



**COLORADO**  
Department of Education

# Office of Grants Fiscal

**Financial Policies and Procedures (FPP)**

June 24, 2016

# Agenda

- 1. Goals of Uniform Grant Guidance (UGG)**
- 2. Objectives of UGG**
- 3. Key Parts of UGG**
- 4. Written Procedures**
  - a. Financial Management/Inventory Management
  - b. Payment
  - c. Procurement
  - d. Micro-Purchases
  - e. Travel

# Part 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards



# Goals of Uniform Grant Guidance (UGG)

## **Streamline and consolidate eight existing OMB Circulars**

- Reduce administrative burden, increase flexibility, and improve outcomes
- Strengthen oversight to reduce the risk of waste, fraud and abuse

## **How Uniform Guidance Supports Key Policy Reforms**

- Emphasis on performance
- Efficient use of technology and shared services
- Consistent and transparent treatment of costs
- Setting standard business processes and data definitions

# Objectives of UGG

- Eliminating duplicative and conflicting guidance
- Focusing on performance over compliance
- Encouraging efficient use of information technology and shared services
- Providing for consistent and transparent treatment of costs
- Limiting costs for best use of federal resources
- Setting standard business practices using data definitions
- Encouraging nonfederal agencies to have family-friendly policies
- Strengthening oversight
- Targeting audit requirements on the risk of fraud, waste and abuse

# Objectives - Cont

- Setting standard business practices using data definitions
- Strengthening oversight
- Targeting audit requirements on the risk of fraud, waste and abuse

# Key Parts of UGG

## ■ Title 34

- Part 75 – Direct Grant Programs
- Part 76 – State-Administered Programs
- Part 77 – Definitions
- Part 81 – General Education Provisions Act (GEPA)

## ■ Title 2

- Part 200 – Cost/Administrative/Audit Rules
- Part 3474 – USDE Exceptions – Adopts Part 200
- Part 3485 – Non-procurement Debarment and Suspension
  - Incorporates 2 CFR Part 180, OMB's Guidelines on Debarment and Suspension



# Written Procedures

- The UGG has an emphasis on “strengthening accountability,” by improving policies that prevent waste, fraud, and abuse.
- Written procedures are no longer a “best practice,” but a requirement.
- Written procedures should outline a process to be followed, using manageable steps.
- All district/BOCES staff involved in federal grants management should have access to the procedures and follow them.



# Sub-Grantees (LEA/BOCES)

More emphasis is given to written policies and procedures:

Written policies include:

- **Financial Management §200.302**
  - Allowability §200.302(b)(7)
  - Cash Management §200.302(b)(6)
  - Inventory Management §200.302(b)(4)
- **Payment §200.305(b)**
- **Procurement §200.318(a)**
  - Conflict of Interest §200.318(c)(1)
- **Micro-Purchases §200.320**
- **Travel §200.474**

# Financial Management 200.302

The LEA must expend and account for the Federal award in accordance with state laws (School Finance Act) and procedures for expending and accounting for the state's own funds.

## The UGG addresses:

### ■ **Cash Management 200.302(b)(6)**

- Written procedures to implement the requirements of 200.305 Payment.

### ■ **Allowability 200.302(b)(7)**

- Written procedures for determining the allowability of cost in accordance with Subpart E, Cost Principles of this part and the terms and conditions of the Federal award.

# Financial Management Cont.

- **Inventory Management 200.302(b)(4)**
  - The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes.

# Payment 200.305 (b)

- **Districts and BOCES must minimize the time elapsing between the receipt of federal funds and the disbursement of those funds.**

# General Procurement Standards

## 200.318 - 326

- **The non-Federal entity must follow the same policies and procedures it uses for procurements from its non-Federal funds, which reflect applicable State, local and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.**
- **The non-Federal entity must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.**

# Procurement 200.320

- **Vendor selection process:**
  - Micro-Purchases
  - Small purchase procedures
  - Competitive sealed bids
  - Competitive proposals
  - Non-competitive proposals

# Conflict of Interest

- §200.318 (c) (2)— **NEW:** If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state or local government the entity must also maintain written standards of conduct covering organization conflicts of interest.
- §200.112— **NEW:** The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.

# Conflict of Interest (con't)

- **Mandatory Disclosures §200.113— NEW: All Must disclose in writing, in a timely manner:**
  - All violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.
  - Failure to make required disclosures can result in remedies in §200.338 (remedies for noncompliance) including suspension and debarment.



# Micro-Purchase 200.320(a)

- **NEW:** Acquisition of supplies and services under \$3,000.
- May be awarded without soliciting competitive quotations if non-Federal entity considers the cost reasonable.
- To the extent practicable must distribute micro-purchases equitably among qualified suppliers.

# Travel 200.474

- **Written travel policy must be the same for all funding sources.**
- **Lodging and subsistence.**
- **Necessary to the federal award, reasonable, consistent with travel policy.**
- **Temporary dependent costs are allowable.**
- **Commercial air travel.**

# Method for Collection, Transmission and Storage of Information – 200.335

- **NEW:** When original records are electronic and cannot be altered, there is no need to create and retain paper copies.
- When original records are paper, electronic versions may be substituted through the use of duplication or other forms of electronic media provided they:
  - Are subject to periodic quality control reviews,
  - Provide reasonable safeguards against alteration; and
  - Remain readable.

# Who is the grant manager for my grant?

[http://www.cde.state.co.us/cdefisgrant/GFMSU\\_responsibilities](http://www.cde.state.co.us/cdefisgrant/GFMSU_responsibilities)

# Contact Information

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