

6112 REIMBURSEMENT OF FEDERAL AND OTHER  
GRANT EXPENDITURES

The Cash Management Improvement Act (CMIA) and related Federal regulations require a State to minimize the time elapsing between the transfer of funds from the United States Treasury and the expenditure of funds for program purposes. This requirement applies to grantees such as the State of New Jersey and their subgrantees, such as a school. The State of New Jersey and school districts must assure funds have been, or will be, spent within a minimal amount of time after having been drawn from the Federal government.

In accordance with this requirement, the New Jersey Department of Education (NJDOE) has implemented a reimbursement request system of payment. The procedures as outlined in the New Jersey Department of Education Policies and Procedures for Reimbursement of Federal and Other Grant Expenditures shall be followed by school districts in submitting reimbursement requests. Reimbursement requests for entitlement grant awards under the Every Student Succeeds Act (ESSA), the Individuals with Disabilities Education Act (IDEA), the Strengthening Career and Technical Education for the 21<sup>st</sup> Century Act, and any other program designated by the NJDOE shall be made using the NJDOE's Electronic Web-Enabled Grant (EWEG) System.

Reimbursement requests by the School Business Administrator/Board Secretary or designee shall be made for individual titles and awards using the payment functionality of the EWEG system. Only one reimbursement request per month may be submitted for an individual title, award, or subgrant. Reimbursement requests may only be for expenditures that have already occurred or will occur within three business days of receipt of funds.

The submission of a reimbursement request constitutes a certification by the School Business Administrator/Board Secretary that the school has previously made the appropriate expenditures and/or will make the expenditures within three business days of receipt of funds and that the expenditures are allowable and appropriate to the cost objective(s) of the subgrant.

The Executive Director or designee is responsible for submitting an amendment application to the NJDOE for approval if a new budget category for which no funds were previously budgeted or approved has been created. The Executive Director or designee is responsible for submitting an amendment application to the NJDOE for approval if cumulative transfers among expenditure categories exceed ten percent of the total award. The Executive Director or designee is responsible for monitoring the cumulative ten percent level of fiscal change.



Reimbursement requests must be in accordance with approved grant applications. A reimbursement request may be submitted at any time after the subgrant has received final NJDOE approval. Reimbursement requests submitted at least ten business days before the end of the month but no later than the fifteenth day of the month will be reviewed and, if approved, processed for payment the first business day of the following month. Schools will normally receive payment by the fifth business day of the month and will be able to track the grant's payment history in EWEG through the payments link of the grant application.

Reimbursement requests must contain a brief description of the expenditures for which reimbursement is being requested. Individual line items need not be detailed. Expenditures must be supported by documentation at the school level but should not be submitted to the NJDOE with a reimbursement request. The Executive Director or designee is responsible to maintain supporting documentation for seven years and for making it available to the NJDOE, the United States Department of Education, and/or their authorized representatives upon request. Documentation for salary expenditures is subject to the requirements of the Federal Uniform Grant Guidance. Documentation for all other expenditures must include evidence that the expenditures are allowable costs and of the relationship of the expenditure to the subgrant's cost objectives.

The NJDOE staff will review reimbursement requests to determine that they meet the subgrant's criteria. When a reimbursement request is approved or denied, the school will receive an email notification through the EWEG system. Approval of a reimbursement request by NJDOE does not imply approval of the expenditures as allowable or appropriate to the subgrant's cost objectives as the approval of expenditures will continue to be processed through the final report.

The School Business Administrator/Board Secretary or designee assumes responsibility for assuring that all funds requested through the EWEG system either have already been expended, or will be expended within three business days of receipt of funds.

New Jersey Department of Education Policies and Procedures for Reimbursement of Federal and Other Grant Expenditures – March 2014

Adopted: November 17, 2022



6115.01 FEDERAL AWARDS/FUNDS INTERNAL CONTROLS –  
ALLOWABILITY OF COSTS

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UGG), 2 CFR §200.302(b)(7) requires written procedures for determining the allowability of costs in accordance with 2 CFR §200 – Cost Principles. Determining the allowability of costs shall be in accordance with the requirements outlined in 2 CFR §200.403 – Factors Affecting Allowability of Costs. The School Business Administrator/Board Secretary or designee shall be responsible for determining the allowability of costs are in accordance with the provisions of 2 CFR §200.403.

The following procedures shall be used to determine the allowability of costs in accordance with 2 CFR §200.403:

Except where otherwise authorized by statute, the School Business Administrator/Board Secretary or designee will ensure costs meet the following general criteria in order to be allowable under Federal awards:

1. Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
2. Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
3. Be consistent with policies and procedures that apply uniformly to both Federally-financed and other activities of the non-Federal entity.
4. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
5. Be determined in accordance with Generally Accepted Accounting Principles (GAAP), except for State and local governments, which includes schools, as otherwise provided for in 2 CFR §200.403.
6. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federally-financed program in either the current or a prior period. (See also 2 CFR §200.306 – Cost Sharing or matching 2. above).
7. Be adequately documented. (See also 2 CFR §200.300 – Statutory and National Policy Requirements through 2 CFR §200.309 – Period of Performance).



# POLICY

## BelovED Community Charter School BOARD OF TRUSTEES

FINANCES

6115.01/page 2 of 2

Federal Awards/Funds Internal Controls –  
Allowability of Costs

In the event the School Business Administrator/Board Secretary or designee is not sure if a cost is allowable under 2 CFR Subpart E - §200.403, the School Business Administrator/Board Secretary or designee will contact the New Jersey Department of Education or the United States Department of Education for assistance.

2 CFR §200.302(b)(7)

2 CFR §200.403

Adopted: November 17, 2022



6115.02 FEDERAL AWARDS/FUNDS INTERNAL CONTROLS –  
MANDATORY DISCLOSURES

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UGG), 2 CFR §200.113 – Mandatory disclosures requires a non-Federal entity or applicant (a New Jersey Board of Trustees) for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or to the New Jersey Department of Education all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

If the Board of Trustees receives a Federal award including the terms and conditions outlined below as per 2 CFR §200 – Appendix XII – Award Term and Condition for Recipient Integrity and Performance Matters shall report certain civil, criminal, or administrative proceedings to the System for Award Management (SAM). Failure to make required disclosures can result in any of the remedies described in 2 CFR §200.338 - Remedies for noncompliance, including suspension or debarment. (See also 2 CFR §180, 31 USC 3321, and 41 USC 2313)

A. General Reporting Requirement

1. If the total value of all Board of Trustees currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then the Lead Person or designee, on behalf of the Board of Trustees as the recipient during that period of time, must maintain the currency of information reported to the SAM that is made available in the designated integrity and performance system about civil, criminal, or administrative proceedings described in B. below.
2. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 USC 2313).
3. As required by section 3010 of Public Law 111-212, all information posted in designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.



B. Proceedings About Which the Board of Trustees Must Report

1. The Lead Person or designee must disclose to the Federal awarding agency or to the New Jersey Department of Education information required about each proceeding that:
  - a. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
  - b. Reached its final disposition during the most recent five-year period; and
  - c. Is one of the following:
    - (1) A criminal proceeding that resulted in a conviction, as defined in E. below;
    - (2) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
    - (3) An administrative proceeding, as defined in E. below, that resulted in a finding of fault and liability and the payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or
    - (4) Any other criminal, civil, or administrative proceeding if:
      - (a) It could have led to an outcome described in B.1.c.(1), (2), or (3) above of this award term and condition;
      - (b) It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on the school's part; and
      - (c) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.



C. Reporting Procedures

1. The Lead Person or designee shall enter in the SAM Entity Management area the information that the SAM requires about each proceeding described in B. above.
2. The Lead Person or designee does not need to submit the information a second time under assistance awards the Board of Trustees received if the Lead Person or designee already provided the information through the SAM because the Board of Trustees was required to do so under Federal procurement contracts the Board of Trustees was awarded.

D. Reporting Frequency

1. During any period of time when the Board of Trustees is subject to the requirement in A. above, the Lead Person or designee must report proceedings information through the SAM for the most recent five year period, either to report new information about any proceeding(s) the Board of Trustees has not reported previously or affirm that there is no new information to report.
2. If the Board of Trustees has Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000, the Board of Trustees must disclose semiannually any information about the criminal, civil, and administrative proceedings.

E. Definitions

1. For purposes of this Policy:
  - a. “Administrative proceeding” for the purposes of 2 CFR §200 - Appendix XII and this Policy means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability. This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.



# POLICY

## BelovED Community Charter School BOARD OF TRUSTEES

### FINANCES

6115.02/page 4 of 4

#### Federal Awards/Funds Internal Controls – Mandatory Disclosures

- b. “Conviction” for the purposes of 2 CFR §200 - Appendix XII and this Policy, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.
- c. Total value of currently active grants, cooperative agreements, and procurement contracts includes:
  - (1) Only the Federal share of the funding under any Federal award with a Board of Trustees cost share or match; and
  - (2) The value of all expected funding increments under a Federal award and options, even if not yet exercised.

2 CFR §200.113

Adopted: November 17, 2022





6115.03 FEDERAL AWARDS/FUNDS INTERNAL CONTROLS –  
CONFLICT OF INTEREST

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UGG), 2 CFR §200.318 – General Procurement Standards addresses standards of conduct covering conflict of interest and governs the actions of school employees, officers, and agents in the selection, award, and administration of contracts supported by a Federal award.

The Board of Trustees must use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to the applicable Federal law and the standards identified in 2 CFR §200.

The Board of Trustees must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

The Board of Trustees must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts supported by a Federal award.

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



The Board of Trustees' procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal government, the Board of Trustees is encouraged to enter into State and local intergovernmental agreements or inter-entity agreements where appropriate for procurement of use of common or shared goods and services.

The Board of Trustees is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

The Board of Trustees is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

The Board of Trustees must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. (See also 2 CFR §200.213 – Suspension and Debarment).

The Board of Trustees must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

The Board of Trustees may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a Board of Trustees is the sum of:

1. The actual cost of materials; and
2. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.



Since the time and material formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the Board of Trustees awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

The Board of Trustees alone must be responsible, in accordance with good administrative practice and sound business judgement, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the Board of Trustees of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgement for that of the Board of Trustees unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

The Board of Trustees and its employees shall be required to comply with all New Jersey statutes and administrative codes regarding school ethics and internal controls.

2 CFR §200.318

Adopted: November 17, 2022



6311 CONTRACTS FOR GOODS OR SERVICES FUNDED BY  
FEDERAL GRANTS

Any vendor providing goods or services to the school to be funded by a Federal grant must be cleared for contract in accordance with the provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UGG), 2 CFR §200.213 – Suspension and Debarment.

The School Business Administrator/Board Secretary shall be responsible to check the web-based System for Award Management (SAM) maintained by the United States government – the General Services Administration (GSA). The purpose of the SAM is to provide a single comprehensive list of individuals and firms excluded by Federal government agencies from receiving Federal contracts or Federally approved contracts or Federally approved subcontracts and from certain types of Federal financial and nonfinancial assistance and benefits.

The School Business Administrator/Board Secretary, upon opening of bids or upon receipt of proposals for goods or services to be funded by a Federal grant shall access the SAM to determine if the vendor has been disbarred, suspended, or proposed for disbarment. The School Business Administrator/Board Secretary shall also access the SAM list immediately prior to the award of a bid or contract to ensure that no award is made to a vendor on the list.

In the event a vendor under consideration to be awarded a bid or contract for goods or services to be funded by a Federal grant is on the SAM list or proposed for disbarment, the School Business Administrator/Board Secretary shall comply with the contracting restrictions as outlined in 2 CFR §200.

Continuation of current contracts and restrictions on subcontracting with vendors who are on the SAM list or proposed for disbarment shall be in accordance with the limitations as outlined in 2 CFR §200.

Any rejection of a bid or disqualification of a vendor who has been disbarred, suspended, or proposed for disbarment shall be consistent with the requirements as outlined in N.J.S.A. 18A:18A – Public School Contracts Law and all applicable State laws.

The applicability of the provisions of this Policy apply to covered transactions as defined in 2 CFR §3485.220. A covered transaction is any contract that is awarded by the Board of Education that is covered under 2 CFR 180.210 and the amount of the contract is expected to equal or exceed \$25,000.00, unless the Board of Education chooses a lower threshold.



# POLICY

## BelovED Community Charter School BOARD OF TRUSTEES

FINANCES

6311/page 2 of 2

Contracts for Goods or Services Funded by  
Federal Grants

Compliance with the provisions of 2 CFR §200 and this Policy must be demonstrated by written evidence to be maintained by the School Business Administrator/Board Secretary. Example s of evidence includes printouts of searches from the SAM, imprints from an ink stamp, or Avery or similar labels affixed to purchase orders memorializing performance of this verification.

2 CFR §200

2 CFR §3485.220

2 CFR §180.210

Adopted: November 17, 2022

