



Grants Management Policy



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| Policy Name | Fiscal Monitoring Procurement Policy | | |
| Policy # | FM2.4 | Policy Section | Fiscal Monitoring |
| Date Approved | May 2, 2019 | Approved By | <i>Sarah Hendrix</i> Deputy Associate Superintendent, Grants Management |
| Date Updated | N/A | | |

Audience

This policy pertains to the Arizona Department of Education’s Grants Management unit.

Purpose

The purpose of this policy is to provide clarity on ADE’s responsibilities for the procurement section of a fiscal monitoring.

Overview

The Arizona Department of Education (ADE) Fiscal Monitoring unit is responsible for overseeing that that Local Educational Agencies (LEAs) are in accordance with the fiscal terms, conditions and specifications of their funding applications.

Finding: A financial or compliance component identified as a part of the fiscal monitoring process that needs to be changed or adjusted to adhere to regulation guidelines.

Corrective Action Plan (CAP): A finding must be addressed through the creation of a Correction Action Plan. Each CAP must include an action plan for each finding, the name and title of the person responsible (responsible party) for ensuring the action plan is implemented, and the implementation date indicating when the action plan will be completed. Each finding may have one, or multiple, action plans.

Policy

ADE Grants Management fiscal monitoring is responsible for overseeing that LEAs are in compliance with Uniform Grant Guidance (UGG) procurement policy 2 CFR §200.318 - 200.326 and to address remedies for noncompliance as stated in 2 CFR §200.338.

To determine that procurement procedures adhere to UGG (as noted above), fiscal monitoring reviews the LEA’s detailed expenditure report to ensure parity with their completion report. The fiscal monitor must be able to match expenditure report line items to a specific grant and ensure that costs appropriately adhere to the scope of that grant. The LEA’s procurement policy will be reviewed when contracts for services or products are listed on the expenditure report. The procurement policy must be consistent with state and federal guidelines that relate to grant management, and the LEA must adhere to their own policy. Line items not adequately documented, or when other inconsistencies are



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identified, additional materials will be reviewed that include (but not limited to): purchase orders, invoices, contracts, policies, etc.

If the requested materials are not provided or are provided but do not clarify the connection between the purchased item or service, the LEA is cited with a finding. The LEA must create a Corrective Action Plan (CAP) to address the finding.