

VENTURA COUNTY OFFICE OF EDUCATION

SUPERINTENDENT

ADMINISTRATIVE REGULATION NO. 3230

ADOPTED: 10/03/16

CLASSIFICATION: General Administrative Policies

**REVISED: 07/11/22
10/31/22**

SUBJECT: FEDERAL GRANT FUNDS

To ensure the lawful expenditure of any federal formula or discretionary grant funds awarded to VCOE, the County Superintendent or designee shall comply with the requirements of the Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the "Uniform Guidance"), as contained in 2 CFR 200.0-200.521 and Appendices I-XII.

ALLOWABLE COSTS

Prior to obligating or spending any federal grant funds, the County Superintendent or designee shall determine whether a proposed purchase is an allowable expenditure of federal funds in accordance with 2 CFR 200.400-200.475 and the terms and conditions of the federal grant award. It shall also be determined whether the expense is a direct or indirect cost as defined in 2 CFR 200.413 and 200.414 and, if the purchase will benefit other programs not included in the grant award, the appropriate share to be allocated to the federal grant.

The County Superintendent or designee shall review and approve all transactions involving federal grant funds and shall ensure the proper coding of expenditures consistent with the California School Accounting Manual.

PERIOD OF PERFORMANCE

All obligations of federal funds shall occur on or between the beginning and ending dates of the grant project and shall be paid no later than 90 days after the end of the funding period, unless specifically authorized by the grant award to be carried over beyond the initial term of the grant. (2 CFR 200.77, 200.308, 200.309, 200.343)

PROCUREMENT

The County Superintendent or designee shall comply with the standards specified in 2 CFR 200.317-200.326 and Appendix II of Part 200 when procuring goods and services needed to carry out a federal grant as well as any more restrictive state laws and county office policies concerning the procurement of goods and services.

As appropriate to encourage greater economy and efficiency, the County Superintendent or designee shall avoid acquisition of unnecessary or duplicative items, give consideration to consolidating or breaking out procurements, analyze lease versus purchase alternatives, consider entering into an

interagency agreement for procurement of common or shared goods and services, and/or use federal excess or surplus property. (2 CFR 200.318)

The procurement of goods or services with federal funds shall be conducted in a manner that provides full and open competition in accordance with state laws and county office regulations and the following requirements:

1. Any purchase of supplies or services that does not exceed the "micro-purchase" threshold of \$3,500 as specified in 48 CFR 2.101 may be awarded without soliciting competitive quotes, provided that the county office considers the price to be reasonable and maintains written evidence of this reasonableness in the record of all micro-purchases. (2 CFR 200.67, 200.320)
2. For any purchase that exceeds the micro-purchase threshold, the County Superintendent or designee shall utilize "small-purchase" procedures that include obtaining price or rate quotes from an adequate number of qualified sources. (2 CFR 200.320)
3. Contracts for goods or services shall be awarded pursuant to California law and AR 3311 - Bids, unless exempt from bidding under the law.
4. If a purchase is exempt from bidding and the county office's solicitation is by a request for proposals, the award may be made by either a fixed-price or cost-reimbursement type contract awarded to the entity whose proposal is most advantageous to the program, with price and other factors considered. (2 CFR 200.320)
5. Procurement by noncompetitive proposals (sole sourcing) may be used only when the item is available from a single source, the need or emergency will not permit a delay resulting from competitive solicitation, the awarding agency expressly authorizes sole sourcing in response to the county office's request, and/or competition is determined inadequate after solicitation of a number of sources. (2 CFR 200.320)
6. Time and materials type contracts may be used only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost is the sum of the actual cost of materials and direct labor hours charged at fixed hourly rates that reflect wages, general administrative expenses, and profit. (200.328)
7. Hatch Act - The County Superintendent or designee shall ensure compliance with all requirements within USC, Title 5, Part III, SubPart F., Chapter 773, Subchapter III (Hatch Act) regarding employee political activities.

For any purchase of \$25,000 or more using Federal funds, the County Superintendent or designee shall verify that any vendor which is used to procure goods or services is not excluded or disqualified by the federal government. (2 CFR 180.220, 200.213)

All solicitations shall incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description shall avoid detailed

product specifications to the extent possible, but may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. When it is impractical or not economical to make a clear and accurate description of the technical requirements, a brand name or equivalent description may be used to define the performance or other salient requirements of procurement, clearly stating the specific features of the named brand which must be met by offers. In addition, every solicitation shall identify all requirements which the offer must fulfill and any other factors to be used in evaluating bids or proposals. (2 CFR 200.319)

The County Superintendent or designee shall maintain sufficient records to document the procurement, including, but not limited to, the rationale for the method of procurement, selection of the contract type, contractor selection or rejection, and the basis for the contract price. (2 CFR 200.318)

The County Superintendent or designee shall ensure that all contracts for purchases using federal grant funds contain the applicable contract provisions described in Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards. (2 CFR 200.326)

CAPITAL EXPENDITURES

The County Superintendent or designee shall obtain prior written approval from the awarding agency before using federal funds to make capital expenditures, including the acquisition of land, facilities, equipment, and intellectual property and expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life. (2 CFR 200.12, 200.13, 200.20, 200.33, 200.48, 200.58, 200.89, 200.313, 200.439)

CONFLICT OF INTEREST

No Governing Board member, County Superintendent, employee, or representative shall participate in the selection, award, or administration of a contract supported by federal funds if they have a real or apparent conflict of interest, such as when a member of their immediate family, partner, or an organization which employs or is about to employ any of them has a financial interest in or a tangible personal benefit from a firm considered for a contract. Such persons are prohibited from soliciting or accepting gratuities, favors, or anything of monetary value from contractors or subcontractors unless the gift is an unsolicited item of nominal value. (2 CFR 200.318)

Employees engaged in the selection, award, and administration of contracts shall also comply with Board Policy 2300, Administrative Regulation 2300 and Exhibit 2300 - Conflict of Interest.

CASH MANAGEMENT

The Superintendent or designee shall ensure the county office's compliance with 2 CFR 200.305 pertaining to payments and cash management, including compliance with applicable methods and procedures that minimize the time elapsing between the transfer of funds to the county office and the county office's disbursement of funds. (2 CFR 200.305)

When authorized by law, the county office of education may receive advance payments of federal grant funds, limited to the minimum amounts needed and timed in accordance with the actual immediate cash requirements of the county office for carrying out the purpose of the program or project. Except under specified conditions, the county office shall maintain the advance payments in an interest-bearing account. The county office shall remit interest earned on the advanced payment to the awarding agency on an annual basis, but may retain interest amounts specified in 2 CFR 200.305 for administrative expenses. (2 CFR 200.305)

When required by the awarding agency, the county office shall instead submit a request for reimbursement of actual expenses incurred. The county office may also request reimbursement as an alternative to receiving advance payments. (2 CFR 200.305)

The County Superintendent or designee shall maintain source documentation supporting the expenditure of federal funds, such as invoices, time sheets, payroll stubs, or other appropriate documentation.

PERSONNEL

All VCOE employees who are paid in full or in part with federal funds, including employees whose salary is paid with state or local funds but is used to meet a required match or in-kind contribution to a federal program, shall document the amount of time they spend on grant activities. The VCOE shall follow the California School Accounting Manual procedures to document the salaries and time. (2 CFR 200.430)

RECORDS

Except as otherwise provided in 2 CFR 200.333, or where state law or VCOE policy requires a longer retention period, financial records, supporting documents, statistical records, and all other VCOE records related to a federal award shall be retained for a period of three years from the date of submission of the final expenditure report or, for a federal award that is renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report. (2 CFR 200.333)

AUDITS

The County Superintendent or designee shall ensure that the external single audit meets the requirements specified in 2 CFR 200.500-200.521.

Specified records pertaining to the audit of federal funds expended by the VCOE shall be transmitted to the clearinghouse designated by the federal Office of Management and Budget and shall be made available for public inspection. Such records shall be transmitted within 30 days after receipt of the auditor's report or within nine months after the end of the audit period, whichever is sooner, unless a longer period is agreed to in advance by the federal agency or a different period is specified in a program-specific audit guide. (2 CFR 200.512)

In the event that the audit identifies any deficiency, the County Superintendent or designee shall promptly act to either correct the identified deficiency, produce recommended improvements, or demonstrate that the audit finding is invalid or does not warrant action. (2 CFR 200.26, 200.508, 200.511)

DEBARMENT AND SUSPENSION

The County Superintendent or designee shall ensure and comply with federal suspension and debarment (excluded or disqualified from contracting with federal, state, or local government) regulations found in 7 CFR Part 3017, 45 CFR 76, 40 CFR 32, or 34 CFR 85. Employees and subcontractors expensed out of federal grant funds are additionally subject to applicable debarment and suspension regulations. Routine Sanction Checks shall be conducted upon hire and monthly (based on a random sample of 15%) using the following database(s).

- California Health and Human Services Data Portal
 - Provider Suspended and Ineligible List (S&I List)
 - <https://data.chhs.ca.gov/dataset/provider-suspended-and-ineligible-list-s-i-list>
- System For Award Management (SAM)
 - Exclusion Record Search
 - <https://sam.gov/content/exclusions>
- Office of Inspector General (US Dept. of Health and Human Services)
 - Exclusions Database Search
 - <https://exclusions.oig.hhs.gov/>

LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION OF CONTROLLED SUBSTANCES

The County Superintendent or designee shall ensure that no federal grant funds made available may be used for any activity that promotes the legalization of any drug or substance, pursuant to Schedule I of Section 202 of the Controlled Substance Act (21 U.S.C 812)

TRAFFICKING VICTIMS' PROTECTION ACT OF 2000

The County Superintendent or designee will ensure compliance with Section 106(g) of the Trafficking Victims' Protection Act of 2000 (22 U.S.C 7104(g)) as amended by section 1702. Staff training and education to be provided to recognize the signs of Human Trafficking, to identify and prevent Commercial Sexual Exploitation of Children.

AIR OR WATER POLLUTION REQUIREMENTS

The County Superintendent or designee will ensure compliance all applicable standards, orders, or requirements issues under Section 306 of the Clean Air Act (42 U.S.C 7606), Section 508 of the Clean Water Act (33 U.S.C1368), Executive Order 11738, and Environmental Protection Agency regulations as well as the Clean Air Act (42 U.S.C 7401 et seq.), as amended, and the Clean Water Act (33 U.S.C 1251 et seq.), as amended.

PROCUREMENT OF RECOVERED MATERIALS

The County Superintendent or designee will ensure compliance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of

Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where purchase price of the items exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in EPA regulations.

PROHIBITION OF USE OF FEDERAL FUNDS FOR RELIGIOUS ACTIVITIES AND CHARITABLE CHOICE

The County Superintendent or designee will ensure that no state or federal funds shall be used for sectarian worship, instruction, or proselytization, and will not be used to provide direct, immediate, or substantial support to any religious activity. Religious organizations are eligible (by “Charitable Choice”) on the same basis of any other organization to participate in applicable programs, so long as their services are provided consistent with the Establishment Clause and the Free Exercise Clause of the First Amendment to the United States Constitution (42 U.S.C. § 300x-65, 42 C.F.R. Part 54).

RESTRICTION ON DISTRIBUTION OF STERILE NEEDLES

The County Superintendent or designee will ensure that the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug is prohibited, unless DHCS (Dept. of Health Care Services) chooses to implement a demonstration syringe services program for injecting drug users.