

Overview of Blending and Braiding state and federal funds

Presented by

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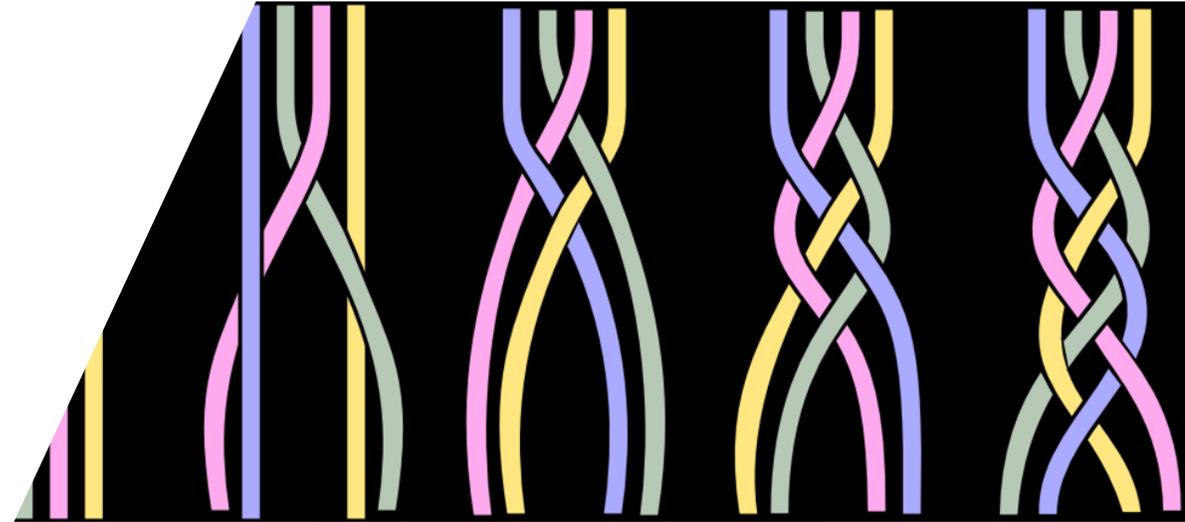
Amy Harris, Director of Federal Fiscal Policy



Washington Office of Superintendent of
PUBLIC INSTRUCTION

What's the term?

- **Braiding = Coordinating**
- **Blending = Combining**
 - **Consolidating**
 - **Transferring**
 - **Reaping**



What's the term?

- **Braiding:** Using multiple funding sources in a coordinated way to support educational initiatives to ensure consistency and eliminate duplication of services while **maintaining individual program identity**. Activities are allowable under each applicable grant and those grants continue to maintain their character.
- **Blending:** Combining funds into one. Funds lose their identity and can be used for any generally allowable activity.
 - *In Washington State, funds must be claimed under the original grant award.*

Blending

- **Consolidating:** A term used in a Title I, Part A Schoolwide Program that means mixing funds together so that they no longer need to follow program allowability rules, except that the “intent and purpose” of the funds must be met. All funds that are consolidated in the schoolwide program become “schoolwide” funds and can be used for any activity that addresses the needs expressed in the Schoolwide Plan. *We recommend that you use a Schoolwide budget sub-code*
- **Transferring:** Transferring all, or a portion of the Title II or IVA funds into another program. Funds lose their character and become the receiving program’s funds. For example, if a district chooses to transfer all of their Title II funds into Title I, Part A, those Title II funds become Title I, Part A funds and follow Title I, Part A rules.

REAP(REAP Alternative Fund Use Authority)

- **Reaping:** A flexible use authority granted to eligible rural districts giving them the ability to use select federal funds as if they were from another federal program. For example, if a rural district receives Title II funds, the district can spend those funds on Title I allowable activities.



Using the Document

Unlocking Federal and State Funds to support Student Success

Unlocking Funds Document

Part 1: Braiding

Coordinating

Part 2: Blending

Consolidating

Transferring

REAPing

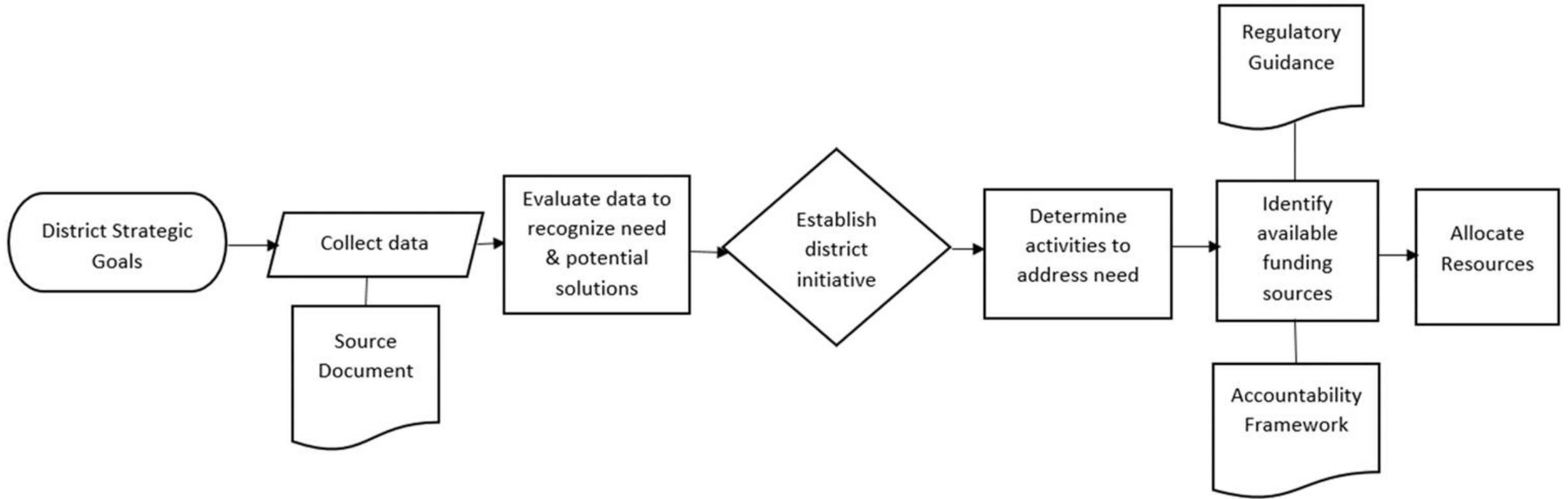
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 - Professional Learning
 - Grade-Level Literacy Rates
 - Parent and Family Engagement
 - Positive School Climate
 - Regular Attendance
 - 9th Graders on Track
 - Advanced Learning Opportunities
 - Preschool

This section has specific allowable activities and ideas for multiple sources of state and federal funds to assist with Braiding.



Tips from Practicioners



Spokane School District

- Flow chart to show process for braiding funds

What is working or unique?	EVIDENCE: Perceptual, Demographic, Contextual, Achievement	
What are the Barriers?	EVIDENCE: Perceptual, Demographic, Contextual, Achievement	
What are the Opportunities?	EVIDENCE: Perceptual, Demographic, Contextual, Achievement	

- Answering these three questions helped discover the needs and solutions:

1. What is working or unique?
2. What are the Barriers?
3. What are the Opportunities?

Moses Lake

Rochester School District

- What to consider when Planning for a specific initiative:
 - What funds
 - Requirements for those funds
 - Budgeting options
 - Next steps

What initiative or activity has district identified as a need or priority?

What state and/or federal funds are eligible to braid for this initiative/priority?

What, if any, requirements are needed for specific funding streams?

Possible budgeting options for initiative

Next steps/questions to consider....

Questions?

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Federal Grant Requirements

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Federal Grant Requirements Relating to Salaries and Purchasing

- **Time and Effort:** Employees that have salaries charged all or in part to federal funds are required to keep time and effort. The type of time and effort required depends on the number of cost objectives (programs) they are charged to.
- **Federal Procurement:**
 - When making purchases of goods or services with federal funds, you must follow the more restrictive bid thresholds of state or federal law or your own district policy.
 - When making purchases of goods or services with federal funds \$25,000 and over, you must check that the vendor has not been suspended or debarred.
 - When making purchases of goods or services with federal funds over \$250,000 you must perform a cost price analysis.
 - Be sure to have written procedures for procurement that include purchases of goods or services with federal funds and standards of conduct covering conflict of interest. Review these annually to ensure they are up-to-date with current bid thresholds, etc.

What is Time and Effort?

- All salaries and wages charged to federal awards must be based on records that accurately reflect the work performed. Uniform Grant Guidance requires that documentation be supported by a system of internal control which provides reasonable assurance the charges are accurate, allowable, and properly allocated. (Code of Federal Regulations (CFR) 200.430)
- Time and effort reports should be prepared by all certificated and classified staff with salary and benefits that are charged:
 - Directly to a federal award.
 - Directly to multiple federal awards.
 - Directly to any combination of a federal award and other federal, state or local fund sources.

What is Time and Effort?

- LEA (Local Educational Agencies) responsibilities include:
 - Establishing policies and procedures for completion of appropriate time and effort reporting for all employees funded, in any part, with federal funds.
 - Providing training to employees on time and effort reporting.
 - Ensuring timely completion of time and effort reports.
 - Reviewing time and effort reports for completeness and accuracy.
 - At least quarterly, reconciling time and effort reports with budget and making any needed adjustments.
 - At least annually making all adjustments necessary to align payroll expenditures with reported time and effort.

What Type of Reporting is Needed?

1. Semi-annual certifications

- Certify the employee worked solely on activities related to a particular cost objective for a specified period of time, identify the cost objective, and specify the reporting period covered.
- Be signed and dated by the employee or a supervisor with first-hand knowledge of the work performed.
- Be completed timely and at least semi-annually, after the work has been completed.

What Type of Reporting is Needed?

1. Semi-annual certifications (continued)

- A semi-annual certification can be used for those employees who work solely on programs included in the schoolwide program and who are charged only to revenue sources that have been combined in a schoolwide plan.
- Employees who work in a schoolwide building can be grouped together in one semi-annual certification that the supervisor dates/signs. Be sure it indicates the building name so it can be identified as a schoolwide building.
- Certain federal and state programs are considered to have the same intent and purpose and can be considered one cost objective, meaning if an employee is only charged to these two programs they can use a semi-annual certification:
 - Title I-A/LAP (Learning Assistance Program)
 - Title III-A/TBIP (Transitional Bilingual Instructional Program)
 - Federal and State Special Ed

What Type of Reporting is Needed?

2. Monthly PAR's (Personnel Activity Report)

- Certify the employee worked on multiple activities related to more than one cost objective for a specified period of time, identify the cost objectives, and specify the reporting period covered (generally from beginning to end of month) which must coincide with one or more pay periods.
- Be signed and dated by the employee. (For internal control purposes, we encourage a supervisor with first-hand knowledge of the work performed also sign the PAR.)
- Be completed timely and at least monthly, after the work has been completed.
- Reflect the actual work done by the employee with all cost objectives clearly identified.
- Account for the total activity for which the employee is compensated, including both federal and nonfederal activities.

Time and Effort Substitute Systems

Substitute System

- Substitute systems may be more efficient than actual daily or monthly T&E records for employees who do not have fixed schedules. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee work.
- Semi-annual certifications are used.
- Requires prior approval by OSPI. Annual approval is only required if the district makes any substantive changes to an approved substitute system.
- Contact OSPI if you are unsure whether your district has an approved substitute system on file with us or if you are interested in using this option.

Time and Effort Substitute Systems

Fixed Schedule Substitute System

- To be eligible, employees must: 1) Currently work on a schedule that includes multiple activities or cost objectives that must be supported by monthly personnel activity reports and 2) Work on specific activities or cost objectives based on a predetermined schedule.
- In lieu of PARs, eligible employees may support a distribution of their salaries and wages through documentation of an established work schedule that meets the following standards:
 - Indicates the specific activity or cost objective that the employee worked on for each segment of the employee's schedule;
 - Accounts for the total hours for which each employee is compensated during the period reflected on the employee's schedule; and
 - Be certified at least semiannually and signed by the employee or a supervisor having firsthand knowledge of the work performed by the employee.

Time and Effort Substitute Systems

Fixed Schedule Substitute System (continued)

- Any revisions to an employee's established schedule that continue for a prolonged period must be documented and certified in accordance with the above standards. The effective dates of any changes must be clearly indicated in the documentation provided.
- Any significant deviations from an employee's established schedule, such as lengthy unanticipated schedule changes, must be documented by the employee using a monthly PAR that covers that period.
- Be sure to keep monthly schedules for employees to support the semi-annual certification.
- The district must submit a management certification to OSPI certifying that only eligible employees will participate in the "fixed schedule" system and that the system used to document employee work schedules includes sufficient controls to ensure that the schedules are accurate.
- Contact us:
 - If you are interested in using fixed schedule substitute system. We will send you the management certification to sign and return. We will keep your certification on file and add your District to our approved list.
 - Or if you want to check whether your district is already approved to use this system.

ESSER II



ESSER II

- **Authorized Legislation:** ESSER II Funds were authorized under the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021, Public Law 116-260, enacted on December 27, 2020.
- **Period of Availability:**
 - Same as ESSER I Funds (CARES Act): May be used for pre-award costs dating back to March 13, 2020, when the national emergency was declared.
 - Available for obligation by SEAs and subrecipients (Local Educational Agencies (LEAs)) through September 30, 2023. Because ESSER I funds expire first, on September 30, 2022, districts are strongly encouraged to spend ESSER I funds first.

ESSER II

- **Uses of Funds:**
 - Same as ESSER Fund (CARES Act). Note that the “additional” LEA allowable uses of funds under the CRRSA Act (addressing learning loss, preparing schools for reopening, and testing, repairing, and upgrading projects to improve air quality in school buildings) are already permitted under the CARES Act.
- **Prohibited Uses of Funds:**
 - According to the U.S. Department of Education, LEAs may not spend ESSER II funds on:
 - Bonuses, merit pay, or similar expenditures, unless related to disruptions or closures related to COVID-19;
 - Subsidizing or offsetting executive salaries and benefits of individuals who are not district employees; or
 - Expenditures related to state or local educator unions or associations.

ESSER II-Allowable Activities

Allowable Uses per the Grant Award for ESSER I and ESSER II:

- Activities authorized by the Every Student Succeeds Act (ESSA)
- Activities authorized by the Individuals with Disabilities Act (IDEA)
- Activities authorized by the Adult Education and Family Literacy Act
- Activities authorized by the Carl D. Perkins Career and Technology Education Act of 2006
- Activities authorized by subtitle B of Title VII of the McKinney-Vento Homeless Assistance Act
- Coordination of preparedness and response efforts of local educational agencies with State, local, Tribal, and territorial public health departments, and other relevant agencies, to improve coordinated responses among such entities to prevent, prepare for, and respond to coronavirus.
- Providing principals and others school leaders with the resources necessary to address the needs of their individual schools.
- Activities to address the unique needs of low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth, including how outreach and service delivery will meet the needs of each population.

ESSER II-Allowable Activities

Allowable Uses per the Grant Award for ESSER I and ESSER II:

- Developing and implementing procedures and systems to improve the preparedness and response efforts of local educational agencies.
- Training and professional development for staff of the local educational agency on sanitation and minimizing the spread of infectious diseases.
- Purchasing supplies to sanitize and clean the facilities of a local educational agency, including buildings operated by such agency.
- Planning for and coordinating during long-term closures, including how to provide meals to eligible students, how to provide technology for online learning to all students, how to provide guidance for carrying out requirements under the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.) and how to ensure other educational services can continue to be provided consistent with all Federal, State, and local requirements.
- Purchasing educational technology (including hardware, software, and connectivity) for students who are served by the local educational agency that aids in regular and substantive educational interaction between students and their classroom instructors, including low-income students and students with disabilities, which may include assistive technology or adaptive equipment.
- Providing mental health services and supports.
- Planning and implementing activities related to summer learning and supplemental afterschool programs, including providing classroom instruction or online learning during the summer months and addressing the needs of low-income students, students with disabilities, English learners, migrant students, students experiencing homelessness, and children in foster care.
- Other activities that are necessary to maintain the operation of and continuity of services in local educational agencies and continuing to employ existing staff of the local educational agency.

ESSER II-Allowable Activities

Allowable Use Categories Added in the ESSER II Grant Award:

- Addressing learning loss among students, including low-income students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and children and youth in foster care, of the local educational agency, including by—
 - (A) Administering and using high-quality assessments that are valid and reliable, to accurately assess students' academic progress and assist educators in meeting students' academic needs, including through differentiating instruction.
 - (B) Implementing evidence-based activities to meet the comprehensive needs of students.
 - (C) Providing information and assistance to parents and families on how they can effectively support students, including in a distance learning environment.
 - (D) Tracking student attendance and improving student engagement in distance education.
- School facility repairs and improvements to enable operation of schools to reduce risk of virus transmission and exposure to environmental health hazards, and to support student health needs.
- Inspection, testing, maintenance, repair, replacement, and upgrade projects to improve the indoor air quality in school facilities, including mechanical and non-mechanical heating, ventilation, and air conditioning systems, filtering, purification and other air cleaning, fans, control systems, and window and door repair and replacement.

ESSER II Allowable Activities

- The purpose of the ESSER I and ESSER II grants are “to prevent, prepare for, and respond to coronavirus”.
- The use of ESSER I and ESSER II funds are very flexible and may be used for:
 - Salaries and benefits to keep people employed during the pandemic.
 - Paid leave, furloughs and unemployment due to COVID.
 - PPE, cleaning supplies, handwashing stations, physical barriers, etc. to prevent the spread of COVID.
 - Instructional technology to assist with distanced learning.
 - Professional development relating to distanced learning or preventing the spread of COVID.

ESSER II

- **Equitable Services:** The CRRSA Act includes a separate program of Emergency Assistance for Non-Public Schools (EANS) for which eligible non-public schools may apply to an SEA to receive services or assistance. (These funds are included in GEER II and will come to OSPI from the Governor's Office.) Consequently, LEAs are not required to provide equitable services under ESSER II.
- **Accounting for ESSER II funds:** ESSER II funds must be tracked separately from ESSER funds.

ESSER II

- **Supplement not Supplant:** ESSER II funds are not subject to a supplement not supplant requirement. This is why LEAs are able to use a federal unrestricted indirect cost rate for these funds.
- **Maintenance of Effort:** ESSER II does not include a local maintenance of effort requirement. In other words, districts are not required to maintain effort to receive ESSER II funds.

ESSER II

- **Allocations:**

- The legislature in HB 1368 only provided authorization for OSPI to allocate ESSER II funds to 20-21 Title I recipient districts and only at 90% of the LEAs total allocation.

<https://app.leg.wa.gov/billssummary?BillNumber=1368&Initiative=false&Year=2021>

- As soon as we get authorization from the legislature to provide non-Title I districts with their portion of ESSER II funds, we will update the information in the iGrants system and sent out appropriate notification. These funds will come from the state set-aside portion of the grant funds.

ESSER II

- **Grant Application:**
 - ESSER II Form Package 120 is now available in iGrants. At this time, only 20-21 Title I recipient districts can apply for this grant.
 - LEAs must have an OSPI approved school re-opening plan prior to receiving proceeds from this grant.
 - In order to receive funds in March apportionment, LEAs must have an approved school re-opening plan, and this approved grant application, no later than March 15th.
 - LEAs electing to claim in future months must meet the approval date deadlines which will be distributed via GovDelivery email.
 - The submission of a reopening plan is not a condition of grant application approval.

ESSER II

- **Expenditure Reporting Smartsheet Tool:**

- As a condition of payment of funds, LEAs must report expenditures both in the EDS Grants Claims system and in the OSPI ESSER II Expenditure Reporting Smartsheet tool on the OSPI website. These are monthly requirements that must occur prior to each grant payment:

<https://app.smartsheet.com/b/publish?EQBCT=5d73ecad91c342d1819b4acd4218f4b1>

- Contact Eileen Frimberger at Eileen.Frimberger@k12.wa.us for questions.

ESSER II

- **Resources:**

- OSPI Bulletin B005–21:

- <https://www.k12.wa.us/sites/default/files/public/bulletinsmemos/bulletins2021/B005-21.pdf>

- OSPI Coronavirus Guidance:

- <https://www.k12.wa.us/about-ospi/press-releases/novel-coronavirus-covid-19-guidance-resources>

- US Department of Education ESSER webpage:

- <https://oese.ed.gov/offices/education-stabilization-fund/elementary-secondary-school-emergency-relief-fund/>

- Coronavirus Response and Relief Supplemental Appropriations (CRRSA):

- <https://www.congress.gov/bill/116th-congress/house-bill/133/text>

- **Program Contacts for the ESSER II Grant Application (Form Package 120):**

- Amy Harris, Director of Federal Fiscal Policy Amy.Harris@k12.wa.us

- Larry Fazzari, Title I–A Program Supervisor Larry.Fazzari@k12.wa.us

Federal Transferability and REAP



Federal Transferability

What is transferability?

- Transferability is a flexibility authority under the Every Student Succeeds Act (ESSA) which allows Local Educational Agencies (LEAs) to transfer up to 100 percent of the funds they receive under Title II, Part A and Title IV, Part A to other programs to better address the needs of their unique student populations and to ensure the capacity of delivering a meaningful program.
- Transferred funds take on the character of the program they are transferred into. This includes statutory set-asides, ranking and allocating in Title buildings, and carryover.
- Form Package (FP) 821 – notification to OSPI of transfer (includes process guide and FAQ)

Federal Transferability

• LEAs may transfer all or some of the funds received **FROM:**

- Title II, Part A
- Title IV, Part A

• LEAs may transfer all or some of the funds from programs listed above **INTO:**

- Title I, Part A
- Title I, Part C
- Title I, Part D
- Title II, Part A
- Title III, Part A
- Title IV, Part A
- Title V, Part B, Subpart 2

Federal Transferability

- Claiming: The funds must be claimed (for reimbursement) under the program in which they were originally received.
- Accounting: The LEA has discretion in how they account for the transferred (sub-coding or reclassify in an existing account).
- SEFA reporting: On the SEFA, LEAs should report transferred funds under the program transferred to and include an accompanying note.
- Carryover: Carryover balances remain with the program transferred into unless the LEA elects to transfer them. They do not “automatically follow” current year transfer elections. LEAs who want to transfer available carryover funds must notify OSPI on this form package: Transferability Report and Carryover Options– Form Package (FP) 881

Rural Education Achievement Program–REAP

- REAP Alternative Fund Use Authority allows eligible LEAs to combine/pool the following allocations:
 - Title II, Part A – Supporting Effective Instruction
 - Title IV, Part A – Student Support and Academic Enrichment
- LEAs that utilize REAP Alternative Fund Use Authority may apply those combined/pooled funds to allowable activities under:
 - Title I, A – Improving Basic Programs Operated by Local Education Agencies
 - Title II, A – Supporting Effective Instruction
 - Title III – Language Instruction for English Learners and Immigrant Students
 - Title IV, A – Student Support and Academic Achievement
 - Title IV, B – 21st Century Community Learning Centers
- REAP funds maintain their initial identity. The law allows for these funds to be used in an alternative fashion.
- All REAP funds are managed in a single Form Package (iGrants FP 225).
- REAP allows for 100% carryover into the next year. Transferred funds take on the character of the program they are transferred into, this includes carryover.
- For REAP eligibility, a LEA must:
 - (a) have a total average daily attendance (ADA) of less than 600 students, or (b) serve only schools that are located in counties that have a population density of fewer than 10 persons per square mile; **and**
 - (a) serve only schools that have a National Center for Education Statistics (NCES) school [locale code](#) of 41, 42, or 43, or (b) be located in an area of the state defined as rural by a governmental agency of the state.
- Tony May, Rural Education Program Supervisor – tony.may@k12.wa.us or 360-725-6231

Federal Procurement



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Federal Procurement

- Non-federal entities other than states, including subrecipients of a state, must have and use **documented** procurement procedures, consistent with state and local laws and regulations and the standards of CFR 200.318.
- The document procedures **must conform** to the procurement standards in CFR 200.317-.327.
- **Follow the more restrictive** of any applicable state law, local policy, or the federal regulations for procurements when using **federal** funds.

Federal Procurement

- **Conflict of Interest Policy:** Must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administrations of contracts (CFR 200.318(c)(1)).
 - Must disclose in writing any potential conflict of interest to the pass-through agency in accordance with applicable federal awarding agency policy (CFR §200.112).
- **Cost Price Analysis (CFR §200.323(a))**
 - Must perform a cost or price analysis in connection with every procurement action in excess of \$250,000.
 - Includes contract modification.
 - Method and degree of analysis depend on the facts surrounding the procurement situation, but must make independent estimates before receiving bids or proposals.

Federal Procurement

- The following table (continued on slide 29) outlines procurement requirements when using federal funds. The LEA must comply with the more restrictive of federal, state, and LEA requirements.

Procurement Method	Goods	Services
<p>Micro-Purchase - No quotes required, however, must consider price as reasonable based on research, experience, purchase history or other information and must be documented. Purchase cards can be used for micro-purchases if written procurement procedures are approved. To the maximum extent practical, should distribute equitably among suppliers</p>	<p>\$10,000 or less Must use more restrictive \$10,000 federal threshold instead of \$40,000 state threshold OR \$40,000 or less <u>NEW</u> – LEAs may self-certify that they meet low-risk criteria and procure goods up to \$40,000 under micro-purchase requirements.</p>	<p>\$10,000 or less OR \$50,000 or less <u>NEW</u> – LEAs may self-certify that they meet low-risk criteria and procure services up to \$50,000 under micro-purchase requirements.</p>

Federal Procurement

- **Uniform Grant Guidance Update for Micro-Purchases**

- Effective November 12, 2020, the Uniform Grant Guidance will allow non-federal entities, such as Local Educational Agencies (LEAs), to self-certify that they are low risk and use a micro purchase threshold of \$50,000*. See the Code of Federal Regulations (CFR) 200.320(a)(1).
- In order to use the higher threshold, LEAs must either:
 1. Qualify as a low-risk auditee for your most recent audit, or
 2. Perform an annual internal institutional risk assessment to identify, mitigate, and manage financial risks that results in a low-risk assessment.
- *LEAs that qualify to self-certify could go up to \$50,000 for services and books and \$40,000 for other purchases of furniture, equipment, or supplies (RCW 28A.335.190) since these are the most restrictive rules in Washington State. If an LEA wants to go above these limits, it must receive approval from its cognizant agency of indirect costs, which is the Office of Superintendent of Public Instruction (OSPI). However, for the other purchases of furniture, equipment or supplies, OSPI could not approve LEAs to go above \$40,000 due to the bid threshold for these items in state law.

Federal Procurement

- **Uniform Grant Guidance Update for Micro-Purchases**
- In order to qualify as a low-risk auditee using option number 1 above, LEAs must meet the criteria for a low risk auditee which can be found in the CFR 200.520. The auditor makes the determination as to whether or not the auditee qualifies as a low-risk auditee. The determination is cited in the federal single audit report under Identification of Major Federal Programs in Section I – Summary of Auditor’s Results of the Schedule of Findings and Questioned Costs.
- Under option number 2 above, the LEAs must perform an annual internal risk assessment, which is management's process of identifying risks and rating the likelihood and impact of a risk event. In order to qualify under this option, the assessment must demonstrate the LEA is low risk.
- Self-certification must take place on an annual basis; we recommend at the start of each school year (September 1st). Procurement policies must be updated prior to using the new threshold. We also recommend the policy include the self-certification procedures. The Washington State School Directors’ Association (WSSDA) plans to update their procurement policies by the end of 2020.

Federal Procurement

<u>Procurement Method</u>	<u>Goods</u>	<u>Services</u>
<p>Small Purchase Procedures (Informal) – Obtain/document quotes from a reasonable number of qualified sources (at least three).</p>	<p>\$10,000 - \$75,000 Must use more restrictive \$75,000 state threshold instead of \$250,000 federal threshold OR \$40,000 - \$75,000 <u>NEW</u> – LEAs may self-certify that they meet low-risk criteria and procure goods using small purchase procedures within this range.</p>	<p>\$10,000 - \$250,000 OR \$50,000 - \$250,000 <u>NEW</u> – LEAs may self-certify that they meet low-risk criteria and procure services under small purchase procedures within this range.</p>
<p>Sealed Bids / Competitive Bids (Formal)</p>	<p>\$75,000 or more Must use more restrictive \$75,000 state threshold instead of \$250,000 federal threshold</p>	<p>\$250,000 or more</p>

Federal Procurement

Non-Competitive Proposals:

- Appropriate only when:
 - Micro-purchase
 - Available only from a single source (sole source)
 - Public emergency which will not permit delay
 - Expressly authorized by awarding or pass-through agency in response to written request from district
 - After soliciting a number of sources, competition is deemed inadequate
- Procurement exemptions are highly scrutinized by the auditors. Sole source exemptions should be rare, reasonable and well documented. Emergency exemptions should be approved by the governing body and work should be started timely.

Federal Procurement

What if we are using federal funds to pay for a purchase made through piggybacking?

The local government must:

- Ensure that the procurement method meets the most restrictive procurement standards applicable to the local government.
 - Obtain copies of the procurement documents to confirm.
 - Have an interlocal agreement with the awarding agency.
- For contracts or purchases of \$25,000 or more, verify the party is not suspended or debarred.

Federal Procurement

- **Suspension & Debarment:**

- For any contracts of \$25,000 or more and all sub-recipients, a grantee must perform at least one of the following to ensure the lower tier party is not suspended or debarred from federal programs:
 - Check the Excluded Parties List System (EPLS) at www.sam.gov (**Be sure to maintain documentation of your search results**);
 - Collect a certification from the lower tier party; or
 - Add a clause or condition to your contract with the lower tier party.
 - **Be sure one of these steps are done prior to the contract signing and work is performed or purchase is made.**

Questions?

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