objective of the Governing Board to provide equal educational opportunities for all Educational Service Center ("ESC" or "Center") students. Government agencies, as well as foundations, businesses, and individuals, periodically offer both human and material resources to the Center that ~~benefit~~ **benefits** students and the educational program. Therefore, it is the intent of the Board to consider grant proposals and applications for their potential to enhance the educational opportunities, the educational environment, and the physical and mental growth for each student.

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

The Board regards available Federal funds of aid to local ESCs and communities as a public trust. It forbids the use of Federal monies for partisan political activities and for any use that would not be in accordance with Federal regulations and guidelines.

No Federal funds received by the Center shall be used to:

- A. develop or distribute materials, or operate programs or courses of instruction directed at youths, that are designed to promote or encourage sexual activity, whether homosexual or heterosexual;
- B. distribute or aid in the distribution by any organization of legally obscene materials to minors on school grounds;
- C. provide sex education or HIV-prevention education in schools unless that instruction is ~~age-appropriate~~ **age-appropriate** and includes the health benefits of abstinence; or
- D. operate a program of contraceptive distribution in schools.

Grant Proposal Development

- A. All grant proposals must support at least one (1) Center goal or priority.
- B. For projects where grant funds will not cover the entire cost of project implementation, additional fund sources must be identified, documented, and approved during the internal review process.

Grant Proposal Internal Review

Each grant proposal shall be reviewed and approved by the Superintendent prior to submission to the funding source.

- A. ~~() The Superintendent shall present the following proposals to the Board for approval:~~
 - 1. ~~() government-funded proposals, regardless of the amount;~~

The Center shall provide for the following:

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

Further, the Center must:

1. establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Center is managing the Federal award in compliance with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal award;
 2. comply with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal award;
 3. evaluate and monitor the Center's compliance with statutes, regulations, and the terms and conditions of the Federal award; and
 4. take prompt action when instances of noncompliance are identified, including noncompliance identified in audit findings;
 5. take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive consistent with applicable Federal, State, local, and tribal laws regarding privacy and obligations of confidentiality.
- E. Reasonable cybersecurity and other measures to safeguard information including protected personally identifiable information (PII) and other types of information. This also includes information the Federal awarding agency or pass-through entity designates as sensitive or other information the Center considers sensitive and is consistent with applicable Federal, State, local, and tribal laws regarding privacy and obligations of confidentiality. Comparison of expenditures with budget amounts for each Federal award.
 - F. Actual expenditures or outlays must be compared with budgeted amounts for each Federal award.
 - G. Recordkeeping and written procedures to the extent required by Federal, State, local, and grantor rules and regulations pertaining to the grant award and accountability, including, but not limited to, the following areas:
 1. cash management in accordance with 2 C.F.R. 200.305
 2. allowability of costs in accordance with subpart E and the terms and conditions of the Federal award
 3. conflict of interest
 4. procurement
 5. equipment management

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

2 C.F.R. 200.56, 200.71, 200.77, 200.80, 200.112, 200.113, 200.302, 200.307

2 C.F.R. 200.309, 200.310, 200.313, 200.318-.320, 200.332, 200.343(b)&(e), 200.501-511

20 U.S.C. 7906

31 U.S.C. 3729-3733

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

Compliance Supplement for Single Audits of State and Local Governments

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Legal

2 C.F.R. 200.56, 200.71, 200.77, 200.80, 200.112, 200.113, 200.302, 200.307

2 C.F.R. 200.309, 200.310, 200.313, 200.318-.320, 200.332, 200.343(b)&(e),
200.501-511

20 U.S.C. 7906

31 U.S.C. 3729-3733

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

Compliance Supplement for Single Audits of State and Local Governments

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised INTERNAL CONTROLS
Code	po6111
Status	1) Reading and Review
Adopted	July 12, 2016
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

6111 - INTERNAL CONTROLS

The Superintendent shall establish, document, and maintain effective internal controls over Federal awards that provide reasonable assurance that the Educational Service Center ("ESC" or "Center") is managing all awards in compliance with the U.S. Constitution, applicable statutes, regulations, and the terms and conditions of the awards. The Center will have a process that provides reasonable assurance regarding the achievement of the following objectives:

- A. effectiveness and efficiency of operations;
- B. reliability of reporting for internal and external use; and
- C. compliance with applicable laws and regulations.

These internal controls should comply with the guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control-Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The internal controls must provide reasonable assurance that transactions are properly recorded and accounted for in order to permit the preparation of reliable financial statements and Federal reports; maintain accountability over assets; and demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. The internal controls must also provide reasonable assurance that these transactions are executed in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal award, as well as any other Federal statutes and regulations that are identified in the Compliance Supplement. Finally, the Center's internal controls must provide reasonable assurance that all Federal funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

The Center shall:

- A. comply with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal award;
- B. evaluate and monitor its compliance with the U.S. Constitution, statutes, regulations, and the terms and conditions of the award;
- C. take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; and
- D. take reasonable cybersecurity and other measures to safeguard protected information including protected "personally identifiable information" (PII) and other types of information. This also includes information the Federal agency or pass-through entity designates as sensitive or other information the Center considers sensitive and is consistent with applicable Federal, State, local, and tribal laws regarding privacy and responsibility over confidentiality.

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised CASH MANAGEMENT OF GRANTS
Code	po6112
Status	1) Reading and Review
Adopted	July 12, 2016
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

6112 - CASH MANAGEMENT OF GRANTS

In order to provide reasonable assurance that all assets, including Federal, State, and local funds, are safeguarded against waste, loss, unauthorized use, or misappropriation, the Superintendent shall implement internal controls in the area of cash management.

The Educational Service Center's ("ESC" or "Center") payment methods shall minimize the time elapsing between the transfer of funds from the ~~Federal agency, United States Treasury~~ or the Ohio Department of Education & Workforce ("DEW") ~~(ODE)~~ (pass-through entity) and disbursement by the Center, regardless of whether the payment is made by electronic fund transfer, or issuance or redemption of checks, warrants, or payment by other means.

The Center shall use forms and procedures required by the grantor agency or pass-through entity to request payment. The Center shall request grant fund payments in accordance with the provisions of the grant. Additionally, the Center's financial management systems shall meet the standards for fund control and accountability as established by the awarding agency.

The Superintendent is authorized to submit ~~payment requests as often as necessary when electronic fund transfers are used or at least monthly when electronic transfers are not used. See requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as deemed appropriate when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1693-1693r).~~

When the Center uses a cash advance payment method, the following standards shall apply:

- A. The timing and amount of the advance payment requested ~~must will~~ be as close as is administratively feasible to the actual ~~disbursements by the Center~~ disbursement for direct program or project costs and the proportionate share of any allowable indirect costs.
- B. The Center shall make timely ~~payments~~ payment to contractors in accordance with contract provisions.
- C. ~~Whenever possible, advance payment requests by the Center must be consolidated to cover anticipated cash needs for all Federal awards received by the recipient from the awarding Federal agency or DEW.~~
- D. ~~If to the extent~~ available, the Center shall disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on ~~Federal~~ such funds before requesting additional cash payments. **[DRAFTING NOTE: It is generally recommended that the Center request program income be added to their total award, but separating program income out and then noting how applicable credits are addressed.]**
- E. The Center shall account for the receipt, obligation, and expenditure of funds.
- F. Advance payments will be deposited and maintained in insured accounts whenever possible.
- G. Advance payments will be maintained in ~~interest-bearing~~ interest-bearing accounts unless the following apply:

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised COST PRINCIPLES - SPENDING FEDERAL FUNDS
Code	po6114
Status	1) Reading and Review
Adopted	July 12, 2016
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

6114 - COST PRINCIPLES - SPENDING FEDERAL FUNDS

The Superintendent is responsible for the efficient and effective administration of grant funds through the application of sound management practices. Such funds shall be administered in a manner consistent with all applicable Federal, State, and local laws, the associated agreements/assurances, program objectives, and the specific terms and conditions of the grant award.

Cost Principles

A cost is reasonable if it does not exceed an amount that a prudent person would incur under the circumstances prevailing when the decision was made to incur the cost. Except where otherwise authorized by statute, costs shall meet the following general criteria in order to be allowable under Federal awards:

- A. Be necessary and reasonable for proper and efficient performance and administration of the Federal award and be allocable thereto under these principles.

To determine whether a cost is reasonable, consideration shall be given to:

1. whether a cost is a type generally recognized as ordinary and necessary for the operation of the Educational Service Center or the proper and efficient performance of the Federal award;
2. the restraints or requirements imposed by such factors as sound business practices, arm's length bargaining, Federal, State, local, tribal, and other laws and regulations;
3. market prices for comparable costs, goods or services for the geographic area;
4. whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the Educational Service Center ("ESC" or "Center"), its employees, its students or membership (if applicable), the public at large, and the Federal Government; and
5. the degree to which the cost represents a deviation from the Governing Board's established written policies and procedures for incurring costs, whether the cost represents any significant deviation from the established practices or Governing Board policy which may unjustifiably increase the expense.

While Federal regulations do not provide specific descriptions of what satisfies the necessary element beyond its inclusion in the reasonableness analysis above, whether a cost is necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the Center can demonstrate that the cost addresses an existing need, and can prove it.

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

1. the cost is needed for the proper and efficient performance of the grant program;

that funded portion during which recipients are authorized to incur financial obligations of ~~carry out authorized work and expend~~ the funds awarded, including any funds carried forward or other revisions pursuant to 2 C.F.R. 200.308 ~~the law~~. Prior written approval from the Federal ~~awarding~~-agency or State pass-through entity may be required to carry forward unobligated balances to subsequent budget periods unless waived.

Selected Items of Cost

The Center shall follow the rules for selected items of cost at 2 C.F.R. Part 200, Subpart E when charging these specific expenditures to a Federal grant. When applicable, Center staff shall check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, State, Center, and program-specific rules, including the terms and conditions of the award, may deem a cost as unallowable and Center personnel shall follow those rules as well.

The following rules of allowability must apply to equipment and other capital expenditures:

- A. Capital expenditures for ~~general-purpose~~ general-purpose equipment, buildings, and land are ~~allowable~~ ~~unallowable~~ as direct charges, ~~but only except~~ with the prior written approval of the Federal ~~awarding~~-agency or pass-through entity.
- B. Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$10,000 ~~5,000~~ or more have the prior written approval of the Federal ~~awarding~~-agency or pass-through entity.
- C. Capital expenditures for improvements to land, buildings, or equipment ~~that which~~ materially increase their value or useful life are ~~allowable~~ ~~unallowable~~ as a direct cost ~~but only except~~ with the prior written approval of the Federal ~~awarding~~-agency or pass-through entity.
- D. All Federally-funded contracts in excess of \$2,000 related to construction, alteration, repairs, painting, decorating, etc. must comply with Davis-Bacon prevailing wage requirements.
- E. Allowability of depreciation on buildings, capital improvements, and equipment shall be in accordance with 2 C.F.R. 200.436 and 2 C.F.R. 200.465.
- F. When approved as a direct cost by the Federal ~~awarding~~-agency or pass-through entity under Sections A-C, capital expenditures will be charged in the period in which the expenditure is incurred, or as otherwise determined appropriate and negotiated with the Federal ~~awarding~~-agency.
- G. ~~The Center may claim the unamortized portion of any equipment written off as a result of a change in capitalization levels by continuing to claim the otherwise allowable depreciation on the equipment, or by amortizing the amount to be written off over a period of years negotiated with the cognizant agency for indirect cost.~~
- H. If the Center is instructed by the Federal ~~awarding~~-agency to otherwise dispose of or transfer the equipment, the costs of such disposal or transfer are allowable.
- I. ~~Equipment and other capital expenditures are unallowable as indirect costs.~~

~~Statutory requirements may limit the allowability of costs. Any costs that exceed the maximum amount allowed by statute may not be charged to the Federal award. Only the amount allowable by statute may be charged to the Federal award.~~

~~Payments made for costs determined to be unallowable by the Federal agency, cognizant agency for indirect costs, or pass-through entity must be refunded (with interest) to the Federal Government.~~

Prior Written Approval

~~To avoid subsequent disallowance or dispute based on unreasonableness or nonallocability, the Center may seek the prior written approval of the Federal agency (or, for indirect costs, the cognizant agency for indirect costs) before incurring the cost. The absence of prior written approval on any element of cost will not, in itself, affect the reasonableness or allocability of that cost unless prior approval is specifically required for allowability.~~

Cost Compliance

The Superintendent shall require that grant program funds are expended and are accounted for consistent with the requirements of the specific program and as identified in the grant application. Compliance monitoring includes accounting for direct or indirect costs and reporting them as permitted or required by each grant. Costs incurred for the same purpose

The following list illustrates when funds are determined to be obligated under the U.S. Department of Education regulations:

If the obligation is for:

- A. Acquisition of property - on the date which the Center makes a binding written commitment to acquire the property.
- B. Personal services by an employee of the Center - when the services are performed.
- C. Personal services by a contractor who is not an employee of the Center - on the date which the Center makes a binding written commitment to obtain the services.
- D. Performance of work other than personal services - on the date when the Center makes a binding written commitment to obtain the work.
- E. Public utility services - when the Center receives the services.
- F. Travel - when the travel is taken.
- G. Rental of property - when the Center uses the property.
- H. A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 C.F.R. Part 200, Subpart E - Cost Principles - on the first day of the project period.

Period of Performance

All financial obligations must occur during the period of performance. **Period of performance means the time interval between the start and end date of a Federal award, which may include one (1) or more budget periods. Identification of the period of performance shall be specific to the Federal award and consistent with 2 C.F.R. 200.211 and does not commit the Federal agency to fund the award beyond the currently approved budget period.** ~~Period of performance means the total estimated time interval between the start of an initial Federal award when the District is permitted to carry out the work authorized by the grant and the planned end date. The period of performance may include one (1) or more funded portions or budget periods.~~ The period of performance is dictated by statute and will be indicated in the Grant Award Notification ("GAN") ~~(GAN)~~. As a general rule, State-administered Federal funds are available for obligation within the year that Congress appropriates the funds for. However, given the unique nature of educational institutions, for many Federal education grants, the period of performance is twenty-seven (27) months. This maximum period includes a fifteen (15) month period of initial availability, plus a twelve (12) month period for carryover. For direct grants, the period of performance is generally identified in the GAN. **Note, however, that certain Federal awards have specific requirements that restrict the use of funds beyond the initial period of performance.**

In the case of a State-administered grant, financial obligations under a grant may not be made until the application is approved or is in substantially approvable form, whichever is later. In the case of a direct grant, a grantee may use grant funds only for obligations it makes during the grant period unless an agreement exists with the ~~awarding~~ agency or the pass-through entity (e.g., ~~DEWODE~~) to reimburse for pre-approval expenses.

If a Federal ~~awarding~~ agency or pass-through entity approves an extension, or if the Center extends under C.F.R. 200.308(e)(2), the Period of Performance will be amended to end at the completion of the extension. If a termination occurs, the Period of Performance will be amended to end upon the effective date of termination. If a renewal is issued, a distinct Period of Performance will begin.

For both State-administered and direct grants, regardless of the period of availability, the Center shall liquidate all financial obligations incurred under the award not later than ninety (90) **calendar days after the conclusion of the period of performance of the award (or an earlier date as agreed upon by DEW and the Center)** ~~end of the funding period unless an extension is authorized~~. Any funds not obligated within the period of performance or liquidated within the appropriate timeframe are said to lapse and shall be returned to the ~~awarding~~ agency. Consequently, the Center shall closely monitor grant spending throughout the grant cycle.

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2 C.F.R. 200.216, 200.344(b), 200.403-.407, 200.413(a)-(c), 200.430(a), 200.431(a), 200.439(b)(2)

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised PROCUREMENT - FEDERAL GRANTS/FUNDS
Code	po6325
Status	1) Reading and Review
Adopted	July 12, 2016
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

6325 - PROCUREMENT - FEDERAL GRANTS/FUNDS

Procurement of all supplies, materials, equipment, and services paid for from Federal funds or Educational Service Center ("ESC" or "Center") matching funds shall be made in accordance with all applicable Federal, State, and local statutes and/or regulations, the terms and conditions of the Federal grant, Governing Board policies, and administrative procedures.

The Superintendent shall have and use a procurement and contract administration system in accordance with the USDOE requirements (2 C.F.R. 200.317-.326), including affirmative steps for small businesses, and minority businesses and women's business enterprises, veteran-owned businesses, and labor surplus area firms, for the administration and management of Federal grants and Federally-funded programs. The Center shall maintain oversight that requires contractors to perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Except as otherwise noted, procurement transactions shall conform to the provisions of the Center's documented general purchasing Policy 6320 and AG 6320A.

When required by Federal program legislation, all Federally-funded contracts in excess of \$2,000 related to construction, alteration, repairs, painting, decorating, etc. must comply with Davis-Bacon prevailing wage requirements.

All Center employees, officers, and agents who have purchasing authority shall abide by the standards of conduct covering conflicts of interest and governing the actions of its employees, officers, and agents engaged in the selection, award, and administration of contracts as established in Policy 1130, Policy 3113, and Policy 4113 - Conflict of Interest.

The Center will avoid acquisition of unnecessary or duplicative items. ~~Consideration~~ Additionally, consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase and, where appropriate, an analysis shall be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach. ~~When appropriate, an analysis shall 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.

To foster greater economy and efficiency, the Center may enter into State and local intergovernmental agreements, where appropriate, for procurement or use of common or shared goods and services.

Competition

All procurement transactions ~~under the for the acquisition of property or services required under a Federal award paid for from Federal funds or Center matching funds shall be conducted in a manner that provides encourages full and open competition and that is in accordance with 2 C.F.R. Part 200, good administrative practice, practice and sound business judgment. To ensure in order to promote objective contractor performance and eliminate unfair competitive advantage, the Center shall exclude any contractor that has developed or drafted specifications, requirements, statements of work, or invitations for bids, or requests for proposals from competition for such procurements.~~

~~Examples of situations that may restrict competition include, but are not limited to~~ Some of the situations considered to be restrictive of competition include, but are not limited to, the following:

The Board will not approve any expenditure for an unauthorized purchase or contract.

Procurement Methods

The Center shall have and use documented procedures, consistent with the standards described above, for the following methods of procurement:

A. Informal Procurement Methods

Informal procurement methods for small purchases expedite the completion of transactions, minimize administrative burdens, and reduce costs. Informal procurement methods may be used when the value of the procurement transaction for property or services under a Federal award does not exceed the simplified acquisition threshold or a lower threshold established by the State, formal procurement methods are not required. The District may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal procurement methods used for procurement of property or services at or below the simplified acquisition threshold include:

1. Micro-Purchases

Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$10,000 [not to exceed \$10,000]. To the maximum extent practicable, the Center should distribute micro-purchases equitably among qualified suppliers.

Micro-purchases may be made without soliciting competitive quotations if the Superintendent considers the price to be reasonable based on research, experience, purchase history, or other relevant information, and maintains documents to support its conclusion documents are filed accordingly. The Center shall maintain evidence of this reasonableness in the records of all purchases made by this method.

☒ Unless otherwise defined by State or local law, Centers are responsible for determining and documenting an appropriate micro-purchase threshold in accordance with 2 C.F.R. 200.320(a)(iv) based on internal controls, an evaluation of the risk, and its documented procurement procedures. The micro-purchase threshold used by the Center shall be authorized or not prohibited under State, local, or tribal laws or regulations.

An eligible Center may self-certify a threshold of up to \$50,000 on an annual basis and must maintain documentation to be made available to the Federal agency or pass-through entity and auditors in accordance with 2 C.F.R. 200.334. A District which is qualified as a low risk auditee for the most recent audit (C.F.R. 200.520) may increase the micro-purchase threshold up to \$50,000. An eligible District may self-certify the increased micro-purchase threshold on an annual basis after completing the annual internal institutional risk assessment to identify, mitigate, and manage financial risks. The self-certification, in accordance with 2 C.F.R. 200.334, must include a justification, clear identification of the threshold, and supporting documentation of any of the following: the qualifications listed above:

- a. a qualification as a low-risk auditee in accordance with the criteria in 2 C.F.R. 200.520;
- b. an annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or
- c. for public institutions, a higher threshold is consistent with State law.

[DRAFTING NOTE: The Federal regulation allows for a \$50,000 threshold. While this authority is allowed for an entity qualified as a low risk auditee, Neola does not suggest its use due to the complexity and subjectivity of the mechanism.] [END OF OPTION]

2. Small Purchases

Small purchases include the acquisition of property or services, the aggregate dollar amount of which is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold of \$250,000 [not to exceed \$250,000]. Small purchase procedures require that price or rate quotations shall be obtained from (X) two (2) [OR] () an adequate number of [END OF OPTION] qualified sources. **[DRAFTING NOTE: Unless the pass-through entity or State law defines the number of quotes required, the Center may define in policy how many quotations are adequate. The number must be greater than one (1).]**

Centers are responsible for determining an appropriate simplified acquisition threshold based on internal

~~Ohio law requires sealed bids when the Board seeks to build, repair, enlarge, improve, or demolish a school building/facility if the cost will exceed the amount to be determined and published by the Ohio Director of Commerce per R.C. 9.17\$50,000 (see Policy 6320).]~~

If this method is used, the following requirements apply:

- a. Requests for proposals ~~require public notice and must~~ ~~shall be publicized and~~ identify all evaluation factors and their relative importance. ~~To the maximum extent practicable, any proposals submitted in response to the public notice must be considered.~~ ~~Any response to the publicized requests for proposals shall be considered to the maximum extent practical.~~
- b. Proposals shall be solicited from **(X) two (2)** ~~[OR] () an adequate number of [END OF OPTION]~~ sources.
- c. The Center ~~must have written procedures~~ ~~shall use its written method~~ for conducting technical evaluations ~~and for making selections of the proposals received and for selecting recipients.~~
- d. Contracts ~~must~~ ~~shall~~ be awarded to the responsible ~~offeror~~ ~~firm~~ whose proposal is most advantageous to the ~~Center considering price and other factors~~ ~~program, with price and other factors considered.~~

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

3. Noncompetitive Procurement

Procurement by noncompetitive proposals ~~allows for solicitation of a proposal from only one (1) source and~~ may be used only when one (1) or more of the following circumstances apply:

- a. ~~the aggregate amount of the procurement transaction does not exceed the micro-purchase threshold~~ ~~micro-purchases;~~
- b. ~~the procurement transaction can only be fulfilled by~~ ~~the item is available only from~~ a single source;
- c. the public exigency or emergency for the requirement will not permit a delay resulting from ~~providing public notice of~~ ~~publicizing~~ a competitive solicitation;
- d. ~~the Center requests in writing to use a noncompetitive procurement method, and the Federal agency or pass-through entity provides written approval; or the Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District~~
- e. after ~~soliciting several~~ ~~solicitation of a number of~~ sources, competition is determined to be inadequate.

4. **(X)** Noncompetitive Purchases Through Educational Service Centers (ESCs)

Under State law, the Board may enter into a contract with an educational service center ("**ESC**" or "**Center**") ~~(ESC)~~ that authorizes the ~~Center~~ **ESC** to make purchases for supplies, materials, equipment, and services or the delivery of services on the District's behalf. These contracts promote operational efficiency and cost savings, and further enhance the educational experience for ~~our~~ students. Purchases made through such contracts are exempt from competitive bidding. ~~[DRAFTING NOTE: This provision applies to R.C. 3313.843, 3313.844, and 3313.845 contracts. A District with a student enrollment of less than 16k must enter into a contract with an ESC in accordance with R.C. 3313.843.]~~

The District may apply for approval from ~~the Department of Education and Workforce ("DEW")~~ **ODE** to use a noncompetitive purchasing method to procure personnel-based services from an ESC only when the following criteria are met:

- a. the ESC posts a list of all services it provides, including costs of these services, on its website;
- b. the ESC has been designated as "high performing" by the **DEW** ~~Ohio Department of Education~~; and

The Center uses 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. A time-and-materials type contract means a contract whose cost to the Center 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.

~~Because~~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, the Center sets a ceiling price for each contract that the contractor exceeds at its own risk. Further, the Center shall assert a high degree of oversight ~~in order to~~ obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Suspension and Debarment

The Center will award contracts only to responsible contractors ~~that possess~~possessing the ability to perform successfully under the terms and conditions of the proposed ~~contract~~procurement. All purchasing decisions shall be made in the best interests of the Center and shall seek to obtain the maximum value for each dollar expended. When making a purchasing decision, the Center shall consider such factors as 1) contractor integrity; 2) ~~compliance with public policy~~; 3) ~~compliance~~; 4) ~~proper classification of employees~~; 5) record of past performance; and 6) ~~4~~ financial and technical resources.

~~The Superintendent shall have the authority to suspend or debar a person/corporation, for cause, from consideration or award of further contracts. The District is subject to and shall abide by the nonprocurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 C.F.R. Part 180.~~

~~Suspension is an action taken by the District that immediately prohibits a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 C.F.R. Chapter 1) for a temporary period, pending completion of an agency investigation and any judicial or administrative proceedings that may ensue. A person so excluded is suspended. (2 C.F.R. Part 180 Subpart G)~~

~~Debarment is an action taken by the Superintendent to exclude a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 C.F.R. Chapter 1). A person so excluded is debarred. (2 C.F.R. Part 180 Subpart H)~~

The Center shall not subcontract with or award subgrants to any person or company that is debarred or suspended. For contracts over \$25,000, the Center shall confirm that the vendor is not debarred or suspended by either checking the Federal government's System for Award Management, which maintains a list of such debarred or suspended vendors, at www.sam.gov; collecting a certification from the vendor; or adding a clause or condition to the covered transaction with that vendor. (2 C.F.R. Part 180 Subpart C)

Bid Protest

The Center maintains the following protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the ~~awarding~~agency.

A bidder who wishes to file a bid protest shall file such notice and follow procedures prescribed by the Request For Proposals ~~("RFPs")~~(RFPs) or the individual bid specifications package for resolution. Bid protests shall be filed in writing with the Superintendent within seventy-two (72) hours of the opening of the bids in protest.

Within five (5) days of receipt of a protest, the Superintendent shall review the protest as submitted and render a decision regarding the merits of the protest and any impact on the acceptance and rejection of bids submitted. Notice of the filing of a bid protest shall be communicated to the Board and shall be so noted in any subsequent recommendation for the acceptance of bids and awarding of contracts.

Failure to file a notice of intent to protest or failure to file a formal written protest within the time prescribed shall constitute a waiver of proceedings.

Maintenance of Procurement Records

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

Records Retention

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised TRAVEL PAYMENT & REIMBURSEMENT/RELOCATION COSTS
Code	po6550
Status	1) Reading and Review
Adopted	April 9, 2013
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

~~[DRAFTING NOTE: Travel charges must be consistent with the Educational Service Center's established written policies. The Center must allow costs for "above and beyond regular dependent care" if consistent with established written policy for all travel.]~~

6550 - TRAVEL PAYMENT & REIMBURSEMENT/RELOCATION COSTS

Travel expenses incurred for official business travel on behalf of the Governing Board shall be limited to those expenses necessarily incurred by the employee in the performance of a public purpose authorized, in advance, in accordance with administrative guidelines. Travel costs may include the transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the Educational Service Center ("ESC" or "Center").

Payment and reimbursement rates for per diem meals, lodging, and mileage shall be approved by the Board annually. The Board shall establish mileage rates (X) in accordance with () not exceeding [END OF OPTION] the Federal IRS prescribed mileage rate.

Employees are expected to exercise the same care incurring travel expenses that a prudent person would exercise if traveling on personal business and expending personal funds. Unauthorized costs and additional expenses incurred for personal preference or convenience will not be reimbursed.

Unauthorized expenses include, but are not limited to, alcohol, movies, fines for traffic violations, and the entertainment/meals/lodging of spouses or guests.

~~[] Commercial airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would (1) require circuitous routing; (2) require travel during unreasonable hours; (3) excessively prolong travel; (4) result in additional costs that would offset the transportation savings; or (5) offer accommodations not reasonably adequate for the traveler's medical needs. Instances of commercial airfare cost in excess of the basic least expensive unrestricted accommodations class must be justified and documented on a case by case basis.~~

~~[] Temporary dependent care costs (as dependent is defined in 26 U.S.C. 152) above and beyond regular dependent care that directly results from travel to conferences are allowable provided that (1) the costs are a direct result of the individual's travel for the Federal award; (2) the costs are consistent with the Center's Educational Service Center's ("Center") documented administrative guidelines for all entity travel; and (3) are only temporary during the travel period. Travel costs for dependents are unallowable, except for travel of a duration of six (6) months or more with prior approval of the Federal awarding agency. [DRAFTING NOTE: Choosing this option requires this also to be applicable to all Center policies.]~~

~~[] The costs of identifying and providing locally available dependent care resources for conference participants are allowable, as needed.~~

~~[] Conference costs must be appropriate, necessary, and managed to minimize costs to the Federal award.~~

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised DISPOSITION OF SURPLUS PROPERTY
Code	po7310
Status	1) Reading and Review
Adopted	June 10, 2008
Last Revised	October 30, 2024

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

7310 - DISPOSITION OF SURPLUS PROPERTY

The Governing Board requires the Superintendent to review the property of the Educational Service Center ("ESC" or "Center") periodically and to dispose of that material and equipment which is no longer usable in accordance with the terms of this policy (see Policy 7300).

A. Instructional Material

The Center shall review instructional materials (i.e. textbooks, library books, manuals, support materials, etc.) periodically to determine the relevance of such materials to the present world and current instructional programs. The following criteria will be used to review instructional materials for redistribution and possible disposal:

1. concepts or content that do not support the current goals of the curriculum
2. information that may not be current, or
3. worn beyond salvage

B. Equipment

For purposes of this policy, equipment shall mean tangible personal property (including information technology systems), a unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles which retains its shape and appearance with use, is nonexpendable, having a useful life of more than one (1) year, and a per-unit cost that equals or exceeds \$ _____ () to replace () as a single unit [END OF OPTIONS] and does not lose its identity when incorporated into a more complex unit.

The Center shall inspect the equipment used in the educational program periodically, to determine the condition and usability of such equipment in the current educational program. Should the equipment be deemed no longer serviceable or usable, the following criteria will be used to determine possible disposal:

1. repair parts for the equipment no longer readily available;
2. repair records indicate equipment has no usable life remaining;
3. obsolete and/or no longer contributing to the educational program;
4. some potential for sale at a school auction; or
5. creates a safety or environmental hazard.

C. Disposition

The Superintendent is authorized to dispose of obsolete instructional and other property by selling it to the highest

Book	Policy Manual
Section	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 CO
Title	Vol. 43, No. 1 - UGG EDGAR Revisions - October 2024 Revised PROPERTY INVENTORY
Code	po7450
Status	1) Reading and Review
Adopted	June 10, 2008
Last Revised	October 30, 2024

Revised Policy - Vol.43, No. 1 - UGG/EDGAR Revisions

7450 - PROPERTY INVENTORY

As steward of this Educational Service Center's ("ESC" or "Center") property, the Governing Board recognizes that efficient management and full replacement upon loss requires accurate inventory and properly maintained property records.

The Board shall ~~() conduct a complete inventory~~ ☒ maintain a continuous inventory ~~END OF OPTION~~ of all Board-owned equipment and supplies and the results reconciled with the property records ~~at least once () annually () every () years [specify number; Federal regulations require at least once every two (2) years] ()~~ at such intervals as will coincide with property insurance renewal ~~()~~ and G.A.A.P. reporting requirements ~~END OF OPTIONS~~.

For purposes of this policy, policy equipment shall mean **tangible personal property (including information technology systems)**, a unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles which retains its shape and appearance with use, is nonexpendable, **having a useful life of more than one (1) year and a per-unit cost that equals or exceeds costs at least \$10,000 ENTER AMOUNT**, ☒ to replace ~~()~~ as a single unit ~~END OF OPTION~~ and does not lose its identity when incorporated into a more complex unit. When defining supplies for inventory purposes, no items will be counted whose total value is less than **\$10,000 ENTER AMOUNT. [DRAFTING NOTE: The Federal regulation (2 C.F.R. 200.439) allows for a \$10,0005,000 threshold. Capital expenditures with a unit cost of \$10,0005,000 or more require prior written approval of the Federal awarding agency or pass-through entity.]**

It shall be the duty of the ~~() Superintendent () Business Manager~~ ☒ Executive Director ~~END OF OPTIONS~~ to ensure that inventories are recorded systematically and accurately and property records of equipment are updated and adjusted annually by reference to purchase orders and withdrawal reports.

~~[] Major items of equipment shall be subject to annual spot check inventory to determine loss, mislocation, or depreciation; any major loss shall be reported to the Board.~~

~~[] Property records of consumable supplies shall be maintained on a continuous inventory basis.~~

☒ The **Treasurer** shall maintain a system of property records ~~which shall show, as appropriate to the item recorded, the:~~

- A. ~~() description and identification (serial number or other identification number);~~
- B. ~~() manufacturer;~~
- C. ~~() year of purchase;~~
- D. ~~() initial cost;~~
- E. ~~() location;~~
- F. ~~() condition and depreciation;~~
- G. ~~() evaluation in conformity with insurance requirements.~~

M. When ~~original or replacement~~ equipment acquired under a Federal award is no longer needed for the original project/program or for activities currently or previously supported by a Federal ~~awarding agency, and except as~~ otherwise provided by Federal statutes, regulations, or Federal ~~awarding agency disposition instructions~~, the Center shall request disposition instructions from the Federal ~~awarding agency~~ **or the pass-through entity** if required by the terms and conditions of the Federal award. Disposition of the equipment shall be made in accordance with the provisions of 2 C.F.R. 200.313.

[Cross Reference: po7310]

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Legal 2 C.F.R. 200.313, 200.439(b)(2)

Cross References po7310 - DISPOSITION OF SURPLUS PROPERTY