

Grants and Awards

General

The College District shall comply with all requirements for state and federal grants and awards imposed by law, the awarding agency, or an applicable pass-through entity. The Chancellor shall develop and enforce financial management systems, internal control procedures, procurement procedures, and other administrative procedures as needed to provide reasonable assurance that the College District is complying with requirements for state and federal grants and awards.

The Chancellor shall be authorized to:

1. Apply, on behalf of the Board, for any and all special federal and state grants and awards as deemed appropriate for the College District's operations;
2. Approve commitment of College District funds for matching, cost sharing, cooperative, or jointly funded projects up to the amounts specifically allowed under the College District budget approved by the Board; and
3. Approve grant and award amendments as necessary.

[See CAAA, CAAB]

Federal Awards

Fiscal
Requirements

*Maintenance of
Effort*

As required by law, the College District shall maintain, and be able to demonstrate, maintenance of its effort in state or local fund spending for those programs and activities for which the College District has received a federal award or grant. For purposes of this provision, maintenance of effort shall mean maintaining non-federal funding at a level that is not less than the expenditures for such program activities during the fiscal year prior to receiving the grant or award. Maintenance of effort calculations shall exclude capital expenditures, special one-time projects, and the cost of pilot programs.

*Supplement, not
Supplant*

The College District shall use federal grant and award funds, whether awarded by a federal agency or a pass-through entity ("grant funds"), to supplement ("to complete, add to, or extend") and, to the extent practicable, increase the services, staff, programs, activities, and materials ("programs/activities") that would, in the absence of grant funds, be offered with other federal, state, and local sources or funds independently generated by or allocated to the College District ("other funding sources"). Unless otherwise permitted by law, in no event shall the College District use grant funds to supplant ("to take the place of or serve as a substitute") other funding sources that would otherwise be expended to carry out or pay for College District programs/activities, including, but not limited to, programs/activities required by state law, Coordinating Board rules, or College District policy.

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The College District may rebut a presumption of supplanting or have good cause to use (determined prior to taking action) grant funds to fund costs of programs/activities that were funded in a previous year with other funding sources. A rebuttal of or justification for such funding action requires the following showing by the College District:

1. Evidence of an actual reduction in state and/or local funding sources and/or other non-federal support; and
2. Evidence that the program/activity would be discontinued without the benefit of grant funds.

The College District shall develop and maintain contemporaneous written records that clearly demonstrate the supplementary nature of grant funds and/or provide support or justification for any supplanting action.

Conflict of Interest

Each employee, Board member, or agent of the College District who is engaged in the selection, award, or administration of a contract supported by a federal grant or award, and who has a potential conflict of interest as defined at 2 C.F.R. 200.318, shall disclose to the College District in writing any conflict that meets the disclosure threshold in Local Government Code Chapter 176. [See CAAB]

In addition, each employee, Board member, or agent of the College District shall comply with any other conflict of interest requirements imposed by the granting agency or a pass-through entity or by College District policy. [See DBD]

For purposes of this policy, "immediate family member" has the same meaning as "family member" as described in Local Government Code Chapter 176. [See BBFA]

For purposes of this policy, "partner" shall have the same meaning as defined in Business Organizations Code Chapter 1, Subchapter A.

An employee, Board member, or agent of the College District who is required to disclose a conflict in accordance with the provisions above shall not participate in the selection, award, or administration of a contract supported by a federal grant or award.

Gifts and Gratuities

Employees, Board members, and agents of the College District shall not solicit any gratuities, favors, or items from a contractor or a party to a subcontract for a federal grant or award and shall not accept:

1. Any single item with a value at or above \$50; or

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2. Items from a single contractor or subcontractor that have an aggregate monetary value exceeding \$100 in a 12-month period.

[See BBFA, BBFB, CAAB, and DBD. In the event of a violation of these requirements, see CDE and DH.]