

**SUBJECT: FEDERAL FUNDS**

The Board of Education shall consider whether to apply for any federal aid for which it is eligible. The administrative staff has the responsibility to evaluate federally funded programs, including their possible benefits to the children and youth in the school district, apprise the Board of the value of each, and make recommendations accordingly. A separate federal aid fund shall be maintained to record all financial transactions in federally aided programs and projects. A separate account, distinct from other district accounts, shall be maintained for federal funds.

For projects funded by federal sources, all activities will follow District policies, regulations, and guidelines; and, appropriate federal, state, local or private guidelines.

The district administrator for a federal project will coordinate with the business office to monitor, supervise, prepare, and submit appropriate authorization for receipt and disbursement of project funds.

The district administrator shall ensure that each draw of federal monies is as close as administratively feasible to the related program expenditures and are to be drawn to meet the immediate cash needs of the grant or cooperative agreement. Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the district.

Federal funds received are to be deposited in interest bearing accounts. Interest earned is to be monitored quarterly. In accordance with Part 80 of EDGAR, the District must return to the Department of Education the interest earned on advances of grant funds except that the District may retain up to \$100 of interest earned on grant accounts each year to pay for the costs of maintaining the account. The District will promptly (at least quarterly) remit interest earned on advances to the Department of Education.

Federal funds are to be used in accordance with the laws, regulations, and provisions of the Federal program through which the funds were granted. Funds are to be used solely for approved obligations incurred during the funding period. Disbursements of federal funds are, all disbursements, subject to the approval of the claims auditor.

**Ref:**

8 NYCRR Parts 114; 167; 200 EDGAR

34 CFR Part 80.21(b), 34 CFR Part 74(a), 34 CFR Part 80.21 (80-.21(i))

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