



Financial Policies and Procedures Manual

Table of Contents

[Introduction](#)

[Procurement Policies and Procedures](#)

[Accounts Payable Policies and Procedures](#)

[Staff Member Reimbursement Policies and Procedures](#)

[Conflict of Interest](#)

[Cash Management Policies and Procedures](#)

[Debit Card Policies and Procedures](#)

[Payroll Policies and Procedures](#)

[Allowability of Costs](#)

Introduction

The mission of Young Scholars is to provide a personalized middle school education that challenges, engages and prepares all students to passionately pursue their dreams and lead a life of active citizenship. Young Scholars Charter School inspires and equips every student to lead a life of achievement, service and success. Our structured and nurturing community, comprehensive programming and rigorous academic curriculum are designed to build self-motivated citizens, eager learners and strong leaders – regardless of circumstance. Our graduates are driven young people who are prepared for the future demands of high school, college, career and, eventually, the world.

The Young Scholars Charter School staff consists of school-based employees and a small Regional Team. The Regional Team provides services to YSCS and Paul Robeson Charter School located in Trenton, New Jersey. An agreement outlines the details of the arrangement. Please note that this manual is focused on the finances of Young Scholars Charter School only; Paul Robeson's finances are maintained and managed separately.

Young Scholars Charter School contracts with Charter Choices, an independent educational consulting firm started in 2004, to provide comprehensive administration and management of its finances. Charter Choices manages Young Scholars Charter School's accounting, receivables/payables, annual audit, payroll, financial reporting and budget process. While Charter Choices handles most aspects of Young Scholar's finances, school personnel do play a role in day-to-day financial operations. The Financial Policies and Procedures Manual provides guidance for the financial functions conducted at Young Scholars Charter School: purchasing, accounts payable, staff member reimbursements, petty cash, and payroll.

The services provided by Charter Choices are detailed below. For more information about these areas, including internal controls, please reach out to Michael Whisman (mwhisman@charterchoices.com), or refer to the Charter Choices Financial Policies and Procedures Manual.

Business Administration

- Serve as Charter School liaison with governmental offices and agencies in conjunction with the Principal and Executive Director/CEO.
- Attend Board Meetings.
- Provide consultation around special education programs as it relates to finances and reimbursements.
- Provide school administrative support as it relates to fiscal operations.
- Assist the School's legal counsel on matters impacting the program as requested.
- Consultation with respect to, and monitoring and oversight of, state and local reporting systems.
- Assist School in identifying and applying for grants and other funding opportunities.
- Assist with the administration of federal entitlement programs.

Budgeting and Financial Reporting

- Assist in the preparation of a proposed annual budget including, but not limited to, revenues, expenses and capital expenditures.
- Submit proposed annual budget modifications for consideration as deemed to be necessary.
- Provide detailed statements of all revenues received, from whatever source by the program, and detailed statements of all direct expenditures for services rendered to the program.
- Present monthly financial reports to the Board, to include:
 - A statement of financial position (balance sheet) as of the end of the previous month;
 - A statement of activities (income statement) for the year to date, including comparison of actual results to budget;
 - A prospective statement of activities presenting expected results of operations at year-end with comparison to the annual budget;
 - A monthly listing of disbursements;
 - A narrative highlighting key financial developments and trends for the Board;
 - Additional reports as needed, including short-term cash flow projections in any periods of low cash balances.
- Assist in the preparation and review of auditor prepared required non-profit filings including the federal form 990.

Financial Management

- Coordinate and assist with accounts payable and accounts receivable.
- Perform planning, forecasting, accounting and reporting functions as appropriate.
- Assist and coordinate in annual third-party fiscal audits. Work closely with the auditing firm in developing client prepared schedules, reconciliations and other schedules to complete the audit.
- Assist with maintaining the books and records of the school in accordance with Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB) and Pennsylvania accounting and reporting statutes. In addition, oversee compliance with federal and state fiscal reporting requirements.
- Assist with the processing of vendor payments and reimbursements to staff to ensure compliance with school policy, proper documentation and approvals.

Payroll Process

- Interface with payroll company and school personnel to ensure that appropriate withholdings, taxes and deductions are applied to employee earnings
- Calculate, review and implement salary adjustments based on information from the school.
- Distribute all employee W2s.
- Prepare Public School Employee Retirement System (PSERS) and alternative plan monthly and quarterly reporting and issue timely employee and employer payments.

Procurement

Young Scholars Charter School works to ensure that goods and services are acquired at fair and reasonable prices, and the highest professional standards of conduct are maintained in all relationships with vendors, suppliers and subcontractors. Young Scholars adheres to the following objectives when making purchases, approved based on UGG Sec 200.300.

- Procure goods and services strictly on the merits of supplier and contractor proposals and applicable related considerations such as delivery, quality, etc;
- Obtain quality supplies/services needed for delivery at the time and place required;
- Buy from responsible and dependable sources of supply;
- Obtain maximum value for all expenditures;
- Deal fairly and impartially with all vendors; and
- Be above suspicion of unethical behavior at all times; avoid any conflict of interest or even the appearance of a conflict of interest in relationships with suppliers or service providers.

Young Scholars Charter School performs a cost or price analysis in connection with every procurement action in excess of \$150,000, including contract modifications. 2 C.F.R. § 200.323(a). A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements.

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

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

The school awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. The school 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 vendor with whom the District intends to do business with is not excluded or disqualified. 2 C.F.R. Part 200, Appendix II(1) and 2 C.F.R. §§ 180.220 and 180.300.

Conflict of Interest

This policy is approved based on UGG Sec 200.112

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

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

Young Scholars adheres to the following quotation and bid thresholds:

- \$10,300 to \$100,000 requires soliciting a minimum of three (3) written quotes via a Request for Quotation.
- \$100,000 and above requires a formal advertised public bidding process.

Young Scholars will receive three quotations as specified (if practicable), and the school will select the lesser of the three unless there is an extreme issue to debate. Evidence of the quotation process will be kept on file, and a copy of the quotation will be attached to the Purchase Order.

If the item or service is more than \$100,000 for the entire year, Young Scholars Charter School must go through a formal bid process. Steps in this process include the following:

- Confirm the funds exist for the good(s) or service(s);
- Compile specifications, fully outlining items, materials or services to be bid. Determine bid criteria
- Review and approve specifications (School Director and Charter Choices review; CEO/Executive Director approves)
- Prepare bid package
- Place legal advertisement in local newspaper
- Close bid at least 10 days after Legal Ad appears in newspaper
- Open and read bids publicly
- Review bids and approve vendor (School Director, CEO/Executive Director and Charter Choices review-- CEO/Executive Director approves)

Young Scholars procures only those items and services that are required to perform our mission or fill a bona fide need. **The routine purchasing process consists of the following:**

- The Requester sends an email to the Director of Operations; any staff member at Young Scholars can be a Requester.
- The Director of Operations creates a Purchase Order (PO) containing the following fields: vendor name, vendor address, description of items, total cost and budget account numbers. The Director of Operations sends it to the School Director for approval.
- Once approved, the Director of Operations uses the PO to place the order with the Vendor and forwards the PO to Bill.com for record-keeping purposes.
- The Vendor must sign the Purchase Order, and submit a W9.

Public funds are never used for the purchase of alcohol.

Accounts Payable Policies and Procedures

Only valid accounts payable transactions based on documented vendor invoices are recorded as accounts payable by Charter Choices. **The primary method of disbursement is electronically through Bill.com. For the purposes of electronic payment, individuals with approval authority are ‘Approvers’ in Bill.com.**

- The School Director is the approver for all school-based expenses between \$0 and \$2,500. Any Special Education-related expenses are also approved by the Director of Student Support Services.
- The Executive Director/CEO is the approver for all school-based expenses over \$2,500, and all regional team expenses between \$0 and \$2,500.
- The Treasurer of the Board of Trustees is the approver for all regional team expenses over \$2,500 and all reimbursements for the Executive Director/CEO.

The routine accounts payable process consists of the following:

- When a transaction is complete (i.e. goods/services delivered) and payment is due, invoices are uploaded to Bill.com, as follows: Director of Operations uploads invoices that come by mail and Charter Choices Staff Accountant uploads paperless invoices. In some cases, invoices are sent directly to the Bill.com email address (youngscholarscharterschool@bill.com).
- Charter Choices Staff Accountant enters the invoice details into Bill.com and matches the invoice with the associated Purchase Order, if applicable.
- Staff Accountant then sends the invoice for approval in accordance with the thresholds above.
- Once approved, a check is generated within Bill.com, signed off by Bill.com headquarters, and an check/e-payment is issued.

Staff Member Reimbursement Policies and Procedures

It is the policy of Young Scholars Charter School to reimburse team members for pre-approved professional development costs, including travel, taxis, conference fees, hotel, meals, etc. It is the intent of the policy to provide clear and specific guidelines regarding the use of limited resources. In general, lowest cost benefit options should be sought in travel, meals and lodging, including sharing of these costs with other team members whenever possible.

Please refer to the Young Scholars Charter School’s HR Handbook for more details about reimbursement amounts.

The routine staff reimbursement process consists of the following:

- The staff member must save all receipts, and complete a reimbursement form detailing the expenses and attaching the corresponding receipts.
- The staff member must send the form to the school’s bill.com account (youngscholarscharterschool@bill.com) for approval.
- The approval thresholds referenced in the [Accounts Payable Policies and Procedures](#) section apply here; the appropriate staff member will approve the expense in the Bill.com system.

Travel Reimbursement

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

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the District in its regular operations as the result of its written travel policy. In addition, if these costs are charged directly to the federal award, documentation must be maintained that justifies

that (1) participation of the individual is necessary to the federal award; and (2) the costs are reasonable and consistent with the District's established policy. 2 C.F.R §200.474(b).

Cash Management Policies and Procedures

From time to time, front desk staff members collect cash for student activities and uniform sales. The Director of Operations secures cash receipts in a locked safe, and makes deposits at least once per week (more frequently if the balance reaches \$1,000).

Young Scholars Charter School will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by the District, in accordance with the Cash Management Improvement Act at 31 CFR Part 205. Generally, the school receives payment from the Pennsylvania Department of Education on a reimbursement basis. 2 C.F.R. § 200.305. However, if the school receives an advance in federal grant funds, the school will remit interest earned on the advanced payment quarterly to the federal agency consistent with 2 C.F.R. § 200.305(b)(9).

The school will remit interest earned on grant funds annually to the U.S. Department of Health and Human Services Payment Management System (regardless of the federal awarding agency for the grant) through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment. 2 C.F.R. § 200.305(b)(9).

The routine cash receipts process consists of the following:

- Student revenue from activity fees, uniforms and other cash is collected by the Director of Operations.
- The Director of Operations maintains a Cash Receipts Log and records all cash receipts, including date of receipt, amount and income source
- In situations where instructional staff collect cash, checks or money orders for school-related activities and trips, the following procedures are adhered to:
 - The team member records the name of the student, date and amount of receipt, and purpose of the money.
 - The team member turns in all cash receipts and transaction record to the Director of Operations at the end of each day.
 - The Director of Operations reconciles cash received with the transaction record.
- The Director of Operations secures the cash receipts in a locked safe.
- The Director of Operations makes deposits weekly or when cash receipts exceed \$1,000. Checks, deposit slips, and the Cash Receipts Log are scanned and emailed to Charter Choices Staff Accountant.
- Charter Choices Staff Accountant performs reconciliation of cash receipts to deposit slips and bank statements on a monthly basis.

Petty cash is only used when a check is not an option, and the maximum amount of cash on hand may not exceed \$200.

The routine petty cash process consists of the following:

- The CEO/Executive Director and/or School Director may withdraw up to \$200 using the school's debit card to be kept onsite.
- The Director of Operations may use petty cash in those circumstances that require an immediate cash disbursement and in which a check is not accepted by the vendor.
- The Director of Operations must maintain a Petty Cash Log with corresponding receipts.
- When petty cash runs low, the Director of Operations sends the Petty Cash Log, with corresponding receipts, to the Charter Choices Staff Accountant.
- Charter Choices Staff Accountant reviews the Petty Cash Log and receipts to substantiate the purchases, and moves money from the operating account to petty cash account (the debit card account).
- The CEO/Executive Director and/or School Director may withdraw up to \$200 to replenish the petty cash fund.
- Charter Choices Staff Accountant reconciles the petty cash control account monthly.

Debit Card Policies and Procedures

Young Scholars has a single debit card account in the name of the CEO/Executive Director and School Director. Debit cards are not the preferred method of payment at Young Scholars; the card is used for emergency purchases or in the event that checks are not an acceptable method of payment. Debit cards are only utilized by authorized staff members. Debit payments are made from the Young Scholars debit card account with a balance not to exceed \$5,000.

- The CEO/Executive Director and School Director are the approvers on regional team and school-based debit card transactions respectively.
- The CEO/Executive Director and School Director are responsible for maintaining 100% of the receipts for charges made. At the end of each month, the CEO/Executive Director and School Director provide receipts and budget account numbers.
- Charter Choices Staff Accountant provides another layer of monitoring on the account and informs the CEO/Executive Director when they are in danger of overspending.

Payroll Policies and Procedures

Young Scholars Charter School staff members--both school employees and Regional Team members--are paid on a 12-month, bi-weekly schedule. Team members are classified as either 10- or 12-month employees, depending on the number of days they are required to work during the fiscal year. Renewals and pay increases for 12-month team members typically corresponds with the fiscal year calendar. Renewals and pay increases for 10-month team members correspond with the School year calendar.

All employee payroll amounts are calculated based on signed employment agreement letters included in the individual's personnel file. Non-salaried team members' time is approved by signature by both the individual and the supervisor, and reported to Charter Choices Payroll Administrator. All salary amounts and hourly rates are approved by the Young Scholars Board of Trustees.

Additions to regular earnings, such as stipends for after school, class coverage, or other activities, must be approved by the School Director.

The routine payroll process, for both School employees and Regional Team employees, consists of the following:

- The HR Manager sends any adjustments to the regular bi-weekly payroll amounts (i.e. new hires and new hire paperwork, additions to earnings, changes in health care coverage, staff members on leave, pension additions, etc) to the Charter Choices Payroll Administrator.
- The School Director submits approved timesheets for hourly staff members.
- The Charter Choices Payroll Administrator makes changes within the payroll system, and generates a payroll register in accordance with the established payroll schedule.
- The CC Staff Accountant reviews all materials sent from the school and reviews/compares against the payroll register. Staff Accountant also reviews to make sure the school has enough in their bank account to cover the payroll run.
- Once the Charter Choices Staff Accountant completes a review, Charter Choices Payroll Administrator sends the school employee register to the HR Manager and School Director who review for accuracy and completeness. The HR Manager and School Director flag any changes or give their approval. The Regional Team register is sent to the HR Manager and Executive Director/CEO to review and approve.
- Charter Choices Payroll Administrator submits for processing.

Allowability of Costs

When determining how the Young Scholars Charter School will spend its grant funds, the Executive Director/CEO 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, as per guidance from UGG Sec. 200.43. All costs supported by federal education funds must meet the standards outlined in EDGAR, 2 C.F.R. Part 3474 and 2 C.F.R. Part 200, Subpart E, which are provided in the bulleted list below. The Executive Director/CEO must consider these factors when making an allowability determination.

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

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

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

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

- Whether the cost is needed for the proper and efficient performance of the grant program.
- Whether the cost is identified in the approved budget or application.
- Whether there is an educational benefit associated with the cost.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- Whether the cost addresses program goals and objectives and is based on program data.
- Allocable to the federal award. A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. 2 C.F.R. §200.405. For example, if 50% of a teacher's salary is paid with grant funds, then that teacher must spend at least 50% of his or her time on the grant program.
- Consistent with policies and procedures that apply uniformly to both federally financed and other activities of the School.
- Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the federal award.
- Consistent treatment. A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose has been assigned as an indirect cost under another award.
- Adequately documented. All expenditures must be properly documented.
- Be determined in accordance with general accepted accounting principles (GAAP), unless provided otherwise in Part 200.
- Not included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such. Some federal program statutes require the non-federal entity to contribute a certain amount of non-federal resources to be eligible for the federal program.
- Be the net of all applicable credits. The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the state relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate. 2 C.F.R. §200.406.

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

Selected Items of Cost

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

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

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

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 – fringe benefits	2 CFR § 200.431
Conferences	2 CFR § 200.432

Contingency provisions	2 CFR § 200.433
Contributions and donations	2 CFR § 200.434
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435
Depreciation	2 CFR § 200.436
Employee health and welfare costs	2 CFR § 200.437
Entertainment costs	2 CFR § 200.438
Equipment and other capital expenditures	2 CFR § 200.439
Exchange rates	2 CFR § 200.440
Fines, penalties, damages and other settlements	2 CFR § 200.441
Fund raising and investment management costs	2 CFR § 200.442
Gains and losses on disposition of depreciable assets	2 CFR § 200.443
General costs of government	2 CFR § 200.444
Goods and services for personal use	2 CFR § 200.445
Idle facilities and idle capacity	2 CFR § 200.446
Insurance and indemnification	2 CFR § 200.447
Intellectual property	2 CFR § 200.448
Interest	2 CFR § 200.449
Lobbying	2 CFR § 200.450
Losses on other awards or contracts	2 CFR § 200.451
Maintenance and repair costs	2 CFR § 200.452
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454
Organization costs	2 CFR § 200.455
Participant support costs	2 CFR § 200.456
Plant and security costs	2 CFR § 200.457
Pre-award costs	2 CFR § 200.458
Professional services costs	2 CFR § 200.459
Proposal costs	2 CFR § 200.460
Publication and printing costs	2 CFR § 200.461
Rearrangement and reconversion costs	2 CFR § 200.462
Recruiting costs	2 CFR § 200.463
Relocation costs of employees	2 CFR § 200.464
Rental costs of real property and equipment	2 CFR § 200.465
Scholarships and student aid costs	2 CFR § 200.466
Selling and marketing costs	2 CFR § 200.467
Specialized service facilities	2 CFR § 200.468

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

Likewise, it is possible for the State and/or District to put additional requirements on a specific item of cost. Under such circumstances, the stricter requirements must be met for a cost to be allowable. Accordingly, employees must consult federal, State and District requirements when spending federal funds. For example, often the State's travel rules are more restrictive than federal rules, which means the State's policies must be followed.

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

Board Approved: September 5, 2018