

FINANCIAL MANAGEMENT

7235

Fiscal Accountability and IDEA Part B Funds

The District must ensure fiscal accountability at each phase in the use of Individuals with Disabilities Education Act (IDEA) Part B funds. The purpose of this policy is to ensure that the District complies with the State Department of Education requirements described in the Idaho State Department of Education IDEA Funding Manual.

Use of IDEA Part B Funds

The District shall use IDEA funds only to pay excess costs of providing special education and related services to children with disabilities. A cost is determined to be an excess cost of providing special education only if it meets each of the following criteria:

1. The cost would not exist in the absence of special education needs.
2. The cost is not also generated by students without disabilities.
3. If the cost is specific to a particular child, ~~and~~ it is documented ~~in~~ if that child is on an Individual Education Plan (IEP).

The Board directs the Superintendent to establish procedures and internal controls to ensure that IDEA Part B funds are used only for allowable, excess costs of providing special education and that these costs are accounted for in the proper function/program codes described in 34 CFR 300.202-205. These procedures and controls shall also ensure the accuracy of the District's Excess Cost Calculation, as required by 34 C.F.R. 300.16 and Appendix A to 34 C.F.R.300.

The Special Education Director and the Business Manager approve all IDEA Part B expenditures (PO, invoices) following the process described in the written procedures for determining allowability of cost (cost principles).

Time and Effort Reporting

~~In order to determine if Personnel Costs are allowable under IDEA Part B, the District shall maintain auditable "time and effort" documentation that show how each employee paid with IDEA Part B funds spent his or her compensated time. Such documents are written reports of how the time was spent.~~

The Board directs the Superintendent to establish a system for time and effort reporting that complies with the requirements of OMB Circular A-87 and OMB Circular A-133. ~~and with the 7235P Written Compensation Procedure.~~

Maintenance of Effort

In order to ensure that the requirement of Maintenance of Effort is met, the Board directs the Superintendent to establish a means of tracking and reporting local expenditures separate from the expenditure of state funds. This is to be done for the purpose of verifying that local funds are used for special education expenditures.

Parentally-Placed Private School Children

The District must ensure that it is providing the appropriate portion of IDEA Part B funds to children receiving special education at private schools within the boundaries of the District. To accomplish this, the Board directs the Superintendent to establish procedures to accurately track and report expenditures for services provided to Parentally-Placed Private School Children.

The Special Education Director and the Business manager keep accurate records of all expenditures charged to the parentally-placed private school children budget. The documentation should be traceable to the financial report and available for inspection if requested.

Property Procurement and Tracking

The Board directs the Superintendent to establish written procedures to ensure that the District's mechanism for procurements using IDEA Part B funds conforms to the standards outlined in 34 C.F.R. 80.36 and with Policy 7400

Miscellaneous Procurement Standards and any related procedures. The Board also directs the Superintendent to establish a system to maintain adequate inventory management of property purchased with IDEA Part B funds.

Property records in the inventory management system should include, at a minimum:

1. Property description;
2. Identification number;
3. Source of funding;
4. Acquisition date and cost;
5. The location, use, and condition of the property;
6. Any ultimate disposition data including the date of disposal and sale price of the property.

In addition to the above information, the inventory management system should ensure that all source documents in support of the above information are maintained throughout the life and disposition of the equipment. These records should be updated frequently so that every piece of equipment purchased with federal funds can be accounted for at any given time.

Retention of Records

The Board directs the Superintendent to ensure that fiscal records are retained for a minimum of three (3) years from the obligation of funds. These records shall be available for inspection if required.

Cross Reference:

7400	Miscellaneous Procurement Standards
7400P1	Miscellaneous Procurement Standards-Federal Award Requirements
7400P2	Miscellaneous Procurement Standards-Procurement Methods Under a Federal Award
7400P3	Miscellaneous Procurement Standards-Requirements and Restrictions for Procurement Under a Federal Award-Competition

Legal Reference:

34 C.F.R. §§200.430	Time and Effort
34 C.F.R. §§80.36	Procurement
34 C.F.R. §§80.42	Retention and Access Requirements for Records
34 C.F.R. §§300.132-133	Provision of Services for Parentally-Placed Private School Children with Disabilities
34 C.F.R. §§300.16	Excess Cost
34 C.F.R. §§300.202-205	Use of Amounts
34 C.F.R. §§300	Appendix A Excess Costs Calculation

Fiscal Accountability Checklist: For Sub-Recipients of IDEA Part B Funds

~~OMB Circular A-87~~

~~OMB Circular A-133~~

Other Reference: Idaho SDE IDEA Part B Funding Manual

Policy History:

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