

California Department of Education

Fiscal Monitoring

2015-16 Program Instrument

III. Funding

III-FM 01: Timekeeping Requirements
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III-FM 1. Timekeeping Requirements

Ensure that the LEA properly charges and documents salaries and wages that are reasonable, necessary, and allowable in accordance with applicable program requirements. (2 *Code of Federal Regulations (CFR)* 200.430(a) and (i); 2 *CFR* 200.61-62; 2 *CFR* 200.302)

- (a) Title I, Part A – Resource Code 3010
- (b) Title I, Part C – Resource Code 3060 and 3061
- (c) Title II, Part A – Resource Code 4035
- (d) Title III – Resource Code 4203
- (e) Title IV – Resource Code 4124

Evidence

General Ledger

Provide a detailed general ledger, accounting for the specific resource code(s) being reviewed. The general ledger should include the date, description, vendor name, dollar amount and account balance.

Chart of Accounts

Provide a list of the established accounts used by the LEA including resource, object, site, etc.

Duty statements

Duty statements should include a written description of the specific employee's responsibilities and activities, as agreed to by employer and employee.

Job Descriptions

The reviewer will request this documentation after selecting a sample of employees for review.

LEA Spending Plan

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Provide documentation of budget plan detailing how the LEA plans to expend federal funds.

Payroll records

Provide district wide payroll records. This documentation should include the employees' name, resource code(s), salary and benefits.

Personnel Activity Reports (PARs) – Timesheets

Once the payroll records are uploaded, the reviewer will select a specific sample of employees for whom PARs must be provided to support the salaries and wages charged to the federal programs. PARs must (1) reflect an after-the-fact distribution of the actual activity of each employee; (2) account for the total activity which each employee is compensated; (3) be prepared at least monthly and coincide with one of more pay period; and (4) be signed by the employee. Budget estimates or percentages determined before the work is performed do not qualify as support to federal programs.

Position Control Report

Provide report for positions paid in whole, or part, with federal funds by resource code; report must include the employee name, title, site, salary and full time equivalent (FTE) of the employee.

Periodic Certifications

The reviewer will select a specific sample of employees from payroll documentation for whom periodic certifications must be provided to support the salaries and wages charged to the federal programs.

Single Plan for Student Achievement (SPSA)

Provide current year School Site Council and board-approved SPSAs for each site. Identify school name and include budgetary detail in each SPSA. The reviewer may also request prior year SPSAs.

Timekeeping Policies and Procedures

Provide a copy of the LEA's established accounting policies and practices for documenting time and effort of employees that work on federal programs.

Time and Effort Documentation

LEAs that do not maintain periodic certifications/PARs need to provide time accounting records to support the employee salaries and wages charged to federal programs. Budget estimates do not suffice.

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III-FM 02: Allowable Costs

III-FM 2. Allowable Costs

Ensure the LEA charges costs to the program that are reasonable, necessary, and allowable in accordance with applicable statutes, regulations, and program plans for the following programs: (2 CFR 200.400-475)

- (a) Title I, Part A – Resource Code 3010
- (b) Title I, Part C (20 United States Code (U.S.C.) § 6394 [c][1][A]) – Resource Code 3060 and 3061
- (c) Title II, Part A - Resource Code 4035
- (d) Title III – Resource Code 4203
- (e) Title IV – Resource Code 4124

Evidence

General Ledger

Provide a detailed general ledger, accounting for the specific resource code(s) being reviewed. The general ledger should include the date, description, vendor name, dollar amount and account balance.

Chart of Accounts

Provide a list of the established accounts used by the LEA including resource, object, site, etc.

Invoices

Once the general ledger is uploaded, the reviewer will select a sample of invoices for review.

LEA Spending Plan

Provide documentation of budget plan detailing how the LEA plans to expend federal funds.

Single Plan for Student Achievement (SPSA)

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Provide current year School Site Council and board-approved SPSAs for each site. Identify school name and include budgetary detail in each SPSA. The reviewer may also request prior year SPSAs.

III. Funding

III-FM 03: Supplement, Not Supplant
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III-FM 3. Supplement, Not Supplant

Ensure the LEA uses federal funds only to supplement, and not supplant, state and local funds for the following programs:

- (a) Title I, Part A (20 U.S.C. § 6321[b]) - Resource Code 3010
- (b) Title I, Part C (20 U.S.C. §§ 6321[b] and 6394[c][2]) - Resource Code 3060 and 3061
- (c) Title II, Part A (20 U.S.C. § 6321) Resource Code 4035
- (d) Title III (20 U.S.C. § 6825[g]; 5 CCR 4320[a]; EC §§ 52168[b] and [c]; 54025[c]) - Resource Code 4203
- (e) Title IV (*California Education Code (EC)* § 8483.5[e]; 20 U.S.C. § 7174[b][2][G]) - Resource Code 4124

Evidence

General Ledger

Provide a detailed general ledger, accounting for the specific resource code(s) being reviewed. The general ledger should include the date, description, vendor name, dollar amount and account balance.

Chart of Accounts

Provide a list of the established accounts used by the LEA including resource, object, site, etc.

Duty statements

Duty statements should include a written description of the specific employee's responsibilities and activities, as agreed to by employer and employee.

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Invoices

Once the general ledger is uploaded, the reviewer will select a sample of invoices for review.

Job Descriptions

The reviewer will request this documentation after selecting a sample of employees for review.

LEA Spending Plan

Provide documentation of budget plan detailing how the LEA plans to expend federal funds.

Payroll records

Provide district wide payroll records. This documentation should include the employees' name, resource code(s), salary and benefits.

Personnel Activity Reports (PARs) – Timesheets

The reviewer will select a sample of employees from payroll documentation for whom time accounting documents must be provided to support the salaries and wages. Budget estimates do not suffice.

Periodic Certifications

The reviewer will select a specific sample of employees from payroll documentation for whom periodic certifications must be provided to support the salaries and wages charged to the federal programs.

Subcontractor agreements

Once the general ledger is provided, the reviewer may select a sample of subcontractor agreements for review.

Single Plan for Student Achievement (SPSA)

Provide current year School Site Council and board-approved SPSAs for each site. Identify school name and include budgetary detail in each SPSA. The reviewer may also request prior year SPSAs.

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III-FM 04: Cash Management

III-FM 4. Cash Management

Verify that the LEA is properly calculating, reporting, and remitting interest earned on unspent federal advances for the following programs: (2 *CFR* 200.305(b)(9))

- (a) Title I, Part A – Resource Code 3010
- (b) Title I, Part C – Resource Code 3060 and 3061
- (c) Title II, Part A – Resource Code 4035
- (d) Title III – Resource Code 4203
- (e) Title IV – Resource Code 4124

Evidence

General Ledger

Provide a detailed general ledger, accounting for the specific resource code(s) being reviewed. The general ledger should include the date, description, vendor name, dollar amount and account balance.

Cash Balance Report

Provide documents displaying average daily (or monthly) cash balances for each quarter of the fiscal year for federal program advances accruing interest to be remitted to CDE

Chart of Accounts

Provide a list of the established accounts used by the LEA including resource, object, site, etc.

Interest Remittances (date and amount)

Provide documentation substantiating that interest earned on federal advances has been remitted to CDE.

LEA Interest Calculation

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Provide the LEA's interest earned calculation for federal advances. The documentation should include the average daily or monthly cash balances, resources used, annual interest rate, and calculation.

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III-FM 05: Funding

III-FM 5. Funding

Ensure that the LEA allocates Title I, Part A funds to school sites in accordance with the approved allocation formulas contained in the consolidated application. The school site council must annually review, update, and approve the school plans for student achievement, including proposed expenditures; and the local governing board must review and approve the school plans annually or whenever there are material changes to the plan. (*EC* §§ 62002, 64000[b] and [c], 64001[g]); Elementary and Secondary Education Act (ESEA) Section 1113 [c] – Resource Code 3010.

Evidence

General Ledger

Provide a detailed general ledger, accounting for the specific resource code(s) being reviewed. The general ledger should include the date, description, vendor name, dollar amount and account balance.

LEA Spending Plan

Provide documentation of budget plan detailing how the LEA plans to expend federal funds.

School funding notification letters

Provide documentation indicating site-specific allocations for each site under review.

Single Plan for Student Achievement (SPSA)

Provide current year School Site Council and board-approved SPSAs for each site. Identify school name and include budgetary detail in each SPSA. The reviewer may also request prior year SPSAs.

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III-FM 06: Reporting

III-FM 6. Reporting

Ensure that the LEA complied with all of the accountability and reporting requirements for the following programs:

- (a) Title IV (*EC* §§ 8482.3[f][5] and 8484.8[b][3] and [4]) – Resource Code 4124

Evidence

General Ledger

Provide a detailed general ledger, accounting for the specific resource code(s) being reviewed. The general ledger should include the date, description, vendor name, dollar amount and account balance.