

FEDERAL FISCAL COMPLIANCE – ADMINISTRATIVE REGULATION

1. Purpose

The Provident Charter School (“School”) has developed the following to comply with federal requirements, including the federal Maintenance of Effort Regulation, for procuring, using, managing and disposing of goods, materials and equipment purchased with federal grant funds, such as Title I,

Title I Requirements

The School will comply with the following requirements:

1. Funds are expended within the appropriate fiscal year.
2. Expenditures are an allowable use of funds, and align with the School’s application or budget revision.
3. Expenditures are coded to the appropriate fiscal line items.
4. Financial line items are identical to those filed with the state.
5. Amounts for contracted services are evidenced by a written contract filed with the School.

Inventory Control/Management

All equipment and capital outlay purchased with federal funds, regardless of cost, will be inventoried as a safeguard. This includes “small and attractive” items, such as laptop computers, calculators, PDA’s, digital cameras, scanners, etc. Items acquired using federal funds will be physically labeled by source of funding and acquisition date.

Inventory must be current and available for review and audit and include the following information:

1. Description of the item, including any manufacturer’s model number.

2. Manufacturer's serial number or other identification number.
3. Identification of funding source.
4. Acquisition date and unit cost.
5. Source of items, such as company name.
6. Percentage of federal funds used in the purchase.
7. Present location, use, condition of item, and date information was reported.
8. Pertinent information on the ultimate transfer, replacement or disposition of the item.

Inventory will be updated as items are purged and new items purchased.

Adequate safeguards must prevent loss, damage or theft of items, in accordance with the following:

1. Any loss, damage or theft will be investigated and fully documented.
2. The School is responsible for replacing or repairing lost, damaged, destroyed or stolen items.
3. If stolen items are not recovered, the School must submit copies of the investigative report and insurance claim to the Department of Federal Programs.
4. Replaced equipment is property of the originally funded program and should be inventoried accordingly. An annual physical inventory of items will be conducted, and the results will be reconciled with the inventory records.

Disposition

Equipment or "small and attractive" items with an acquisition cost of less than \$1,000 that is no longer effective can be retained, sold, purged, or transferred to the School upon notification to the Department of Federal Programs.

The written notice to purge or transfer must include:

1. Item.
2. Date of acquisition.

3. Original cost.

4. Reason for purge or transfer.

5. Anticipated use.