

Wauneta-Palisade Board of Education Regular Meeting

Wauneta-Palisade School Central Office, 214 West Wichita, Wauneta, Nebraska
214 W Wichita Street
Wauneta, NE 69045

Monday, December 15, 2025 5:00 PM

Hondo Fanning: Present

John Jutten: Present

Laurie Maris: Present

Aaron McKinney: Present

Allison Sandman: Present

Marty Wheeler: Present

I. Call to Order

I.1. Pledge of Allegiance

The Pledge of Allegiance was recited.

I.2. Posting Verification

Maris and McKinney verified.

I.3. Open Meetings Act Notice

I.4. Mission Statement

II. Roll Call

Present Board Members: Hondo Fanning, John Jutten, Laurie Maris, Aaron McKinney, Allison Sandman, and Marty Wheeler.

III. Amendments to the Agenda/Approval of the Proposed Agenda

IV. Recognition of Visitors/Public Comments

V. Discussion Items

V.1. Superintendent Review Update

Sandman reminded the board members about completing the superintendent review online by 12/18/2025.

V.2. Negotiations Update

Planning for January meetings.

VI. Action Items

VI.1. Approval and Signing of November Minutes

To approve and sign the 11/10/2025 regular meeting minutes Passed with a motion by Laurie Maris and a second by Hondo Fanning.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Aaron McKinney: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VI.2. Approval of District Budget Reports and Expenditures

To accept the monthly budget reports as presented and approve the district expenditures of payroll \$304,939.31; GF account payables \$111,565.56 for a total of \$416,501.87 Passed with a motion by Hondo Fanning and a second by Marty Wheeler.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Aaron McKinney: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VII. Policy Review

VII.1. Updated Policy 3131 & 3132 Adoption

To adopt and waive the first and second oral reading of Policy 3131 and 3132 Passed with a motion by Allison Sandman and a second by Laurie Maris.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Aaron McKinney: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VIII. Administrative Reports

VIII.1. Superintendent Report

Geier shared that the fire alarms have been tested, and a small leak in a backflow pipe was found, which will need to be fixed. Transportation has been quite busy with multiple activities this month. Geier thanked our drivers for their service, including Guy and Joseph. Wednesday RPAC meeting, we will host RPAC BB 1st round in January. Served as conductor for the Polar Express for Kindergarten on Friday. Board members raised concerns about exterior lighting.

VIII.2. Principal Report

Frecks shared that the Christmas concert was outstanding and thanked Ms. Ballon for her guidance and preparation. Mrs. Doetker will have a gingerbread house activity tomorrow. Herds will incorporate all students tomorrow before Christmas break. Mrs. Bauerle took her high school kids to the 5th-grade classroom to help with essay writing. One Act performed well and Mrs. Bauerle and Mrs. Carstens directed the performance well and the some students received acting awards. PTO will host Reindeer games on Thursday, JH BB tomorrow with HS to follow, Thursday JH BB and HS Wrestling meet at 4 pm. Dustin Frank of KCAV will be here to evaluate the sound system. Attended the state principal conference last week and shared the national data on attendance, AI affecting students, and classroom management.

VIII.3. ESU 15 Report

ESU 15/16 Board Member Workshop will be Tuesday, 1/13/2026, in North Platte at 5:15 pm CT.

VIII.4. NASB Report

IX. Executive Session

IX.1. Enter into Executive Session

IX.2. Return to Open Session

X. Next Regular Meeting

Board Workshop, Monday, January 12, 2026 at HTA at 1 pm MT/2 CT.

Regular Meeting, Monday, January 12, 2026, at 5:00 pm MT/6:00 pm CT

XI. Adjourn

Motion to adjourn at 5:46 pm MT. Passed with a motion by Allison Sandman and a second by Hondo Fanning.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Aaron McKinney: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

Wauneta-Palisade Schools Board of Education Regular Meeting Minutes

The Board of Education for the District of Chase County School District #15-0536 a/k/a Wauneta-Palisade Public Schools was convened in open, public session for a Regular Meeting at 5:10 MT, on November 10, 2025, in the Wauneta-Palisade School Central Office, 214 West Wichita, Wauneta, NE 69045, by President Sandman.

Notice of the meeting was given in advance by publication and/or posting in accordance with the Board approved method for giving notice of meetings. Notice of this meeting was given in advance to all members of the Board of Education. The Secretary of the Board maintains a list of the news media requesting notification of the meetings and advance notification to the listed media of the time and place of the meeting and the subjects to be discussed at this meeting was provided. Availability of the agenda was communicated in the publicized notice and a current copy of the Agenda was maintained as stated in the publicized notice. All proceedings of the Board of Education, except as may be hereinafter noted, were taken while the convened meeting was open to the attendance of the public.

Announcement of Open Meetings Act Posting

At the beginning of the meeting, President Sandman announced and informed the public that a current copy of the Open Meeting Act is permanently posted in the meeting room on a laminated poster, accessible to members of the public.

Mission Statement

Inspiring our Youth, Expecting Results Everyday

I. Call to Order. President Sandman called the meeting to order at 5:10 MT.

I.1. Pledge of Allegiance. The Pledge of Allegiance was recited.

I.2. Meeting Posting Verification. Maris and Sandman verified meeting posting.

I.3. Open Meeting Act Notice

I.4. Mission Statement

II. Roll Call. Present Board Members: Hondo Fanning, John Jutten, Laurie Maris, Allison Sandman, and Marty Wheeler. Absent Member: Aaron McKinney.

III. Amendments to the Agenda/Approval of the Proposed Agenda

III.1. Add Approval of QCPUF Interest Payment to Action Items. To add approval of QCPUF bank payment to action items passed with a motion by Hondo Fanning and a second by John Jutten.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

IV. Recognition of Visitors/Public Comments. None

V. Discussion Items

V.1. Superintendent Evaluation. The superintendent evaluation will begin in December, with final analysis in January for board review.

V.2. Gym Sound System. Frecks has been in touch with KCAV (Justin Frank) about updating our gym sound system. For the best results, a complete review of our current system and gym is warranted.

VI. Action Items

VI.1. Approval and Signing of October Regular Meeting Minutes. To approve and sign the minutes from the 10/13/2025 regular meeting passed with a motion by Laurie Maris and a second by Marty Wheeler.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VI.2. Approval of QCPUF Bank Interest Payment. To approve the QCPUF interest payment of \$11,186.25 to BOK Financial passed with a motion by Laurie Maris and a second by Hondo Fanning.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VI.3. Approval of District Expenditures and Budget Reports .To accept the district's budget reports as presented and approve the district's expenditures of Payroll \$316,826.59; GF accounts payable \$79,154.36; QCPUF Accounts payable of \$11,186.25 for a total of \$407,167.20 passed with a motion by John Jutten and a second by Marty Wheeler.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VI.4. Acceptance of 2024-2025 Audit .To accept the 2024-2025 audit from Forward CPA as presented passed with a motion by Hondo Fanning and a second by Laurie Maris.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VI.5. Designation of Official Publication. To designate the McCook Daily Gazette as the districts' official publication passed with a motion by Allison Sandman and a second by John Jutten.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VI.6. Approval of Library Software. To approve the one-year subscription and support to Follett for library software for \$2744.00 to be Rule 10 compliant passed with a motion by Hondo Fanning and a second by Laurie Maris.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VI.7. Approval of Wrestling Mat. To approve a wrestling mat purchase of \$8425 + freight passed with a motion by Allison Sandman and a second by John Jutten.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

Discussion: Geier shared that we haven't upgraded wrestling mats for 20+ years, this new mat will be displayed/used during 2026 state wrestling.

VII. Policy Review

VII.1. Adoption of Policy 6285--Student Participation in Athletic Contests Between Schools. To waive the first reading and the oral reading of policy 6285 and adopt the policy for student participation in athletic contests between schools passed with a motion by Hondo Fanning and a second by John Jutten.

Hondo Fanning: Yea, John Jutten: Yea, Laurie Maris: Yea, Allison Sandman: Yea, Marty Wheeler: Yea

VIII. Administrative Reports

VIII.1. Superintendent Report. Geier shared info on RPAC meeting, we will host the first round of RPAC BB, RPAC one-act performance on Thursday at The Tassel in Holdrege, ESU superintendent meeting last week with NDE and certification, retirement changes for certificated teachers.

VIII.2. Principal Report. Frecks shared AQUEST results will be published in January. MAPS testing begins tomorrow and then state testing will be in the spring. Elementary costume parade went well, Veterans Day program today. Fall sports concluded well with football state playoffs and volleyball district runner-up.

VIII.3. ESU 15 Report. ESU 15 meeting was today at MCC, the board discussed ESU superintendent engagement, EHA rates, ALICAP audit, fiscal audit, administrator evaluation and upcoming NASB convention.

VIII.4. NASB Report. State Convention 11/19-11/21/2025 in Omaha.

X. Next Regular Meeting. Monday, December 15, 2025, at 5 pm MT/6 pm CT.

XI. Adjourn. Sandman adjourned the meeting at 6:24 pm MT.

Respectfully submitted,
Marj Rundback,
Recording Secretary

Dated this November 10, 2025
Chase County School District #536
a/k/a Wauneta-Palisade Public Schools

By: _____ Attest: _____
Board Secretary Board President

Business Operations

Procurement Plan – School Food Authorities

The following procurement policy statement shall govern all purchasing activities that relate to any aspect of the National School Lunch and Breakfast Programs. This statement is meant to provide guidance to our personnel and vendors on acceptable and/or required procurement practices. Our goal is to fully implement all required and recommended procurement rules, regulations and policies set forth in 2 CFR 200, 7 CFR parts 210, 3016 and 3019, and by the State Agency.

Procurement Policy

The purchasing procedure to be followed shall be determined by the anticipated total annual expenditure on items related to the food service program:

- When the annual total for food service program related items is less than \$350,000 (simplified acquisition threshold) per procurement event or in aggregate purchases this organization will follow the informal simplified acquisition threshold procedures.
- When the annual total for food service program related items is greater than \$350,000 (simplified acquisition threshold) per year per procurement event or in aggregate purchases this organization will follow the Formal Competitive Solicitation Procedures.

Micro-Purchase Procedures

Micro-Purchases may be used for single purchases under \$15,000 made with a vendor [2 CFR 200.320(a)].

Prices will be reviewed for reasonableness [2 CFR 200.320(a)].

Purchases will be spread equitably among all qualified sources [2 CFR 200.320(a)].

Simplified Acquisition Threshold Procedures

For purchases made below the simplified acquisition threshold, simplified acquisition threshold procedures will be utilized to purchase necessary goods and services. When simplified acquisition threshold procedures are used, this organization will take the following steps:

1. Contact a reasonable number of qualified vendors.
2. Write specifications for goods and services.
3. Document each vendor's quoted price. (ex. log sheet)
3. Select the company that provides the lowest, most responsive, and responsible bid.
4. Document supplier who was awarded the quote.
5. Manage orders by confirming product and prices match quotes.

Formal Competitive Solicitation Procedures

For purchases made in excess of the simplified acquisition threshold, a Formal Competitive Solicitation will be conducted. When Formal Competitive Solicitation Procedures are used, this organization will take the following steps:

1. Prepare an Invitation for Bid (“IFB”) or Request for Proposal (“RFP”) document specifically addressing the items to be procured
 - a. Include detailed specifications
 - b. Ensure price will be most heavily weighted
2. Publicly announce and advertise the bid/proposal at least 21 calendar days prior to bid opening
 - a. Announcements will include the date, time and location in which bids will be opened
3. Determine the most responsive and responsible bid/proposal by using the selection criteria set forth in the bid/proposal document
 - a. Responsible bidders will be those whose bid/proposal conform to all of the terms, conditions and requirements of the IFB/RFP
 - b. Responsible bidders will be those who are capable of performing successfully under the terms and conditions of the contract.
4. Award the contract
 - a. To the most responsive and responsible bidder based on the criteria set forth in the IFB/RFP
 - b. At least two weeks before program operations begin
 - c. If a protest is received, it must be handled in accordance with 7 CFR 210.21
5. Retain all records pertaining to the formal competitive bid process for a period of five years plus the current year

(Note: If the simplified acquisition threshold established in the sponsor’s procurement policy statement is less than \$350,000, the smaller bid threshold will govern.)

Procurement Summary

This organization incorporates the following elements into the Procurement Policy Statement, as required by 2 CFR 200 and 7 CFR parts 210, 3016 and 3019.

- A. Competition: We shall demonstrate our goods and services are procured in an openly competitive manner. Competition will not be unreasonably restricted. [7 CFR 210.21(c)(1)] [2 CFR Part 200.319(a)(1-7)]
- B. Comparability: We recognize for true competition to take place, we must maintain reasonable product specifications to adequately describe the products to be purchased and the volume of planned purchases based upon pre-planned menu cycles. [2 CFR 200.319(d)(2)]
- C. Documentation: We shall maintain for the current year and the preceding three years all significant materials that will serve to document our policies and procedures. [2 CFR 200.318(i)]

- D. Code of Conduct: This program shall be governed by the attached Code of Conduct and it shall apply to all personnel, employees, directors, agents, officers, volunteers or any person(s) acting in any capacity concerning the food service procurement program. [2 CFR 200.318(c)(1)]
- E. Contract Administration: Purchases shall be checked or verified by designated staff to assure that all goods and services are received and prices verified. All invoices and receipts shall be signed, dated, and maintained in the documentation file. [2 CFR Part 200.318(b)]
- G. General Requirements:
1. Small, minority, veteran-owned, and women's businesses enterprises and labor surplus firms are used when possible. [2 CFR 200.321]
 2. Ensure compliance with the Buy American Provision when purchasing food 7 CRF 210.21(d).
 3. A cost or price analysis in connection with every procurement action in excess of the simplified acquisition threshold including contract modifications. [2 CFR 200.324(a)]
 4. Documented Procurement Procedures and activities will be maintained. [2 CFR 200.318(a)]
- H. Duties of Food Service Supervisor:
1. Plan the goods or services needed for the school food service program for the school year based on planned menus through needs assessment, forecasting and budgeting.
 2. Develop written specifications for food/supplies needed. Include details such as descriptions and product requirements (e.g. packaging, weight, pack size, etc.) for needed goods or services.
 3. Compare product specifications among all vendors/contractors. Information for prices obtained from grocery stores, farmer's markets, etc.
 4. Make procurement awards based on the lowest and best vendor's response as determined by quality, availability, service, and price.
 5. Place and confirm orders with vendors or make plans to purchase the required items.
 6. To make procurement awards based on the lowest and best vendor's response as determined by quality, availability, service and price.
 7. To work with vendors on a fair and equal basis.
 8. To conduct an in-house procurement review once per year.

Date of Adoption: 12/15/2025

Business OperationsInternal Controls

The District will develop and maintain internal control procedures as required by law and in accordance with sound fiscal monitoring practices that will ensure appropriate oversight of state and federal funds. The following internal control procedures will be utilized for all federal grants:

Generally: If the District receives federal awards, grants, or other funds, the District will:

- 1) Establish and maintain effective internal control over the federal award that provides reasonable assurance that the District manages the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. The District will endeavor to develop and align these internal controls consistent with the “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
- 2) Comply with the U.S. Constitution, federal statutes, regulations, and the terms and conditions of the federal award;
- 3) Evaluate and monitor the District's compliance with statutes, regulations and the terms and conditions of federal award;
- 4) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; and
- 5) Take reasonable cybersecurity and other measures to safeguard protected personally identifiable information and other information the federal awarding agency, or pass-through entity, designates as “sensitive” or the District considers sensitive, consistent with applicable federal, state, and local laws regarding privacy and responsibility over confidentiality.

Legal Reference: 2 C.F.R. § 200.303.

Management requirements: The District will manage equipment (including replacement equipment), whether acquired in whole or in part under a federal award, until the District disposes of such equipment. The District will, as a minimum, meet the following requirements:

- 1) Maintain property records of the equipment (including equipment description, serial number or other identification number, source of funding, acquisition date, and the like);
- 2) Maintain a physical inventory procedure, with an inventory occurring at a minimum of every two (2) years;
- 3) Implement a control system to ensure safeguards for preventing property loss, damage, or theft;
- 4) Implement adequate maintenance procedures for the equipment; and
- 5) Implement sales and disposition procedures for the equipment to ensure the highest possible return.

All equipment, whether acquired in whole or in part under a federal award, with a current fair market value of \$10,000 or less (per unit) may be retained, sold, or otherwise disposed of in accordance with the Board's Sale and Disposal of Property Policy.

All equipment, whether acquired in whole or in part under a federal award, with a current fair market value in excess of \$10,000 (per unit), may only be sold or otherwise disposed of in accordance with the provisions of 2 C.F.R. § 200.313(e)(2)-(3).

Legal Reference: 2 C.F.R. §§ 200.313 & 200.303.

Procurement: The District will use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable federal law and the requirement standards imposed by law, including:

- 1) A procedure for micro-purchases (Under \$15,000);
- 2) A procedure for simplified acquisition thresholds (between \$15,000 to \$350,000);
- 3) A procedure for sealed bids (over \$350,000);
- 4) A procedure for competitive proposals (with an explanation for why sealed bids were not accepted if over \$350,000); and
- 5) A procedure for noncompetitive bids.

Legal Reference: 2 C.F.R. §§ 200.317 through 200.326.

Cross-Reference: Policies 3130 & 3131.

Contract Terms: All contracts funded (in whole or in part) by federal funds and/or federal awards must contain the following terms or, via this Policy, the following terms are required and incorporated into any such contracts:

- 1) An assurance that minority business enterprises and labor surplus area firms are used, when possible;
- 2) An Anti-Lobbying clause for all contracts, including an Anti-Lobbying Certification, for contracts exceeding \$100,000;
- 3) A Suspension and Debarment clause;
- 4) A provision for termination for cause and for convenience, including the manner by which it will be affected and the basis for settlement;
- 5) A clause that addresses administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and a provision for sanctions and penalties;
- 6) For contracts in excess of \$150,000, a clause addressing the Clean Air Act and the Federal Water Pollution Control Act;
- 7) A provision maintaining contract oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders;
- 8) A provision addressing the District's conflict of interest policies; and
- 9) A requirement that the contractor maintains records related to the contracted work.

Legal Reference: 2 CFR § 200.319(d); 2 CFR § 200.321; 2 CFR § 200, Appendix II(I); 2 CFR § 200, Appendix II(H); 2 CFR § 200, Appendix II(B); 2 CFR § 200, Appendix II(A); 2 CFR § 200, Appendix II(G); 2 CFR § 200.318(b); 2 CFR § 200.318(c)(1); 2 CFR § 200.318(i); 2 CFR § 200.324(a); 2 CFR § 200.324(b).

Federal Interest Reporting: The District will follow the required federal interest reporting and recording requirements, if applicable, for any real property or improvement interest financed, in whole or in part, with federal funds.

Legal Reference: 2 CFR §§ 200.310-200.313.

Record Retention: Financial records, supporting documents, statistical records, and all other related records pertinent to a federal award will be retained for a period of three (3) years from the date of submission of the final expenditure report or, for federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the federal awarding agency or pass-through entity in the case of a sub-recipient, or as otherwise specified by the federal award or federal law.

For all other records, the District will retain such records for the length of time as required by law.

Legal Reference: 2 C.F.R. § 200.333, 2 C.F.R. § 200.334 & 34 C.F.R. § 81.31.

Suspension and Debarment: The District will not contract with any entity or individual who has been debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities. Before entering into a contract regarding a federal award, the District will either: (1) verify that a vendor has not been debarred, suspended or otherwise excluded via SAM.gov, (2) collect a verification from that vendor; or (3) add a clause to the contract with the vendor. The District will maintain a copy of said verification or documentation.

Legal Reference: 2 C.F.R. § 200.213.

Financial Management: The District will maintain financial management systems to account for the federal funds, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award. These records will be sufficient to permit the District to prepare reports required by general and program-specific terms and conditions and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the federal statutes, regulations, and the terms and conditions of the federal award. The financial management system will provide for the following:

- 1) Identifying all of the federal awards received and expended and the federal programs under which they were received;
- 2) Ensuring that accurate, current, and complete disclosure of the financial results of each federal award or program are maintained in accordance with reporting requirements;
- 3) Maintaining records and documentation that sufficiently identify the amount, source, and expenditure of funds for federally funded activities;
- 4) Ensuring effective controls over accountability and safeguards for all funds, property, and other assets;
- 5) Comparing actual expenditures with budget amounts for each federal award;
- 6) Ensuring payments of federal funds are made in accordance with applicable law, including 2 CFR § 200.305; and
- 7) Determining the allowability of costs in accordance with applicable law and the conditions of the federal award.

Legal Reference: 2 C.F.R. § 200.302.

Program Income: The District will consult with the federal awarding agency and refer to the applicable law and federal program terms and conditions to determine how to account for, deduct and otherwise handle income from federal programs.

Legal Reference: 2 C.F.R. § 200.307.

Cost Sharing or Matching: For all federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the District's cost sharing or matching, when such contributions meet all of the following criteria:

- 1) Are verifiable from the District's records;
- 2) Are not included as contributions for any other federal award;
- 3) Are necessary and reasonable for accomplishment of project or program objectives;
- 4) Are allowable under the applicable Cost Principles requirements;
- 5) Are not paid by the Federal Government under another federal award, except where the federal statute authorizing a program specifically provides that federal funds made available for such program can be applied to matching or cost sharing requirements of other federal programs;
- 6) Are provided for in the approved budget when required by the federal awarding agency; and
- 7) Conform to other provisions of the law or terms and conditions of the federal award, as applicable.

Legal Reference: 2 C.F.R. § 200.306.

Compensation: Compensation for personal services includes all remuneration for services of employees rendered during the period of performance under the federal award, including, but not limited to wages, salaries, and fringe benefits. Costs of compensation may be allowable under federal law and the federal grant to the extent that they satisfy the following requirements:

- 1) Is reasonable for the services rendered; and
- 2) Conforms to the established written expectations of the District, as applied consistently to both federal and non-federal activities.

If the District intends to charge compensation to federal awards, such charges will be based on records that accurately reflect the work performed, and will:

- 1) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- 2) Be incorporated into the official records of the District;
- 3) Reasonably reflect the total activity for which the employee is compensated by the District, not exceeding 100% of compensated activities;
- 4) Encompass both federally assisted, and all other activities compensated by the District on an integrated basis, but may include the use of subsidiary records as defined in the District's written procedures;
- 5) Comply with the established accounting policies and practices of the District; and
- 6) Differentiate and account for the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one (1) federal award; a federal award and non-federal award; an indirect cost activity and a direct cost activity; two (2) or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

Any leave and/or fringe benefits charged to a federal award must satisfy all criteria set forth in 2 C.F.R. § 200.431(b) and/or (c).

Budget estimates will generally not be used to support charges to federal awards but may be used for interim accounting purposes.

Legal Reference: 2 C.F.R. §§ 200.430 & 200.431.

Federal Funds for Construction Projects: If the District is granted the authority to use federal funds for a construction project, the District will follow the Davis-Bacon and Related Acts, including the payment of “prevailing wages” to those who work on the job site, as well as the contractor bonding requirements.

Legal Reference: 40 U.S.C. § 3141, et seq; 2 C.F.R. § 200.326.

Capitalization and Depreciation: The District will follow the rules for selected items of cost at 2 C.F.R. Part 200, Subpart E, when charging these specific expenditures to a federal grant. When applicable, District staff will check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, federal, state, or program-specific rules, including the terms and conditions of the award, may deem a cost as unallowable and District personnel shall follow those requirements. The following rules of allowability apply to equipment and other capital expenditures:

- 1) Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the federal awarding agency or pass-through entity.
- 2) Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$10,000 or more have the prior written approval of the federal awarding agency or pass-through entity.
- 3) Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior written approval of the federal awarding agency or pass-through entity.
- 4) Allowability of depreciation on buildings, capital improvements, and equipment shall be in accordance with 2 CFR § 200.436 and 2 CFR § 200.465.
- 5) When approved as a direct cost by the federal awarding agency or pass-through entity under Sections A - C, capital expenditures will be charged in the period in which the expenditure is incurred, or as otherwise determined appropriate and negotiated with the federal awarding agency.
- 6) If the District is instructed by the federal awarding agency to otherwise dispose of or transfer the equipment, the costs of such disposal or transfer are allowable.

- 7) Any depreciation will be computed, charged, and recorded in a manner consistent with federal regulations and any requirements of the federal awarding agency.

Legal Reference: 2 C.F.R. §§200.436 & 200.439.

Conflict of Interest: No District employee, agent, or Board Member with a real or apparent conflict of interest may participate in the selection, award, or administration of a contract supported by or with federal funds. A “conflict of interest” includes, but is not limited to, a financial or other interest in or a tangible personal benefit from federal funds that would directly or indirectly benefit either (1) the employee, agent, or board member; (2) any member of their immediate family; or their spouse or partner, or (3) an organization that employs or is about to employ those individuals. District employees, agents, and Board Members may only accept gratuities, favors, or anything of monetary value from federally funded contractors in accordance with the District’s Conflict of Interest Policy. Any District employee, agent, or Board Member who knowingly violates these terms may be subject to discipline, up to and including termination of employment and/or referral for possible criminal prosecution.

Legal Reference: 2 C.F.R. §§ 200.112 & 200.318.

Unexpected or Extraordinary Circumstances: For all federal awards, if the District does not currently have in place a sufficient policy that addresses extraordinary circumstances, such as those caused by COVID-19, the District may amend or create a policy at a later date in order to put emergency contingencies in place for federal and non-federal similarly situated employees. If the conditions exist for charges to be made to the federal grant, then charges may also be made to any non-federal sources that are used by the District in order to meet a matching requirement. The District will take other steps to comply with federal award requirements in the event of unexpected or extraordinary circumstances.

Legal Reference: 2 C.F.R. § 200, et seq.

Date of Adoption: 12/15/2025