

File ID Number	12-2128
Introduction Date	8/22/12
Enactment Number	12-2308
Enactment Date	8/22/12
By	O.R.



OAKLAND UNIFIED SCHOOL DISTRICT

Community Schools, Thriving Students

OAKLAND UNIFIED SCHOOL DISTRICT
Office of the Board of Education

To: Board of Education
 From: Tony Smith, Superintendent
 Maria Santos, Deputy Superintendent
 Subject: **District Accepting Grant Award**

ACTION REQUESTED:

Acceptance by the Board of Education of Grant Award to the District from U.S. Department of Education/Office of Elementary and Secondary Education to assist American Indian Students are receiving the programs and services that are required by NCLB in the amount of \$79,160.00 for the period July 1, 2012 through June 30, 2013, pursuant to the terms and conditions thereof if any.

BACKGROUND

Grant proposal for OUSD schools for the school year 2011-2012 fiscal year were submitted for funding as indicated in the chart below. The Grant Face Sheet and grant application packages are attached.

File ID #	Backup Document Included	TYPE	Recipient	Grant's Purpose	Time Period	Funding Source	Grant Amount
	See Under Attachment	Title VII Indian Education Formula Grant	LCI/OUSD American Indian Studies	Program will assist OUSD American Indian students to graduate on time and to assure that students are receiving the programs and services that are required by NCLB.	July 1, 2012 June 30, 2013	U.S Department of Education/Office of Elementary and Secondary Education	\$79,160.00

DISCUSSION

The district created a Grant Face Sheet process to:

- Review proposed grant projects as OUSD sites and assess their contribution to sustained student
- Identify OUSD resources required for progress success.

OUSD received a Grant Face Sheet and a completed grant application for the Program listed in the chart by the school.

FISCAL IMPACT

The total amount of grants will be provided to OUSD schools from funders.

- Grant valued at \$79,160.00

RECOMMENDATION

Acceptance by the Board of Education of Grant Award to the District from U.S. Department of Education/Office of Elementary and Secondary Education to assist American Indian students to graduate on time and to assure that students are receiving the programs and services that are required by NCLB in the amount of \$79,160.00 for the period July 1, 2012 through June 30, 2013, pursuant to the terms and conditions there of if any.



Attachments:


- Grant Face Sheet
- Grant Award Notification
- Explanation of blocks on the grant award notification
- Payee Verification for Grant
- Special Grant Conditions for Payment
- Terms and Conditions of Award Indian Education Formula Grant Program, Title VII, Subpart I
- Trafficking in Persons
- Special Conditions for Disclosing Federal Funding in Public Announcements
- Prohibition of Text Messaging and Emailing while driving during official federal Grant Business
- Registration of Data Universal Numbering System(DUNS) Number and Taxpayer Identification Number(TIN)
- In the Central Contractor Registration
- Letter from United States Department of Education, Office of elementary and Secondary Education
- Special terms and Conditions Specific to FY 2012 Indian Formula Grant Awards

OUSD Grants Management face Sheet

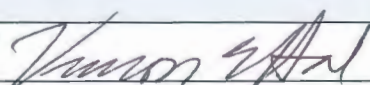
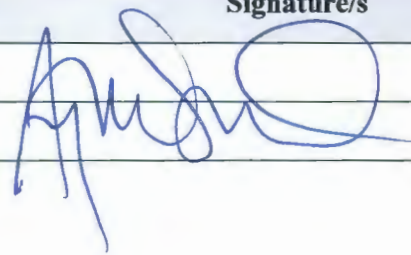
Title of Grant: Title VII, Office of Indian Education	Funding Cycle Dates: 7/1/2012-6/30/2013
Grant's Fiscal Agent: (contact's name, address, phone number, email address) Oakland Unified School District, Vernon Hal – 1025 Second Avenue, Room 301, Oakland, CA (510) 879-4622	Grant Amount for Full Funding Cycle: \$ 79,160.00
Funding Agency: US Department of Education, Office of Indian Education	Grant Focus: Title VII American Indian Education Program
List all School(s) or Department(s) to be Served: Oakland Unified School District American Indian Studies	

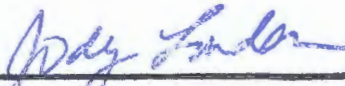
Information Needed	School or Department Response
How will this grant contribute to sustained student achievement or academic standards?	The grant will provide an individual coordinate programs that assist OUSD American Indian Students to graduate on time and to assure that students are receiving the programs and services that are required by NCLB.
How will this grant be evaluated for impact upon student achievement? (Customized data design and technical support are provided at 1% of the grant award or at a negotiated fee for a community-based fiscal agent who is not including OUSD's indirect rate of 5.17% in the budget. The 1% or negotiated data fee will be charged according to an Agreement for Grant Administration Related Services payment schedule. This fee should be included in the grant's budget for evaluation.)	American Indian Students enrolled in the OUSD will continue to have access to appropriate cultural materials and have assistance from the title VII Coordinator in finding resources to ensure that American Indian students continue to graduate on time.
Does the grant require any resources from the school(s) or district? If so, describe.	This grant would require that the data and analysis department work with the title VII coordinator to get students grade and test scores in a timely fashion so that we may assess when students are in need of more services. Also, it would require that all principals that have American Indian students in their schools work collaboratively with the title VII Coordinator to ensure that the American Indian students are receiving culturally appropriate materials and to allow the Title VII Coordinator to be a part of meetings about the students progress and/or have access set-up meetings with the students teachers.
Are services being supported by an OUSD funded grant or by a contractor paid through an OUSD contract or MOU? (If yes, include the district's indirect rate of 4.25% for all OUSD site services in the grant's budget for administrative support, evaluation data, or indirect services.)	The grant will be carried out through a contract between OUSD and American Indian Child Resources Center.
Will the proposed program take students out of the classroom for any portion of the school day? (OUSD reserves the right to limit service access to students during the school day to ensure academic attendance continuity.)	The program will only take American Indian Students out of the classroom if deemed necessary by the students' teacher, advisor or parent for extra assistance. There maybe occasions when student may attend special functions/field trips specifically for American Indian students and college bound activities or cultural programs.
Who is the contact managing and assuring grant compliance? (Include contact's name, address, phone number, email address.)	Elizabeth Macias 4551 Steele Street Oakland, CA 4619

Applicant Obtained Approval Signatures:

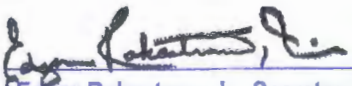
Entity	Name/s	Signature/s	Date
Principal			7/23/12
Department Head (e.g. for school day programs or for extended day and student support activities)	ELIZABETH MACIAS		

Grant Office Obtained Approval Signatures:

Entity	Name/s	Signature/s	Date
Fiscal Officer	Vernon Hal		
Superintendent	Tony Smith		


Jody London
 President, Board of Education

8/23/12


Edgar Rakestraw, Jr., Secretary
 Board of Education

8/23/12

File ID Number: 12-2128
 Introduction Date: 8/22/12
 Enactment Number: 12-2308
 Enactment Date: 8/22/12
 By: OL



**US Department of Education
Washington, D.C. 20202**

GRANT AWARD NOTIFICATION

1 RECIPIENT NAME Oakland Unified School Dist. 1025 2ND AVENUE Room 312 OAKLAND, CA 94606	2 AWARD INFORMATION PR/AWARD NUMBER S060A120769 ACTION NUMBER 1 ACTION TYPE New AWARD TYPE Formula																				
3 PROJECT STAFF RECIPIENT STATE DIRECTOR Corrina Gould (510) 208-1870 corrina@aicrc.org EDUCATION PROGRAM CONTACT Bernard L Garcia (202) 260-1454 bernard.garcia@ed.gov EDUCATION PAYMENT HOTLINE G5 PAYEE 888-336-8930 HELPDESK edcaps.user@ed.gov	4 PROJECT DESCRIPTION 84.060A Formula Grants to LEAs																				
5 KEY PERSONNEL N/A																					
6 AWARD PERIODS BUDGET PERIOD 07/01/2012 - 06/30/2013 FEDERAL FUNDING PERIOD 07/01/2012 - 06/30/2013 FUTURE BUDGET PERIODS N/A																					
7 AUTHORIZED FUNDING CURRENT AWARD AMOUNT \$79,160.00 PREVIOUS CUMULATIVE AMOUNT \$0.00 CUMULATIVE AMOUNT \$79,160.00																					
8 ADMINISTRATIVE INFORMATION DUNS/SSN 076554500 REGULATIONS CFR PART Not Available EDGAR AS APPLICABLE ATTACHMENTS A , E4 , E5 , E6 , L - OIE , M - OESE , N , O , P , S , U , V , W , c																					
9 LEGISLATIVE AND FISCAL DATA AUTHORITY: PL PL 107-110 VII ESEA AS AMENDED BY THE NO CHILD LEFT BEHIND ACT OF 2001 PROGRAM TITLE: INDIAN EDUCATION - GRANTS TO LOCAL EDUCATIONAL AGENCIES CFDA/SUBPROGRAM NO: 84.060A <table border="1"> <thead> <tr> <th>FUND CODE</th> <th>FUNDING YEAR</th> <th>AWARD YEAR</th> <th>ORG. CODE</th> <th>CATEGORY</th> <th>LIMITATION</th> <th>ACTIVITY</th> <th>CFDA</th> <th>OBJECT CLASS</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>0101A</td> <td>2012</td> <td>2012</td> <td>ES000000</td> <td>B</td> <td>E10</td> <td>000</td> <td>060</td> <td>4101A</td> <td>\$79,160.00</td> </tr> </tbody> </table>		FUND CODE	FUNDING YEAR	AWARD YEAR	ORG. CODE	CATEGORY	LIMITATION	ACTIVITY	CFDA	OBJECT CLASS	AMOUNT	0101A	2012	2012	ES000000	B	E10	000	060	4101A	\$79,160.00
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**US Department of Education
Washington, D.C. 20202**

GRANT AWARD NOTIFICATION

10

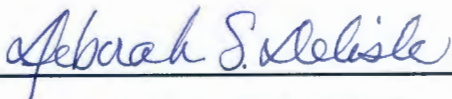
PR/AWARD NUMBER: S060A120769
RECIPIENT NAME: Oakland Unified School Dist.

TERMS AND CONDITIONS

- (1) This grant award is subject to the terms and conditions (if any) identified in Attachment T.
- (2) THE FOLLOWING ITEMS ARE INCORPORATED INTO THE GRANT AGREEMENT:
 1. THE RECIPIENT'S APPROVED APPLICATION.
 2. THE APPLICABLE EDUCATION DEPARTMENT REGULATIONS - - -
34 CFR 75, 77, 78, 79, 80, 81, 82, 85, AND 86.
 3. THE BUDGET PERIOD FOR THIS AWARD IS 12 MONTHS. ALL ALLOWABLE COSTS MUST BE INCURRED WITHIN THIS PERIOD. CARRYOVER OF FUNDS ARE NOT AUTHORIZED.
 4. UNDER SECTION 75.261(c) OF EDGAR, THE DEPARTMENT REQUIRES PRIOR APPROVAL FOR EXTENSION OF THE FUNDING PERIOD SPECIFIED IN BLOCK 6 ACCORDING TO THE PROCEDURES SPECIFIED IN SECTION 75.261(c).

REMINDER: PAYMENT OF GRANT FUNDS WILL BE BY DIRECT DEPOSIT TO THE RECIPIENT'S FINANCIAL INSTITUTION AND ONLY UPON THE RECIPIENT'S REQUEST.

OTHER INFORMATION AFFECTING THIS ACTION IS PROVIDED IN THE ATTACHMENTS SHOWN IN BLOCK 8.



AUTHORIZING OFFICIAL

JUN 30 2012

DATE

S060A120769

Corrina Gould
Oakland Unified School Dist.
1025 2ND AVENUE
Room 312
OAKLAND, CA 94606

EXPLANATION OF BLOCKS ON THE GRANT AWARD NOTIFICATION

For Discretionary, Formula and Block Grants (See Block 2 of the Notification)

1. RECIPIENT NAME - The legal name of the recipient, name of the primary organizational unit that

2. AWARD INFORMATION - Unique items of information that identify this notification.

PR/AWARD NUMBER - A unique, identifying number assigned by the Department to each application. On funded applications, this is commonly known as the "grant number" or "document number."

ACTION NUMBER - A numeral that represents the cumulative number of steps taken by the Department to date to establish or modify the award through fiscal or administrative means. Action number "01" will always be "NEW AWARD"

ACTION TYPE - The nature of this notification (e.g., NEW AWARD, CONTINUATION, REVISION, ADMINISTRATIVE)

AWARD TYPE - The particular assistance category in which funding for this award is provided, i.e., DISCRETIONARY, FORMULA, or BLOCK.

3. PROJECT STAFF - This block contains the names and telephone numbers of the U.S. Department of Education and recipient staff who are responsible for project direction and oversight.

***RECIPIENT PROJECT DIRECTOR** - The recipient staff person responsible for administering the project. This person represents the recipient to the U.S. Department of Education.

EDUCATION PROGRAM CONTACT - The U.S. Department of Education staff person responsible for the programmatic, administrative and businessmanagement concerns of the Department.

EDUCATION PAYMENT CONTACT - The U.S. Department of Education staff person responsible for payments or questions concerning electronic drawdown and financial expenditure reporting.

4. PROJECT TITLE AND CFDA NUMBER - Identifies the Catalog of Federal Domestic Assistance (CFDA) subprogram title and the associated subprogram number.

5.* KEY PERSONNEL - Name, title and percentage (%) of effort the key personnel identified devotes to the project.

6. AWARD PERIODS - Project activities and funding are approved with respect to three different time periods, described below:

BUDGET PERIOD - A specific interval of time for which Federal funds are being provided from a particular fiscal year to fund a recipient's approved activities and budget. The start and end dates of the budget period are shown.

PERFORMANCE PERIOD - The complete length of time the recipient is proposed to be funded to complete approved activities. A performance period may contain one or more budget periods.

***FUTURE BUDGET PERIODS** - The estimated remaining budget periods for multi-year projects and estimated funds the Department proposes it will award the recipient provided substantial progress is made by the recipient in completing approved activities, the Department determines that continuing the project would be in the best interest of the Government, Congress appropriates sufficient funds under the program, and the recipient has submitted a performance report that provides the most current performance information and the status of budget expenditures.

7. AUTHORIZED FUNDING - The dollar figures in this block refer to the Federal funds provided to a recipient during the award periods.

***THIS ACTION** - The amount of funds obligated (added) or de-obligated (subtracted) by this notification.

***BUDGET PERIOD** - The total amount of funds available for use by the grantee during the stated budget period to this date.

***PERFORMANCE PERIOD** - The amount of funds obligated from the start date of the first budget period to this date.

RECIPIENT COST SHARE - The funds, expressed as a percentage, that the recipient is required to contribute to the project, as defined by the program legislation or regulations and/or terms and conditions of the award.

RECIPIENT NON-FEDERAL AMOUNT - The amount of non-federal funds the recipient must contribute to the project as identified in the recipient's application. When non-federal funds are identified by the recipient where a cost share is not a legislation requirement, the recipient will be required to provide the non-federal funds.

8. ADMINISTRATIVE INFORMATION - This information is provided to assist the recipient in completing the approved activities and managing the project in accordance with U.S. Department of Education procedures and regulations.

DUNS/SSN - A unique, identifying number assigned to each recipient for payment purposes. The number is based on either the recipient's assigned number from Dun and Bradstreet or the individual's social security number.

***REGULATIONS** - The parts of the Education Department General Administrative Regulations (EDGAR) and specific program regulations that govern the award and administration of this grant.

***ATTACHMENTS** - Additional sections of the Grant Award Notification that discuss payment and reporting requirements, explain Department procedures, and add special terms and conditions in addition to those established, and shown as clauses, in Block 10 of the award. Any attachments provided with a notification continue in effect through the project period until modified or rescinded by the Authorizing Official.

9. LEGISLATIVE AND FISCAL DATA - The name of the authorizing legislation for this grant, the CFDA title of the program through which funding is provided, and U.S. Department of Education fiscal information.

FUND CODE, FUNDING YEAR, AWARD YEAR, ORG.CODE, PROJECT CODE, OBJECT CLASS -

The fiscal information recorded by the U.S. Department of Education's Grant Administration and Payment System to track obligations by award.

AMOUNT - The amount of funds provided from a particular appropriation and project code. Some notifications authorize more than one amount from separate appropriations and/or project codes. The total of all amounts in this block equals the amount shown on the line, "THIS ACTION" (See "AUTHORIZED FUNDING" above (Block 7)).

10. TERMS AND CONDITIONS - Requirements of the award that are binding on the recipient.

***AUTHORIZING OFFICIAL** - The U.S. Department of Education official authorized to award Federal funds to the recipient, establish or change the terms and conditions of the award, and authorize modifications to the award

FOR FORMULA AND BLOCK GRANTS ONLY:

(See also Blocks 1, 2, 4, 6, 8, 9 and 10 above)

3. PROJECT STAFF - The U.S. Department of Education staff persons to be contacted for programmatic and payment questions.

7. AUTHORIZED FUNDING

CURRENT AWARD AMOUNT - The amount of funds that are obligated (added) or de-obligated (subtracted) by this action.

PREVIOUS CUMULATIVE AMOUNT - The total amount of funds awarded under the grant before this action.

CUMULATIVE AMOUNT - The total amount of funds awarded under the grant, this action included.

* This item differs or does not appear on formula and block grants.

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE CHIEF FINANCIAL OFFICER
& CHIEF INFORMATION OFFICER

Oakland Unified School Dist.
1025 2ND AVENUE
Room 312

OAKLAND, CA 94606

SUBJECT: Payee Verification for Grant Award S060A120769

This is to inform you of the payee for the above listed grant award issued by the United States Department of Education

Grantee DUNS/SSN: 076554500

Grantee Name: OAKLAND UNIFIED SCHOOL DISTRICT

Payee DUNS/SSN: 076554500

Payee Name: OAKLAND UNIFIED SCHOOL DISTRICT

If any of the above information is not correct, please contact a Payee Customer Support Representative at 1-888-336-8930. Please send all the correspondence relating to the payee or bank information changes to the following address:

U.S. Department of Education
550 12th Street, SW
Room 6087
Washington, DC 20202

Attn: Stephanie Barnes
Phone: 202-245-8006

UNITED STATES DEPARTMENT OF EDUCATION
Office of the Chief Financial Officer

MEMORANDUM to ED GRANTEEES REGARDING THE USE OF GRANT FUNDS FOR CONFERENCES AND MEETINGS

You are receiving this memorandum to remind you that grantees must take into account the following factors when considering the use of grant funds for conferences and meetings:

- Before deciding to use grant funds to attend or host a meeting or conference, a grantee should:
 - Ensure that attending or hosting a conference or meeting is consistent with its approved application and is reasonable and necessary to achieve the goals and objectives of the grant;
 - Ensure that the primary purpose of the meeting or conference is to disseminate technical information, (e.g., provide information on specific programmatic requirements, best practices in a particular field, or theoretical, empirical, or methodological advances made in a particular field; conduct training or professional development; plan/coordinate the work being done under the grant); and
 - Consider whether there are more effective or efficient alternatives that can accomplish the desired results at a lower cost, for example, using webinars or video conferencing.
- Grantees must follow all applicable statutory and regulatory requirements in determining whether costs are reasonable and necessary, especially the Cost Principles for Federal grants set out at 2 CFR Part 225 (OMB Circular A-87, State, Local, and Indian Tribal Governments), (<http://www.gpo.gov/fdsys/pkg/CFR-2011-title2-vol1/xml/CFR-2011-title2-vol1-part225.xml>); 2 CFR Part 220 (OMB Circular A-21, Educational Institutions), (<http://www.gpo.gov/fdsys/pkg/CFR-2011-title2-vol1/xml/CFR-2011-title2-vol1-part220.xml>); and 2 CFR 230 (OMB Circular A-122, Non-Profit Organizations) (<http://www.gpo.gov/fdsys/pkg/CFR-2011-title2-vol1/xml/CFR-2011-title2-vol1-part230.xml>). In particular, remember that:
 - Federal grant funds cannot be used to pay for alcoholic beverages; and
 - Federal grant funds cannot be used to pay for entertainment, which includes costs for amusement, diversion, and social activities.
- Grant funds may be used to pay for the costs of attending a conference. Specifically, Federal grant funds may be used to pay for conference fees and travel expenses (transportation, per diem, and lodging) of grantee employees, consultants, or experts to attend a conference or meeting if those expenses are reasonable and necessary to achieve the purposes of the grant.
 - When planning to use grant funds for attending a meeting or conference, grantees should consider how many people should attend the meeting or conference on their behalf. The number of attendees should be reasonable and necessary to accomplish the goals and objectives of the grant.
- A grantee hosting a meeting or conference may not use grant funds to pay for food for conference attendees unless doing so is necessary to accomplish legitimate meeting or conference business.
 - A working lunch is an example of a cost for food that might be allowable under a Federal grant if attendance at the lunch is needed to ensure the full participation by conference attendees in essential discussions and speeches concerning the purpose of the conference and to achieve the goals and objectives of the project.



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

THE ASSISTANT SECRETARY

JUN 30 2012

Dear Project Director:

The U.S. Department of Education is pleased to send you the official Indian Education Title VII Formula Grant Award Notification (GAN) for fiscal year (FY) 2012 (school year 2012-2013).

During the application submission phase for FY 2012 funding, an administrative error was made during the Indian student count verification process, resulting in incorrect student counts for a number of schools whose Indian student counts were manually entered. As a result of this error, the award allocations in the Electronic Application System for Indian Education (EASIE) during Part II were incorrect for all applicants.

The Office of Indian Education discovered the error and made the necessary corrections in the 2012 award allocations. Due to the correction grantees will notice a slight change in their award amounts. Grantees will be required to submit for approval a revised budget to reflect this final award amount within 30 days of notification from the Office of Indian Education that a revised budget is required.

Sincerely,

Deborah S. Delisle



**TERMS AND CONDITIONS OF AWARD
INDIAN EDUCATION FORMULA GRANT PROGRAM.
TITLE VII, PART A, SUBPART 1**

FY 2012

Grant Reporting Requirements

Requirements for monitoring and reporting program performance may be found in 34 CFR 80.40. Please note the requirements in Section 80.40(a), Monitoring by Grantees, and 80.40(d), significant developments.

The Department of Education, Office of Indian Education, may administratively withhold a grantee's payment for failure to submit required reports or information (34 CFR 80.21(g) and 34 CFR 80.50 Closeout).

Grant recipients are required, as a condition of this award, to make a final performance report within 90 days after the completion of the project period (34 CFR 80.50 (b)). The final performance report will consist of a report of programmatic accomplishments on a report form that will be sent to all grantees. Once received, grantees will have 90 days to complete and return the form to the Office of Indian Education.

Grant Amendment Requirements

Regulations governing programmatic and budgetary changes may be found in 34 CFR 80.30. Specifically, prior approval is required for a revision to the scope of objectives of the project. Note, however, that under 34 CFR 75.264, grantees may transfer funds among budget categories without prior approval. Grantees are instructed to contact the Office of Indian Education for guidance on budget revision requests.

A request for an extension of a project period as a result of special or unusual circumstances must comply with 34 CFR 75.261.

Recordkeeping Requirements

EDGAR (34 CFR 75.730 – 75.731, 34 CFR 80.42) requires a grantee to keep records, that will facilitate an effective audit, for a period of three years; the regulations also require a grantee to keep records to show its compliance with program requirements. Those records include:

- ED Forms 506
- A list of students counted, and
- Records verifying the student's enrollment on the count date or during the count period.



**UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INDIAN EDUCATION**

Joyce A. Silverthorne, Director
Office of Indian Education
Telephone: (202) 260-3774
Fax: (202) 205-0606 or
(202) 260-7779

US Department of Education
LBJ Building
400 Maryland Ave, SW
Washington, DC 20202

Formula Team	Telephone	Contact Information
Bernard Garcia, Group Leader/Team Supervisor	202-260-1454	bernard.garcia@ed.gov
John Cheek, Management & Program Analyst	202-401-0274	john.cheek@ed.gov
Paulette Davis, Team Leader	202-260-2840	paulette.davis@ed.gov
Lennie Pickard, Education Specialist	202-453-6431	lennie.pickard@ed.gov
Annabelle Toledo, Education Specialist	202-260-1581	annabelle.toledo@ed.gov

SPECIAL GRANT CONDITIONS FOR PAYMENTS

THE G5 PAYMENTS MODULE

Payments under this award will be made through the G5-Payments module of, the U.S. Department of Education's (Department) electronic payments.. The G5paymentmodule and other web-based grant systems (e-Application, e-Reader, e-Reports,) (modules) within the Education Central Automated Processing Systems (EDCAPS) are administered by the Office of the Chief Information Officer, Financial Systems Services.

The internet address for G5 is <https://www.g5.gov>. To access the G5 Payments module, you must first have a G5 User Id and Password. You'll need to request a G5 User Id and Password from the Department of Education by submitting an **External Access Security Form**. This form is electronically available during online registration under "*Not Registered? Sign Up*", when you access the website. The Department will issue G5 User Ids and Passwords to those individuals authorized by the payee to access G5 to request funds and report expenditures. User Ids and Passwords cannot be faxed or given over the phone, and may not be shared by multiple users. The External User Access Request Form must be completed and mailed to the following address:

U.S. Department of Education
Office of the Chief Information Officer
Mail Stop – 4110
Attn: G5 Functional Application Team
400 Maryland Avenue, SW
Washington, DC 20202

New grantees will be requested to provide pertinent information before they may begin requesting funds. Information to be provided includes:

- Designation of payee
- Payee contacts and mailing addresses
- Depositor account information
- Individuals authorized by the payee to access G5 to request funds - these individuals will be provided User Ids and passwords to access G5

The payee is the entity identified by the grantee to handle the financial aspects of the grant – e.g., request payments, report expenditures (the grantee and payee may be the same entity). Payees may begin requesting funds for the grantee once their award authorization is entered into G5 and the award start date is reached.

A copy of the Department of Education G5 Training Guide (*Guide*), is available on the G5 website under "Help". The guide provides detailed instructions on all electronic payment processes. If you are not Internet capable, please contact the G5/GAPS Payee Hotline at toll free 1 (888) 336-8930 to request a hard copy of the Guide.

REQUESTING FUNDS USING THE G5 MODULE

Payees can access the G5-Payments Module on-line to request funds. To access, payees need a Web browser (such as Microsoft Internet Explorer or Netscape Navigator) and Internet connectivity. Payees will request funds by award using **the PR/Award Number** found in **Block 5** of the **Grant Award Notification**. Instructions for navigating through the G5-Payments screens to make a payment request are given in the G5 Training Guide and the G5 OnDemand training located under "Help". Instructions for modifying payment requests, adjusting drawdown amounts, and viewing award and authorization histories are also included in the Guide.

Those payees who do not have the technology to access G5-Payments on-line may request funds by calling ED's G5/GAPS Payee Hotline by calling 1-888-336-8930.

AWARD INFORMATION

Payees can get information on this award (1) on-line or (2) by calling ED's G5/GAPS Payee Hotline Staff at 1-888-336-8930.

➤ On-Line:

Payees may access G5 via the Internet (<https://www.G5.gov>) to retrieve and view information on their awards, such as:

- Net authorization and authorization history
- Net draws
- Available balance
- History of pending and completed payments
- Award status
- Award history - including detailed transactions on drawdowns, returns, refunds, and adjustments

➤ ED's GAPS Payee Hotline Staff:

Payees can contact a G5/GAPS Payee Hotline Staff for information on any award. Because award information is organized in G5 by a unique identifier - the Dun & Bradstreet Number (DUNS Number) - payees should have their DUNS number, identified in **Block 8** of the **Grant Award Notification**, available when contacting a G5/GAPS Payee Hotline Staff Representative.

FINANCIAL REPORTS:

When a Payee requests a drawdown of funds by grant award, the Department records this as an expenditure against the specific grant award. This method of identifying expenditures, at the time of drawdown, and the capability to make adjustments on-line eliminates the need for the submission of the Federal Cash Transactions Report Form 272. Therefore, no additional financial reporting will be required unless required by a specific program.

An Overview of Single Audit Requirements of States,
Local Governments, and Non-Profit Organizations

To meet audit requirements of U.S. Office of Management and Budget (OMB) Circular A-133, grantees must use the version published by OMB in the Federal Register on June 30, 1997 (62 F.R. 35278) amended June 27, 2003 (68.F.R. 38401). Grantees must submit all documents required by OMB Circular A-133, including Form SF-SAC: Data Collection Form, to:

Federal Audit Clearinghouse
1201 East 10th Street
Jeffersonville, Indiana 47132
(301) 763-1551 (voice)
(800) 253-0696 (toll free)
(301) 457-1540 (fax)

Below is a summary of the single audit requirements:

- (1) Non-Federal entities that expend \$500,000 or more in a year in Federal Awards are required to have a single audit conducted for that year except when they elect under paragraph (2) to have a program specific audit conducted for that year (A-133 § __.200 (a & b)).
- (2) When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal programs laws, regulations, or grant agreements do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit (A-133 § __.200 (c)).
- (3) Non-Federal entities that expend less than \$500,000 a year in Federal awards are exempt from Federal audit requirements under A-133 for that year, except where noted in the circular, but records must be available for review or audit by the appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO). If a program statute

requires audits of grants under that program, either at a lower threshold or in all cases, grantees must comply with the program statute (A-133 § .200 (d)).

(4) A grantee must submit the audit results to the audit clearinghouse within the earlier of 30 days after the receipt of the auditors report(s), or within nine months after end of the audit period, unless a longer period is agreed to in advance by the Federal agency that provided the funding or a different period is specified in a program-specific audit guide (A-133 § .320 (a)).

Grantees are strongly urged to obtain the "OMB Circular A-133 Compliance Supplement" and to contact their cognizant agency for single audit technical assistance.

The designated cognizant agency for single audit purposes is "the Federal awarding agency that provides the predominant amount of direct funding to the recipient." Grantees should obtain a copy of the OMB Circular A-133 Compliance supplement. This supplement will be instructive to both grantees and their auditors. Appendix III of the supplement provides a list of Federal Agency Contacts for A-133 Audits, including addresses, phone numbers, fax numbers, and e-mail addresses for technical assistance.

If the U.S. Department of Education is the cognizant agency, grantees should contact the Non-Federal Audit Team in the Departments Office of Inspector General, at the address, phone, or fax number provided in page 3 of this attachment.

Grantees can obtain information on single audits from:

The OMB Publications Service, (202) 395-7332. (To obtain OMB Circular A-133, Circular A-133 Compliance Supplement, and Form SF-SAC: Data Collection Form)

The OMB web site. The Internet address is . Look under OMB Documents, then OMB Circulars. (To obtain OMB Circular A-133, Circular A-133 Compliance Supplement, and Form SF-SAC: Data Collection Form)

The Federal Audit Clearinghouse, 1-888-222-9907. (to obtain Form SF-SAC: Data Collection Form), or

The American Institute of Certified Public Accountants (AICPA). AICPA has illustrative OMB Circular A-133 report examples that might be of interest to accountants, auditors, or financial staff. The examples can be obtained by their fax hotline: (202) 938-3797, request document number 311; or from their Internet page. The Internet address is <http://www.aicpa>.

If the U.S. Department of Education is the cognizant agency for the grantee organization, the following chart shows, according to the location of the grantee entity, which location of the Office of Inspector General to contact for single audit-related questions. For programmatic questions, grantees should contact the Education Program Contact shown on the Departments Grant Award Notification

U.S. Department of Education Non-Federal Audit Teams
Director, Non-Federal Audits
Office of Inspector General
U.S. Department of Education
Wanamaker Building
100 Penn Square East., Suite 502
Philadelphia, PA 19107
Phone: Voice (215) 656-6900

FAX (215) 656-6397 NATIONAL OFFICE CONTACT and audits in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, Puerto Rico, and the Virgin Islands.

National Office Contact

Web page:

Non-Federal Audit Team
Office of Inspector General
U.S. Department of Education
1999 Bryan St., Suite 2630
Dallas, TX 75201-6817
Phone: Voice (214) 880-3031

FAX (214) 880-2492 For audits in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas.

Non-Federal Audit Team

Office of Inspector General
U.S. Department of Education
8930 Ward Parkway, Suite 2401
Kansas City, MO 64114-3302
Phone: Voice (816) 268-0502

FAX (816) 823-1398 For audits in Alaska, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Dakota, Ohio, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming, and the Pacific Islands.

MEMORANDUM

ENCLOSURE 4
June 15, 2010

To: Recipients of grants and cooperative agreements

From: Thomas Skelly, Delegated to Perform Functions of Chief Financial Officer

Subject: Department of Education Cash Management Policies for Grants and Cooperative Agreements

The purpose of this memorandum is to remind the Department of Education's (the Department's) grant and cooperative agreement recipients (recipients) of existing cash management requirements regarding payments. The Department expects that recipients will ensure that subrecipients are also aware of these policies by forwarding a copy of this memorandum to them.

There are two different sets of payment requirements that apply to the draw of funds from recipient accounts at the Department. Payments to a State under programs covered by a State's Treasury State Agreement (TSA) are subject to the requirements of the *Cash Management Improvement Act of 1990 (CMIA)* as published in 31 United States Code 6503.

All other payments to States and all payments to other types of recipients are subject to the requirements in either 34 Code of Federal Regulation (CFR) Part 74, applicable to nongovernmental entities, or 34 CFR Part 80, applicable to State, local, and Indian tribal governments. These regulations are part of the Education Department General Administrative Regulations (EDGAR) and are available on the Web at http://www.access.gpo.gov/nara/cfr/waisidx_08/34cfrv1_08.html.

CMIA Requirements

States that draw funds under programs subject to the *CMIA* must draw funds as required under the TSA for the State. If a State draws funds under one of these programs to make payments to a subrecipient, the payment request to the Department should only be made at the request of the subrecipient, which must make draw requests to the State as required under the requirements in EDGAR, as described below.

EDGAR Requirements

Payments to States under programs not covered by the State's TSA and payments to other governments are subject to the requirements in Part 80 of EDGAR. These payment requirements also apply to all other types of recipients under Part 74 of EDGAR, which applies to nonprofit organizations, institutions of higher education, hospitals, and commercial organizations. States that draw funds on behalf of subrecipients under programs not covered by a TSA should remind subrecipients that they may only request funds from the State under the payment standards in Part 74 or Part 80, as applicable.

For any cash drawn from your program or project account at the Department:

- Recipients must minimize the time between the recipient's draw down of funds from its grant account at the Department and the time the recipient disburses those funds to payees via

electronic transfer, check redemption or other means of transfer. See 34 CFR 74.22(a) and 80.21(b). Specifically, recipients may only draw funds to meet the immediate cash needs of the grant or cooperative agreement.

- For recipients subject to Part 74 of EDGAR, unless the conditions described in 34 CFR Part 74 Section 22(k) exist, these recipients must deposit advances of Federal funds in interest bearing accounts.
- Recipients subject to Part 74 of EDGAR must return to the U.S. Department of Health and Human Services (HHS) the interest earned on advances of grant funds except that the recipient may retain up to \$250 of interest earned on the account each year to pay for the costs of maintaining the account. These requirements also apply to subrecipients subject to Part 74 Section 22 (l) which requires these recipients and subrecipients to annually remit interest earned on advances of funds. The address for interest remittances to HHS is:

U.S. Department of Health and Human Services
P.O. Box 6120
Suite 1133
Rockville, MD 20852

The remittance should be accompanied by a letter stating that the remittance is for "interest earned on Federal funds" and should include the DUNS number.

- Recipients subject to Part 80 of EDGAR must return to the Department the interest earned on advances of grant funds except that the recipient may retain up to \$100 of interest earned on the account each year to pay for the costs of maintaining the account. Section 80.21(i) requires these recipients to promptly (at least quarterly) remit interest earned on advances to the Department. These requirements also apply to subrecipients subject to Part 80. The address for interest remittances to the Department is:

U.S. Department of Education
P.O. Box 979053
St. Louis, MO 63197-9000

The remittance should be accompanied by a letter stating that the remittance is for "interest earned on Federal funds" and should include the DUNS number.

- Recipients must use grant funds only for obligations incurred during the funding period.
- Recipients must distribute Federal funds to subrecipients only when requested by the subrecipient and as needed to pay program costs.

Recipients have other responsibilities regarding the use of Federal funds. We highlight the following practices related to the draw of Federal funds that are either required by EDGAR or will assist recipients in meeting their responsibilities under EDGAR.

- Recipients must regularly monitor the payment requests made by their subrecipients to ensure that those requests conform to the same payment requirements that apply to the recipient. See 34 CFR Part 80 Section 20(b)(7);
- Recipients must regularly monitor the fiscal activity of their subrecipients on a continuous basis and ensure that their subrecipients return interest earned;
- If expenditures under the program or project require the recipient's board or specified officials to approve expenditures, the recipient should obtain that approval before making the payment request for any expenditure, thus minimizing the period of time that funds remain in the recipient's bank account pending disbursement of the funds for expenditures under the program or project. See 34 CFR 74.21(b)(5) and 80.22(a); and
- Plan carefully for cash flows for your grant project and review projected cash requirements before each drawdown. See 34 CFR 74.21 and 74.22 or 80.20 and 80.21, as applicable.

Recipients that do not follow the cash management requirements applicable to their grants could be:

- Placed on a "cash-reimbursement" payment method, i.e., a recipient would have to pay for grant activities with its own money and submit documentation of the expenditures to the Department before receiving reimbursement from the Department;
- Designated a "high-risk" recipient under 34 CFR 74.14 or 80.12, as applicable, which may involve the imposition of conditions in addition to that of being placed on a reimbursement payment system;
- Subjected to further corrective action, including withholding of funds, suspension, and termination of the award. See 34 CFR 74.62 or 80.43, as applicable;
- Denied funding under future Department discretionary grant competitions. See 34 CFR Part 75 Section 217(d)(3)(ii); and
- Debarred or suspended under 34 CFR Part 85 from receiving future Federal awards from any executive agency of the Federal government.

A small number of ED grant programs have program-specific cash management and payment requirements based on the authorizing legislation or program regulations. These program-specific requirements may supplement or override the general EDGAR cash management or payment requirements. If you have any questions about your specific grant, please contact the program officer, whose contact information is on your Grant Award Notification (GAN).

ED's Office of the Chief Financial Officer will provide ongoing outreach efforts regarding cash management and payment requirements, including supplementary webinars, URL links and Frequently Asked Question sheets.

Thank you for your attention to this matter. If you have any questions, please contact Cynthia Heath at (202) 245-8043 or cynthia.heath@ed.gov

**Recipients of ED Grants and Cooperative Agreements
Frequently Asked Questions**

Q What are the Federal Laws and Regulations on cash management?

A The *Cash Management Improvement Act of 1990 (CMIA)* is the overriding public law for cash management. It was enacted by Public Law 101-453, 31 U.S.C. 3335 and 6503. The implementing regulations are in Title 31 of the Code of Federal Regulations (CFR), Part 205, <http://www.fms.treas.gov/fedreg/31cfr205final.pdf>. In addition, the Education Department General Administrative Regulations (EDGAR) defines the CFR specific to administering the U.S. Department of Education's (the Department's) grants in 34 CFR, Part 74 and Part 80, http://www.access.gpo.gov/nara/cfr/waisidx_08/34cfrv1_08.html.

Q What are the CMIA requirements?

A States that draw funds under programs subject to the *CMIA* must draw funds as required under the Treasury-State Agreement (TSA) for the State. If a State draws funds under one of these programs to make payments to a subrecipient, the payment request to the Department should only be made at the request of the subrecipient, which must make draw requests to the State as required under the requirements in EDGAR.

Q What are the Education Department General Administrative Regulations (EDGAR) requirements?

A Payments to States and other governments under programs not covered by the State's TSA and payments to other governments are subject to the requirements in Part 80 of EDGAR. These payment requirements also apply to all other types of recipients under Part 74 of EDGAR, which applies to nonprofit organizations, institutions of higher education, hospitals, and commercial organizations. States that draw funds on behalf of subrecipients under programs not covered by a TSA should remind subrecipients that they may only request funds from the State under the payment standards in Part 74 or Part 80, as applicable. The EDGAR is available on the Web at http://www.access.gpo.gov/nara/cfr/waisidx_08/34cfrv1_08.html.

Q What is a Treasury-State Agreement (TSA)?

A A TSA documents the accepted funding techniques and methods for calculating interest agreed upon by the U.S. Department of the Treasury (Treasury) and a State. It also identifies the Federal assistance programs. The *CMIA*'s implementing regulations at 31 CFR 205 will govern if there are any inconsistencies. A TSA will be effective until terminated, unless Treasury and a State agree to a specific termination date. Treasury or a State may terminate a TSA with 30 days written notice.

Q What if there is no TSA?

A When a State does not have a TSA in effect, default procedures will be prescribed to implement 34 CFR, subpart A. The default procedures will prescribe efficient funds transfer procedures consistent with State and Federal law and identify the covered Federal assistance programs and designated funding techniques. When the Department and a State reach agreement on some but not all Federal assistance programs administered by the State, the Department and the State may enter into a TSA for all programs on which we are in agreement and we may prescribe default procedures governing those programs on which we are unable to reach agreement.

Q What is a Federal-State Agreement?

A A Federal-State Agreement is an agreement between a State and a Federal Program Agency specifying terms and conditions for carrying out a Federal assistance program or group of programs. This is different from a TSA.

Q Who is responsible for Cash Management?

A The Department's grant and cooperative agreement recipients (recipients) are charged with the administration of Federal funds. In addition, recipients are responsible for ensuring that subrecipients are aware of cash management policies. For more information, see the recently issued Memorandum from the Chief Financial Officer on Cash Management which is posted on the ed.gov "ED Memoranda to Grantees" page at <http://www2.ed.gov/policy/fund/guid/gposbul/gposbul.html>.

Q Who is responsible for monitoring cash drawdowns to ensure compliance with cash management policies?

A Recipients must monitor their cash drawdowns **and** their subrecipients to assure substantial compliance to the standards of timing and amount of advances. Additionally, when considered necessary and feasible by the Federal agency, recipients may be required to report the amount of cash advances in excess of three days' needs in their hands **and** of their subrecipients and to provide short narrative explanations of actions taken by the recipient to reduce the excess balances.

Q How soon may I draw down funds from the G5 grants management system (G5 replaced E-Payments in December 2007)?

A Grantees are required to minimize the amount of time between the drawdown and the use of funds from their bank accounts. (See EDGAR §74.21-22 and §80.20-21.) Funds must be drawn only to meet a grantee's immediate cash needs for each individual grant. Each time you use the G5 system to draw down a payment you check a box certifying that you are adhering to cash management requirements and that the funds will be spent within 3 days. The G5 screen displays the following message: *I certify, by processing this payment request and/or re-allocation, that the funds are being expended within three business days of receipt for the purpose and condition of the agreement.*

Q How may I use Federal funds?

A Federal funds must be used as specified in the Grant Award Notification (GAN).

Q What if I used Federal funds for other than the specific purpose for which it was given?

A This will be deemed a disallowed expenditure, and funds (including any earned interest) must be returned to the Department.

Q What are excess cash balances?

A Excess cash balances are funds maintained at the recipient/subrecipient's level in excess of immediate (usually 3 days) needs. Excess cash balances must be promptly withdrawn from account and returned to the Department.

Q What are the consequences to recipients/subrecipients for not complying with terms of the grant award?

A If a recipient or subrecipient materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, EDGAR, an assurance, a cooperative agreement, a TSA, an application, a notice of award, or elsewhere, the awarding agency may take one or more of the following actions:

- (1) Temporarily withhold cash payments pending correction of the deficiency by the recipient or subrecipient or more severe enforcement action by the awarding agency,
- (2) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,
- (3) Wholly or partly suspend or terminate the current award for the recipient's or subrecipient's program,
- (4) Withhold further awards for the program, or
- (5) Take other remedies that may be legally available.

Q Who is responsible for determining the amount of interest owed to the Department?

A As set forth in 31 CFR 205.9, a TSA must include the method a State uses to calculate and document interest liabilities. A State must calculate and report interest liabilities on the basis of its fiscal year. A State must ensure that its interest calculations are auditable and retain a record of the calculations. A non-State entity must keep track of any interest earned on Federal funds and promptly remit it to the government. Also, see the June 15, 2010, memorandum from the Department's Chief Financial Officer on *Department of Education Cash Management Policies for Grants and Cooperative Agreements* posted at <http://www2.ed.gov/policy/fund/guid/gposbul/gposbul.html>.

Q How is interest earned on Federal funds calculated?

A If you earn interest on Federal funds, you must return the actual amount earned to the Department. If the disbursement arrangement is subject to a TSA, then the recipient must adhere to the interest calculation method specified in the TSA. Recipients that are not subject to a TSA (non-TSA recipients), along with subrecipients, must return actual interest earned on cash balances to the Department.

In some cases, non-TSA recipients or subrecipients may not be able to readily identify the actual amount and must calculate the interest earned on Federal cash balances. For these cases, here are some guiding principles for non-TSA recipients and subrecipients to consider when performing interest calculations:

- Non-TSA recipients and subrecipients should calculate interest earned on Federal cash balances using the same method that was used to determine their interest earnings on cash balances from all sources. For example, Federal interest should be calculated using the average daily balance method if this method was used to calculate interest on Federal and non-Federal cash balances (all sources).
- Federal interest should be calculated using the same interest rate at which the non-TSA recipient or subrecipient earned interest on cash balances from all sources. Because interest earned on Federal cash balances must be calculated and remitted quarterly, the rate used in these calculations should be the applicable rate for that quarter.
- The amount of interest earnings remitted to the Department should not be reduced in order to compensate for the temporary use of other non-Federal cash resources to pay Federal program costs. This is true whether the non-TSA recipient or subrecipient normally receives Federal funds through an advance or reimbursement funding method.

Q May we keep interest earned on Federal funds?

A A recipient/subrecipient subject to EDGAR 34 CFR Part 74 may keep up to \$250/year of interest earned on excess Federal fund advances to cover administrative costs. All other amounts must be returned to the Department of Health and Human Services.

A recipient/subrecipient subject to EDGAR 34 Part 80 may keep up to \$100/year of interest earned on excess Federal fund advances to cover administrative costs. All other amounts must be returned to the Department of Education.

Q Where should I return interest earned on Federal funds?

A Recipients subject to Part 74 of EDGAR must return to the U.S. Department of Health and Human Services (HHS) the interest earned on advances of grant funds except that the recipient may retain up to \$250 of interest earned on the account each year to pay for the costs of maintaining the account. These requirements also apply to subrecipients subject to Part 74 Section 22 (I), which requires these recipients and subrecipients to annually remit interest earned on advances of funds. The address for interest remittances to HHS is:

U.S. Department of Health and Human Services

P.O. Box 6120, Suite 1133
Rockville, MD 20852

Recipients subject to Part 80 of EDGAR must return to the Department the interest earned on advances of grant funds except that the recipient may retain up to \$100 of interest earned on the account each year to pay for the costs of maintaining the account. Section 80.21(i) requires these recipients to promptly (at least quarterly) remit interest earned on advances to the Department. These requirements also apply to subrecipients subject to Part 80. The address for interest remittances to the Department is:

U.S. Department of Education
P.O. Box 979053
St. Louis, MO 63197-9000

Q What information should accompany my interest payment?

A Recipient/subrecipient should note their DUNS number as well as any other identifiable information specific to the award and the recipient/subrecipient.

Q Are grant recipients/subrecipients automatically permitted to draw funds in advance of the time they need to disburse funds in order to liquidate obligations?

A No. Section 80.21 of the EDGAR prescribes several methods a recipient may use to make payments to subrecipients. The State educational agency as the recipient, however, has the authority to determine which method it will use to make payments to its subrecipients within the State.

Q For formula grant programs such as ESEA Title I, for which States distribute funds to LEAs, may States choose to pay LEAs on a reimbursement basis?

A Yes. Section 80.21 of the EDGAR authorizes States to implement a payment system in which LEAs are reimbursed monthly; quarterly; or, in some cases, semi-annually. A reimbursement process is a State choice and not mandated by ED. Section 80.21 of EDGAR also allows recipients and subrecipients to be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the recipient or subrecipient.

Q What are the exceptions to adhering to cash management requirements?

A A small number of ED grant programs have program-specific cash management and payment requirements based on the authorizing legislation or program regulations. These program-specific requirements may supplement or override the general EDGAR cash management or payment requirements. If you have any questions about your specific grant, please contact the program officer, whose contact information is on your Grant Award Notification (GAN).

Q Will the Department issue special procedures in advance if G5 plans to shut down for 3 days or more?

A Yes, the Department will issue special guidance for drawing down funds during a G5 shut down period of 3 days or more. The guidance will include cash management improvement act procedures for States and certain State institutions of higher education and procedures for grants (including Pell grants) that are not subject to CMIA. Early notice is provided to all grantees to plan accordingly.

Trafficking in Persons

The Department of Education adopts the requirements in the Code of Federal Regulations at 2 CFR 175 and incorporates those requirements into this grant through this condition. The grant condition specified in 2 CFR 175.15(b) is incorporated into this grant with the following changes. Paragraphs a.2.ii.B and b.2.ii. are revised to read as follows:

“a.2.ii.B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 34 CFR part 85.”

“b.2.ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 34 CFR part 85.”

Under this condition, the Secretary may terminate this grant without penalty for any violation of these provisions by the grantee, its employees, or its subrecipients.

Reporting Prime Awardee Executive Compensation Data

The Federal Funding Accountability and Transparency Act (FFATA) is designed to increase transparency and improve the public's access to Federal government information. To this end, FFATA requires that executive compensation data be reported for all new Federal grants funded at \$25,000 or more with an award date on or after October 1, 2010. As such, grants awarded by the U.S. Department of Education are required to report executive compensation data as addressed in this grant award term:

a. Reporting Total Compensation of Recipient Executives:

1. *Applicability and what to report.* You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received--

(A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)

2. *Where and when to report.* You must report executive total compensation described in paragraph b.1. of this award term as part of your registration profile at <http://www.ccr.gov>.

A. If this is the first award you have received that is subject to the reporting requirements in paragraph b.1., you must report by the end of the month following the month in which this award is made, and on each anniversary of this award.

B. If you have already received an award this year that is subject to the reporting requirements in paragraph b.1., you must report executive compensation on the anniversary of the first award you received that was subject to the reporting requirement in paragraph b.1. of this condition.

b. Definitions. For purposes of this award term:

1. *Entity* means all of the following, as defined in 2 CFR part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;
- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;
- v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. *Executive* means officers, managing partners, or any other employees in management positions.

3. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

- i. Salary and bonus.
- ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
- iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
- iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- v. Above-market earnings on deferred compensation which is not tax-qualified.
- vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

ATTACHMENT S

SPECIAL CONDITIONS FOR DISCLOSING FEDERAL FUNDING IN PUBLIC ANNOUNCEMENTS

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state —

- (1) the percentage of the total costs of the program or project which will be financed with Federal money;
- (2) the dollar amount of Federal funds for the project or program; and
- (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

Recipients must comply with these conditions under Public Law 111-117, the “Omnibus Appropriations Act, 2010”, DIVISION D—DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2010, Title V—General Provisions, Sec. 506, December 16, 2009.

ATTACHMENT U

PROHIBITION OF TEXT MESSAGING AND EMAILING WHILE DRIVING DURING OFFICIAL FEDERAL GRANT BUSINESS

Federal grant recipients, sub recipients and their grant personnel are prohibited from text messaging while driving a government owned vehicle, or while driving their own privately owned vehicle during official grant business, or from using government supplied electronic equipment to text message or email when driving.

Recipients must comply with these conditions under Executive Order 13513, "Federal Leadership On Reducing Text Messaging While Driving," October 1, 2009.

12/09

ATTACHMENT V

Registration of Data Universal Numbering System (DUNS) Number and Taxpayer Identification Number (TIN) in the Central Contractor Registration (CCR)

The U.S. Department of Education (Education) Grants Management System (G5) will begin disbursing payments via the U.S. Department of Treasury (Treasury) rather than directly through the Federal Reserve as in the past. The U.S. Treasury requires that we include your Tax Payer Identification Number (TIN) with each payment. Therefore, in order to do business with Education you must have a registered DUNS and TIN number with the CCR, the U.S. Federal Government's primary registrant database. If the payee DUNS number is different than your grantee DUNS number, both numbers must be registered in the CCR. Failure to do so will delay the receipt of payments from Education.

A TIN is an identification number used by the Internal Revenue Service (IRS) in the administration of tax laws. It is issued either by the Social Security Administration (SSA) or by the IRS. A Social Security number (SSN) is issued by the SSA whereas all other TINs are issued by the IRS.

The following are all considered TINs according to the IRS.

- Social Security Number "SSN"
- Employer Identification Number "EIN"
- Individual Taxpayer Identification Number "ITIN"
- Taxpayer Identification Number for Pending U.S. Adoptions "ATIN"
- Preparer Taxpayer Identification Number "PTIN"

If your DUNS number is not currently registered with the CCR, you can easily register by going to www.ccr.gov. Please allow 3-5 business days to complete the registration process. If you need a new TIN, please allow 2-5 weeks for your TIN to become active. If you need assistance during the registration process, you may contact the CCR Federal Service Desk at 866-606-8220.

If you are currently registered with CCR, you may not have to make any changes. However, please take the time to validate that the TIN associated with your DUNS is correct.

If you have any questions or concerns, please contact the G5 Hotline at 888-336-8930.

Central Contractor Registration and Universal Identifier Requirements

A. Requirement for Central Contractor Registration (CCR)

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions

For purposes of this award term:

1. Central Contractor Registration (CCR) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).
2. Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. Subaward:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. 11.210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. Subrecipient means an entity that:
 - a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

Reporting Subaward Data and Executive Compensation Data for Subrecipients

The Federal Funding Accountability and Transparency Act (FFATA) is designed to increase transparency and improve the public's access to Federal government information. To this end, FFATA requires that subaward data be reported for all new Federal grants funded at \$25,000 or more with an award date on or after October 1, 2010. As such, grants awarded by the U.S. Department of Education are required to report subaward data as addressed in this grant award term:

a. **Reporting of first-tier subawards:**

1. ***Applicability.*** Unless you are exempt as provided in paragraph c. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. ***Where to report.***

You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

3. ***What to report.*** You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. **Reporting of Total Compensation of Subrecipient Executives:**

1. ***Applicability and what to report.*** Unless you are exempt as provided in paragraph c of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—

i. in the subrecipient's preceding fiscal year, the subrecipient received--

(A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

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(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. **When to report.** You must report subrecipient executive total compensation described in paragraph b.1., by the end of the month following the month during which you make the subaward. For example, if you obligate a subaward on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

3. **Conditions imposed on recipients of subawards.** You must include a condition that requires the subgrantee to timely report to you the information required under paragraph b.1. of this condition in every subaward that meets the standards for subaward reporting under paragraph b.1.i. and ii. of this condition.

c. **Exemptions:**

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- i. Subawards, and
- ii. The total compensation of the five most highly compensated executives of any subrecipient.

d. **Definitions. For purposes of this award term:**

1. **Entity** means all of the following, as defined in 2 CFR part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;
- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;

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v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. **Executive** means officers, managing partners, or any other employees in management positions.

3. **Subaward:**

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. ---- .210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. **Subrecipient** means an entity that:

i. Receives a subaward from you (the recipient) under this award; and

ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. **Total compensation** means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

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iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

EDGAR Advisory to Grantees

The Education Department General Administrative Regulations (EDGAR) are a compilation of regulations applicable to ED grantees, composed of Parts 74-99 of Title 34 in the U.S. Government's Code of Federal Regulations (CFR). The CD-ROM of EDGAR distributed with Grant Award Notifications since early 2009 contains the version of Part 99 [Family Educational Rights and Privacy] issued by the Department in December, 2008.

The Department published just recently a new version of Part 99, containing numerous amendments and updates, which was effective on January 3, 2012. The new Part 99 will be formally codified in the CFR later in 2012. In the meantime, grantees are directed to the version of the new Part 99 that can currently be found online at the Government Printing Office's e-CFR website. The e-CFR is a regularly updated, unofficial, non-legal edition of the CFR, created in partnership with the Office of the Federal Register.

The Department's website contains a link to the e-CFR version of the new Part 99 and all the other parts of EDGAR at:

<http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html>

Grantees wishing to review the background and discussion of the changes made to Part 99 in the new version can find the Department's *Federal Register* issuing notice at the same web link. The *Federal Register* notice updates the previous one shown in Appendix B on the EDGAR CD-ROM and contains the name and contact information for the ED staff member who can respond to inquiries about the new Part 99.