

**Dawson Career and Technical Education
Written Policy Requirements
for Carl D. Perkins Federal Grant**



Board Approved 7/1/2015

Table of Contents

I. Introduction.....	Page 1
II. Cash Management.....	Page 3
III. Allowability.....	Page 5
IV. Travel.....	Page 11
V. Conflict of Interest.....	Page 12
VI. Gratuities and Reimbursable Expenses.....	Page 13
VII. Procurement.....	Page 17
VIII. Managing Perkins Equipment.....	Page 20

Introduction

On December 19, 2014, the U.S. Department of Education (ED) released the newly updated Education Department General Administrative Regulations (EDGAR). This change was due to the Office of Management and Budget's (OMB) publication of the final Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (known as the Uniform Grants Guidance or UGG) in 2013, which consolidated OMB Circulars A-21, A-87, A-89, A-102 and A-110, A-122, A-133 into a uniform set of rules.

Fiscal Grants Management and Compliance with EDGAR

There are certain federal fiscal grants management requirements that apply to all grants generated by the U.S. Department of Education ("ED"), including the Perkins grant. These requirements can be found in the **Education Department General Administrative Regulations ("EDGAR")**. Grant recipients must not only comply with all aspects of the grant statute itself, but also with all applicable EDGAR requirements. This section discusses the applicable EDGAR requirements.

Financial Management System EDGAR Requirements

The financial management system of a grantee of federal funds is the system in place that tracks the expenditure and accounting of grants funds. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in return of funds or termination of the award.

EDGAR contains the standards for financial management systems. The standards include:

1. **Financial Reporting.** Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or sub-grant.
2. **Accounting records.** Grantees and sub-grantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or sub-grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and incomes.
3. **Internal controls.** Effective control and accountability must be maintained for all grant and sub-grant cash, real and personal property, and other assets. Grantees and sub-grantees must adequately safeguard all such property and must assure that it is used solely for authorized purposes.
4. **Budget control.** Actual expenditures or outlays must be compared with budgeted amounts for each grant or sub-grant. Financial information must be related to performance or productivity data, including the development of division cost information whenever appropriate or specifically required in the grant or sub-grant agreement. If division cost data are required, estimates based on available documentation will be accepted whenever possible.
5. **Allowable cost.** Applicable OMB cost principles, agency program regulations, and the terms of grant and sub-grant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.

6. **Source Documentation.** Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and sub-grant award documents, etc.
7. **Cash management.** Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and sub-grantees must be followed whenever advance payment procedures are used. Grantees must establish reasonable procedures to ensure the receipt of reports on sub-grantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transaction reports to the awarding agency.

Pass Through

Arkansas is a reimbursement state; payments are made within 30 calendar days after receipt of the billing. District General Business Managers upload data into Arkansas Public School Computer Network (APSCN). Loaded data is in Cognos and pulled once a month (second Monday of each month) and reimbursements are made on negative fund balances. Pass through cannot require separate depository accounts. Accounts must be interest bearing (unless otherwise stated), and interest up to \$500 may be retained by the non-federal entity for administrative purposes. **C.F.R. 200.305 (Bonding Requirements)**

Written Allowability Procedures

Due to the U.S. Department of Education newly released and updated Education Department General Administrative Regulations (EDGAR) written policies for determining allowability of costs is required for non-Federal entities. **2 C.F.R. 200.400**

The written polices for determining allowability of costs will be written in accordance with Subpart E-Cost Principles. The written policies for the non-Federal entity will cover Cash Management Procedures 2 C.F.R. 200.302 (b)(6), Allowability Procedures 2 C.F.R. 200.302 (b)(7), Procedures for Managing Equipment 2 C.F.R. 200.318 (d), Written Standards of Conduct Covering Conflicts of Interest 2 C.F.R. 200.318(c), Procurement Procedures 2 C.F.R. 200.319(c), Written Compensation and Leave Policies 2 C.F.R. 200.430, and Travel Policies 2 C.F.R. 200.474 and 200.464.

CASH MANAGEMENT

Fiscal Year

The Cooperative's fiscal year shall begin July 1 and end on the following June 30.

Legal Reference: A.C.A. § 6-20-410

Date Adopted: 3/14/2012

Annual Operating Budget

The Director and the Business Office Staff shall be responsible for the preparation of the annual operating budget for the Cooperative. The Director shall present the budget to the Board for its review, modification, and approval. The budget shall be prepared in the electronic format as prescribed by the State Board of Education and filed with the Arkansas Department of Education no later than September 15 of each year. The approved budget shall provide for expenditures that are within anticipated revenues and reserves. The Cooperative Treasurer shall present a statement on the general financial condition of the Cooperative monthly to the Board.

Legal References: A.C.A. § 6-17-914

A.C.A. § 6-13-701 © (3)

A.C.A. § 6-20-2202

Date Adopted: 3/14/2012

Property Insurance

The Director shall be responsible, with approval of the Board, for maintaining adequate insurance coverage for all Cooperative properties.

Date Adopted: 3/14/2012

Federal Government Grant Funds

The Director or his/her designee shall develop procedures governing the procurement, use, management, and disposal of goods, materials, and equipment purchased with federal grant funds. At a minimum, the procedures will cover the following topics.

- ensuring that expenditures of federal grant funds are done in accordance with the requirements placed on those funds by the federal government and/or the procurement requirements.
- labeling all goods, materials, and equipment purchased with federal funds;
- establishing adequate controls to account for their location, custody, and security;
- annually auditing the inventory of equipment purchased with federal funds and updating a listing of such equipment to reconcile the audit with the Cooperative's inventory system. The audit will be documented and account for any transfers and/or disposals of equipment purchased with federal funds.

Legal Reference: 34CFR80.3 through 80.52

Date Adopted: 3/14/2012

CASH MANAGEMENT cont'd

Dawson Educational Cooperative will use APSCN as the financial management and accounting system for Perkins Federal Grant. The Arkansas Department of Career and Technical Education must expend and account for the federal award in accordance with state laws. In addition, the financial management systems, including records documenting compliance, must be sufficient to permit the preparation of reports required; and the tracing of funds to expenditures adequately to establish that funds have been used according to Federal statutes, regulations, and the terms and conditions of Federal award. **C.F.R. 200.302 (Financial Management)**

Budget

Federal grant allocations are communicated to public school districts on an annual basis by the Arkansas Department of Career Education. By September 30th of every year, all public school districts' budgets are entered into eFinancePlus, and each federal grant and funding source is coded so that it can be easily tracked. The finance office of each school district is responsible for managing its federal grants' budgets throughout the fiscal year.

Budget Revisions: Budget revisions for federal grants may be made throughout the fiscal year upon approval from the Arkansas Department of Career and Technical Education. The annual deadline to submit budget revisions is determined by the Arkansas Department of Career and Technical Education.

Purchasing

Purchases involving federal funds shall take into consideration the school district's purchasing requests, Arkansas Annotated Code, and applicable EDGAR requirements. For example; if Perkins money will be used to purchase computers for a district, the district may request a certain brand of equipment. All requests and guidelines should follow Arkansas Annotated Code and EDGAR requirements.

ALLOWABILITY

Each local secondary recipient is required to follow OMB (Office of Management and Budget) Circular A-87. Circular A-87 contains a discussion of how to determine if an expense is allocable and reasonable, specific unallowable expense categories (although the state may set more stringent definitions if desired), and explanation of the documentation required if salaries are paid with federal funds. The website to obtain copies of the OMB circulars is as follows: <http://www.whitehouse.gov/omb/circulars/index.html>. In addition, because these are federal education funds, all applicable regulations from EDGAR (Education Department General Administrative Regulations) must be followed. This publication is available at the following web site: <http://www.ecfr.gov>

In addition to the OMB circulars and EDGAR regulation, the Perkins Act contains a prohibition on expenditures for activities below the 7th grade.

The Perkins Act also has non-supplanting requirements described as follows: Federal grant funds must supplement and not supplant state or local funds (Perkins Act Section 311). Federal funds may not result in a decrease in state or local funding that would have been available to conduct the activity had federal funds not been received. Specific examples are found in OMB Circular A-133 Compliance Supplement (4.84.000).

In the following instances, it is presumed that supplanting has occurred:

- a.) The LEA used federal funds to provide services that the LEA was required to make available under other federal, state, or local laws.
- b.) The LEA used federal funds to provide services that the LEA provided with non-federal funds in the prior year. (One critical question in determining whether there has been a supplanting violation is whether federal funds were used instead of funds from nonfederal sources. You will have to document that the federally-funded activity would not have been funded by state or non-federal sources.)
- c.) The LEA provides the same services to other students with non-federal funds.

Because Perkins is a state-administered program, the state may elect to have more stringent requirements on the expenditure of funds that might be allowed by the Act or federal regulations.

Selected Items of Cost

All Costs Must Be:

- Necessary
- Reasonable
- Allocable
- Legal under state and local law
- Net of all applicable credits
- Adequately documented.

Below is summary of questions to ask while determining allowable costs.

- Is the proposed cost consistent with federal cost principles?
- Is the proposed cost allowable under the relevant program?
- Is the proposed cost consistent with an approved program plan and budget?
- Is the proposed cost consistent with program specific fiscal rules?
- Is the proposed cost consistent with EDGAR and OMB Guidance?
- Is the proposed cost consistent with special conditions imposed on the grant?
- Is the proposed cost consistent with the underlying needs of the program?
- Data driven decision making used?
- Does it target funds to areas of weakness?

Administrative Activities versus Program Activities

Administrative activities are duties that involve the administration of the grant funds. These include developing the local plan and annual application, assuring compliance with applicable federal and/or state laws and regulations, secretarial and administrative assistance salaries for assisting with these activities, accounting/purchasing activities with the grant funds, inventory monitoring, etc. Administrative expense is limited to 5% of the grant. On the other hand, program activities are those things done that carry out the projects and activities approved in the application. These include curriculum development, personnel development, providing career guidance, developing mentoring and support services/programs for CTE students, etc.

Advisory Committees and/or Industry Councils

The Perkins Act in Section 134 (b) (5) requires recipients to address how various groups of interested individuals and entities (including business, industry, and labor organizations) will be involved and included in the development, implementation, and evaluation of the CTE programs. Documentation such as the agenda, minutes and list of attendees should be maintained and kept on file for up to five years.

Building Maintenance and Construction Projects

One of the allowable expenditures noted in the OMB Cost Principles 200.452 is renovation or maintenance, operations, and repairs. However, the Arkansas Department of Career Education will **NOT** allow this type of expenditure with the very limited federal Perkins funds that we have available. The state emphasizes program improvement – not building repair or maintenance. The individual school district must take some responsibility to providing the minimum support necessary for the career and technical program – such as minimum classroom and program equipment, materials/supplies and teacher salary necessary to operate the program. Within Dawson Education Cooperative, the federal Perkins funds will continue to be focused toward raising the programs above the status quo, introducing new curriculum and new technology, and providing teacher in service and professional development necessary to improve the instruction and increase student achievement on the performance indicators. Because the expense may be allowable under the regulations does not negate the state's authority to disallow that expense if it is not consistent with the state's plan for these funds.

Career Coach

Perkins may be used to assist with the cost of a career coach for the CTE students. The cost should be prorated based on the number of CTE students in the high school (grades 9-12).

Career and Technical Student Organizations (CTSOs) – Sponsor Stipend

At the current time, the state does not approve the use of Perkins funds for stipends for sponsorship of a CTSO. It is the department's belief that a student organization is an integral part of the minimum CTE curriculum. A student organization is required for an approved CTE program.

Career and Technical Student Organizations (CTSOs) – Student Travel

The limited local federal Perkins funds should be focused on improving the instructional programs for all students. Our state plan for these federal funds is clear in its intent that the funds provide ALL career and technical students the opportunity to participate in improved instruction that will increase their achievement on the performance measures. The potential exists that, for many districts, the majority of their Perkins funds could be spent on student travel for the student organization members rather than on program improvement for all students enrolled in the program. As mentioned above, although such an expense might be allowable under federal regulations, the state disallows this particular expense. Therefore, at the current time, local Perkins funds may only be used for teacher expenses and substitute pay associated with CTSO activities.

Certifications for Students and Teachers

Recipients may use Perkins funds to pay a for a teacher or student's testing fee for industry certification tests such as A+, ASE Certification, MOUS, etc. if this is part of a project that is approved. These are individual certification tests that program completers can take to gain an industry certification/license. Perkins funds may also be used for training the teacher and/or having him/her certified to teach the program.

Critical elements identified in a district's technical assistance visit

It is permissible to use Perkins Funds to fulfill a **recommendation** for equipment made by the department's staff during technical assistance through the implementation of an improvement project. However, it is **not permissible** to use Perkins funds to fulfill a **critical element**. A critical element might be (1) a safety violation, (2) a program policy violation, or (3) missing equipment which was on the minimum start-up list that was in effect at the time the program began.

CTE Computer Usage for Academic Assessment

EDGAR (Education Department General Administrative Regulations) Section 80.32 allows for incidental use of items purchased with federal funds – providing such use will not interfere with the program for which it was originally acquired. Therefore, modification or relocation of the CTE program for which the computer was purchased during a testing period for non-CTE purposes (such as on-line ASPIRE testing) is a unique situation and this

decision must be made by each district administration – keeping in mind the federal regulations regarding such funds.

Endorsements/Certifications for Teacher Licensure in Grades 7-12

It is allowable to use Perkins funds for the professional development needed to add an endorsement/certification to a teacher license for a CTE course in grades 7-12 (assuming that the PD hours are not part of the requirement to fulfill licensure). It is not permissible to use Perkins for the costs associated with receiving a licensure and/or permit to teach.

Mentor Cost for CTE Teacher

Perkins may be used for the cost of a mentor for the CTE teacher.

Professional Organization Dues/Memberships

Perkins funds may not be used to pay individual membership dues to any professional organization – such as ACTE, NBEA, AAEA, etc.

Registration Fees for Professional Development or Workshop

EDGAR does **NOT** specifically define registration fees when determining when funds are obligated. However, professional development fees can be considered a personal services contract. The funds would be obligated on the date the recipient attended the conference and/or workshop. Registration fees will be reimbursed once the conference and/or workshop has been attended by the recipient.

Salaries/Benefits

The state has the authority to limit allowable expenditures beyond what is stated by the federal law and regulations. The use of Perkins for salaries is one area in which this authority has been exercised by ACE. Perkins funds may not be used for classroom teacher salaries required to implement and/or maintain CTE programs/classes except as a stipend or payment for teacher time above the required or normal contracted days for a teacher to allow the teacher attend professional development or other work-related meetings described in an approved project in the annual application. Salary: If salary is paid from Perkins funds, then a Personal Activity Report (PAR) is required to document time and effort of the employee.

100% salary from Perkins: If the employees entire salary at your institution is paid with Perkins funds and the employee works only on program activities or only on administrative activities, then a semi-annual certification stating that 100% of the persons work was on the Perkins activity is sufficient. However, if this work includes both administrative and program activities, then a monthly PAR is required that documents the percentage of time on each of these activities.

Portion of salary from Perkins: If only a portion of the employee's entire salary at your institution is paid with Perkins funds, then a monthly PAR is required. The PAR should document the percentage of time worked on Perkins activities and the percentage worked on all other activities.

Substitute teachers: If you are using Perkins funds to pay a substitute teacher to be in the classroom while the regular CTE teacher is participating in professional development or other Perkins approvable activities, a PAR is not required to be maintained by the substitute teacher.

However, sufficient documentation must be maintained to show the date and the CTE teacher that the substitute was employed to replace.

Documentation: Section 200.430 (i) of the OMB Uniform Grant Guidance requires that documentation must be based on records that accurately reflect the work performed. Recipients using Perkins funds for salary must review the Grant Guidance to ensure compliance.

Subscription and Software License Purchases

Subscription costs (whether for a publication or a software license or similar item) must be for one year only. Funds may not be used for purchases that will occur in the following year – such as a three-year subscription that is paid in one installment during the first year.

Teacher Inservice/Professional Development

Perkins funds must not be used to pay for professional development for career and technical teachers if the hours are not being used toward meeting the requirement for licensure renewal. Perkins funds may not be used to pay for the registration, cost of travel or meals, or any other expense associated with professional development that will be used by a teacher/ administrator to meet the state requirement for licensure renewal each year. It would be in the instance of supplanting if money was used according to the Attorney General.

Travel Costs

EDGAR (Education Department General Administrative Regulations), 34 CFR Part 76, §76.707 contains a table that shows when obligations with federal education funds can be made for various kinds of property and services.

According to OMB Circular A-87 which we are required to follow, travel costs are defined as the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-federal entity.

Costs must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the district/ cooperative in its regular operations as the result of the district/ cooperative's written travel policy. Documentation should be kept to justify that the participation of the individual is necessary and that costs are reasonable and consistent with the written travel policy.

Meals – Follow current travel policy for consortia not to exceed GSA Rate. No meals will be reimbursed without an overnight stay.

Lodging – Hotel charges may not exceed the federal GSA rate unless the traveler has prior written approval by the local travel supervisor. A copy of the prior written approval should be sent by the cooperative with the other documentation to request reimbursement from ACE. Lodging rates on <http://www.gsa.gov/portal/content/104877> are listed as the rate per person allowable. If two people share a room, the hotel must provide each person with a receipt showing half the cost of the room, plus taxes. Each traveler is allowed the single room rate which must be noted on the receipt.

Common Carrier – Rental car is not allowed. Consortia should use most restrictive airfare (select “competitive” including baggage fees). Only first bag per flight under carrier pound limit is allowable. If purchasing an airline ticket, any flight insurance and additional fees for preferred seating are not reimbursable.

Airline/Car – If a traveler chooses to drive to a conference out of state rather than fly, the maximum allowable is the cost of the cheaper method – flying or driving. Documentation should be maintained and submitted prior to trip regarding the cost of flying versus the cost of driving in such a case (documentation submitted two weeks prior to trip).

Shuttles/ Taxis - To and from hotel and conference is reimbursable, excluding tip.

Mileage – If using school vehicle, actual cost of gas may be reimbursed to the school district.

Other Travel Expenses – Unless the travel expenses are paid with a district/ coop credit card, each traveler must pay their own expenses and seek reimbursement. Each traveler must submit an individual Travel Reimbursement form regardless of who pays for expenses. Minimum distance to stay overnight is 50 miles.

Because Perkins funds are awarded for only a one year period , July 1 – June 30, travel expenses become an issue for local recipients when fiscal years are crossed. Any travel expenses occurring in the 2014-15 fiscal year must be paid from 2014-15 funds. Any travel expenses for the 2015-16 school year must be paid from the 2015-16 funds. An approved project must be in place prior to the time of the travel. Exception for hotel reservation: If the hotel reservation requires a one night room deposit for guarantee, then that one night could be obligated/ paid at the time the reservation was made.

Tuition Costs for Students

Perkins funds may not be used to reimburse tuition costs to colleges for dual enrollment students. Because of the limited amount of funding for Perkins, the Department is not currently approving this expenditure of funds.

Web-Based Curriculum Costs

As education becomes more dynamic, more and more of the curriculum, software, and supplemental assessment is being moved into a web-based solution. Some CTE courses now rely on curriculum and software obtained only through a site license that must be paid or renewed each year (such as Project Lead the Way). The curriculum, software, and supplemental assessment provided are updated continuously in order to provide students with the newest technology and experiences possible. ACE supports this move and believes this is an allowable expenditure for local Perkins funds.

TRAVEL FOR LICENSED AND NONLICENSED PERSONNEL

Travel costs are those expenses related to transportation, lodging, subsistence and related items incurred by employees who are in a travel status on official business of the non-Federal entity. Such costs may be charged on an actual cost basis, on per diem or mileage basis in lieu of actual costs incurred or on a combination of the two.

Dawson employees shall be reimbursed for personal and/or travel expenses incurred while performing duties or attending workshops or other employment-related functions, provided that prior written approval for the activity for which the employee seeks reimbursement has been received from the Director (or other immediate supervision with the authority to make Cooperative approvals), or the appropriate designee of the Director and that the employee's attendance/travel was at the request of the Cooperative. The amount per mile the employee may charge must use the IRS amount, or an amount specific to a state or federal grant. It is the responsibility of the employee to determine the appropriate supervisor from which he must obtain approval. Reimbursement claims must be made on forms provided by the Cooperative and must be supported by appropriate, original receipts. Copies of receipts or other documentation are not acceptable, except in extraordinary circumstances.

Date Adopted: 3/14/2012

CONFLICT OF INTEREST

An employee of the Cooperative may not be employed in any other capacity during regular working hours unless they are using vacation days that have been approved by the Director. Employees cannot use sick days to work in another position outside the co-op. An employee may not accept employment outside of his Cooperative employment which will interfere, or otherwise be incompatible with the Cooperative employment, including normal duties outside the regular work day; nor shall an employee accept other employment which is inappropriate for an employee of a Cooperative. The Director, or his/her designee(s), shall be responsible for determining whether outside employment is incompatible, conflicting or inappropriate.

Legal Reference: A.C.A. § 6-24-106, 107, 111

Date Adopted: 3/14/2012

GRATUITIES AND REIMBURSABLE EXPENSES

The requirements of this policy shall govern reimbursement for expenses related to travel and/or attendance at conferences and professional development activities incurred by Cooperative employees and/or members of the Board of Directors on behalf of the Cooperative. Employees are only eligible for reimbursement for travel expenses for travel which has been approved in advance. Itemized receipts must accompany all requests. For a receipt to be valid it should contain the name of the issuing company, the date, and the amount. No cash advances shall be made for travel. Mileage, lodging, and meal expenses will not be reimbursed when incurred for the personal convenience of the employee and not required by the reason for the travel. Reimbursement for travel shall be for the lesser of the cost between travel by air or by car with some consideration allowed for length of time of the method of travel.

To the extent practicable, employees shall have the Cooperative pay initial conference and professional development registration fees and associated necessary materials. In the occasional circumstances where this is not practical, the Cooperative shall reimburse the employee for such fees if they were authorized in advance and are supported with proper receipts.

The Cooperative will not reimburse expenses of any non-Cooperative board member or non-employee who accompanies the Cooperative board member or employee during his/her Cooperative related travel.

In order for DESC to reimburse an employee for lodging, the conference/training must be 50 miles or more from the office base. Individual meal expenses (Per Diem) will be reimbursed only if the employee is required to stay overnight. DESC will pay lodging for employees who are required to stay overnight for a conference, training and/or meeting. The employee is responsible for adhering to the hotel's cancellation policy. If the reservation is not canceled by the deadline, the employee is responsible for all hotel charges.

Any exceptions must be approved by the DESC Director.

When official travel by personally owned vehicle has been authorized, reimbursement for mileage shall be made at the rate of currently approved by the Internal Revenue Service.

The traveler is responsible for obtaining receipts to support the items listed on the Travel Expense Reimbursement form.

All direct billings for group functions (meeting, training, etc.) must be approved in advance by the Program Coordinator and DESC Director. Any non-reimbursable items or overages should be paid by the employee at the time of check-out. No individual meal expenses will be reimbursed unless the employee is required to stay overnight. Any exceptions must be approved by the DESC Director.

Reimbursable Expenses

Regular travel reimbursement is paid from city limit to city limit. Vicinity miles will be allowed when traveling within any city limit other than the traveler's home base. Reimbursement rate is set at the IRS mileage rate. (Calculations will be made from home or office, whichever is shortest. On-Line Map miles must be used rather than odometer reading.)(MapQuest is suggested by Director/Bookkeeping). Mileage that is driven for a Cooperative sanctioned purpose in an employee's personal vehicle shall be reimbursed provided appropriate documentation is submitted establishing the date, place, and purpose of the travel. Mileage shall be reimbursed at the current IRS rate and shall be based on the shortest, most reasonable, route available.

The following documentation must be included when requesting mileage reimbursement:

1. Mileage Form
2. Outlook/Google Calendar or appropriate documentation
3. Agenda & Sign In (if applicable)

Meal expenses incurred by the Director or other administrators as necessary, in the performance of their duties when meeting with state officials or consultants may be reimbursed on a prorated, per person basis in line with the mandates of this policy. Such expenses shall only be reimbursed when the expenditure is likely to result in a tangible benefit to the Cooperative.

Reimbursement for lodging expenses for in-state travel shall be the actual amount. Proper documentation establishing the date and time, place, and purpose of the travel must be submitted along with a receipt for the overnight accommodations. To the extent practicable, employees shall receive assistance from administrators or their designee in arranging travel plans to help keep expenses to a minimum.

Per Diem:

Dawson Education Service Cooperative will allow per diems to be used for various conferences/meetings when approved by the director. Meals for travel when overnight stay is required will be paid based on the GSA rate <http://www.gsa.gov/portal/content/104877>

Out of State Travel Reimbursement

Reimbursement for travel performed out of state shall be based on the GSA rate for the city and state in which the travel is taking place. <http://www.gsa.gov/portal/category/100000>. Documentation such as lodging, conference fees and mode of transportation should be submitted for all expenses to be claimed. No reimbursement shall be made for tips.

Standardized Claim for Reimbursement

The Cooperative shall use a standard form for claiming reimbursement for travel performed. Employees shall submit the completed form with all documentation on a timely basis. See Appendix A.

Legal Ref: Ark. Stat. Ann. §80-213, 80-219, 80-509

EXPENSES NOT COVERED

The Cooperative shall NOT reimburse the following items/categories of expenses:

1. Alcoholic beverages;
2. Entertainment expenses – including sports or sporting events; pay per view, movie rentals or game expenses at motels;
3. Laundry and Cleaning Services and other similar personal expenses;
4. Replacement due to loss or theft;
5. Discretionary expenses for items such as clothing or gifts and flowers;
6. Medical expenses incurred while on route to or from or at the destination of the reason for the Travel;
7. Optional or supplementary insurance obtained by the employee for the period covered during The travel;
8. No Grocery Store or Market receipts will be reimbursed;
9. Tips, other than those required by the source of the expense, e.g. a restaurant which adds a tip to the bill for all groups of six or more.

CREDIT CARDS

Only those employees specifically issued credit cards to be used in the performance of their jobs to purchase goods, services, or supplies on behalf of the Cooperative shall be allowed to use such cards. Employees who incur reimbursable expenses as defined in this policy are expected to pay for them initially by any means they choose and then submit their request for reimbursement. The Cooperative assumes no responsibility for the payment of any personal credit card charges incurred by a Cooperative employee.

Dawson Education Cooperative will issue credit cards and the privilege of using credit cards for business purposes to management level personnel. The rules governing credit card use are as follows:

1. All receipts from purchases made during the billing period are to be submitted to the Business Office by the first of the month following the purchase.
2. Any purchase made without submitting a receipt will be considered undocumented and will be charged to the employee as a personal expense.
3. Authorized purchases are those that meet the criteria of the Division of Legislative Audit and the Director of the Dawson Education Cooperative.
4. Undocumented and/or unauthorized use of the credit card will result in loss of privileges and could result in employee sanctions.
5. Any of the rules and regulations needed for control of credit card use may be implemented by the Director of Dawson Education Cooperative.

Date Adopted: 10/8/97

Last Revised: 12/2/2013

AIRPORT ASSOCIATED EXPENSES

Receipts for airport associated expenses are required for reimbursement. All airline flights shall be by coach/economy class. Use the most restrictive airfare (select competitive pricing including baggage fees). Only the first bag per flight, under carrier pound limit, will be reimbursed. Any flight insurance and additional fees for preferred seating are not reimbursable. Upon arrival at the destination, employees are expected to take the least expensive option between a taxi and an airport shuttle service to his/her hotel or meeting site. Rental cars are not an allowable expense.

PROCUREMENT

Purchases shall be made in accordance with State laws and procurement procedures governing Cooperative purchases that are deemed to be in the best interest of the Cooperative and are the result of fair and open competition between qualified bidders and suppliers. In The Dawson Education Cooperative, all purchases must be on a purchase order and have a purchase order number. The purchasing agency of TAPS will be used whenever possible by the employees purchasing any/all items.

Procurement and the Vendor Selection Process

In addition to the requirements set by EDGAR rules, Arkansas State Procurement Code and Act 1189 of 2013 governs purchases of goods and services in the State of Arkansas. Where EDGAR rules are more stringent, EDGAR rules apply. Where Arkansas Procurement Code is more stringent, Arkansas law applies. Under both, the policies and procedures governing procurement of goods and services depend on the amount of the purchase or contract. Basic information on these policies is outlined below.

Detailed information regarding State of Arkansas procurement can be found on the State's Legislative website: www.arkleg.state.ar.us/acts/2013/Public/ACT1189.pdf.

Monetary Ranges and Requirements:

Micro Purchases. Purchases of goods and services, the aggregate total of which is less than \$3,500 per fiscal year (Example: supplies [books, paper, technology supplies] the aggregate total of which is less than \$3,000 per fiscal year.) While not required, it is recommended that documentation is retained to prove that prices for micro-purchases have been compared and purchases were made in open competition.

Small Purchases and contracts (\$3501 – \$10,000). Per Federal Edgar requirements, must obtain price or rate quotes from a minimum of two sources. Documentation must be retained.

Purchases and contracts (\$10,001 - \$50,000). Per Arkansas Procurement Law, competitive "quotation" bids must be obtained. Documentation must be retained.

Purchases and contracts of more than \$50,000. Per Arkansas Procurement Law, competitive sealed bids are required. Documentation must be retained.

Purchases and contracts of \$150,000 or more. Per Arkansas Procurement Law, competitive sealed bids are required and per Federal law, cost or price analysis is required in connection with every procurement action, including contract modifications. Documentation must be retained.

C.F.R. 200.320

The Cooperative shall notify in writing all actual or prospective bidders, offerors, or contractors who make a written request to the Cooperative for notification of opportunities to bid. The notification shall be made in sufficient time to allow actual or prospective bidders, offerors, or contractors to submit a bid or other appropriate response. Bids may be submitted electronically by email or by fax for any and all Cooperative purchases, unless specified to be submitted by other means or methods, and except those bids which have been specified to have a designated date upon which the bids shall be opened. The Director shall be responsible for ensuring submitted bids, whether written, faxed, or emailed, are retained in accordance with policy 4.12—RECORD RETENTION AND DESTRUCTION.

Purchase of Goods and Services Summary

Type of Purchase	Requirement	Bid or Quote Documentation Required?
"Micro Purchase" \$3,500	<p>Reference: C.F.R. 200.320</p> <p>a) May purchase without soliciting competitive quotations if the cost is considered reasonable.</p> <p>b) To the extent practicable, must distribute micro-purchases equitably among qualified suppliers.</p> <p>c) Cost or price analysis not required</p>	Not required but is <u>Recommended</u>
Purchases & contracts \$3,501 \$10,000	<p>Reference: C.F.R. 200.320</p> <p>a) Obtain competitive quotations from at least two sources.</p> <p>b) Simple, informal quotes.</p> <p>c) Includes procurement of all types of services, none are excluded.</p> <p>d) Cost or price analysis not required.</p>	Yes
\$10,000.01 \$50,000.00	<p>Reference: Arkansas Procurement Code A.C.A. §19-11-204 & Act 1189 of 2013</p> <p>a) Obtain competitive quotation bids.</p> <p>b) Includes procurement of all types of services; none are excluded.</p> <p>c) Cost or price analysis not required.</p>	Yes
\$50,000.01 \$150,000	<p>Reference: Arkansas Procurement Code A.C.A. §19-11-229(b)(1) and C.F.R. 200.320</p> <p>a) Procurement by sealed bids, publicly solicited (formal advertising).</p> <p>b) Invitation to bid must contain complete, adequate, realistic specifications or purchase description.</p> <p>c) Bids must be solicited from adequate number of known suppliers, giving sufficient time to respond.</p> <p>d) Bids opened at place and time specified in the invitation to bid.</p> <p>e) Firm, fixed price contract awarded in writing to lowest responsive and responsible bidder.</p> <p>f) Sound, documented reason for any or all bids rejected.</p>	Yes
>\$150,000	<p>Reference: Arkansas Procurement Code A.C.A. §19-11-229(b)(1) and C.F.R. 200.320</p> <p>a) Procurement by sealed bids, publicly solicited (formal advertising).</p> <p>b) Invitation to bid must contain complete, adequate, realistic specifications or purchase</p>	Yes

	<p>description.</p> <p>c) Bids must be solicited from adequate number of known suppliers, giving sufficient time to respond.</p> <p>d) Bids opened at place and time specified in the invitation to bid.</p> <p>e) Firm, fixed price contract awarded in writing to lowest responsive and responsible bidder.</p> <p>f) Sound, documented reason for any or all bids rejected.</p> <p>g) Cost/Price Analysis (evaluating the total price) is required in accordance with C.F.R. 200.323.</p>	
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Bids shall be awarded after careful examination of the details of the bid to determine the best overall value to the Cooperative. In instances where the low bid was not accepted a statement of the reasons shall be attached to the bid. Bidders submitting written bids shall be notified in writing of the bid award.

Non-Competitive Proposals:

Non-competitive proposals are appropriate only when the good or service is available only from a single source (sole source – ex. Microsoft Office software license renewal or a reading program in use this year and to be continued next year); when there is a public emergency; when the awarding agency authorizes non-competition in response to a written request from the non-federal entity; or when, after soliciting a number of sources, competition is deemed inadequate.

Non-competitive tips:

1. Be careful of vendors who know your assessments, etc.
2. Begin with soliciting proposals from a number of sources.
3. Make the vendors tell you why they are the best. Example, when purchasing an embroidery machine, you can specify in the bid that you want “Brother” or one comparable offering equal value.

Non-Competitive Proposals (Sole Source) Justification as required by Arkansas code ACA §6-24-101:

Attach a single source justification document to the purchase order with a copy kept in the audit file for all single-source commodities (commodities include goods and services). The following criteria should be taken into consideration when working with sole source proposals:

- Why the service or product is needed.
- The methods used to determine that a lack of responsible/responsive competition exists for the product.
- How it was determined that the provider possesses exclusive capabilities.
- Why the service or product is unique.
- Whether or not there are patent or property rights which make the required service or product unavailable from other sources.
- What the District would do if the provider/service product were no longer available.
- Any program considerations which make the use of a “sole source” critical to the successful completion of the District’s task.

PROCEDURES FOR MANAGING PERKINS EQUIPMENT

The following information explains the policies and procedures governing equipment purchased with Carl D. Perkins funds provided by the Arkansas Department of Career and Technical Education.

Equipment and Non-Consumable, Nonexpendable Supply Items - Inventory and Disposition

Dawson Education Cooperative is responsible for purchasing equipment approved by the Arkansas Department of Career and Technical Education for use in CTE programs. All local and state laws, regulations and procedures must be followed in the purchase of equipment. After the cooperative has received approval to purchase equipment, such equipment must be purchased or a signed purchase order must be executed as soon as possible.

Equipment purchased must meet all federal and state guidelines and be in compliance with rules and regulations by the vendor before purchase is made. All equipment will be identified as Perkins purchased equipment with a permanent label. The label must contain the following information.

1. Year Purchased
2. Carl D. Perkins Funding
3. Activity #

Dawson Education Cooperative is required to maintain a local inventory of equipment purchased with Perkins funding. The local education agency is also responsible for maintaining the equipment and for exercising reasonable care and safe keeping of this equipment. To ensure adequate safeguards for the prevention of loss, damage, theft or destruction of the equipment, Dawson will require the teacher receiving the equipment to sign a Perkins Equipment/Supplies Receipt Confirmation Form, see Appendix B. This form will list a brief description, model number, serial number, name of receiving school, program area in which the equipment is located and the date in which the equipment was received.

Equipment is tangible, nonexpendable personal property having a useful life of more than one year. According to the accounting standards for Arkansas public schools, such an item with a cost of less than \$1,000 per unit cost is not considered equipment for payment purposes. For Perkins expenditures, all nonexpendable, non-consumable items with a cost of more than **\$100** must be listed on Dawson inventory. Dawson has an inventory system for items so that they are readily identifiable when state auditors or technical assistance teams visit. See Appendix B.

Caution: Recent federal audits have included findings regarding small portable attractive items, particularly technological items. A small attractive portable item is an item that is priced under the \$1,000 equipment criteria (or even under \$100) and has a life expectancy of more than one year. This item also is not likely to be missed immediately upon disappearance. Examples include, but are not limited to, tablets, laptops, cameras, shop tools, flash drives, etc. A recipient's internal controls must be sufficient to account for all such purchases made with federal funds.

Dawson retains a vested interest in the equipment purchased with the Perkins funds for its useful life cycle (currently five years). If the program/project for which it was purchased is discontinued or if the equipment is no longer needed in the program, request may be made with the state to reassign the equipment as outlined in OMB Administrative Requirement 200.313.

Equipment must be used in the program or project for which it was acquired as long as needed. When no longer needed for the original program or project, the equipment may be used in other activities in the following priorities: (1) other activities supported by Perkins and (2) other activities supported by federal education funds. When no longer needed by the recipient in any program, request may be made to sell or use the equipment for a trade-in with the proceeds offsetting the replacement cost.

Equipment on the State's Start-Up (previously Minimum) Equipment List

When new equipment items are added to the Start-up (minimum) Equipment lists, only those programs starting on or after the date of the equipment addition are required to follow the updated equipment list. This will allow programs existing prior to the new equipment additions to utilize Perkins funds to enhance and move older programs up to the **recommended** program standards through program improvement projects. Schools will not be held accountable for equipment standards added after their program began. The only exception to this rule would be in program areas where documented safety issues have been identified that could place students or teachers in harm's way.

During technical assistance visits, if a school is lacking equipment that was added to the list after the program began, that lack of equipment becomes only a suggested **recommendation** in the report back to the school. If any equipment is missing which was on the list at the time of the program started, that missing equipment would be considered **critical** to program approval. ACE provides state Start-Up Funding for equipment which is on the start-up list at the time of the program startup. If the school starts the program without funding, they should commit to purchasing **ALL** of the equipment on the list before agency staff approves the program. All start-up equipment lists will be maintained by ACE staff, and additions to the list should be noted with the date that it was added.

Equipment Maintenance and Repair

In general, Perkins funds may not be used to repair/maintain equipment since we consider that to be "maintaining the status quo." Perkins funds should be used to improve programs, not to maintain the status quo.

Equipment, Stolen or Lost

If equipment is stolen, destroyed, or otherwise missing, the district/consortium is responsible for investigation and replacement. If the district purchased an insurance policy with a large deductible, they assumed the risk and responsibility for covering any losses up to that amount – with local funds. Therefore, the district must replace the stolen equipment for the program/activity – but not with Perkins funds. When a consortium fiscal agent transfers ownership of items to the member districts, the member districts should be made aware of this responsibility.

Dawson Education Cooperative
711 Clinton Street, Suite 201; Arkadelphia, AR 71923

Name (Print) _____
 Address _____
 City/State/Zip _____

Please reimburse me for the expenses described below, I have attached applicable receipts.

Date	Description of Mileage Expense (Place & Purpose)	Mileage (# of Miles)	Per mile X.575
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
	Sub-Total	0	\$ -
Date	Meal Per Diem	Amount	
	Sub-Total	\$	-
Date	Other Expenses (Lodging, Supplies, Etc.)	Amount	
	Sub-Total	\$	-
	Grand Total	\$	-

Signature _____
 Approved By: _____

**Dawson Education Service Cooperative
Perkins Equipment/Supplies Receipt Confirmation**

Property Description - attach sheet if needed for additional items

Qty / Description	Model #	Serial #	Expenditure

Transfer Information

Receiving District/School	Program Area/Dept.	Date

Equipment/Supply Receipt Confirmation

As an employee of the School District identified above, I confirm receipt of the above described Equipment and/or Supplies purchased by Dawson Education Service Cooperative and assigned by the Dawson Perkins Consortium. The receiving district assumes responsibility to inventory, tag, appropriately manage and maintain this equipment (excluding applicable warranties).

Please Print Name

Title

Date

Signature: _____

