

Meeting Minutes
FINANCIAL POLICIES AND PROCEDURES ADVISORY COMMITTEE MEETING
April 25, 2024 at 9:30 a.m.

Member Facilitator: Lisa Bollers, Adams-Arapahoe 28J

1. Call to Order

Lisa Bollers called the meeting to order at 9:30am.

2. Approval of Agenda

Agenda was approved by Mimi Livermore, St. Vrain Valley
and seconded by Gina Lanier, Adams 12 - no changes made.

3. Approval of Minutes

Minutes were approved by Donna Murphy, Littleton SD
and seconded by Mimi Livermore, St. Vrain Valley.

4. GAINS Update (DeLilah)

DeLilah went over what GAINS is going to do for the field (The Grants Administration Implementation & Navigation System is a comprehensive solution designed to streamline the grant lifecycle, from application to reporting. It provides a centralized platform to efficiently manage grant application submissions, allocation and monitoring.) DeLilah covered what is in GAINS and what is not. Also provided training resources and an update of how many grants are currently in GAINS (18).

Delilah discussed the need for the Local Access Manager to grant access. Roles for level of access are determined by and assigned by the district for each user, not CDE. Importance of role designation was emphasized. Passwords and login credentials should never be shared. The system tracks every single step in the grant process for audit purposes.

Jess shared in the chat:

GAINS Training page: <https://www.cde.state.co.us/gains/gainstrainings>

GAINS@cde.state.co.us can also be used.

User Roles list and access descriptions can be found in Roles section of the GAINS FAQ:

<https://www.cde.state.co.us/gains/gainsfaq>

Training is being offered and may be found on the CDE website.

5. Grant Review Project (R12) (Kate)

- a. Kate provided an overview of the 2024 Grant Review Project and how it is different from GAINS. It is a strategy looking at grants authorized by specific

legislation. A total of 35 grants - about \$90m annually. She provided a timeline of the project - is in beginning phases.

i. Asking questions:

1. How competitive are each of these grants (approved/denied)?
2. What are the amounts available for distribution for each grant?
3. What are the distribution patterns with regard to rural/urban, at-risk, size of district, etc.?
4. How have grant funds been spent at the LEA level, based on Finance December data?
5. How well aligned are these grants to top district-identified priorities? (in process)
6. How well aligned are these grants to top state-identified priorities? (in process)

6. Grants Fiscal (Jen A)

a. Indirect Cost Guidance

New ICR developed. Key takeaways:

ESSER was the only grant that allowed use of the Unrestricted rate

What can indirect cost rates be applied to?

Can not be applied to: Cap construction/equipment and certain contracts

First \$25k on a contract only. However there is a caveat: if the contractor is filling a role/service a district would normally have on staff (example if a nurse is hired to provide nursing services to your schools on a contract basis). There is a [decision tree](#) to help determine the threshold that can be used to determine ICR charged on the cost of the contract beyond \$2k. Linke will be on the GFMU webpage

Vera Acuna asked where is the IDC document posted?

Bill Parsley provided the link in the chat:

<https://www.cde.state.co.us/cdefisgrant/webinarstrainingsguidance>

Tony Whiteley asked: "There is a difference between a 25k "sub award" for 25k, and just "doing business with a vendor" for 25k, right? Is CDE adding the (contract) parenthetical after every mention of the word sub award, or is that done in the federal language?" Answer: there are terms & conditions in every award letter sent out.

Tony followed up with: "So that means the contract work with a vendor is not considered a sub award (because, as you mentioned, they're different since sub awards aren't allowed), so they are not subject to the IC limitation, right? Thank you for the clarification."

Doug Shawcroft asked: "How about multi-year contracts, but they have to be renegotiated each year by management and the Purchasing Department - 1 single \$25K limit, or \$25K/year?"

Mark Rydberg asked: "What is the PAR deadline?" Answer: The deadline has not been determined yet.

b. ESSER Closeout

Reconcile ESSER grants well ahead of 9/30/2024 - so that if there are any adjusting entries, they can be made (including any corrections to ICR charged to the grant) - make sure it is done before your final RFF and before you submit your closeout documents/form.

There will be no exceptions.

c. Other Grants Closeout/Year-end

- i. Reconcile before the grant closes
- ii. Do you need a budget revision? Review receivables and revenues.
- iii. State grants: Cash on-hand (contact GFMU Fiscal analyst)
 1. Federal grants should never have cash on-hand (contact GFMU Fiscal Analyst)

ESSER III expires 9/30/24 - final RFF due date: 11/15/24

Reminder Monitoring Protocol

Respond quickly; within time frame requested

Provide ledger in detail

d. FY 2024-25 Allocations

e. Davis-Bacon Act (Hilery)

- i. CDE Construction Guidance Document (link in slides)
- ii. March 28, 2024 Office Hours (link in slides)
- iii. Four DBA criteria (may include BEST, minor remodeling and repairs)
- iv. Contract provisions for non-federal entity contracts under fed awards (2CFR 200, Appendix II) (link in slides)
- v. OESE Davis-Bacon Overview Document (link in slides)
- vi. DOL DBA/DBRA Certified Payrolls training and related slides that provide guidance on how to review certified payrolls (link in slides)
- vii. CDE supplemental contracted projects monitoring reminders

Davis-Bacon Act (DBA) Next Steps

- Open Project -= bring into full compliance
- Were prevailing wages paid by contractors and subcontractors (LEA needs to obtain related payroll records and at least spot check against applicable wage determination)
- If yes, prevailing wages were paid, contact Nazie Mojaheri-Nelson regarding waiver process
- If no, must make laborers whole (pay back wages) at the prevailing wage rate or find a non-federal funding source.
- Contact CDE with questions.

7. Universal Preschool (UPK) (Jeanni)

- a. Amy Carma provided an overview of funding at the Student level - before UPK
- b. Then provided an overview of funding at the Student level - under UPK
- c. She provided a summary overview of the funding at the student level.
 - i. the \$38m of SpEd PK PPR is now coming from CDED through the School Finance Act
- d. CDE distributes ECA funds to AUs
 - i. ECEA is based upon prior year December Count
 - ii. Federal IDEA allocations are provided when available, typically June or July

- e. UPK and SpEd funding - provided an overview of funding totals in FY23-24 vs FY22-23
- f. Jeannie Stefanik from CDE provided Funding updates
 - i. 4 yo attestation
 - ii. Final payments
 - iii. CPP historical Allocation by CDEC - payments will be processed no later than June 30, 2024
 - iv. Grant codes: 3896 (3-yo), 3897 (4-yo), 7575/8575 (Child Care Assistance Block Grant), 3950-3999 (for Capacity Building Grant (source 3010)- CDEC is required to reported to the legislature
 - v. FY24-25 provider rates
 - 1. The Dept was appropriated a 2% increase for provider rates

There was a 10-15 minutes discussion with multiple questions & answers to questions regarding UPK, 3 vs 4-yo and funding for SpEd preschoolers.

8. School Nutrition updates (Lyza)

- a. HSMA
 - i. JBC update
 - 1. Delay in additional grants
 - 2. Delay in grant and TA programs (wages/stipends and local food program)
 - 3. Flexibility with CEP requirements
 - 4. Mandate steps to increase household income form collection
 - 5. Local Food Purchasing Grant pilot - potential continuation
 - 6. Contractor
 - 7. Increase household income form collection
 - 8. Lyza can't provide rates (for next year?) until the federal reimbursement rates are released, usually in July
- b. CEP
 - i. Reporting
 - 1. She provided an overview of CEP and a timeline - need opt-in by district by June 30th.
 - 2. Prelim data: 1178 eligible sponsors (1310 sites)
 - a. Previously 65 sponsors (577 sites)
 - b. Using a contracted vendor to assist with validations.
 - ii. Deadlines
- c. S EBT
 - i. Data collection in process
 - 1. Opened 4/1 through 4/30
 - a. Submit data by 4/30
 - b. S-EBT is not an allowable expense to Fund 21 (\$120 to eligible student on the EBT card)
 - ii. Local administration funding
 - 1. Booked outside of fund 21 (use fund 10 or 22) - sponsors will receive admin funds for Summer-EBT for SY23-24 - email will go out today or tomorrow
 - iii. Upcoming Trainings (link in slides), Summer Food Service Program (SGFSP) applications are open

- 9. Legislative Session (Tim)
 - a. Newcomer Funding
 - i. Grant code 3291
 - ii. Definition of new arrival students: moved from another country to CO, have been in the US for less than 1 year; not proficient in English or has limited English proficiency, whose enrollment in a CO public school is the student's first school enrollment in the US
 - iii. Two funding mechanisms:
 - 1. Fixed cost (tiered based on newcomer enrollment) Flat \$15k
 - 2. Per-Pupil \$4,500, prorated up or down based on prorated funds (likely to be prorated down based on totals fund available)
 - b. McKinney Vento Guidance
 - i. Please see slide 65 which also contains links.
 - c. SB24-188 (the School Finance Bill for FY24-25 SY)
 - i. Incr base PPR by the rate of inflation to \$8,496.38 and increase of \$419.97 from FY23-24
 - ii. Repeals TPM fund as of July 1, 2025
 - iii. Adds rural/small rural funding to the formula to remove that funding from annual 'One-time funding'
 - iv. Requires the state treasurer to transfer \$15.7m from the state Ed fund to the MLO match fund
 - v. Extends implementation of a new at-risk count methodology to FY25-26
 - 1. Still working on the new At-Risk factor calc/methodology
 - a. Need real-world data - districts may be asked for data
 - d. Rewrite of School Finance Formula
 - e. Distribution of State Share Funding
 - i. Signed by the Governor (SB24-017)
 - 1. Changes the distribution over the course of the year considering the projected timing of when the district will receive the property tax component of its local share of its total program fundings.
 - 2. Is to be as equal as possible each month when combined with the property tax component of the local share
 - 3. Districts that prefer to stay on the current approximate 1/12th schedule must opt out before July 1st. The district is then opted out until they choose to opt in for a new fiscal year.
 - f. HB24-1448 - Foundation Funding and Student Factors (new formula)
 - i. Starts with a district's foundation funding - determined by multiplying the statewide base per pupil by FPC, excluding extended HS pupil enrollment and the district's (multi-district) online pupil funding
 - ii. Adds at-risk funding
 - iii. Adds district's ELPA funding
 - iv. Adds the district's SpEd funding
 - v. Adds district factors
 - 1. Adds the district's COL factor (did add a cap on COL factor)
 - 2. Adds the district's Locale factor
 - 3. Adds the district's size factor
 - 4. Adds district's extended HS funding
 - 5. Adds district's (multi-district) online funding

vi. Phase in and hold harmless (see slide 74 for details)

1. Full implementation as of FY2030-31

Will receive email from Tim today

10. GASB 101: Compensated Absences (Glenn Gustafson provided an update)

- a. GASB 101 replaces GASB 16
- b. Goal: More consistent model that applies to all types of compensated absences
- c. Effective for FY24-25 (early adoption is permitted)
- d. Main diff is the pivot from rules-based approach to a conceptual framework approach
- e. Check with your auditor for assistance

Compensated Absences (CA)- 3 criteria for recording the CA liability (see slides 77-82 for details)

11. Fiscal Health Analysis of Colorado School Districts (OSA) (Yolanda)

OSA is starting the process for this year's fiscal health analysis report. This year's report will be covering the three years ending 6/30/2023. They will plan to provide the preliminary data to the schools for review sometime during the week of April 29, 2024 (next week). OSA will send that information to CDE for distribution through the finance listserv, asking for responses back by May 10. They are planning to present this report to the Legislative Audit Committee in early August, more information to come on that as it becomes available.

Additionally, OSA wanted to make sure you were aware of single audit changes. They hear that the OMB was expecting to publish the new single audit guidance this week of April 22. The biggest change is that it will increase the single audit threshold to \$1 million. More information to come as the OMB publishes its final guidance.

Here's links to the pre-publication guidance.

Federal Register : Public Inspection: Guidance: Federal Financial Assistance

<https://www.federalregister.gov/public-inspection/2024-07496/guidance-federal-financial-assistance>

If you have any questions feel free to contact OSA. Just a reminder that all of the OSA's email addresses have changed to @coleg.gov

12. Financial Reporting (Yolanda and Kelly)

- a. Career and Technical Education (CTE) Instructor: Request to add and bold Job Class 225 (Vote) Initially this job class was requested in February 2023, at that time it was not added by FPP. In April 2024 a special meeting was requested by District HR personnel for FPP to reconsider the job class. The April special meeting was attended by members from the District HR personnel, the FPP Committee and the COA/FT subcommittee. (ask Nikki or Kirk if they have additional comments)
 - i. Approved: Nikki & seconded by Ashley Zhang
 - ii. The FPP members would like to have all voting members weigh in, not just have a 1st & 2nd motion.

1. Approve: Brian Gustafson, Linda Warhoe, Gina Lanier, Nikki Schmidt, Tia Mills, Mimi Livermore, Morgan Mauricio, Erick Burt, Ashley Zhang, Mike Madden
 - a. Oppose: Donna Murphy

The next three requests were initially requested at the last FPP meeting, FPP members asked that we revisit these requests until this meeting. The requests are to add and bold program codes 2170 Special Education Support Services - Student and 2270 Special Education Support Services - Instructional Staff. The initial request was to remove 2231 Supervision of Special Education Programs but after further discussion with FPP Members the preference was to keep the program code and allow it to be bolded. As bolded codes they would be used to capture SpEd expenditures, specifically support costs, similar to how program code 1700 is used for Instructional SpEd expenditures. Grants fiscal will also include these for use in determining Maintenance of Effort (MOE) These would need to be bolded in order to populate the Preliminary Maintenance of Effort Reports. The request will be for optional use for FY 23-24, then will be bolded beginning in FY 24-25 to allow for a transition year. These programs will be available for use with grant code 3130, 3896 and 3897.

- b. Special Education Support Services - Student
Request to add Program Code 2170 (Vote)
Vote: HELD over for more discussion, special meeting to be scheduled with voting members.
- c. Special Education Support Services - Instructional Staff
Request to add Program Code 2270 (Vote)
Vote: HELD over for more discussion, special meeting to be scheduled with voting members.
- d. Supervision of Special Education Programs
Request to bold Program Code 2231 (Vote)
Vote: HELD over for more discussion, special meeting to be scheduled with voting members.
- e. COA/FT Subcommittee
 - i. Kelly Wiedemer provided an update regarding membership changes on the subcommittee and the anticipated meeting schedule going forward. (see slides 99-102)

13. School Finance Rule Update (Amy)

Amy presented resources to find training on new rules and a link to the new version. Amy covered the new auditing approach with three levels and new deadlines. She did explain that the process is still being developed. Audit guide will be finalized in July.

14. FPP Membership Update (Kelly)

Subcommittee is moving forward. Gina Lanier is new and Robert Hawkins will replace Sondra's CDE position but Sondra will move into a new district position. Kelly presented the new meeting schedule. Kelly made a request for new topics and ideas.

15. School Finance Staffing (Tim)

16. Financial Support Organizations

- a. CASBO - May 1-3 CASBO Conference in Pueblo
- b. CASE-DBO
- c. CGFOA
- d. COCPA

17. Upcoming Meetings

- a. Thursday, June 20, 2024

18. Adjourn