

General Financial Management Policy (including Mgmt. of Federal Funds)

A. Legal Authority/Requirement

- 2 CFR 200.112 Conflict of Interest
- 2 CFR 200.302 Financial Management
- 2 CFR 200.400-475 Cost Principals
- R277-113 LEA Fiscal Policies and Accountability

B. Purpose

1. This policy has been developed to provide assurance that InTech shall expend and account for Federal awards in accordance with Federal and State Law and USBE rules, including compliance with the USBE published chart of accounts.

C. State General Compliance

1. InTech board and administration shall regularly review all fiscal policies and procedures for adherence to state and federal law.
2. The InTech Executive Director shall ensure that annual training is provided to employees related to fiscal policies and procedures related to their job function(s) including:
 - a. Appropriate financial practices
 - b. Necessary accounting procedures
 - c. Ethical financial practices
3. InTech's shall record program revenues and expenditures in accordance with
 - a. Generally Accepted Accounting Principles (GAAP)
 - b. Utah school fees law, including the use of contra-revenue accounts for waivers
 - c. Program accounting principles, that
 - i. Accurately reflect the use of funds for allowable costs and activities
 - ii. Requires transactions be recorded when they occur
 - iii. Allows adjusting journal entries during the year and at the end of the year in accordance with GAAP
 - iv. Requires that initial transactions and adjusting entries be recorded in the proper program, utilizing applicable USBE chart of account codes for:
 1. Fund (All charter expenditures are to be charged to Fund 10)
 2. Function
 3. Program
 4. Location (InTech is currently a single location)
 5. Object or Revenue

D. Federal Grant Compliance

1. InTech's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of Federal grant awards, shall be sufficient to permit
 - a. the preparation of reports required by general and program-specific terms and conditions.

- b. the tracing of funds to a level of expenditure adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.
2. InTech's financial management system shall provide for the following:
 - a. Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received.
 - i. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any
 - b. Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with Federal reporting requirements.
 - c. Records that identify adequately the source and application of funds for federally funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
 - d. Effective control over, and accountability for, all funds, property, and other assets. InTech shall adequately safeguard all assets and assure that they are used solely for authorized purposes.
 - e. Comparison of expenditures with budget amounts for each Federal award.
 - f. Written procedures to implement Federal Payments requirements.
 - g. Written procedures for determining the allowability of costs in accordance with 2 CFR 200 Subpart E—Cost Principles and conditions of the Federal award.
3. InTech shall abide by the terms of the indirect costs agreement annually renewed between the USBE and InTech.
4. The adequacy of InTech's internal controls shall enable it to ensure compliance with 2 CFR Subpart E.
5. InTech must disclose in writing any potential conflict of interest related to funds received from a Federal or State agency to the awarding agency and pass-through entity (USBE).
 - a. InTech employees shall annually complete a conflict-of-interest form declaring their freedom from any potential conflicts.
6. InTech shall follow records management, payment, and procurement, and compensation, relocation, and travel practices required by 2 CFR 200.
7. InTech shall follow Maintenance of Effort Requirements for federal programs, including:

- a. Title I: Either the combined fiscal effort per student or the aggregate expenditures of state and local funding for a fiscal year was not less than 90% of the combined fiscal effort or aggregate expenditures for the preceding fiscal year.
 - b. IDEA: The state and/or local fiscal effort toward Special Education shall be maintained year-to-year via one of the following:
 - 1. State and local total expenditures
 - 2. State and local per-pupil expenditures
 - 3. Local only total expenditures
 - 4. Local only per-pupil expenditures
8. InTech shall document Time and Effort
- a. Employees whose salary and wages are supported, in whole or in part, with Federal funds must document time spent working on Federal programs in order to ensure that charges to each Federal program reflect an accurate account of the employee's time and effort devoted to that program.
 - b. Semiannual certifications
 - i. If an employee works solely on a single Federal award or cost objective, charges for the employee's salary and wages must be supported certification that the employee worked solely on that program or cost objective for the period covered by the certification.
 - ii. Certification shall be prepared at least semiannually.
 - iii. Certification shall be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.
 - c. Personnel activity reports (PAR)
 - i. If an employee works on multiple activities or cost objectives that includes at least one Federal program, a distribution of the employee's salary and wages must be supported by a personnel activity report (PAR) or equivalent documentation, which shall:
 - a) Reflect an after-the-fact distribution of the actual activity of the employee.
 - b) Account for the total activity for which each employee is compensated.
 - c) Be prepared at least monthly and coincide with one or more pay periods.
 - d) Be signed by the employee.

Document History:

28 Mar 2024	Addition of specific T&E and PAR language
17 Nov 2022	Addition of general (state) fiscal management requirements
18 Nov 2021	Addition of MOE language
27 Sept 2018	previous administrative directive adopted as policy