arts NOW Grants
Icons for media arts, visual arts, dance, music and theatre.
Logo for Nebraska Department of Education, Nebraska Arts Council and Nebraska Cultural Endowment. 

arts NOW grants

Grant Program Packet, FY2024

# Application Deadline: Friday, October 13, 2023

# Financial Report Deadline: Thursday, February 15, 2024

# Narrative Report Deadline: Wednesday, May 1, 2024

The Nebraska Department of Education, in partnership with the Nebraska Arts Council, is pleased to provide funding for arts education projects to Nebraska’s school districts.

# Program Description

The Arts NOW Grants are provided to public school districts in Nebraska serving students in grades K through 12 for arts education projects that help them achieve excellence in arts education while implementing the [Nebraska Standards in the Fine Arts](https://www.education.ne.gov/finearts/). These funds are intended solely for project completion of immediate need and must demonstrate the impact on arts learning.   
  
This reimbursement grant must expend funds and provide documentation of receipted expenses no later than 11:59 PM CT on Thursday, February 15, 2024. Reimbursements will be processed only if all documentation has been completed.

Grant recipients will submit a final narrative report by 11:59 PM CT on Monday, May 1, 2024. This report will demonstrate the impact of the Arts NOW Grant program.

This is a one time grant, with no possibility of renewal, due to the availability of the funds that have been awarded from the National Endowment for the Arts to the Nebraska Arts Council and then to the Nebraska Department of Education. This grant program cannot be continued to another fiscal year. CDFA #45.025 Promotion of Arts Partnership Agreements.

# For more information contactNebraska Department of Education Logo

Cody Talarico, Fine Arts Education Specialist

Nebraska Department of Education

PO Box 94987

Lincoln, NE 68509-4987

phone - 402.341.7822

email - [cody.talarico@nebraska.gov](mailto:cody.talarico@nebraska.gov)

grant email - [nde.artsnowgrants@nebraska.gov](mailto:nde.artsnowgrants@nebraska.gov).

***Please use the grant email for all communication pertaining to the Arts NOW Grant program.***

*The mission of the Nebraska Department of Education is to lead and support the preparation of all Nebraskans for learning, earning, and living.*

The [Arts NOW Grants website](https://www.education.ne.gov/finearts/arts-now-grants-program/%20%E2%80%8E) contains all documents for the Arts NOW Grants Program.

# Program Partnership

The Arts NOW Grants are provided to school districts through a partnership with the Nebraska Arts Council. Funding for this grant program has been generously provided by Nebraska Arts Council, whose mission is to promote, cultivate and sustain the arts for the people of Nebraska. Visit the [Nebraska Arts Council website](https://www.artscouncil.nebraska.gov/accessibility-%20information.html) to learn more.Nebraska Arts Council Logo

# 

# Table of Contents

Page 4 Sources of Information

Page 5 Introduction

Page 6 Arts NOW Grants Acceptable Use

Page 6 Restriction on Single Item Cost

Page 6 Arts NOW Grants Unacceptable Use

Page 6 Accessibility - The Arts for Everyone

Page 7 Arts NOW Grant Timeline

Page 8 Terms and Grant Identification

Page 9 Grant Application Information

Page 12 Sharing Your Grant News

Page 14 Complaints and Appeals Procedure

Page 17 Lobby, Disbarment, Suspension

Page 20 Grant Management

Page 25 Budget, Amendments, Payment Schedules, Expenditure Reports

Page 32 Records Retention

Page 30 Accessibility Policy

Page 38 Appendix A - Financial Management

Page 40 Appendix B - Procurement Standards

Page 50 Appendix C - Equipment Definitions

Page 55 Appendix D - Use of Grant Funds for Attendance at Conferences and Meetings

*This document has also been formatted with a table of contents feature.*

# Sources of Information

EDGAR (Education Department General Administrative Regulations): 2 CFR Parts 180, 200, 3474,3485, and 34 CFR Parts 75, 76, 77, 79, 81, 82, 84, 85, 86, 97, 98, 99. Please refer to [the U. S. Education Department General Administrative Regulations (EDGAR)](https://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html).

The latest version of the [Code of Federal Regulations](https://www.ecfr.gov/) (CFR) can be found online. Once there, refer to Title 34 for the U. S. Department of Education or appropriate title for the grant program of other Federal agencies and then click onto the most recent year.

The [Catalog of Federal Domestic Assistance (CFDA)](https://sam.gov/content/assistance-listings) can also be found online.

[Program Budgeting, Accounting, and Reporting System for Nebraska School Districts, Users’ Manua](https://www.education.ne.gov/fos/annual-financial-report-school-district/)l, Nebraska Department of Education is revised annually.

The restricted indirect cost rates are available at the [NDE Indirect Cost Rate Look Up](https://sfos.education.ne.gov/indirectcost/).

# Introduction

The purpose of this guidance for Arts NOW Grants is to:

* provide information on the policies governing the Arts NOW Grant awarded by the Nebraska Department of Education,
* communicate the procedures and guidelines;
* ensure sound accounting practices; and
* provide consistency throughout the Department in the administration of all State and Federal grants.

The guidance and requirements are identified as applicable to grants funded by the State where they differ from Federal grants. Since regulations and guidance apply to both the State (the Department of Education) and to the agencies or organizations that receive grants from the State, there are a number of descriptors used that can be confusing (i.e., grantee, subgrantee, recipient and subrecipient, etc.). To maintain some consistency, this guidance will use the term “grant recipient” or “grantee”, whenever possible to mean the agency that receives a grant from the Nebraska Department of Education.

This grant award guidance has been collected specifically for the Arts NOW Grants. For complete grant document guidance from the Nebraska Department of Education please refer to the [NDE Grant Management Requirements and Guidance](https://www.education.ne.gov/wp-content/uploads/2022/04/NDE_Grant_Mgt_Guidance.pdf). Complete Information on all NDE Grant administration is available on the [NDE Budget and Grants Management](https://www.education.ne.gov/gms2/) website.

## Contract and Legal Obligations

This Grant Award Packet contains your school district’s obligations for grant funding from the NDE. The award email, grant acceptance form, and financial report and narrative report also contain your district’s requirements.

Your award email contains information about acceptance of award and grant funding parameters. The Terms and Assurances contain any Federal, State, or local requirements attached to awarded funding. The financial report and narrative report contain required information on your grant outcomes. This Grant Award Packet repeats many of these provisions. You must acknowledge receipt of this Grant Award Packet as part of your Award Acceptance.

Understanding of the Grant Award Packet, Terms and Assurances and required follow-up documents help your district complete a successful grant. *Unfamiliarity with this document is not an acceptable reason for noncompliance with grant regulations and requirements.*

The [Arts NOW Grants website](https://www.education.ne.gov/finearts/arts-now-grants-program/%20%E2%80%8E) contains all documents for the Arts NOW Grants Program.

# Arts NOW Grants Acceptable Use

Arts NOW Grants focus on arts projects that help Nebraska’s public school districts serving grades K through 12 who promote excellence in arts education while implementing Nebraska’s Fine Arts Standards. Arts NOW Grant funds are to be used for projects of artistic excellence that help deliver high quality arts education instruction while implementing Nebraska’s Fine Arts Standards.

Public school districts are invited to consider arts education projects that can be implemented and have demonstrated impact on excellence in arts education instruction. Based on the number of students impacted, public school districts may apply in one of three funding tiers of the Arts NOW grant. Arts NOW Grants projects may be in a single building or in multiple buildings of the school district. Examples of acceptable grant fund use: arts supplies, new sheet music (scores), updating or fixing equipment (instruments, stereos, sound systems, stage lights, stage curtains), acquisition of new equipment (Orff instruments, a pottery wheel, or a scrim). Materials purchased for the grant project may be used past the timeframe of the grant.

# Restriction of single item cost

No single item may exceed $5,000 due to  [2 CFR 200, Uniform Administrative Requirements, Cost Principles](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-A/subject-group-ECFR2a6a0087862fd2c/section-200.1).

# Arts NOW Grants Unacceptable Use

In compliance with [§ 200.403 Factors affecting allowability of costs](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRea20080eff2ea53/section-200.403), Arts NOW Grant funds cannot be used for general operating support, payment of salaries or stipends, payment of personal services, payment to a contractor, performance of work, public utility service, travel, rental or purchase of real property, rental of real or personal property, attendance at conferences and meetings, food, or trinkets.

# Accessibility – The Arts for Everybody

The Nebraska Department of Education and the Nebraska Arts Council require adherence to all federal nondiscrimination laws. Your school district agrees to comply in the grant application and the Award Acceptance. In addition to those Federal requirements, adherence to Section 504 of the Rehabilitation Act of 1973 is also required. This Act prevents denial of access to any federally funded program or activity for individuals with disabilities. For more information, please refer to the [National Endowment for the Arts’ Design and Accessibility: A Cultural Administrator’s Handbook](https://www.arts.gov/about/publications/design-accessibility-cultural-administrators-handbook).

# Arts NOW Grant Timeline

## Project Start Date

Grant funds can be obligated for approved grant activities upon grant notification and award acceptance. Grant funds cannot precede notification of approval and issuance of the grant award notification. Arts NOW grants are a competitive grant category.

## Approval Date

This is the date when the application is approved. According to NDE policy, grants between $10,000 and $50,000 must be approved by the Commissioner of Education.

## Project Ending Date: Wednesday, May, 1, 2024

The final date for the Arts NOW Grant project is Wednesday, May 1, 2024. A narrative report must be submitted by 11:59 PM CT, Wednesday, May 1, 2024.

## Project Financial Report: Due Thursday, February 15, 2024

The final day for Arts NOW Grant funds to be obligated or spent on an approved project is Thursday, February 15, 2024 with a financial report with receipted expenses submitted by 11:59 PM CT on Thursday, February 15, 2024. No carryover funds are allowed for Arts NOW grants.

### Final Financial Reports

A final financial report is due February 15, 2024. Failure to submit a final report will delay and may cancel reimbursement payments.

#### Project Documentation

Collecting documentation from the grant application will ensure all information is readily available when you need to submit your final grant report. Be sure to collect the following:

* Receipts/paid invoices for the financial report.
* Review and articles about your project for the final narrative report.
* Photos, posters, and ads displaying NDE, NAC, and NCE acknowledgement for the final narrative report.

#### Project Activity Locations

Federal statutes require grant recipients to report project activity locations. All activity locations will be coded as for use every day. Grantees will submit this information in their Final Report:

* List the name of the school district and the address of the school district’s main office.
* Number of days will automatically be coded for use every day.

### Retaining Income and Expense Records

All monetary expenses require documentation and/or verification. Your school district must keep these expense records for review at any time. Expense verification occurs in the final report or in audits. *You must keep all financial records for three years, so they are available for a selective audit.*

### Outstanding Obligations

An outstanding obligation is any debt for which funds were obligated prior to the end of the project and is expected to be paid within 45 days following the project ending date. According to 34 CFR 76.707, if an obligation is for the acquisition of property, the obligation is made on the date on which a written commitment to acquire the property has been made. *Arts NOW Grants are not eligible to acquire real property.*

## Project Narrative Report: Due Wednesday, May 1, 2024

The final day for Arts NOW Narrative Report is Wednesday, May 1, 2024. This report will focus on the grant impact, outcomes, and how you shared the grant news with your school, parents, and community. The final narrative report is due by 11:59 PM CT on Wednesday, May 1, 2024 to [nde.artsedgrants@nebraska.gov](mailto:nde.artsedgrants@nebraska.gov).

### Use of Final Report Materials

Nebraska Department of Education and Nebraska Arts Council retain the right to use all or portions of your materials to illustrate the public good. This includes text and images of grants, programs, awards, sponsored events, and other funded activities. The use of these materials may include, but are not limited to, publication on websites, press releases, internal documents, email announcements, newsletters, and in NDE, NAC, or Nebraska Cultural Endowment (NCE) publications. NDE and NAC assume your organization obtained necessary permissions from artists, creators and/or subjects in the materials that were submitted. The grantee has sole responsibility to obtain and house these permissions.

# Terms and Grant Identification

## Department

Refers to the Nebraska Department of Education unless otherwise identified.

## Unique Grant Recipient Identifier Number

The unique grant recipient number includes 15 characters but will use only those needed (remaining characters will be zeros.)   
  
00-ESU, 00-County, 00-District, 0000-Nonpublic school, 000-Building

## Project Number

All grant award notifications have a unique number identifying the project and fiscal year. Be sure to include this project number on all communication to the Department to avoid miscommunication.

# Grant Application Information

A grant application and subsequent grant award constitute a legally binding agreement between the applicant and the Nebraska Department of Education. For Arts NOW Grants, applicants must be a public school district. This is a requirement of the funder. The Nebraska Arts Council awarded the Arts NOW Grant funds to the Nebraska Department of Education. NDE and NAC are partners in the Arts NOW Grant Program.

## Authorized Representative

The “Authorized Representative” is a person who legally acts on behalf of the recipient of federal and state grants. The authorized representative is the liaison between the grant recipient and NDE as the grantor.

The governing body of an agency delegates their authority to the person (i.e., district superintendent) who will act as the authorized representative of the agency receiving state or federal grants. **This authorization must be done annually, for some programs, and duly noted in recorded board minutes.**

### Role and Responsibilities of the Authorized Representative

The signature of the authorized representative protects the legal rights and interests of the recipient and commits the recipient to fulfill the obligations of the grant project. The signature of the authorized representative is required to form a legal contract between the recipient and the Nebraska Department of Education as the grantor agency. By signing grant related documents on behalf of the organization, the authorized representative binds the recipient to operate the grant within the terms of the grant agreement, assurances, administrative, and program requirements. Arts NOW Grants are considered paper grants by the Department. Therefore, grant management and communication occurs outside of the Department’s Grants Management Software.

The authorized representative is responsible for:

* Developing a work plan or calendar to administer and achieve the goals and objectives of the grant award;
* Informing the business manager/financial contact of the application, approval of the award, applicable requirements for allowable costs of the program, reporting requirements, budget or program modifications, close-out procedures, etc.;
* Submitting timely and accurate program reports and ensuring the person responsible for fiscal reporting is also prompt and accurate, and;
* Ensuring the grant award is administered in compliance with applicable State and Federal laws, regulations, statement of assurances, and terms and conditions of the grant award.

## Application Process

Application forms for Arts NOW Grants are submitted through paper applications from the Office of Teaching, Learning, and Assessment. Notice that applications are available are sent to the authorized representatives and may be posted on the Department’s website.

### Nonpublic Participation in Federal Grants

Due to federal regulations, Arts NOW Grant are not available to nonpublic schools.

**Funds Not to Benefit a Private/Nonpublic School:** Authority: 20 U.S.C. 1221e-3 and 3474

1. A subgrantee may not use program funds to finance the existing level of instruction in a private/nonpublic school or to otherwise benefit the private school.
2. The subgrantee shall use program funds to meet the specific needs of students enrolled in private/nonpublic schools, rather than (1) the needs of a private school; or (2) the general needs of the students enrolled in a private/nonpublic school.

# Sharing Your Grant News

Both NDE and NAC want you to share the impact that the Arts NOW Grants have on arts education in your school with your students, parents, community, and stakeholders. It is important that you stakeholders and officials know how public funding helps bring the arts to Nebraska.

When you accept Art NOW Grant funds, you agree to acknowledge the NDE, NAC and Nebraska Cultural Endowment (NCE) in all advertising, news releases, printed programs, on social media, and any other promotional and publicity materials. Acknowledging NDE, NAC, and NCE support emphasizes the importance of partnerships and government funding for arts education.

## How to Credit NDE, NAC, and NCE

NDE, NAC, and NCE require acknowledgement of their support of your project. School districts who receive Arts NOW Grants should use the [NDE](https://www.education.ne.gov/comm/brand/), [NAC](https://www.artscouncil.nebraska.gov/about/logos/) and [NCE](https://www.artscouncil.nebraska.gov/about/logos/) logos. Please be sure to read the branding guidelines and use the logos according to branding specifications.

### General Guidelines

* Position the logo/credit in a prominent place. Credit can be worded, *“…was made possible with the support of the Nebraska Department of Education, Nebraska Arts Council, and the Nebraska Cultural Endowment.”*
* For donor contribution lists, annual reports, or other printed materials also list the Nebraska Department of Education, Nebraska Arts Council, and the Nebraska Cultural Endowment. Ideally, use “Government Support” if lists use type categories.
* For events with no printed materials, please give verbal acknowledgement using the language listed above.
* For all acknowledgements, do not reduce the logos. Please refer to the Guide to Graphic Style for specifics.
* Remember that by displaying the NDE, NAC, and NCE logos you are a partner in raising awareness of arts education funding.

### Guidelines for Social Media and Web Acknowledgement

Social media is a great way to tell the story of your Arts NOW Grant. When sharing on social media please use the following guidelines.

* Twitter: Mention [@NDE\_FineArts](https://twitter.com/NDE_FineArts), [@NEArtsCouncil](https://twitter.com/NEArtsCouncil), and [@NebraskaCulture](https://twitter.com/NebraskaCulture). Use #FineArtsEdNebraska and #ArtsNOWGrant
* Web: Link to [NDE Fine Arts](https://www.education.ne.gov/finearts/), [Nebraska Arts Council](https://www.artscouncil.nebraska.gov/), and [Nebraska Cultural Endowment](https://nebraskaculturalendowment.org/)
* Instagram: Tag @neartscouncil, NDE Fine Arts Instagram to come.
* Facebook: Tag [Nebraska Department of Education](https://www.facebook.com/NDEGOV), [Nebraska Arts Council](https://www.facebook.com/NebraskaArtsCouncil) and [Nebraska Cultural Endowment](https://www.facebook.com/nebraskaculture). Use #ArtsNOWGrant
* For more ideas, visit [Nebraskans for the Arts](https://www.nebraskansforthearts.org/).

For more information on acknowledging grant support, please contact Cody Talarico, NDE Fine Arts Education Specialist at [nde.artsedgrants@nebraska.gov](mailto:nde.artsedgrants@nebraska.gov) or [cody.talarico@nebraska.gov](mailto:cody.talarico@nebraska.gov)

# Complaints and Appeals Process in Federal Grants

## Complaints

Chapter 34 of the Code of Federal Regulations, Section 299.10 (34 CFR 299.10) requires the Department to adopt written procedures for receiving or resolving any complaint from an organization or individual that the Department or an agency or a consortium of agencies is violating a Federal statute or regulation that applies to certain Federal programs.

34 CFR 299.10 applies to the following Federal programs:

* Title I, Part A – Improving Basic Programs Operated by LEA’s
* Title I, Part C – Education of migratory children
* Title I, Part D – Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or At-Risk
* Title II, Part A – Supporting effective instruction
* Title III, Part A – English language acquisition, language enhancement, and academic achievement
* Title IV, Part A – Student support and academic enrichment grants
* Title IV, Part B – 21st Century Community Learning Centers
* Title V (Flexibility and Accountability).
* Title VII (Impact Aid) (Emergency Immigrant Education).

A complaint that the Department of Education or agency or consortium of agencies is violating a federal statute or regulation that applies to any applicable program should be submitted by letter to the Deputy Commissioner, Nebraska Department of Education, who will handle such complaints on behalf of the Commissioner and whose actions will be taken on behalf of the Commissioner. The complaint must include the following information:

* Title of the Federal program.
* A description of the alleged violation of statute or regulation including
  + the applicable Federal statute and/or regulation alleged violated, and
  + a description of the alleged facts constituting the violation, along with the dates(s) of such violations, if known.
* Name and address of the person making the complaint.
* The signature of the complainant along with the date such complaint was made.

The Deputy Commissioner, Nebraska Department of Education, will cause the complaint to be investigated.

* The Deputy Commissioner will notify the entity that is the subject of the complaint of the nature of the complaint.
* The Deputy Commissioner may
  + request additional information from the person filing the complaint, and/or from the entity alleged to be in violation of Federal law or regulation; and,
  + provide for an independent on-site investigation if she/he determines it necessary.
* The Deputy Commissioner will make a decision on the complaint within 60 days of the receipt of the complaint and will communicate the decision in writing to the complainant and the subject of the complaint.
* The written communication will be accompanied by information on how the complainant or subject of the complaint may appeal the Deputy Commissioner’s decision to the State Board of Education using the contested case process specified in Title 92, Nebraska Administrative Code, Chapter 61.
* The Deputy Commissioner may extend the timeframe of the investigation by up to sixty (60) days if he or she determines that exceptional circumstances exist with respect to the complaint.

If the complainant or subject of the complaint is not satisfied with the Deputy Commissioner’s decision, she/he may appeal the decision to the State Board of Education within thirty (30) days of the date of the Deputy Commissioner’s decision using the process specified in Title 92, Nebraska Administrative Code, Chapter 61. The Deputy Commissioner’s decision shall be considered to be a decision of the Commissioner for purposes of appeal.

If the complainant is not satisfied with the outcome of the final decision under Title 92, Nebraska Administrative Code, Chapter 61, she/he may request the Secretary of Education, U.S. Department of Education to review the final decision of the Nebraska Department of Education. Upon request, the Nebraska Department of Education shall provide information on how to contact the Secretary of Education, U.S. Department of Education.

Each entity receiving funding under any applicable Federal program will disseminate, free of charge, the complaint procedure to parents of the students, and appropriate private school officials or representatives.

## Appeals

In addition, 34 CFR 76.401 requires the Department to provide an applicant for a grant with notice and an opportunity for a hearing before disapproval of an application for a grant from the Department. Note: In the GMS, an application being returned for changes does not constitute “disapproval”. 34 CFR 76.401 applies to all Federal grants issued through the Department.

If an applicant wishes to invoke procedures for a hearing on the disapproval or denial of an application for a continuation or discretionary grant, the applicant must, within thirty (30) days after receiving notice of disapproval, file a written request for a hearing with the Deputy Commissioner, Nebraska Department of Education, P.O. Box 94987, Lincoln, NE 68509-4987. The written request for the hearing must include a rationale for contesting the disapproval and supporting documentation. Upon the timely filing of such a request for hearing, NDE will hold a hearing on the record within thirty (30) days of the receipt of the request and issue a ruling no later than ten (10) days after such hearing. Such hearing shall be informal in nature, will be audio tape recorded, and may, if agreed to by the applicant, be conducted via telephone, video conferencing or other electronic means. The Commissioner of Education or the Deputy Commissioner of Education will appoint an individual to act as the hearing official for such hearings. Such individual may be an employee of NDE.

## Complaint and Appeal Process in State or Federal Grants Not Covered Above

NDE will seek to work cooperatively with the grantee to resolve issues surrounding the administration of their project. In the event a mutually agreeable resolution cannot be reached, grantees may file an appeal with NDE within 30 days of the grantee receiving notification of the Department decision, and request a hearing, if applicable, with the State Board of Education using the procedures adopted pursuant to [92 NAC 61](https://www.education.ne.gov/nderule/contested-cases/).

# Lobby, Debarment, Suspension

## Certifications Regarding Lobbying; Debarment, Suspension, and Other Responsibility Matters; and Drug-Free Workplace Requirements

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 34 CFR Part 82, New Restrictions on Lobbying, and 34 CFR Part 84 Government-wide Requirements for Drug-Free Workplace (Grants). The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Education determines to award the covered transaction, grant, or cooperative agreement.

### Lobbying

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 34 CFR Part 82, for persons entering into a grant or cooperative agreement over $100,000, as defined at 34 CFR Part 82, Sections 82.105 and 82.110, the applicant certifies that:

No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers, including subgrants, contracts under grants and cooperative agreements, and subcontracts, and that all subrecipients shall certify and disclose accordingly.

### Debarment, Suspension and Other Responsibility Matters

2 CFR 200.214 Non-Federal entities are subject to the nonprocurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

1. The applicant certifies that it and its principals:
2. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.
3. Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
4. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity, Federal, state, or local, with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
5. Have not within a three-year period preceding this application had one or more public transactions, federal, state, or local, terminated for cause or default; and
6. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

## Drug Free Workplace (Grantee Other than Individuals)

As required by the Drug-Free Workplace Act of 1988, and implemented at 34 CFR Part 84, Subpart F, for grantees, as defined at 34 CFR Part 84, Sections 84.605 and 84.61

1. The applicant certifies that it will or will continue to provide a drug-free workplace by:
2. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
3. Establishing an on-going drug-free awareness program to inform employees about:
4. The dangers of drug abuse in the workplace;
5. The grantee's policy of maintaining a drug-free workplace;
6. Any available drug counseling, rehabilitation, and employee assistance program; and
7. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
8. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a).
9. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
10. Abide by the terms of the statement; and
11. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
12. Notifying the agency, in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Director, Grants and Contracts Service, U.S. Department of Education, 400 Maryland Avenue, S.W. (Room 3124, GSA Regional Office Building No. 3), Washington, DC 20202-4571. Notice shall include the identification number(s) of each affected grant.
13. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:
14. Taking appropriate personnel action against such an employee, up to and including termination; consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
15. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health, law enforcement, or other appropriate agency. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

# Grant Management

## Federal Grants

The following legal requirements apply to agencies receiving Federal grants. These are federal policies and regulations established by legislative or executive authority and apply to all Federal programs. The requirements are to be reviewed as part of an audit of each state and local government or other entity which receives federal financial assistance. Grant recipients should adopt policies implementing each of these requirements.

Appendix A is a reproduction of Federal regulation 2 CFR 200.302 – Financial Management Systems.

Appendix B is a reproduction of Federal regulation 2 CFR 200.318-327 – General Procurement Standards.

## Political Activity

Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of Federally assisted programs. [Hatch Act (5 U.S.C. 1502- 1508) and Intergovernmental Personnel Act of 1970, as amended by Title IV of Civil Services Reform Act (Public Law 95-454 Section 47281)].

## Civil Rights

No person shall be discriminated against on the grounds of race, color, national origin, age, or handicapping condition in any Federally funded program or activity. Discrimination on the basis of sex or religion is also prohibited in Federal programs. [Age-42 U.S.C. 6101 et seq.; Race-42 U. S. C. 2000d; Handicap-29 U. S. C. 794]

## Cash Management

The timing between the transfer of funds from the U. S. Treasury and the disbursement of funds by the receiving grant recipient is to be minimized with proper cash management procedures. Grant recipients, that in turn grant/transfer federal funds to other grant recipients for final expenditure, shall conform to the same standards of timing and amount. Generally, this standard has been interpreted to mean a grant recipient should have the minimum amount of federal cash on hand needed for expenditures. Excess cash-on-hand may be repaid to the grantor.

## Supplement, Not Supplant

Supplement, not supplant is a requirement of all Federal funds, unless specifically noted in the legislation. In its simplest definition it means that Federal funds cannot be used in place of local, state or other Federal funds to support education. The auditor’s question is: In the absence of these Federal funds, would the district need to provide it? If the answer is yes then Federal funds cannot be used.

## Every Student Succeeds Act

In the “Every Student Succeeds Act,” the supplement, not supplant requirement is addressed at three different levels. At the district level, this requirement is called Maintenance of Effort (MOE). The Department determines MOE for the following programs based on information from the district’s Annual Financial Report. A district may receive its full allocation if either the combined fiscal effort per student (using Average Daily Attendance or Average Daily Membership) or the aggregate of all expenditures of local and state funds used for providing a free public education for the preceding fiscal year was not less than 90 percent of the combined fiscal effort per student or the aggregate expenditures for the second preceding year. If the district fails to maintain at least 90%, the allocations for all of the following programs are reduced by the percentage of effort below 90 using the highest percentage of the three options (ADA, ADM or aggregate):

* Title I, Part A, Improving Basic Programs Operated by Local Educational Agencies (LEAs);
* Title I, Part D, Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or At-Risk;
* Title II, Part A, Supporting Effective Instruction;
* Title III, Part A, Subpart 1, English Acquisition State;
* Title IV, Part A, Subpart 1, Student Support and Academic Enrichment;
* Title IV, Part B, 21st Century Community Learning Centers; and
* Title V, Part B, Subpart 2, Rural and Low-Income School Program.

Supplement, not supplant is also “tested” annually at the building level for all districts receiving Title I funds that have two or more buildings in a grade span with an enrollment total of 100 or more students, not counting preschool. At the building level, this is called comparability. Each district meeting the above cited criteria must annually determine if district support is being provided to all buildings on a comparable basis. Title I allows several options to determine comparability. Staff/student ratios and teacher salary comparisons have been used. USDE also allows other options for calculating comparability. The guidance is available at the link below. Also contact ESEA Programs Office Administrator, Beth Wooster, at 402-310-1390 with any questions.

Buildings must be within 90% in each option when comparing Title I to non-Title I buildings or high-poverty to low-poverty buildings if all buildings are Title I.

Comparability analysis must be done on an annual basis and submitted to the NDE Title I Office. Beginning in the 2012-13 school year, districts have the option of having NDE calculate comparability based on staff/student ratio. Districts electronically sign and submit the form via “Data Collections.” If the district is not comparable using these calculations, they must submit other identified options for showing comparability. In addition to doing a comparability analysis, districts must agree to an assurance that they have an agency-wide salary schedule, a policy to ensure equivalence among schools in teachers, administrators, and other staff; and a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies. (Section 1118(c) of ESSA).

Supplement, not supplant. is also applied at the program level. At the program level, it means that federally funded services cannot be used in place of services that the district must provide. Supplement, not supplant at the program level applies to federal programs that serve students such as Title I, Migrant (Title I, Part C), and English Language Acquisition (Title III) programs. For example, the district has an obligation to provide services to enable non- English speakers to learn to speak English. Federal funds may then be used to provide services in addition to what the district is required to provide under federal, state, or local laws.

### Migrant Programs

The migrant education program operates differently than other ESSA formula programs because it is operated at the state level. If your district has identified migrant students who meet the federal definition, please contact the NDE Migrant Education office to address extraordinary circumstances that apply.

### Title I, Part A Programs

#### Supplement Not Supplant in General

A State educational agency or local educational agency shall use Federal funds received under (Title I, Part A) only to supplement the funds that would, in the absence of such Federal funds, be made available from state and local sources for the education of students participating in programs assisted under (Title I, Part A), and not to supplant such funds. (ESSA Section 1118(b)(1))

#### Special Rule

No local educational agency shall be required to –

1. Identify that an individual cost or service supported under (Title I, Part A) is supplemental: or
2. Provide services under (Title I, Part A) through a particular instructional method or in a particular instructional setting in order to demonstrate such agency’s compliance with (the supplement not supplant requirement). (ESSA section 1118(b)(3)

## Maintenance of Effort (MOE)

### IDEA Part B

A recipient may receive its allocation if the expenditures for special education and related services in the preceding year were at least equal to the expenditures for special education and related services in the second preceding year. An applicant may not reduce its level of expenditures of state or state and local funds below the level of those expenditures for the preceding fiscal year except for those conditions provided for under 34 CFR Appendix D to Part 300. MOE is calculated by the Department using information from the Annual Financial Report.

### Carl Perkins Career and Technical Education

Maintenance of Effort is required on a statewide level, not an individual grant recipient level.

### Adult Education

Maintenance of Effort is required on a statewide level, not an individual grant recipient level.

## State and Federal Grant Requirements

### Matching and In-kind

Several federal programs require the grant recipient to “match” the grant funds using local dollars. When a match is required, the recipient must spend the required amount of state and local dollars in order to be eligible to spend the grant funds. If a grant recipient does not meet the matching requirements of a particular grant, the Department must disallow the grant expenditures and may require repayment of grant funds used that are not matched.

Program regulations specify the type and amount of required match. Depending on the program, the match may include cash outlay and/or in-kind contributions. “Cash outlay” is the grant recipient’s cash spending. The cash may have come to the grant recipient from non-federal revenues, individuals, public agencies, institutions, private organizations, etc. “In-kind contributions” are the value of non-cash contributions made by the grant recipient, individuals, public agencies, institutions, private organizations, etc. They may include charges for real property and equipment and the value of goods and services directly benefiting and specifically identifiable to the grant program. Generally, the matching requirements specify the recipient must spend state and/or local dollars to provide the match.

Arts NOW Grants do not require any matching funds.

### Consolidating Funds in Title I Schoolwide Programs

The purpose of consolidating funds is to help a Schoolwide program school effectively design and implement a comprehensive plan to upgrade the entire educational program in the school based on the school’s needs identified through its comprehensive needs assessment. By consolidating funds from Federal, state, and local sources, a schoolwide program school can address its needs using all the resources available to it. This gives a school more flexibility in how it uses available resources to meet the specifically identified needs of its students.

Consolidating Federal funds eases the requirements for accounting for funds from each specific program separately, because a schoolwide program school is not required to distinguish among funds received from diverse sources when accounting for their use. Therefore, a school is not required to maintain separate fiscal accounting records, by federal program, that identify the specific activities supported by each program’s funds in order to demonstrate that those activities are allowable under the program. (ESSA Section 1118(b)(1))

A school that consolidates Federal funds in its schoolwide program is not required to meet most of the statutory and regulatory requirements of the specific Federal programs included in the consolidation. However, the school must ensure that it meets the intent and purposes of the Federal programs included in the consolidation so that the needs of the intended beneficiaries are met. (ESSA Section 1118(b)(1))

Consolidating funds in a schoolwide program means that a school treats the funds it is consolidating like they are a single “pool” of funds. In other words, the funds from the contributing programs in the school lose their individual identity and the school has one flexible pool of funds. The school uses funds from this consolidated schoolwide pool to support any activity of the schoolwide program without regard to which program contributed the specific funds used for a particular activity. A schoolwide school must identify in its schoolwide plan which programs are included in its consolidation and the amount each program contributes to the consolidated schoolwide pool. (ESSA Section 1118(b)(1))

Keep in mind that a district must ensure that such a school meets the supplement not supplant requirement as it relates to a schoolwide program, i.e., each school operating a schoolwide program must receive all the state and local funds it would otherwise receive to operate its educational program in the absence of Title I, Part A or other Federal education funds. (ESSA Section 1118(b)(1))

In accounting for expenditures from funds included in a consolidated schoolwide pool, a district has options. (See Non-Regulatory Guidance for examples.) The common denominator is that consolidated funds are not tracked to specific activities allowable under a particular program.

# Budgets, Amendments, Payments Schedules, Expenditure Reports

## Budgets

The budget submitted with a grant application is a statement of anticipated costs for which grant funds would be used in support of the activities and strategies proposed to meet grant program goals. Grant applicant staff may have to put many hours into writing the proposal before reaching the budget section. The budget is of equal importance to the narrative and can be approached as an important final check in clarifying the practical application of the program. Careful deliberation should go into completing the budget section to ensure that the financial support requested will be adequate to carry out the goals of the project. Budgets will use whole dollar amounts only.

Before developing a project budget, the applicant must understand the regulations and requirements of the funding source (State or Federal funding agency). This includes allowable direct costs, indirect costs, assurances, project forms and instructions, and changes permitted in a budget once the project is approved. For assistance on specific programs, the applicant can contact the NDE program consultant who can help specify what information is necessary in the final document.

A complete copy of the approved application, approved budget, and all approved amendments must be maintained by the grant recipient. These documents and other supporting information will be used by Department staff and local auditors to determine fiscal and program compliance. (Also see Records Retention in this guide.)

## Amendments

Amendments to an approved application and budget are required when:

* The scope of the program is expected to change, either to remove or add a new activity (example: adding a new component); or
* Grantees wish to revise amounts across major object codes.
* Changes to the original approved budget will require an amendment. To reduce the number of amendments, the expenditures for a major object code can exceed the approved budget by 25% or $2,500 (whichever is greater) before an amendment is needed provided there are no program restrictions on that activity or major object code (e.g., an administrative cost limitation).

*Arts NOW Grants is a competitive grant program and is not eligible for carryover funds.*

## Payments – Reimbursement Payments

Arts NOW Grants are reimbursement payment grants and require the applicant to have expended funds first. Payments are made only after supporting documentation for those expenditures has been approved by the Department.

## Expenditure Reports and Supporting Documentation

Reports of expenditures and requests for reimbursement are an accounting of a project’s expenditures through a specified period of time and must be accompanied by supporting detail documentation (e.g. accounting system printout). The Department uses this information to monitor each project for appropriate use of funds.

The GMS will not allow reporting of expenditures that were not budgeted or amounts that are not within the acceptable variance for budgeted items as approved within the program. The acceptable variance is an allowance that expenditures in a major object code can exceed the already approved amount for that major object code before an amendment to that budget is required. The acceptable variance from the approved amount in a major object code is 25% or $2,500 (whichever is greater). *Arts NOW Grants are not being administered through the GMS system.*

Payments, like budgets, will use only whole dollar amounts. Supporting documentation, like computer printouts of expenditures, can include exact amounts (including cents) but payments will be rounded down to the nearest whole dollar to avoid overpaying the total of the grant award or approved budget.

### Expenditures

All costs charged to a grant must be allowable under that program and must meet general grants management principles. For federally funded grants 2 CFR Part 200 Subpart E – Cost Principles establishes the “federal cost principles” and the guidance for subrecipients. While 2 CFR Part 200 Subpart E detail the Federal requirements, the following general rules also apply to all state grants. Costs charged to any grant must be (A) necessary and reasonable; (B) allocable to the grant award; and (C) legal.

1. Necessary and reasonable means the proposed expenditure must meet the purpose of the program to which it is charged and be of reasonable cost. Guidance from the program will help determine if costs are appropriate. Some programs have specific allowable and non- allowable costs identified in the statute, guidance, or regulations. (See pp. 6 of this document for Arts NOW Grant specifics.)
2. Allocable cost means the funding program must receive the benefit. Example: a teacher normally funded through Federal Title I cannot be paid by Title I on any days spent performing as a substitute teacher in a regular classroom since the district must pay the costs of all substitute teachers.
3. Legal costs for Federal programs are defined in 2 CFR Part 200.435. In addition, almost all Federal programs have a “supplement, not supplant” requirement. This means that Federal grant funds must be used to enhance the existing educational program and not to substitute for state or local funds or services that would otherwise be used. The general rule asks: Would this program or service be required in the absence of these Federal funds? If the answer is yes, then Federal funds may only be used to supplement the required program. Example: State and Federal law requires the provision of a free, appropriate education to children with identified disabilities. Federal ESSA Title I funds cannot be used to provide services to children with disabilities if those services are identified by the multidisciplinary team (MDT) or are on the individual education plan (IEP).

### Equipment/Capital Outlay

**This guidance aligns with the Department’s** [*Program Budgeting, Accounting, and Reporting System for Nebraska School Districts: Users’ Manual.*](http://www.education.ne.gov/FOS/SchoolFinance/AFR/)

**Equipment is defined as any instrument, machine, apparatus or set of articles that meets ANY of the following:**

* Under normal conditions of use can be expected to last longer than a year;
* Does not lose its identity through fabrication or incorporation into a different or more complex unit;
* Is nonexpendable (more feasible to repair the item than to replace);
* Retains its appearance and character through use;
* Is of significant value; and/or may be
* Small and attractive

Due to [2 CFR 200, Uniform Administrative Requirements, Cost Principles](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-A/subject-group-ECFR2a6a0087862fd2c/section-200.1) ***no one item in the Arts NOW Grants can exceed a cost of $5000.***

It is a good idea to inventory equipment. Items that are considered “small and attractive,” such as iPads, iPods, should also be inventoried.

#### Acquisition

Acquisition cost of an item of purchased equipment means the net invoice unit price of the equipment including the cost of modifications, accessories, or auxiliary apparatus necessary to make the equipment usable for the purpose for which it was acquired. Other charges such as cost of installation, transportation, taxes, duty, or protective in-transit insurance shall be included or excluded from the unit acquisition cost in accordance with the grantee’s regular accounting practice.

For the purposes of disposing or transferring equipment, current fair market value is determined by obtaining two signed bids from potential purchasers or two appraisals from authorized appraisers for the purpose of disposing of or transferring equipment. When the equipment is being traded in for like or similar equipment used in the same program for the same purpose, the trade in value constitutes the current fair market value of the traded in equipment.

All equipment purchased with state or Federal funds must be in accordance with the regulations of the funding source. Some Federal programs have specific prohibitions or limitations on equipment purchases. The equipment purchased must be reasonable and necessary to effectively operate the program.

An application for a grant may require a description of the need for equipment and how such equipment will be used. Equipment, as well as associated costs, must be included in an approved budget or amendment prior to purchase.

Arts NOW Grants do not cover lease purchases of equipment nor the purchase of capital assets.

Appendix C is a reproduction of the applicable Federal regulation 2 CFR 200.1 - Equipment.

### Federal Funds used for Prizes, Incentives or Rewards

The use of Federal funds for prizes, incentives, or rewards is not detailed in law or guidance and this makes it open to interpretation by state and local auditors and monitors. Best advice:

1. Use funds from other sources for prizes, incentives, or rewards unless a Federal program’s guidance specifically approves it.
2. If Federal funds are used, include justification/rationale on the documentation submitted for payment. This does not guarantee reimbursement. ***Prizes, incentives, or rewards will not be reimbursed in Arts NOW Grants. Do not include them in your financial report.***

### Indirect Cost

Arts NOW Grants do not reimburse for indirect costs such as accounting, payroll, budgeting, or purchasing.

### Time and Effort Reporting

Arts NOW Grants do not reimburse for time and effort.

## Reporting

### Required Audits

Title 92, Nebraska Administrative Code, Chapter 1 (Rule 1) requires all districts to have an annual fiscal audit.

Only costs associated with a Federal single audit may be charged to all the grants involved and must be prorated according to the grants being audited. Only the proportion of the cost of the audit associated with any specific grant may be charged to that grant.

All financial activities are also subject to audits/reviews conducted by NDE program staff during on-site or desk compliance reviews. A review may include any of the following:

1. funds disbursed to the fund recipient were received and properly recorded;
2. payments reported by the fund recipient were actually made to vendors, contractors and employees and that they conform to applicable laws and regulations, including procurement requirements;
3. refunds, discounts, etc., were properly credited to specific expense classifications as reductions of the gross expenditure;
4. payments are supported by adequate evidence of the delivery of goods or performance of services;
5. obligations included in the report of expenditures or request for reimbursement were actually incurred during the budget period for which the expenditures were claimed and upon liquidation were properly adjusted;
6. the same item is not reported as an expenditure for two or more years; e.g., encumbrance in one year and payment in another;
7. all expenditures that were claimed were made for the approved project and are easily identifiable with this project;
8. all books and materials are plainly marked with appropriate identification where required;
9. all inventory items (equipment) have been allocated an inventory number and the number has been plainly affixed on each piece of equipment and plainly labeled;
10. an inventory has been maintained of those items required to be inventoried that shows: description, serial number or other identification number, acquisition date and cost, location, use and condition of property;
11. inventory items moved from one location to another have been duly authorized in writing and that the transfer has been recorded in the inventory register, and each item of equipment purchased was listed in the approved budget breakdown and is being used solely for authorized purposes;
12. prorated expenditures, such as salaries, travel, etc., are divided correctly between two or more accounts and that the basis of such division can be substantiated as reasonable and equitable (the auditor will compare actual expenditures with the approved budget and note variations);
13. unexpended state funds advanced or overpaid were promptly returned to the NDE;
14. payments to an administrator who is employed by the Board of Education under the terms of the contract covering a twelve-month period of service were not included in administrative expenses (provisions of the restricted indirect cost rate); payrolls must be supported by time and attendance or equivalent records for individual employees. Salaries and wages of employees chargeable to more than one grant program or other cost objective must be supported by appropriate time distribution records;
15. payrolls must be supported by time and attendance or equivalent records for individual employees. Salaries and wages of employees chargeable to more than one grant program or other cost objective must be supported by appropriate time distribution records;
16. obligations were liquidated within forty-five (45) days after the end of the budget period and adjusted to the amount finally paid; and
17. expenditures were incurred for activities that are supplemental (in addition to what is required to be provided by the district) for public and private school students and teachers.

An entity required to have a single audit is responsible for follow-up and corrective action on all findings resulting from that audit. This responsibility includes the preparation of a summary schedule of prior audit findings and the preparation of a corrective action plan for current year audit findings.

The summary schedule of prior audit findings shall report the status of all audit findings included in the prior audit’s schedule of findings and questioned costs relative to Federal awards. The schedule shall restate the prior audit finding reported.

* When audit findings were fully corrected, the summary schedule need only list the audit findings and state that corrective action was taken.
* When audit findings were not corrected or partially corrected, the summary schedule shall describe the planned corrective action and any partial corrective action taken.
* When corrective action taken is significantly different from the previously reported corrective action plan, the summary schedule shall provide an explanation.
* When the auditee (school district) believes the audit findings are no longer valid or not warranting further action, the reasons for this position shall be described in the summary schedule.

A corrective action plan shall be prepared to address each audit finding included in the current year’s audit report. The corrective action plan shall include: the corrective action plan, name(s) of contact person(s) responsible for the corrective action, anticipated completion date, and an explanation and specific reasons if the auditee does not agree with the audit finding or believes corrective action is not needed.

According to Rule 1, all school districts shall file with the Commissioner of Education on or before November 5, a copy of the financial audit report and on or before January 31, a copy of the auditor’s letter to management, together with the district’s responses, and any responses to compliance issues resulting from the audit.

The Nebraska Department of Education (NDE), as the pass-through entity of federal awards, is responsible to issue a management decision on all audit findings including cross-cutting findings within six months after the receipt of the subrecipient’s (school district) audit report and ensure that the subrecipient takes appropriate and timely corrective action.

Activities of the NDE Federal Program Staff may include assisting the auditee in developing corrective action plans as well as approving and monitoring the corrective action plans.

## Administration of Cooperative Projects and Consortia

Arts NOW grants are only available to single school districts and therefore not eligible for cooperative projects or consortia. Arts NOW grant may not be assigned to another entity for the administration of the grant or to serve as a fiscal agent.

# Records Retention

## Federal Funds

For U.S. Department of Education Federal funds, the grant recipient shall comply with 2 CFR 200.334- 338, which generally requires that records be retained for three years after completing activities pertaining to grant funds and until all outstanding claims have been resolved. Generally, this is three years after completing activities pertaining to federal programs and, where the Tydings Amendment applies, means five years after the end of the grant liquidation period. If federal funds are from other U. S. government agencies, other regulations may apply.

*Arts NOW Grant funds are from the National Endowment for the Arts. No other regulations apply*.

## State Funds

For state funds, a grantee shall retain records for 1) three years from the final date for filing any claim for reimbursement or until all outstanding claims have been resolved and 2) an annual audit. The state may recompute and adjust claims within six years from the final date for filing claims for reimbursement when there has been an adverse court or administrative agency decision on the merits affecting the tax revenue of the school district.

All purchase orders, time and effort records and other supporting documentation will be retained at the local level and must be available for review or audit any time within three years after termination of the project. Records may be disposed of:

* After their individual retention period is complete;
* Providing any local, state, and Federal audit requirements have been met; and
* As long as they are not needed for any litigation either pending or anticipated.

*Funding for the Arts NOW Grant program has come from federal funding streams.*

# Accessibility Policy

All Americans should be able to participate in the arts and humanities. The goal should be full inclusion in all arts and cultural programs and facilities across Nebraska.

NDE and NAC do not discriminate against any person on the grounds of race, color, national origin, sex, or physical or mental disability. The NDE and NAC have the responsibility of ensuring that all programs using federal funds are equally accessible to all people.

By applying for an Arts NOW Grant, applicants certify that they comply with the statutes outlined below and will maintain records and submit the reports that are necessary to determine compliance. NDE is considered a subrecipient on the Arts NOW Grant and therefore required to obtain assurances of compliance.

## Nondiscrimination Statutes

All Arts NOW applicants must certify that they do not discriminate:

* On the grounds of race, color, or national origin (including limited English proficiency), in accordance with [Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq](http://www.usdoj.gov/crt/grants_statutes/titlevi.txt).).
* On the basis of physical or mental disability in accordance with [Section 504 of the Rehabilitation Act](https://www.govinfo.gov/content/pkg/CFR-2010-title45-vol3/pdf/CFR-2010-title45-vol3-part1151.pdf) [of 1973 and the 1990 Americans with Disabilities Act.](https://www.govinfo.gov/content/pkg/CFR-2010-title45-vol3/pdf/CFR-2010-title45-vol3-part1151.pdf)
* On the basis of age, in accordance with the [Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).](https://www.dol.gov/agencies/oasam/regulatory/statutes/age-discrimination-act)
* On the basis of sex, in any education program or activity, in accordance with [Title IX of the Education](https://www.epa.gov/ocr/title-ix-education-amendments-act-1972) [Amendments of 1972 (20 U.S.C. 1681 et seq.).](https://www.epa.gov/ocr/title-ix-education-amendments-act-1972)

### About the ADA

The Americans with Disabilities Act (ADA) requires that persons with disabilities have access to public programs for services on an equal basis with the rest of the general public. Furthermore, federal law mandates that any program or service that receives federal or state funding must be accessible to persons with disabilities. The NAC is committed to ensuring that the programs and services funded are accessible to persons with disabilities, including those with visual, hearing, mobility, and learning impairments.

The U.S. Department of Justice provides free [Americans with Disabilities Act](http://www.ada.org) materials online. Order printed materials by calling the ADA Information Line at (800) 514-0301 (voice) or (800) 514-0383 (TDD).

#### ADA Access Plan

School districts are encouraged to have an ADA Access Plan, otherwise known as a 504 Plan. To assist in evaluating current accessibility, refer to the [Self Evaluation Workbook](https://www.arts.gov/about/civil-rights-office/applicants-recipients-of-federal-financial-assistance/section-504-self-evaluation-workbook) from the National Endowment for the Arts. The plan should include:

1. A policy statement regarding accessibility and a brief description of how the policy was developed.
2. The ways in which facilities, programs, and services are currently accessible to persons with disabilities.
3. Accessibility goals yet to be addressed
4. A timeline and bud[get of action steps to accompli](https://www.artscouncil.nebraska.gov/file_download/4f9760fa-7fc8-45bf-b737-22b19e5fdb85)sh the organization’s accessibility goals.

For more information, see [Creating Your Accessibility Plan.](https://www.artscouncil.nebraska.gov/news/nea-resources-on-creating-an-accessibility-plan/)

#### Immediate Accessibility Accommodations (no cost or low-cost)

* Develop and regularly convene an Access Advisory Committee
* Add access language to your policies and guidelines, such as:
  + “All programs, services, and activities of [organization] are operated in compliance with the Americans with Disabilities Act. If you need an accommodation because of a disability, please call [contact person] at [phone number] at least days prior to the event to assure that we can meet your needs.”
* Provide any publications on audio tape or in large print format on request.
* Publicize the accessibility of your organization’s activities and services.
* Conduct access training for your staff, board, and/or volunteers.
* Establish an organization policy that requires use of accessible facilities for all your activities.
* Install a TTY, training staff/volunteers to use it, and include the number in your publicity.
* Compile a resource list of availability and costs of access accommodation in your community.
* Lower display cases and countertops.
* Install large print labeling or signage.
* Remove fixed seating in your facility to create wheelchair spaces.

#### How to Plan and Promote an Accessible Event

* Secure licensed accessibility services: sign language interpreters, audio describers, sensory kits for people on the autism spectrum, transportation for people who lack mobility.
* Distribute promotional materials in alternative formats (and languages).
* Include the availability of accommodations in your written materials and publicity (see examples below).
* Hold events in barrier-free locations or where reasonable accommodations can be provided.

#### Promoting Accessibility

Individuals who are visually impaired may need printed materials in alternative formats (i.e. Braille, large print, audio tape, or computer disc). Include information on the formats in which your printed materials already are available or can be made available upon request. Examples:

* This brochure is available in large print, Braille, audio tape or computer disc on request.
* To request a copy of this directory in another format contact [name of contact] at [method of contact].
* Please notify us a week in advance if you need written materials in Braille or large print.

Inform individuals who are deaf, hard of hearing, or speech impaired if they can call you on a TDD. If you have a TDD available, list its availability with your phone number. Example:

* For more information call (000) 000-0000, TFF please signal. *Note:* If you do not have a TDD, individuals who use one are able to communicate with you by using the Nebraska Relay System.

Indicate which services will be available, and when. Note if a service is only available by request and, if so, how, and when does the request need to be made. Examples:

* Sign language interpreters will be available at [event].
* The [date] performance will be sign language interpreted.
* Please let us know by [date] if you need a sign language interpreter or an assistive listening device during the workshop.

Select a barrier-free site when scheduling meetings and events. Consider accessible parking, restrooms, adequate space in meeting rooms for persons who use wheelchairs, canes, etc., keep aisles clear around tables, seating, and crowded areas. Examples:

* The venue site is barrier free.
* The north entrance is accessible, and parking is located adjacent to it.

#### Accessibility Services

ASL Interpreters

[Sorenson Interpreting Services,](http://www.sorenson.com) [Beth Koubsky](mailto:bkoubsky@sorenson.com), (402) 686-3317

Audio Description and Braille Printing

[Outlook Nebraska](https://outlookne.org/enrichment/live-performances/), [Megan Mackie](mailto:MMackie@outlooken.org), (402) 614-3331

Captioning, Transcribing, and Language Translations

[Rev](https://www.rev.com/)

[CaptionAccess](https://www.captionaccess.com/) (real time and post production captioning)

Universal Design Consultation Services

[Assistology](http://www.assistologyomaha.com), [Meaghan Fitzgerald Walls](mailto:assistologyomaha@gmail.com), (402) 500-0667

Sensory Guides

[All Kinds Accessibility Consulting](http://www.allkindsaccessibility.com/), [Shelby Seier](mailto:Shelby.Seier@gmail.com)

List of Resources to Help Ensure Accessibility of Your Virtual Events for People with Disability

[National Endowment for the Arts](https://www.arts.gov/accessibility/accessibility-%20resources/resources-to-help-ensure-accessibility-%20for-your-virtual-events-for-people-with-)

#### State and Federal Resources

Assistive Technology Devices and Disability Advocacy

[Assistive Technology Partnership](https://atp.nebraska.gov/), 3901 N 27th Street, Suite 5, Lincoln, NE 68521

Lincoln – (402) 471-0734 or (877) 713-4002

Omaha – (402) 595-1919 or (877) 201-4141

Kearney – (308) 784-4525 or (800) 683-6699

Cozad – (308) 784-4525

Columbus – (402) 564-3225

Scottsbluff – (308) 632-1392

Phone Communication with Individuals with Hearing Impairment

[Nebraska Relay System](http://www.nebraskarelay.com/), (800) 833-0920

Communication with Individuals who are Deaf or with Hearing Impairment

[Nebraska Commission for the Deaf and Hard of Hearing](https://ncdhh.nebraska.gov/), 4600 Valley Rd., Suite 240, Lincoln, NE 68510, (402) 471-3593 or (402) 595-3991

General Guidance from the Office of Accessibility

[National Endowment for the Arts](https://www.arts.gov/impact/accessibility#:~:text=If%20you%20have%20questions%20regarding,(202)%20682%2D5532.), 1100 Pennsylvania Ave NW, Washington, DC 20506-0001, (202) 682-5530

Accessibility Information and Guidance

[Nebraska Arts Council](https://www.artscouncil.nebraska.gov/accessibility-%20information.html), 1004 Farnam Street, Plaza Level, Omaha, NE 68102, (402) 595-2122 or (800) 341-4067

ADA Coordination

[State of Nebraska’s ADA Coordinator](https://das.nebraska.gov/ada/index.html), State Building Division, 1526 K St, Ste 500, Lincoln, NE 68508, (402) 471-4285 or (800) 643-3723

#### Other resources for accessibility

The Educational Service Unit serving your area.

The college or university serving your area.

Your local hospital or Visiting Nurses Association.

A local Disabled Veterans’ Organization.

#### Accessibility Information

Additional information about accessibility and the arts, resources, services, and grants can be found on the [NAC Website:](https://www.artscouncil.nebraska.gov/)

* Accessibility Glossary (PDF)
* Guidance for Writing and Speaking about People with Disabilities and Older Adults (PDF)
* How to Plan and Promote an Accessible Event (PDF)
* Resources for Accessibility Services (PDF)
* Creating Your Accessibility Plan (PDF with link to a NEA workbooks)

For more information on accessibility, please contact Josh Brown, NAC Program Coordinator at (402) 595-3940 or [joshua.brown@nebraska.gov](mailto:joshua.brown@nebraska.gov).

# Appendix A - Financial Management

## 2 CFR 200.302 Financial Management

1. Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the State's and the other non-Federal entity's financial management systems, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450 Lobbying.
2. The financial management system of each non-federal entity must provide for the following (see also §§ 200.334 Retention requirements for records, 200.335 Requests for transfer of records, 200.336 Methods for collection, transmission and storage of information, 200.337 Access to records, and 200.338 Restrictions on public access to records):
3. Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.
4. Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 Financial reporting and 200.329 Monitoring and reporting program performance. If a federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.
5. Records that identify adequately the source and application of funds for Federally funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
6. Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See § 200.303 Internal controls.
7. Comparison of expenditures with budget amounts for each Federal award.
8. Written procedures to implement the requirements of § 200.305 Payment.
9. Written procedures for determining the allowability of costs in accordance with Subpart E—Cost Principles of this part and the terms and conditions of the Federal award.

# Appendix B – Procurement Standards

## 2 CFR 200.318 General procurement standards

1. The non-Federal entity must use its own documented procurement procedures which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.
2. Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
3. The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.
4. If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
5. The non-Federal entity’s procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
6. To foster greater economy and efficiency, and in accordance with efforts to promote cost- effective use of shared services across the Federal government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
7. The non-Federal entity is encouraged to use federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
8. The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
9. The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
10. The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
11. The non-Federal entity may use time and material type contracts only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and material type contract means a contract whose cost to a non-Federal entity is the sum of:
12. The actual cost of materials; and
13. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.
14. Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
15. The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a federal concern. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

## 2 CFR 200.319 Competition

1. All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:
2. Placing unreasonable requirements on firms in order for them to qualify to do business;
3. Requiring unnecessary experience and excessive bonding;
4. Noncompetitive pricing practices between firms or between affiliated companies;
5. Noncompetitive contracts to consultants that are on retainer contracts;
6. Organizational conflicts of interest;
7. Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
8. Any arbitrary action in the procurement process.
9. The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
10. The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:
11. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
12. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
13. The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

## 2 CFR 200.320 Methods of procurement to be followed

The non-Federal entity must use one of the following methods of procurement.

1. Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed $3,500 (or $2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro- purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.
2. Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
3. Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.
4. In order for sealed bidding to be feasible, the following conditions should be present:
   * 1. A complete, adequate, and realistic specification or purchase description is available;
     2. Two or more responsible bidders are willing and able to compete effectively for the business; and
     3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
5. If sealed bids are used, the following requirements apply:
6. The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids;
7. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
8. All bids will be publicly opened at the time and place prescribed in the invitation for bids;
9. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
10. Any or all bids may be rejected if there is a sound documented reason.
11. Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
12. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
13. Proposals must be solicited from an adequate number of qualified sources;
14. The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
15. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
16. The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors’ qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.
17. [Reserved]
18. Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
19. The item is available only from a single source;
20. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
21. The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
22. After solicitation of a number of sources, competition is determined inadequate.

## 2 CFR 200.321 Contracting with small and minority businesses, women’s business enterprises and labor surplus area firms.

1. The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include:
2. Placing qualified small and minority businesses and women’s business enterprises on solicitation lists;
3. Assuring that small and minority businesses, and women’s business enterprises are solicited whenever they are potential sources;
4. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women’s business enterprises;
5. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women’s business enterprises;
6. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
7. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

## 2 CFR 200.323 Procurement of recovered materials

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired by the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

## 2 CFR 200.324 Contract cost and price

1. The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.
2. The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
3. Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the federal cost principles.
4. The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

## 2 CFR 200.325 Federal awarding agency or pass-through entity

1. The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.
2. The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:
   1. The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;
   2. The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
   3. The procurement, which is expected to exceed the Simplified Acquisition Threshold,
   4. specifies a “brand name” product;
   5. The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
   6. A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.
3. The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.
4. The non-Federal entity may request that its procurement system be reviewed by the federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third-party contracts are awarded on a regular basis;
5. The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-federal entity that it is complying with these standards. The non-federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

## 2 CFR 200.326 Bonding Requirements

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

1. A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
2. A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

## 2 CFR 200.327 Contract Provisions

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards.

# Appendix C – Equipment Definitions

## 2 CFR 200.1 - Equipment

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000. See also §§ 200.1 Capital assets, 200.1 Computing devices, 200.1 General purpose equipment, 200.1 Information technology systems, 200.1 Special purpose equipment, and 200.1 Supplies.

## 2 CFR 200.1 - Capital Assets

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

1. Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
2. Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

## 2 CFR 2001 - Computing devices

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. See also §§ 200.1 Supplies and 200.1 Information technology systems.

## 2 CFR 200.1 - General purpose equipment

General purpose equipment means equipment which is not limited to research, medical, scientific, or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles. See also Equipment and Special Purpose Equipment.

## 2 CFR 200.1 - Information technology systems

Information technology systems means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. See also §§ 200.1 Computing devices and 200.1 Equipment.

## 2 CFR 200.1 - Special purpose equipment

Special purpose equipment means equipment which is used only for research, medical, scientific, or other technical activities. Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers. See also §§ 200.1 Equipment and 200.1 General purpose equipment.

## 2 CFR 200.1 - Supplies

Supplies means all tangible personal property other than those described in § 200.1 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or $5,000, regardless of the length of its useful life. See also §§ 200.1 Computing devices and 200.1 Equipment.

## 2 CFR 200.313 Equipment

See also § 200.439 Equipment and other capital expenditures.

1. Title. Subject to the obligations and conditions set forth in this section, title to equipment acquired under a federal award will vest upon acquisition in the non-federal entity. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further obligation to the Federal government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in the non-Federal entity subject to the following conditions:
   1. Use the equipment for the authorized purposes of the project until funding for the project ceases, or until the property is no longer needed for the purposes of the project.
   2. Not encumber the property without approval of the Federal awarding agency or pass-through entity.
   3. Use and dispose of the property in accordance with paragraphs (b), (c) and (e) of this section.
2. A State must use, manage, and dispose of equipment acquired under a Federal award by the State in accordance with State laws and procedures. Other non-Federal entities must follow paragraphs (c) through (e) of this section.
3. *Use.*
   1. Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:
      * 1. Activities under a Federal award from the Federal awarding agency which funded the original program or project, then
        2. Activities under federal awards from other federal awarding agencies. This includes consolidated equipment for information technology systems.
   2. During the time that equipment is used on the project or program for which it was acquired, the non-federal entity must also make equipment available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the Federal awarding agency that financed the equipment and second preference must be given to programs or projects under federal awards from other Federal awarding agencies. Use for non-federally funded programs or projects is also permissible. User fees should be considered if appropriate.
   3. Notwithstanding the encouragement in § 200.307 Program income to earn program income, the non-Federal entity must not use equipment acquired with the Federal award to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal government retains an interest in the equipment.
   4. When acquiring replacement equipment, the non-Federal entity may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.
4. *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:
   1. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
   2. A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years.
   3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
   4. Adequate maintenance procedures must be developed to keep the property in good condition.
   5. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.
5. *Disposition.* When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:
   1. Items of equipment with a current per unit fair market value of $5,000 or less may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency.
   2. Except as provided in § 200.312 Federally owned and exempt property, paragraph (b), or if the federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per unit fair market value in excess of $5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share $500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
   3. The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.
   4. In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

## 2 CFR 200.439 Equipment and other expenditures

1. See §§ 200.1 Capital expenditures, 200.1 Equipment, 200.1 Special purpose equipment,200.1 General purpose equipment, 200.1 Acquisition cost, and 200.1 Capital assets.
2. The following rules of allowability must apply to equipment and other capital expenditures:
3. Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the Federal awarding agency or pass-through entity.
4. Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of $5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity.
5. Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior written approval of the Federal awarding agency, or pass-through entity. See § 200.436 Depreciation, for rules on the allowability of depreciation on buildings, capital improvements, and equipment. See also § 200.465 Rental costs of real property and equipment.
6. When approved as a direct charge pursuant to paragraphs (b)(1) through (3) of this section, capital expenditures will be charged in the period in which the expenditure is incurred, or as otherwise determined appropriate and negotiated with the Federal awarding agency.
7. The unamortized portion of any equipment written off as a result of a change in capitalization levels may be recovered by continuing to claim the otherwise allowable depreciation on the equipment, or by amortizing the amount to be written off over a period of years negotiated with the Federal cognizant agency for indirect cost.
8. Cost of equipment disposal. If the non-Federal entity is instructed by the Federal awarding agency to otherwise dispose of or transfer the equipment the costs of such disposal or transfer are allowable.

# Appendix D – Use of Grant Funds for Conferences and Meetings

Attached to the Grant Award Notifications (GANs) for each of the Federal Grants NDE has received for the 2016-17 school year (FY16), is a Memorandum to ED Grantees Regarding the Use of Grant Funds for Conferences and Meetings. For your convenience, the document (Enclosure 3) is available in the [NDE State and Federal Grant Management Requirement and Guidance](https://www.education.ne.gov/gms2/) document. For most grants received from USDE, NDE is the grantee, and the local districts and/or ESUs are the sub-grantees. The information outlined in Enclosure 3 is pertinent to both the grantee and sub-grantees.

Generally, there is a high burden of proof to show that paying for food and beverages with federal grant funds is necessary to meet the goals and objectives of a grant. Supporting documentation for reimbursement requests and other fiscal grant reviews by the NDE will include application of the information contained within Enclosure 3.

For your convenience, Frequently Asked Questions to Assist U.S. Department of Education Grantees to Appropriately Use Federal Funds for Conferences and Meetings is available in the [Nebraska Department of Education’s State and Federal Grant Management Requirement and Guidance](https://www.education.ne.gov/gms2/) document.

*Arts NOW Grants are not eligible for conferences and meetings or food.*