

Southwest Georgia STEM Charter School
Policy F2: Federal Funds Procedures
Amended and Adopted: August 31st, 2022

The Governing Board of Southwest Georgia Stem Charter hereby adopts the following Federal Funds Procedures which shall be effective on the date the policy is adopted by the Board.

DEBARMENT AND SUSPENSION

Southwest Georgia S.T.E.M. Charter will not enter into contracts with vendors that are suspended or debarred. Covered transactions include those procurement contracts for goods and services awarded under a non-procurement transaction that are expected to equal or exceed \$25,000. Southwest Georgia S.T.E.M. Charter will utilize SAM to search vendors to check for suspended or debarred parties. The District will also maintain documentation of the search in the Program's office. The Federal Programs Director will look at total cost for vendors on a quarterly basis. If the totals over the course of the year exceed \$25,000, SAM will be utilized to search all vendors and documentation will be maintained. Contracts with consultants/vendors will be required to contain specific language on suspension and disbarment.

Full and Open Competition

All procurement transactions paid with Federal funds are conducted in a manner providing full and open competition. In an environment of full and open competition, no proposer or bidder has a competitive advantage over another. All potential proposers or bidders must be provided the same information and have the same opportunity to submit a bid or proposal. The district does not engage in the following situations that may restrict full and open competition, including but not limited to:

- * placing unreasonable requirements on business in order for them to qualify to do business;
- * requiring unnecessary experience and excessive bonding;
- * non-competitive pricing practices between business or between affiliated companies;
- * non-competitive contracts to consultants that are on retainer contracts;
- * organizational conflicts of interest;
- * specifying a brand name product instead of allowing an equal product to be offered and describing the performance or other relevant requirements of the procurement;
- and * any arbitrary action in the procurement process.

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The Chief Financial Officer is responsible for communicating this information and ensuring that no limits to open competition are created.

The district conducts federal procurement in a manner that prohibits imposed state or local geographical preferences in the evaluation of bids or proposals. The district takes necessary affirmative steps to assure that underutilized businesses are used when possible.

Solicitation

All solicitation will incorporate a clear and accurate description of the technical requirements for the materials, products, or service to be procured. Such description will not, in competitive procurements, contain features which unduly restrict competition.

Questions to ask before Goods or Services are Budgeted and Purchased

In accordance with 2 CFR Part 200, Subpart E, Cost Principles, all purchases made with federal funds, regardless of the method of purchase, must be determined to be:

- reasonable in cost;
 - necessary to carry out the objectives of the federal program;
 - allowable under the federal cost principles and the terms and conditions of the award;
- and
- allocable (chargeable or assignable) to the grant program based on the relative benefits received.

Expenditure of federal funds must meet the clause of “allocable, reasonable, and necessary.” When considering a purchase with federal funds, ask:

- a. Is the cost of goods or services chargeable or assignable to the federal award in accordance with relative benefits received (allocable)?
- b. Do I have the capacity to use what I am purchasing (reasonable)?
- c. Did I pay a fair rate, and can I prove it (reasonable)?
- d. Does this expenditure exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost (reasonable)?
- e. Is the proposed cost consistent with the underlying needs of the program (reasonable)?
- f. Do I really need this (necessary)?
- g. Do I need to spend these funds to meet the purposes and needs of the program (necessary)?

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h. Is this expenditure related to an identified area of need in an improvement plan (necessary, allowable)?

i. Would I be comfortable defending this purchase (allocable, reasonable, and necessary)?
The Federal Programs Director verifies the proposed purchase is necessary to accomplish the objectives of the grant program in that the expenditure is vital or required for the grant program to be successful by going through the approval chain. If a question of necessity arises, then additional justification is requested before final approval.

The approved PO is then faxed (or mailed) to the vendor. The Chief Financial Officer makes a copy of the complete packet and keeps it in a notebook for the Federal Programs Director. A notebook with complete packets is kept in the CFO's office as well.

Procedures for Purchasing and Monitoring of Funds

Each budget, based on needs and requests, is completed by the Federal Program Director. Once the necessary compilation is made by the Federal Programs Director and is submitted and approved by the state, the Federal Programs Director enters requisitions (as submitted by the principal and teachers/staff) via purchase orders, with the supporting evidence needed to support the request attached,

All Federal Programs purchase orders (PO) are:

1. Approved for compliance with the CLIP, budget, has supporting evidence to validate need and signed by the Federal Programs Director
2. Signed by the Principal
3. Signed by the Superintendent
4. Sent to the CFO

When the invoice is received in the central office from the vendor, the CFO matches the invoice to the PO. All Title invoices are sent to the Federal Programs Director who places the merchandise in the Media Center for processing. The Federal Program Director and one other person signs the packing slips for verification that merchandise was received. The two-signature packing slips are returned to the Finance Director as verification of goods received vendor check runs are completed. After the approval is obtained, the Finance Director enters the amount as a claim. The checks are run on blank stock and then pulled from the printer and signed by the two of the check approved signers, as all school checks are also required to be signed by two board approved signers. The checks are then processed for mailing. Southwest Georgia S.T.E.M. Charter uses the indirect cost calculation, chart of accounts, and Grants Accounting Online Reporting System (GAORS) provided by GADOE to plan, budget, expend, and draw funds. School and district level budgets are also built based upon the required set aside and amounts for neglected students,

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private school participation, homeless, parent involvement, professional learning for highly qualified teachers, and the other general provisions as required (public choice and supplemental services).

Methods for Procuring with Federal Funds

There are five methods that must be used when making purchases with federal funds. In some cases, these federal methods are less restrictive than the state and local requirements, if so then the local or state requirements must be followed. In all cases, the more restrictive requirements must be followed when making purchases with federal funds.

Micro-Purchases (Purchases up to \$3,000). §200.67 and §200.320(a).

Micro Purchase is a purchase of supplies or services using normal acquisition procedures, the aggregate amount does not exceed \$3,000 (except for construction subject to the Davis-Bacon Act which does not exceed \$2000). To the extent practicable, the district distributes micro purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if a non-federal entity considers the cost reasonable.

Small Purchases (Purchases between \$3,001 and \$24,999 in the Aggregate)

§200.320(b). The federal threshold for small purchases is \$150,000. However, the state threshold that does not require competitive bidding is \$100,000.

For purchases of goods or services between \$3001 and \$24,999

using federal funds, the LEA must obtain price or rate quotations from an adequate number (at least two) of qualified sources through a “relatively simple and informal process.”

Small Purchases of \$25,000 to \$99,999 in the Aggregate.

Purchases of \$25,000 to \$100,000 should follow the procedures for other small purchases between \$3001 and \$24,000.

Purchases of \$100,000 or More in the Aggregate.

Georgia Code 36-91-20 and 36-91-21 are followed for purchases of \$100,000 or more. Also, the Georgia Department of Education

guidelines are adhered to. One of the three following methods must be used, for purchases above \$100,000 when using federal funds: sealed bids; competitive proposals; or non-competitive proposals (sole source).

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Sealed Bids

Bids are publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitations for bids, is the lowest in price. A complete, adequate, and realistic

specifications or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the business; and the procurement lends itself to a firm fixed-price contract and the selection of the successful bidder can be made principally on the basis of price. The invitation for bids must be publicly advertised. All bids will be opened at the time and place prescribed in the invitation for bids. The bids must be opened publicly. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is the lowest. Any and all bids may be rejected if there is sound documented reason.

Competitive Proposals

A competitive proposal is normally used with more than one source submitting an offer and sealed bids are not appropriate. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Proposals must be solicited from an adequate number of qualified sources. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

Noncompetitive Proposals (Sole Sourcing)

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used when using federal funds only when one or more of the following circumstances apply:

- *The item is available only from a single source. This must be documented.

- *The public emergency for the requirement will not permit a delay resulting from competitive solicitation.

- *After solicitation of a number of sources, competition is determined inadequate.

Cost/Price Analysis for Federal Procurements in Excess of \$150,000

The district will make independent estimates of the goods and services being procured before receiving bids or proposals to get an estimate of how the goods

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and services are valued in the current market. To accomplish this, after bids and proposals are received, but before awarding a contract, the district will conduct either a price analysis or cost analysis, depending on the type of contract, in connection with every procurement with federal funds in excess of \$150,000.

Cost Analysis Non-competitive Contracts: The cost analysis involves a review of proposed costs by expense category, which includes an analysis of whether the costs are allowable, allocable, reasonable, and necessary to carry out the

contracted services. The cost analysis must be used for all non-competitive contracts, including sole source. When performing a cost analysis, the Financial Specialist negotiates a 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.

Price Analysis Competitive Contracts: The price analysis determines if the lump sum price is fair and reasonable based on current market value for comparable products or services. In general, the price analysis can only be used with competitive contracts and is usually used with fixed price contracts. Total cost must be reasonable in comparison to current market value for comparable products and services.

Equipment Disposition: no longer needed for original intent, loss, damage or theft

The District uses adequate safeguards to prevent loss, damage, or theft of the equipment. Control features include:

- Locks (for particularly valuable or vulnerable items)
- Access controls to storage buildings limit entry by unauthorized personnel
- Logs or sign-in sheets for certain items of property; for example, iPads, laptops, cameras, projectors
- Promptly entering items received into the inventory management system

Loss, damage and/or theft of equipment purchased with Federal funds is reported to the district level Federal Programs Director.

Documentation includes notification of loss, damage or theft of equipment and, if appropriate, any police reports.

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When property purchased with federal funds becomes obsolete, unusable or surplus to School

District needs, or is otherwise not in the school's best economic interests to retain, it may be disposed of by sealed bids, public auction or other means as practical or cost effective.

The sale, exchange or disposal of real property shall be approved by the Superintendent of Schools and reflected on the inventory.

Inventory records are maintained until equipment is disposed of or transferred to another federal program (minimum of 5 years). Records for real property and equipment acquired with federal funds are retained for three years after transfer or final disposition. Disposition/transfer will occur at the close of the federal program/school, if equipment is no longer needed for original intent and transferred to another federal program, or in the event the equipment is no longer usable. Equipment that is damaged, lost, or stolen will be reported to the Federal Programs Director. Damaged and inoperable equipment will be returned to the Federal Programs Office. The condition will be noted on the inventory spreadsheet. Records for items identified for disposition are maintained on the inventory for three years before final removal. Once disposed of, the Federal Programs Office will be informed and the appropriate notation will be made in the inventory records and documentation retained. A police report will be required for stolen property. Lost equipment will be verified by the principal and noted in the inventory. In the event that a federal program is no longer available, federally purchased equipment will be transferred equitably to the inventory of another functioning federal program.

Also, equipment with an acquisition cost of less than \$5,000 which is at least five years old and no longer effective may be purged or transferred to another location. This includes equipment for schools that have closed.

All sales of real property shall be approved by the Superintendent prior to the sale of such property; no private sales shall be made. The highest price possible will be sought. Sales will be publicized in advance of the sale date. All proceeds from sales shall be deposited in the general fund or some appropriate centralized fund.

When original or replacement equipment acquired with federal funds is no longer needed for the original project or program, the equipment may be retained, sold or disposed of, if it is not needed in any federally funded project or program. The LEA will need to ensure that records are kept and made available for monitors and auditors as to where the equipment was transferred.

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The following are the procedures to eliminate any equipment item from the inventory:

1. Equipment items with an acquisition cost/current per unit fair market (an explanation is provided in the Definitions section) value of less than \$5,000 and are more than three years old may be retained, sold or disposed of, with no further obligation to the District. The disposition of such items should be noted on the equipment inventory maintained by the LEA.
2. Equipment items with an acquisition cost of \$5,000 or more may be retained or sold and the awarding agency (District) shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency (District's) share of the equipment.
 - a. If the current per unit fair market value is \$5,000 or more, the equipment may be retained or sold and the awarding agency (Department) shall have a right to an amount calculated by multiplying the current market value or proceeds from the sale by the state's share of the equipment. However, the entity is permitted to deduct and retain from the state's share \$500 or 10-percent of the sales proceeds, whichever is less, for the entity's selling and handling expenses. Note: The Department does not require this of Georgia's Title I LEAs. To date, the Department has not required this action of LEAs for the sale of Title I property in a district. However, this procedure is outlined in EDGAR §80.32 Equipment (4) (e) and allows a state to require this process from their LEAs.
 - b. The disposition of such items should be noted on the equipment inventory maintained by the recipient. The recipient should include the date of disposal and sales price or the method used to determine current fair market value if the recipient compensates the state.

The Superintendent and Principal are not permitted to make Federal purchases before they are approved by the appropriate procedure. A streamlined process of approval is in place for purchases made with system credit cards, but prior approval is still required.

Federal programs inventory is maintained on a spreadsheet by the Federal Programs Director. The spreadsheet identifies/describes the item, date of purchase, location, serial number, FAIN number, vendor, unit cost, funding source, use, condition, and disposition. Equipment purchased with federal funds is permanently marked with a property inventory sticker. The Federal Programs Director and the

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CFO both keep copies of the spreadsheet and the master spreadsheet will be located on the shared drive of the server.

Location

All federally funded equipment is assigned a location within the school or district office upon receipt of the product. The location of the product will be noted in the school/system inventory spreadsheet.

Inventory

Inventory of all equipment and property belonging to any federal program is inventoried bi-annually. The Federal Program Director will verify an inventory of items purchased with federal funds early each fall and spring. Signed and dated inventory lists are given to the Federal Programs Director. The Federal Programs Director will make spot-checks of equipment and inventory to ensure inventory procedures are being followed. Materials purchased for use in federal programs will be labeled and be utilized in the capacity for which it was purchased. Any equipment, materials and/or supplies purchased with federal funds are considered solely for the use of that program.

LEASE OF EQUIPMENT

The school system does not lease equipment using Title funds.

USE OF EQUIPMENT IN TARGETED ASSISTED SCHOOLS

The school system does not have any targeted assistance schools.

SITE VISITS

The Federal Programs Director's office is located within the one school building. The Federal Programs Director will work with the Superintendent, Principal, faculty and staff using the State provided monitoring document and timeline to ensure that guidelines/deadlines are met for each program. Additionally, the Federal Programs Director will work with the Superintendent and Principal to correct any findings and answer any questions. There will be forms completed stating what the findings were, the corrective action plan created to address and correct the issues, and these forms will be signed and maintained in a folder in the Federal Programs Director

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EQUIPMENT DISPOSITION PROCEDURES

When computer equipment is no longer operational, it will be recycled or disposed of safely and securely. Schools are given the opportunity each summer to dispose of technology that is out of date or no longer operational. The Technology Director and the Federal Programs Director together to determine whether computer equipment is still functional. The Federal Programs Director tracks the disposal of the equipment. Inventory records are corrected, printed, and maintained by the Federal Programs Director. At the designated time, the outdated technology is brought to a predetermined location to be recycled. The Technology Department and Federal Programs Director works to dispose of and recycle all equipment. At that

time, the Federal Programs Director determines whatever is most appropriate for the equipment. Currently, the school system does not receive any money for the recycling or disposal of equipment.

CASH MANAGEMENT

INTERNAL CONTROL PROCEDURES

Southwest Georgia S.T.E.M. Charter School has compensating controls in place due to the limited number of staff available to adequately address separation of duties. The system uses compensating controls to mitigate errors and the risk of fraud. All will follow all Southwest Georgia S.T.E.M. Charter School policies and procedures to ensure compliance with respect to the use of Federal Funds. Southwest Georgia S.T.E.M. Charter School uses a Financial Accounting System that allows us to:

1. Provide the data necessary to prepare reports required by federal law.
2. Permit the tracing of funds to a level of expenditures adequate to demonstrate that the funds were used appropriately.
3. Southwest Georgia S.T.E.M. Charter School will maintain accurate, current, and complete financial information to facilitate financial reporting. This will show that the money was budgeted and spent in an allowable manner. Southwest Georgia S.T.E.M. Charter School will monitor the use of the monetary awards by maintaining a list of appropriate staff eligible for the award and a Financial Ledger entry to verify the staff member's receipt of money.
4. Accounting records — We can generate records that adequately identify the source and application of funds (i.e., which particular grant the funds came from and how they were spent). These records should include information about award amounts, how much an entity is authorized to spend, how much was obligated, how much was spent, and the unobligated balance.

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5. Source documentation — Southwest Georgia S.T.E.M. Charter School maintains supporting documentation sufficient to verify the accuracy of their accounting records. Documents may include bank records, payroll records, paid bills, receipts, time-and-effort records, contracts, etc.

6. Internal controls — Southwest Georgia S.T.E.M. Charter School has sufficient controls to ensure federal funds and properties purchased with federal funds are used only for authorized purposes. We have systems that include activities that prevent noncompliance from occurring (e.g., policies and procedures, adequate training, mechanized systems), detect noncompliance when it has occurred (e.g., routine reconciliations, monitoring, audits), and prevent noncompliance from reoccurring. Auditors are specifically responsible for testing an entity's internal controls and reporting on any deficiencies.

7. Budget controls — Southwest Georgia S.T.E.M. Charter School routinely compares the amount budgeted to the amount actually spent. This helps to monitor expenditures and ensure they are occurring as planned.

8. Allowable costs — Southwest Georgia S.T.E.M. Charter School implements controls to ensure all costs charged to federal funds are allowable and comply with federal cost principles.

9. Cash management — Southwest Georgia S.T.E.M. Charter School requests only the amount of money they require for their immediate needs. The goal of cash management is to ensure entities do not keep federal funds on hand for long periods.

10. Segregation of Duties – Segregation of duties is critical to effective internal control because it reduces the risk of mistakes and inappropriate actions. Adequate segregation of duties reduces the likelihood that errors both intentional and unintentional, will remain undetected by providing for separate processing by different individuals at various stages of a transaction and for independent reviews of the work performed.

SEGREGATION OF DUTIES

The basic idea underlying segregation of duties is that no employee or group should be in a position both to perpetrate and to conceal errors or fraud in the normal course of their duties.

In general, the principal incompatible duties to be segregated are:

Custody of assets

Authorization or approval of related transactions affecting those assets

Recording or reporting of related transactions

Execution of the transaction or transaction activity

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No one person should:

- Initiate a transaction
- Approve a transaction
- Record a transaction
- Reconcile balances
- Handle assets
- Review Reports

With our internal controls, we will be able to verify that the implementation of this award is conducted in an appropriate manner and to ensure that we avoid fraud and error.

Requisition of Equipment

Southwest Georgia S.T.E.M. Charter School requires a purchase order or check request for all purchases (all federal purchase orders are approved by the director of federal programs.)

Purchase Orders

Completing the Purchase Order

1. Electronic purchase orders are generated using eforms. The required information includes purchase requisition date, vendor name and address, ship to address, funding information, quantity and item descriptions, individual price of items, evidence to support the need and total amount of purchase order.
2. Select personnel can initiate purchase requisitions for approval by the director of federal programs.

Approving the Purchase Order

1. After the purchase requisition is initiated, it should be submitted via eforms to the program director. After the director approves, the purchase order will be submitted to the CFO for final approval. The purchase order is then assigned a requisition number.
2. After the purchase order has been assigned a number, it will be processed for ordering via email, faxing, phoning, etc.

Paying the Purchase Order

1. When materials are received, a copy of the packing information and/or invoice should be returned to the accounts payable department to be reconciled with the invoice for payment. When applicable, the receiving agent at each school is responsible for checking orders received and sending required purchase order

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copies to the finance office. Items received, backordered, or canceled should be clearly noted. In case of a partial shipment, the receiving agent should send a copy of the packing slip and indicate items not received. A copy of the purchase order should be held until the last item is received.

PROFESSIONAL LEARNING STIPENDS

Southwest Georgia S.T.E.M. Charter provides continual professional learning for educators. In accordance with federal programs guidelines, teachers are paid professional learning stipends for off-contract hours during the summer and/or

other days such as work adjusted days. To be eligible for a stipend, the following criteria must be met:

1. The professional learning is **required** to be part of the school's and/or the system's improvement plan.
2. The professional learning stipends can only be used to pay academic area content teachers and paraprofessionals in grades K-12.
3. Participants must complete and submit approval and/or RSVP form to the Federal Programs Director prior to the training.
4. Upon completion of the professional learning session, the participant must turn in an agenda, travel form with mileage verification (MapQuest) with all required signatures to the Federal Programs Director.
5. The Federal Programs Director will verify all of the above and then sign off on the timesheet which will then be submitted for payment to the CFO.
6. Payment of stipends will follow WCSS' payroll calendar. Submittals made after the due date for leave sheets will be paid the following month.
7. Payment of stipends will follow the SGSC's stipend procedure.

Federal funds may be utilized for stipends and other compensation upon the approval from the director of federal programs. Educators attending professional learning outside of a regular contract day shall receive a stipend of \$200 per day while teachers completing the training.

NOTE: ALL TERMS OF THE PROFESSIONAL LEARNING REQUIREMENTS MUST BE MET TO QUALIFY FOR PAYMENT.

DRAWDOWN PROCEDURES

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Funds are drawn down based on actual program expenditures. It is the responsibility of the director of federal programs and the CFO to work together to review all program expenditures on a monthly basis after budget approval to review all program expenditures before funds are drawn down from GAORS. Moreover, the following practices are observed:

- The Director of Federal Programs and CFO should review the federal program expenditures on a monthly basis prior to the drawdown of funds once the federal program budget has been approved by the Georgia Department of Education. All program budgets must be reviewed monthly to ensure that all expenditures charged to a given program are allowable.
- The Director of Federal Programs will have a monthly meeting with the School Leader to review the request for expenditures for the month. Expenditures that are approved will be signed off on by the School Leader. Expenditures that are not approved will be returned to the originator stating the reason for denial.
- The Director of Federal Programs will review expense reports and sign the grants review sheets to initiate the drawdown of funds, this will also require the signature the Principal and the Superintendent
- Grants will be drawn down on a monthly basis for each month that expenditures occur and that the GaDOE GAORS module permits a request. (GAORS requests are available after budgets are approved.) In lieu of a drawdown request, the completion report will be used to generate the funds requests during the budget's final month.
- The CFO should perform a periodic review of the general ledger.
- There is no cash involved as all drawdowns are directly deposited into the district's general fund account.
- Drawdowns are based on funds actually expended rather than projected expenses.
- The CFO reviews reconciliations on bank statements.
- All reporting documentation related to drawdowns are maintained by the director of federal programs and may be reviewed upon request

PILFERABLE (WALKABLE)

A January 2010, audit report by the Office of Inspector General (OIG) on the State of Pennsylvania's Philadelphia Title I programs indicated that a large number of what was termed as pilferable items were not included on any inventory report. Pilferable items are defined as those items that may easily be lost or stolen. There has been significant advancement in technology and many significant technology items are now available for well under \$5,000 per unit cost. As a result of the OIG 2010 Philadelphia Audit Report, items considered to be pilferable items and purchased with federal funds must

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now be included on any inventory report. Pilferable items include, but not limited to: cell phones, iPads, tablets, iPods, graphing calculators, software, projectors, cameras, camcorders, DVD players, computer equipment, and televisions.

REPORTING PROCEDURES

Copies of completion reports for the previous fiscal year will be kept on file in the CFO's office. Accounting records to support the results of outlays (expenditures indicated in the completion report will be kept on file in the Title I office and Finance Department. Copies of expenditure (cumulative through) reports for the respective quarter for total expenditures reported to GaDOE will be kept on file in the Title I office and Finance Department. The CFO will print a budget summary and detailed expenditure reports for all 400,402, 403, and 430 funds for the Federal Programs Director to review. The Federal Programs Director reviews budget summary reports with the CFO.

Section 8: WITHIN DISTRICT ALLOCATION PROCEDURES

Title I is a federally funded program which provides services to schools based on student economic needs. Title I is the largest Federal Assistance Program for our nation's schools. The goal is to provide a high-quality education for every child, so the program provides extra help to students who need it most. These students are the furthest from meeting the core academic standards the state has set for all children. The College and Career Readiness Performance Index (CCRPI) is the Georgia ESEA Accountability Tool used to determine school progress. For more information on the district's CCRPI data visit www.doe.k12.ga.us.

Allocation Selection and Requirements After receiving notification of the Title I, Part A award from the Georgia Department of Education, required set-asides are accounted for and administrative costs are also a part of these set-asides. The remainder of Title I funds are allocated to schools in rank order based on per pupil allocation, as determined by the percentage of students qualifying for free and reduced price meals.

Documentation of LEA selection and allocation requirements are provided to Georgia Department of Education:

1. Enrollment report from the previous October FTE
2. School nutrition report from the previous October
3. Evidence of correctly calculated districtwide poverty average rank.

ATTENDANCE AREA DETERMINATION

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Southwest Georgia S.T.E.M. Charter **only has one school. Therefore, attendance area determination is not needed to establish rank order.**

A local educational agency (LEA) shall use funds received under the Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA) only in eligible school attendance areas. The term *school attendance area* means, in relation to a particular school, the geographical area in which the children who are normally served by that school reside; and the term *eligible school attendance area* means a school attendance area in which the percentage of children from low-income families is at least as high as the percentage of children from low-income families served by the LEA as a whole.

The following points summarize the requirements of Section 1113 of ESEA and 200.77 and §§200.78 of the Title I regulations for identifying eligible school

attendance areas; selecting those eligible areas that will participate in Title I, Part A; and allocating Title I, Part A funds to *participating areas*:

GENERAL SELECTION REQUIREMENTS

1. An LEA must rank **all** of its school attendance areas (the geographic area from which a public school draws its children) according to their percent of poverty.

An LEA must use the same measure of poverty for:

- Identifying eligible school attendance areas
- Determining the ranking of each area
- Determining the allocation for each area.

The LEA must select a poverty measure from the following options:

- Children ages 5 to 17 in poverty as counted in the most recent census data approved by the Secretary.
- Children eligible for free or reduced price meals (FRM) under the Richard B. Russell National School Lunch Act.
- Children in families receiving assistance under the state program funded under Title IV, Part A of the Social Security Act Temporary Assistance for Needy Families (TANF).
- Children eligible to receive medical assistance under the Medicaid program.
- A composite of any of the above measures.

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An LEA must rank school attendance areas based on the **percentage** (not the number) of low-income children counted.

2. After an LEA has ranked all of its school attendance areas by poverty, the LEA must first serve, in rank order of poverty, its areas above 75 percent poverty, including **any** middle schools or high schools.
3. Only after an LEA has served all of its areas with a poverty rate above 75 percent may the LEA serve lower-ranked areas. The LEA has the option to (1) continue on with the district-wide ranking or (2) rank remaining areas by grade span groupings.

The same district-wide poverty average must be used if the LEA selects option (1).

For ranking by grade span groupings, the LEA may use (1) the district-wide poverty average or (2) the district-wide grade span poverty averages for the relevant grade span grouping.

If an LEA has no school attendance areas above 75 percent poverty, the LEA may rank its schools district-wide or by grade span groupings.

An LEA's organization of its schools defines its grade span groupings. For example, if an LEA has elementary schools serving all elementary grades, middle schools, and high schools, the grade span groupings would be grades K to 5, 6 to 8, and 9 to 12. To the extent an LEA has schools that overlap grade spans (e.g., K to 5, K to 8, 6 to 8); the LEA should include a school in the grade span in which it is most appropriate.

4. An LEA with an enrollment of less than 1,000 students or with only one school per grade span is not required to rank its school attendance areas.

LEA Discretion in Selecting Participating Areas and Schools

5. An LEA may:

Designate as eligible any school attendance area or school in which at least 35 percent of the children are from low-income families - i.e., the 35 percent rule.

Use Title I, Part A funds in a school that does not serve an eligible school attendance area if the percentage of children from low-income families enrolled in the school is equal to or greater than the percentage of such children in a participating school attendance area of the LEA.

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Elect not to serve an eligible school attendance area or school that has a higher percentage of children from low-income families (than a school that is served) if:

- The school meets the Title I comparability requirements.
- The school is receiving supplemental funds from other state or local sources that are spent according to the requirements of Sections 1114 or 1115 of ESEA.
- The funds expended from such other sources equal or exceed the amount that would be provided under Title I, Part A.
- For one additional year only, designate and serve a school attendance area or school that is no longer eligible but was eligible and served in the preceding year. When using this option, an LEA must meet the requirement to serve schools in rank order.

If Southwest Georgia S.T.E.M. Charter had more than one school per grade band the District would use the following ranking procedure for its CEO schools:

Community Eligibility Option (CEO) (N/A for Southwest Georgia S.T.E.M. Charter)

With the passage of the Healthy, Hunger-Free Kids Act of 2010 (Act), the National School Lunch Program now includes a new universal meal program, the Community Eligibility Option, which is being phased in over several years by the U.S. Department of Agriculture (USDA). The Community Eligibility Option (CEO) permits eligible schools to provide meal service to all students at no charge, regardless of economic status. The CEO uses only direct certification data, such as data from the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF) program to determine the Federal cash reimbursement provided by USDA. CEO will not rely on annual household applications that are generally used to determine eligibility for free or reduced meals (FRM). The following procedures would be implemented to determine rank order for the CEO at Southwest Georgia S.T.E.M. Charter.

The Food Service Department provides a list, by school, of the number of students who are direct certified (DCs) Students through SNAP (Supplemental Nutrition Assistance Program) or TANF (Temporary Assistance for Needy Families), Extended Eligible (students “attached” to DCs), Homeless, Runaways, Migrant, Foster children, and/or approved by Local Officials. This information is entered into the Food Service form “District CEO Participation by Site”. Also, the Food Service

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Director signs off on the FTE October report verifying the number of Pre-K students at each elementary school who are DC for Free and Reduced Lunch.

This number is entered into the Eligible Attendance Area worksheet in the column “economically disadvantaged students identified by data for school lunch program minus Pre-K”

This number may or may not be multiplied by the 1.6 multiplier to give the percentage of SGSC students by school.

Each school is then ranked from highest to lowest percentage.

If a new school is opened or one decides to pull out of CEO the following procedures will be followed.

Non-CEO Schools Eligible Attendance Area Worksheet and Rank Order Procedures

1. Pull Free and Reduced (F&R) information from GaDOE website. You must use the previous year’s 1st October Free and Reduced Lunch Count and the previous year’s 1st October FTE. The FTE count is for enrollment. The Free and Reduced Lunch Count is used for determining the number of free and reduced meals.
2. This process should take place starting in April.
3. If applicable: Determine new schools or schools that are being redistricted/ rezoned. You will also need to request the names of the students being moved from one school to another in this rezoning/redistricting process in order to obtain a count. This information may be obtained from the Instruction and/or Transportation Director.
4. Request the free and reduced information for students affected by moving to a different school due to a new school opening or redistricting/ rezoning. This information is obtained from the Nutrition Department.
5. For each school, list the schools receiving students and indicate the number of free and reduced lunch students.
6. Place all information for all schools in the district on the large spreadsheet
7. Complete Worksheet for Determining the Number of Students Moved. Complete the Worksheet for Eligible Attendance for the Consolidated Applications process.

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Southwest Georgia S.T.E.M. Charter does not have any Targeted Assistance Title I programs Schoolwide Programs where participation is offered to a select group of eligible Title I students.

Title I, Part A – Improving Academic Achievement of the Disadvantaged

ALLOCATIONS AND CARRYOVER

ALLOCATIONS

Title I is a federally funded program which provides services to schools based on student economic needs. Title I is the largest Federal Assistance Program for our nation's schools. The goal is to provide a high-quality education for every child, so the program provides extra help to students who need it most. These students are the furthest from meeting the core academic standards the state has set for all children. The College and Career Readiness Performance Index (CCRPI) is the Georgia ESEA Accountability Tool used to determine school progress. For more information on the district's CCRPI data visit www.doe.k12.ga.us.

Title Allocation Selection and Requirements

After receiving notification of the Title I, Part A award from the Georgia Department of Education, required set-asides are accounted for and administrative costs are also a part of these set-asides. The remainder of Title I funds are allocated to schools in rank order based on per pupil allocation, as determined by the percentage of students qualifying for free and reduced price meals.

Documentation of LEA selection and allocation requirements are provided to Georgia Department of Education:

1. Enrollment report from the previous October FTE
2. School nutrition report from the previous October
3. Evidence of correctly calculated districtwide poverty average

CARRYOVER

Typically, carryover funds are allocated in one of two ways: (1) to schools by increasing the per pupil amount or (2) the funds are allocated back to all the schools on an equal basis, giving each school an opportunity to spend the funds. Either way, schools must submit a written description of the expenditure requests.

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Equitable services are also recalculated depending on an allocation of funds for district level activities.

Monthly budget sheets are monitored regularly throughout the year and calculations are made from these near the end of the school year to determine that no more than 15% will be carried into the following year. The Federal Program Director tracks the spending of each program/school through the year via budget sheets. At the end of the school year, carryover information is updated and reviewed.

Southwest Georgia S.T.E.M. Charter does not receive \$500,000.00 in Title I funds and does not have a FLP so this does not apply:

To determine the amount of carryover for parental involvement and FLP, the Title I Director first obtains a copy of the previous year's set aside page of the consolidated application.

The Title I Director obtains an expenditure report/ completion report from the CFO to verify expenditures for parental involvement and FLP. The Title I Director compares the required amount to the expended amount. If less funds have been expended than required, that is the carryover. If equal or more funds have been spent, then no carryover is required.

RESERVATION OF FUNDS

Parent Involvement Set Aside: With parent input, principals have the option to expend their 90% portion of the required 1% set aside for parental involvement or submitting funds back to the system level for a districtwide parent involvement activity. Title I carryover from the previous fiscal year is calculated and allocated back to the schools to use for allowable parental involvement activities.

Flexible Learning Programs (FLP): Southwest Georgia S.T.E.M. Charter School does not have any Title I schools which require a FLP. In the event that any Title I schools are identified as Priority or Focus, five percent of the Title I, Part A allocation will be reserved for FLPs.

Homeless Children and Youth: All Title I schools are required to set aside funds within their budget to meet the needs of the homeless children and youth. The amounts that are allocated to this fund are revisited as needed to ensure needs are being met. In each enrollment package, a home survey is included to determine the students that may be identified as homeless. The Federal Program director will investigate the

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situation to determine the situation and if the child/children qualify. If the children do qualify, the Federal Program Director will notify the student information coordinator and the Director of Food and Nutrition. If the child is approved the funds will pay for needs, supplies, and tutoring services.

Neglected and Delinquent: Southwest Georgia S.T.E.M. Charter does not

Private Schools: Southwest Georgia S.T.E.M. Charter does not serve any private schools

EQUIPMENT & REAL PROPERTY MANAGEMENT

Acquisition of Federally Funded Equipment (2 CFR 200.33)

1. All purchases must be preapproved and aligned with the school's schoolwide/school improvement plan. Schools will submit requests to the Federal Programs Director for pre-approval.
2. Schools will consult the SGSC IT Provider for price quoting and requirements of technology related equipment.
3. The school will submit the purchase order request(s) to the Federal Programs Director for approval.
4. All equipment items will be delivered to the federal programs office or the school, as determined by the Federal Programs Director.
5. When inventory is received:
 - a. Inventory all items in accordance with all federal regulations.
 - b. Inventory stickers are issued, and items are labeled.
 - c. In the case of electronic equipment, the SGSC IT Provide will coordinate the installation.
 - d. School and District inventory spreadsheets will be updated with the new equipment.

Equipment Management (2 CFR 200.313(d))

An inventory of tangible personal property having a useful life of more than one year will be maintained at the system and/or school level. This includes all items purchased under state object codes 615 (expendable equipment) and 616 (expendable computer equipment). Inventories are kept in a database utilizing an asset tracking and management system that at a minimum includes the following: description of property, serial number or other identification number, funding source, FAIN number (on grant award), acquisition date, purchase price, location of asset,

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disposal date, and sale price of property. Spreadsheets of the inventory are printed upon request and as needed. The database is managed by the SGSC IT Provider.

Off-Site Use of Equipment

Every precaution must be taken to ensure that equipment used off-site by personnel and students is used for academic purposes and that the equipment is returned at the end of use free of damage and in good working order. Detailed records must be maintained on the equipment, its location, to whom it is checked out, and when it is returned.

Property Inventory and Annual Inventory Procedures (2 CFR 200.313(2))

Inventory of all equipment and property belonging to any federal program is maintained in a district database maintained by the SGSC IT Provider. This information will be identified and inventoried on an annual basis. The federal program coordinator will randomly check equipment annually. It is also recommended that a building-level administrator verify an inventory of items purchased with federal funds each spring. The SGSC IT Provider will maintain records of the annual inventory updates. Materials purchased for use in federal programs will be properly labeled and utilized in the capacity for which it was purchased. Any equipment, materials, and/or supplies purchased with federal funds are considered solely for the use of that program.

Equipment Disposition (2 CFR 200.333(a-f))

The following guidelines must be followed:

- Once a piece of equipment that was purchased with Title funds is no longer being used for its originally intended purpose, it can be designated as surplus. Once designated as surplus, the item can be used for a different purpose outside of Title guidelines. School-based

representatives must request approval from both the principal and the appropriate Title coordinator before items are designated as surplus so that a consensus is reached that the original purpose or intent has been met. An email is sufficient to achieve this.

- Items that are no longer usable will be disposed of or recycled.
- Lost equipment will be verified by the principal and noted in the inventory.
- The date of disposition must be entered on the inventory sheet.
- Once the disposition date has been entered onto the inventory form, the item can be repurposed, recycled, or disposed of. However, the item must remain on the inventory sheet for five years from the date of disposition before it can be removed from the inventory spreadsheet. Schools have controls in place to eliminate loss or theft of equipment. Controls may include locks, security cameras, logs, or sign-out procedures.

In the event that a federal program is no longer available, federally purchased equipment will be

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transferred equitably to the inventory of another functioning federal program.

Equipment costing less than \$5,000 at the time of purchase and more than three years old can be retained, sold, or disposed of, with no obligation to GaDOE. Equipment costing \$5,000 or more at the time of purchase may be retained or sold with the awarding agency (GaDOE) having rights to the state's share at \$500 or 10% of sales. The school system does not lease equipment using Title funds.

Monitoring of Equipment

All equipment purchased is monitored by the appropriate federal program coordinator, SGSC , and school-level administration or their designee(s). All equipment purchased by schools is properly labeled with an identification number and documented on the inventory spreadsheet.

Safeguards Related to Loss, Damage, or Theft of Equipment

Every effort must be made to prevent loss, damage, or theft of equipment. The first strategy to safeguard equipment is to maintain an up-to-date inventory. In addition, all items must have an inventory/asset tag or other approved labeling. Annual inventory checks are completed.

In the event equipment or technology purchased with federal funds is intentionally damaged or stolen, the following procedure will be followed:

1. File an incident report with the SGSC IT Provider
2. Attach the incident report to a Disposal Form and submit it to the Technology Department.
3. Make corrections to the inventory spreadsheet.
4. Send an email notifying the appropriate federal program coordinator that the inventory has been updated.

Safeguarding Funds, Property, and Assets from Unauthorized Use or Disposition

Materials purchased for use in any federal program will be properly labeled and utilized in the capacity for which it was purchased. Any equipment, materials, and/or supplies purchased with federal funds are considered solely for the use of that program until such time the equipment is no longer needed to meet the original purpose for which it was purchased. Proper procedures must be followed before equipment disposal.

Procedures for Relocating Equipment

SGSC IT Provider also maintains an inventory of all electronic equipment. Technology equipment may only be relocated by the SGSC IT Provider . Requests for relocation must be made via the SGSC IT Provider helpdesk, and updates to the federal inventory form must be

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made immediately.

Equipment Use for Title I, Part A
Equipment Use for Private Schools

The school system does not serve any private schools. If the system did serve private schools, the same internal controls will be followed to create requisitions and inventory and maintain equipment. If equipment is designated for student use, it can only be used by eligible students as determined through a mutual agreement between the LEA and private school within federal program guidelines. The Federal Programs Director will work cooperatively with private school officials to ensure equipment is properly maintained and is safeguarded from theft, damage, loss, and abuse.

Maintenance Procedures to Keep Property in Good Condition

The Federal Programs Director and the SGSC IT Provider , with the assistance of the principals or designee, will ensure that equipment is maintained on an inventory sheet on their Excel spreadsheet as outlined in this handbook with all required information. All parties listed will work to ensure that equipment is properly maintained to ensure longevity. Accurate records will be maintained about the current condition of equipment purchased with federal funds. When equipment is not functioning, members of the SGSC IT Provider are responsible for making necessary repairs or service or are deemed as unusable.

Process for Disseminating Inventory Procedures

The Title I Director with the assistance of the SGSC IT Provider is responsible for ensuring that principals and site coordinators are knowledgeable about allowable procedures for the use of

Title-funded equipment and established procedures for maintaining an accurate inventory of equipment. These procedures are shared annually during a federal programs update in an administrative meeting.