

Oak Ridge Schools

Office of the Superintendent



Administrative Procedure 2.800.1

Federal Grant Expenditures

Federal Grant Expenditures - Administrative Procedure

Multiple leadership positions are responsible for determining how the school district will spend its federal grant funds. They will review the proposed cost to determine whether it is an allowable use of federal grant funds. This determination will be completed before any funds are spent or promised to be spent.

When determining the allowability of costs, the following general criteria should be met.

*Be Necessary and Reasonable for the Performance of the Award**

A cost is considered reasonable if it does not exceed that which would be incurred by a prudent person under the current circumstances. Consideration shall be given to:

1. Whether the cost is generally recognized as ordinary and necessary for the operation of the school district or the proper and efficient performance of the award;
2. Restraints or requirements imposed by certain factors such as sound business practices, federal or state laws and regulations, and terms and conditions of the award;
3. Market prices for comparable goods or services in the area;
4. Whether the individuals concerned acted with prudence when considering their responsibilities to the school district; and
5. Whether the school district significantly deviates from its established practices regarding the incurrence of costs, which may unjustifiably increase the award's cost.

A cost is determined to be necessary if it is determined to be based on the needs of the program, and the school district can prove that the cost will meet an existing need.

*Be Allocable to the Award**

A cost is allocable to the award if the goods or services involved are chargeable or assignable to that award in accordance with relative benefits received. This standard is met if the cost:

1. Is incurred specifically for the award;
2. Benefits the award and the other work of the school district and can be distributed using reasonable methods; and
3. Is necessary to the overall operation of the school district.

Conform to Any Limitation or Exclusions

The allowability of cost shall conform to any limitations or exclusions set for by federal regulations or in the terms and conditions of the award.

Be Consistent with Policies & Procedures

The allowability of costs shall conform to board policy as well as any administrative procedures that have been developed on this topic.

Be Adequately Documented

All expenditures shall be adequately documented including proper preapproval, proof of receipt/completion, and invoice. Questions regarding accounting for grant expenditures should be directed to the Grant Accountant.

DISTRICT CONTACT INFORMATION

Any questions relating to the allowability of costs or expenditures from federal programs shall be directed to the following, dependent upon the specific grant.

- Carl Perkins & Other CTE Grants : Director of College, Career, & Technical Education
- Special Education Grants : Executive Director of Student Services
- Safety Grants : Executive Director of School Leadership
- Preschool Grants : Preschool Principal
- All other Federal Grants : Executive Director of Teaching & Learning