

Federal Funds Procurement Policy

Procurement Procedure 2 CFR 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Standards for Financial and Program Management (Sections §200.300-309)

NOTE: This Procurement Procedure will apply to all Federal Awards, which may include Special Education, Title, ELL, Nutrition, etc.

POLICY PURPOSE:

Prior to and upon the acceptance and expenditure of funds awarded to NOTRE ECOLE by the Federal Government, NOTRE ECOLE will ensure that the funds will be used for the purposes to fulfill the grant. The funds will be used in a manner consistent with state and federal statutes, rules, and regulations.

MINNESOTA SPECIAL EDUCATION PROCUREMENT POLICY:

Prior to and upon the acceptance and expenditure of funds awarded to NOTRE ECOLE by the Federal Government, NOTRE ECOLE will ensure that the funds will be used for the purpose of providing special education and related services for children with disabilities from birth to 21. The funds will be used in a manner consistent with state and federal statutes, rules, and regulations. Federal funds received by the agency from the Individuals with Disabilities Education ACT, P.L. 108-466 will abide by the mandates as described in the Special Education Funds Statement of Assurances certification, which is signed annually by the district's Director of Special Education and Board of Directors. The Statement of Assurances is submitted annually to the Minnesota Department of Education (MDE). The form may be obtained through the Minnesota Department of Education. NOTRE ECOLE will maintain supporting information required for the local Total Special Education System (TSES) on file in NOTRE ECOLE'S Special Education Department.

Misuse of Federal funds will result in a prompt investigation led by the Board of Directors and law enforcement. Upon finding evidence of fraud or intentional misuse of federal funds, the guilty party may be dismissed from employment in addition to any criminal or civil prosecution or litigation.

CONFLICT OF INTEREST (Section §200.112-113)

NOTRE ECOLE will document any potential conflicts of interest and will maintain this documentation in accordance with its Record Retention Policy. NOTRE ECOLE will consider and disclose all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award.

NOTRE ECOLE maintains written standards of conduct covering conflict of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.

No board member, employee, officer, or agent may participate in the selection, award, or administration of a contract supported by Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the board member, employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The board members, officers, employees, and agents of NOTRE ECOLE may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, NOTRE ECOLE may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of *nominal value*. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by board members, officers, employees, or agents of NOTRE ECOLE.

NOTRE ECOLE *defines nominal value as an expense of five dollars (\$5.00) or less.*

NEPOTISM

To avoid a variety of personnel problems (e.g. the perception of favoritism, awkward workplace situations, difficult work environments, employee morale and job satisfaction, and poorer job performance by other employees), charter schools are required to have a nepotism policy regarding employment and employment benefits. To this extent, NOTRE ECOLE does not permit an employee to directly supervise, or be directly supervised, by a close relative. A close relative is defined as a mother(in-law), father(in-law), sister(in-law), brother(in-law), aunt, uncle, or any other individual related to an employee by blood, marriage, or legal guardianship, as well as any other member of the employee's household, or as otherwise deemed to be a close relative by the Board of Directors of NOTRE ECOLE.

NON-DISCRIMINATION

To meet grant requirements, NOTRE ECOLE has in place written personnel policies covering job descriptions, hiring procedures, promotions, and dismissals.

“Equal Opportunity Employer

NOTRE ECOLE is fully committed to equal employment opportunities (EEO). All employment decisions will be made without regard to race, color, creed, age, religion, sex, pregnancy, marital status, familial status, disability, national origin, sexual orientation, veteran status, status with regard to public assistance, activity in a local human rights commission or any other classification protected by law. In addition, NOTRE ECOLE complies with all applicable state and local laws governing non-discrimination in employment in every location in which NOTRE ECOLE maintains facilities.

Decisions concerning employment are based strictly on an individual's qualifications and ability to perform the job under consideration, the comparative qualifications and abilities of the other applicants or employees,

and the individual's past performance within the organization. Employment decisions include, but are not limited to: recruitment, hiring, promotions, salary or other compensation, benefits, transfers, corrective actions, layoffs, termination and training.

If you believe that an employment decision has been made that does not conform to NOTRE ECOLE's commitment to equal opportunity, the matter should be brought promptly to the attention of administration. Your complaint will be thoroughly investigated. There will be no retaliation against any employee who files a complaint in good faith, even if the result of the investigation produces insufficient evidence to support the complaint. Please see the NOTRE ECOLE Sexual Harassment and Offensive Behavior Policy for additional information."

NOTRE ECOLE has a written non-discrimination policy in place prohibiting discrimination in its employment practices.

It is the established policy of NOTRE ECOLE to provide equal employment opportunities to all qualified persons and to administer all aspects and conditions of employment without regard to race, religion, color, sex, gender, sexual orientation, pregnancy, age, national origin, ancestry, physical or mental disability, severe/morbid obesity, medical condition, military or veteran status, genetic information, marital status, ethnicity, alienage or any other protected classification, in accordance with applicable federal, state, and local laws. NOTRE ECOLE takes allegations of discrimination, intimidation, harassment, and retaliation very seriously and will promptly conduct an investigation when warranted. Upon finding evidence of discrimination, the Board of Directors of NOTRE ECOLE will discipline an individual, which may include a written warning up to termination.

Equal employment opportunity includes, but is not limited to, employment, training, promotion, demotion, transfer, leaves of absence, and termination.

RECORDS RETENTION

NOTRE ECOLE will ensure that all necessary records and documents are adequately protected and maintained. In addition, NOTRE ECOLE will ensure that all records no longer needed or of no value are discarded at the proper time and means.

STANDARDS FOR FINANCIAL AND PROGRAM MANAGEMENT (Sections §200.300-309)

Through the implementation of the Procurement Procedures and compliance with audit requirements, NOTRE ECOLE collects and maintains documentation to support the receipt of federal state grants. This information also contains necessary detail to prove that the funds were used in accordance with the terms and conditions associated with the grant.

SUB-RECIPIENT MONITORING AND MANAGEMENT (Sections §200.330-332)

NOTRE ECOLE understands that the Minnesota Department of Education will provide the following document with it disburses the federal award:

Required Federal Award Identification

- I. Sub-Recipient name (which must be a registered name in DUNS);
- II. Sub-Recipient DUNS number (see 200.32 Data Universal Numbering System (DUNS) number);
- III. Federal Award Identification Number (FAIN);
- IV. Federal award date (see 200.39 federal award date);
- V. Sub-Award Period of Performance State and End Date;
- VI. Amount of federal funds obligated by this action;
- VII. Total amount of federal funds obligated to the Sub-Recipient;
- VIII. Total amount of federal award;
- IX. Federal award project description, as required to be responsive to the federal Funding Accountability and Transparency Act (FFATA);
- X. Name of federal awarding agency, pass through entity, and contact information for awarding official;
- XI. CFDA Number and Name (the pass through entity must identify the dollar amount made available under each federal award and the CFDA number at the time of disbursement);
- XII. Identification of whether the award is R&D; and
- XIII. Indirect cost rate for federal award (including if the de minimis rate is charged per 200.414 Indirect (F&A) costs).

INDIRECT COSTS SECTION §200.414

NOTRE ECOLE has an indirect cost allocation plan or negotiated indirect cost rate prepared in accordance with the provisions of Uniform Grant Guidance 2 C.F.R. §200.414.

Audit cognizance of the plan has been established and the rates are acceptable to all participating Federal and State agencies. NOTRE ECOLE has procedures in place that provide reasonable assurance that consistent treatment is applied in the distribution of direct and indirect charges to all grants.

PROCUREMENT STANDARDS (Sections §200.317-326)

Pursuant to 2 CFR 200.319(a), all procurement transactions must be conducted in a manner providing full and open competition consistent with applicable standards. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Additionally, an individual who assisted in writing the school's CSP grant application is excluded from competing for any contracting opportunities paid for with CSP funds. The only exception to this rule is the Start-Up Coordinator/Director position.

Individuals requesting material goods or contracts to be purchased with Federal Funds granted to NOTRE ECOLE will complete two documents prior to purchase. This

practice must be followed for any STAFF DEVELOPMENT requests, in addition to tangible items. The Procurement Summary and Request for Proposal document assure the district of the following:

- a. All purchases are conducted in a manner providing a full and open competition (see Conflict of Interest Policy), void of excessive requirements, such as experience, bonding, and geographical preference
- b. Non-duplication of purchases from the same program;
- c. The purchase of a quality product rather than a brand name; and
- d. An accurate description of the product and its use.

The two aforementioned documents will be maintained for each purchase for a period of 7 years in accordance with NOTRE ECOLE's Record Retention Policy.

The following documents will be maintained for 7 years from the date of submission to the dates of the final expenditure report.

- Financial records
- Supporting documentation
- Statistical records, etc.

NOTRE ECOLE will maintain quarterly and/or annual reports for ongoing grants, in addition to the aforementioned documents.

PURCHASE THRESHOLDS

The following are purchase thresholds, along with specific procedures for each threshold, for NOTRE ECOLE.

- A. Purchases under \$50
 1. No written or verbal quotes are necessary on purchases under \$50.00
 2. Due to the expense involved in processing purchase requests, those having a total of less than \$25.00 should be held to a minimum.
 3. Purchases under \$25.00 may be accomplished in one of the following methods:
 - a. Petty Cash transaction
 - b. Credit Card transaction
- B. Purchases under \$500.00
 1. Purchases totaling \$50.00 to \$500.00 shall follow the Purchasing Procedure unless prior arrangements have been made with the Office Coordinator.
 2. Although bids or quotations are not required on items or services less than \$500.00, it will be general practice to secure informal quotes on items controversial or competitive in nature. This decision is left to the discretion of the Office Coordinator.
- C. Purchases under \$10,000.00
 1. For contract or purchase amounts less than \$5,000, the contract may be made by quotation or in the open market at the discretion of the Office Coordinator, but whenever practicable shall be based on at least two quotations.

2. For contract amounts more than \$5,000, but not exceeding \$10,000, bids may be solicited, or the contract may be made by direct negotiation by obtaining two or more quotations when possible.
- D. Purchases over \$10,000
1. Three bids should be sought for all purchases or contracts that exceed \$10,000. Due to the time involved in securing bids, it is important to establish needs as far in advance as possible.
 2. The School Coordinator has the spending authority to spend up to the amounts budget approved by the Board of Directors. The NOTRE ECOLE Board of Directors must be notified by the next available regular board meeting when projected spending on any individual line of the budget exceeds 10% of the existing budget line or \$20,000 above existing budget line, whichever is less.
 3. The Board must authorize the signing of any purchase order, or other contract, that exceeds 10% of the existing budget line, or \$20,000 above the existing budget line by passing a motion or resolution at a board meeting.
- E. Sealed Bids (\$100,000, formal advertising, price is a major factor).
Requirements for sealed bids:
1. The invitation for the bid will be publicly advertised and bids must be selected from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.
 2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond.
 3. All bids will be publicly opened at the time and place prescribed in the invitation for bid.
 4. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder.
 5. Any or all bids may be rejected if there is a sound documented reason.
- F. Competitive proposal (>\$100,000, fixed price or cost reimbursement, request for proposal (RFP) with evaluation methods). Requirements for competitive proposal procedures:
1. Request for proposals must be publicized requests and identify all evaluation factors and their relative importance
 2. Proposals must be solicited from an adequate number of qualified sources
 3. The organization must have a written method for conducting technical evaluations of the proposals received and for selecting recipients
 4. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program
 5. The organization may only use qualification-based methods, whereby competitors' qualifications are evaluated and the most qualified competitor is selected, in the procurement of architectural/engineering professional services.
- G. Non-competitive proposal (solicitation of proposal from only one source, unique product, service). Non- Competitive proposals can be utilized only in one or more of the following situations:

1. The item is available only from one single source
2. The public exigency or emergency for the requirement will not permit delay resulting from competitive solicitations
3. The federal awarding agency or pass through entity expressly authorizes noncompetitive proposals in response to a written request from the non-federal entity.

EXPENDITURES

1. Purchases are made in accordance with applicable legal requirements. Except for small purchases made from petty cash, purchase orders are required for all purchases not made by a credit card
2. The Office Coordinator prepares purchase orders upon receipt of a purchase requisition. In some instances, a purchase order may be prepared by the individual department and then forwarded to the Office Coordinator to continue the approval process.
3. The Office Coordinator will prepare the purchase order for approval by the School Coordinator. The Board of Directors, or its designee, must approve purchase requisitions for items costing more than the current budget amount. See Purchase Thresholds, letter D above.
4. All purchase orders are reviewed by the Office Coordinator and prepared for approval by the School Coordinator.
5. The Office Coordinator determines if an appropriation exists for the purchase contemplated and if a sufficient amount is available in the appropriation account.
6. Copies of purchase orders are distributed to the vendor.

CONSTRUCTION AND FACILITY IMPROVEMENT/DEVELOPMENT

NOTRE ECOLE will provide, when procuring construction or facility improvement contracts or sub- contracts exceeding \$100,000 the following: a bid guarantee equivalent to 5% of the bid price from each bidder (such as a bid bond or certified check), a performance bond on the part of the contractor for 100 percent of the contract price, and a payment bond on the part of the contractor for 100 percent of the contract price.

CONSIDERATIONS FOR SEALED BIDS, COMPETITIVE BIDS, AND NON-COMPETITIVE PROPOSALS

When considering Sealed Bids, Competitive Bids, and Noncompetitive Proposals, NOTRE ECOLE will assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible using the following guidelines:

- I. Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
- II. Assuring that small and minority business and women's business enterprises are solicited whenever they are potential sources.
- III. Dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by small and minority business and women's business enterprises.

- IV. Establishing delivery schedules, where the requirement permits, and/or encourages participation by small and minority business and women's business enterprises.
- V. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- VI. Requiring the prime contractor, if subcontractors are to be used, to take the affirmative steps listed here.

NOTRE ECOLE'S Office Coordinator will check random purchases quarterly to ensure that each guideline practice has been used.

CONTRACTS

NOTRE ECOLE creates contracts to include the following elements:

- Name of contracting agency and/or individual who will be performing work
- Credentials
- State and end date of service
- Hourly rate of service
- Where the service is to take place per student IEP
- Maximum threshold of expenditure (ceiling)
- How often the agency or individual will be invoiced (weekly/monthly)

Prior to engaging in a contract with an individual or agency, NOTRE ECOLE will collect information regarding the credentials of the individual performing the work.

Contracts are reviewed every year. During this review period, the School Coordinator collects documentation of services provided, the dates thereof, costs of service and remaining balance on the contract. If incongruences between the contract and work performed occur, the School Coordinator will resolve any incongruences by termination of contract or resolve through mediation.

APPROVAL PROCESS FOR NEW VENDORS

The School Coordinator must approve all new vendors prior to requisition being approved or a purchase order is issued to a new vendor.

REQUIRED CERTIFICATION (Section §200.430)

The School Coordinator has the authority to sign legally binding contracts based upon NOTRE ECOLE'S Board of Directors pre-approved amount and timeline.

TIME AND EFFORTING REPORTING (Section §200.430)

Individuals paid with State and Federal funds will be required to report their time and effort spent on each specific award. Staff will receive annual training on reporting requirements for Periodic Annual Reporting (PAR) and Semi Annual.

Certifications (SAC). Data collected will be used to support the distribution of the employee's salary or wages between specific activities/cost objectives if the employee works on one or more grants. Data collected from staff will include the following elements:

- Name of individual
- Dates of activity performed
- Description of activity
- Funding source
- Percentage of funding source allocated to activity

Data collected will be substantiated by a calendar or schedule of work performed. The staff members will sign the document after the work has been performed. The Lead Special Education Teacher or HR Manager will collect the documents and maintain them in the Special Education Office for 7 years after the fact. Training log and sign-in sheets will also be maintained in the Special Education or HR Office. The Lead Special Education Teacher will provide the Office Coordinator with records of time and effort reporting as complete. The Lead Special Education Teacher and HR Manager will communicate adjustments in hiring at a minimum of two times per year including after December 1 child count and at end of school calendar year.

MATERIALS, SUPPLIES, AND SENSITIVE ITEMS (Section §200.453)

Section 200.452 and cost define supplies less than \$5,000 per item

§200.453 Materials and supplies costs, including costs of computing devices. (a) Costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award are allowable. (b) Purchased materials and supplies must be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs. (c) Materials and supplies used for the performance of a Federal award may be charge as direct costs. In the specific case of computing devices, charging as direct costs are allowable for devices that are essential and allocable, but not solely dedicated, to the performance for a Federal award. (d) Where federally donated or furnished materials are used in performing the Federal award, such materials will be used without charge.

Equipment is defined in Section §200.33 and cost more than \$5,000 per item

§200.33 Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. See also §200.12 Capital assets, 200.20 Computing devices, 200.48 General-purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies.

Sensitive Items

NOTRE ECOLE will maintain an inventory list of all equipment purchased over \$5,000 and sensitive items purchased with federal special education funds that are still in possession of the school (sensitive items such as iPads, cellular phones and those items identified by NOTRE ECOLE). Materials (defined as items purchased and used immediately or within a reasonable period of time after they have been acquired) will not be included in the physical inventory.

Steps used to safeguard equipment purchased over \$5,000 and sensitive items:

1. Student specific equipment will be distributed to students at the start of the school day and collected by Special Education staff, locked and stored within the Special Education area. This will be assigned to other staff if non- special education grant funds are utilized.
2. Sensitive items are placed in a locked cabinet
3. Staff report Special Education equipment that meet NOTRE ECOLE thresholds that is lost, damaged or stolen to the Special Education Lead Teacher and Office Coordinator.
4. All testing assessments, protocols, manuals, etc., are maintained in a locked file cabinet.
5. All other curriculum, supplies, and equipment are monitored on a regular basis.
6. NOTRE ECOLE will perform and complete an investigation in the case of theft or vandalized equipment.
7. NOTRE ECOLE will contact the appropriate authorities including law enforcement authorities in the case of vandalism or theft.
8. NOTRE ECOLE'S established control system ensures adequate safeguards to prevent loss, damage, or theft of property.
9. Adequate maintenance procedures of 6 month and annual physical review to keep property in good condition.
10. Proper sales procedures for equipment that is no longer used are established for highest possible return including but not limited to price checking, advertisement, and school website.

SUPPORTING DOCUMENTATION:

Equipment Tracking Form – NOTRE ECOLE utilizes tracking software to identify all items purchased with federal funds, and ensuring proper documentation and coding. This tracks purchase, use, location, and disposition of items.

PHYSICAL INVENTORY

§200.327 Financial Reporting. Unless otherwise approved by OMB, the Federal-awarding agency may solicit only the standards, OMB-approved government wide data elements for collection of financial information (at time of publication the Federal Financial Report or such future collections as may be approved by OMB and listed on the OMB website).

This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances.

NOTRE ECOLE will assure the following documentation is in place for property valued above \$5,000

1. Inventory records will include the following information (see Inventory Form):
 - a. Required property record information
 - b. Description of the property
 - c. A serial number or other identification number
 - d. The source of funding for the property (including the FAIN)
 - e. Who holds title
 - f. The acquisition date and cost of the property
 - g. Percentage of federal participation in the project costs for the federal award under which the property was acquired
 - h. The location
 - i. The use and condition of the property
 - j. And any ultimate disposition data, including the date of the disposal and sale price of the property.
2. Physical inventory is taken and reconciled with property records at least annually.
3. The Office Coordinator, in conjunction with the Lead Special Education Teacher, will rotate the responsibility.

PROCEDURES FOR DISPOSITION OF EQUIPMENT IN EXCESS OF \$5,000

1. NOTRE ECOLE will establish a Uniform Finance Accounting and Reporting Standards (UFARS) unique Course Code for the purpose of tracking the receipts and expenditures of the sale of a piece of equipment that was federally funded.
2. NOTRE ECOLE will notify the Division of Program Finance at the Minnesota Department of Education in writing of the sale. The notice will include a description of the equipment, date of sale, proceeds of the sale, and the unique Course Code established by the district that will designate use of these funds.
3. NOTRE ECOLE will receipt the funds from the sale of the equipment with the appropriate UFARS Source Code and established Course Code.
4. NOTRE ECOLE will use a general journal entry to transfer \$850, or ten percent of the proceeds (whichever is less) for the district's selling and handling expenses.
5. The remaining funds from the sale of the equipment will only be used for the purpose of the delivery of special education and related services and will be accounted for using UFARS program code 400, Course Code as established with the appropriate expenditure UFARS Object Code.
6. NOTRE ECOLE will expend the funds from the sale of the equipment in the current fiscal year.
7. NOTRE ECOLE is aware that these expenditures will not be included in the calculation of the Maintenance of Effort requirement of the Individuals with Disabilities Act (IDEA).

8. NOTRE ECOLE will submit an Activity Report to the Division of Program Finance at the Minnesota Department of Education as required at the end of the fiscal year to document expenses.

PROCEDURES FOR DISPOSITION OF EQUIPMENT LESS THAN \$5,000

1. If the current per-unit fair market value is less than \$5,000, the equipment will be retained, sold, or otherwise disposed of with no further obligation.
2. A record of the date, reason, and method of disposal will be maintained with the equipment inventory as required under 34CFR 80.32(e)(1).

Adopted at a properly noticed meeting of the Board of Directors on 8/25/2019

Certified:



Secretary