

Meeker and Wright Special Education
Cooperative

Fiscal Compliance and Procedures Manual

2013-2014



Introduction:

It is the intention of the Meeker and Wright Special Education Cooperative (MAWSECO) and its member districts to comply with all state and local fiscal laws. This Manual applies to Annandale, Dassel Cokato, Delano, Howard Lake-Waverly-Winsted, Litchfield, Maple Lake, and Rockford. It is also the intention of MAWSECO and its member districts to ensure special education expenditures are necessary, reasonable and allowable according to EDGAR. The procedures and practices used to accomplish these tasks are outlined in this manual. It is the goal of the management of the Cooperative and its members to ensure these practices and procedures are followed.

Fiscal Management Systems/Internal Controls:

The Director of MAWSECO and Business Manager are responsible for preparing a budget. Quarterly and year end financial reports are provided to the Director by the business manager. Individual budgets by federal award are also submitted to MDE for approval via EDRS. Internal Controls are outlined by each district and available for inspection after board review annually.

Procurement:

When requesting materials or services, employees shall ensure the following guidelines are followed:

- The purchase is necessary for the provision of service
- The purchases dictated by the Individual Education Plan will be supported with documentation from the IEP.
- There is no conflict of interest in selecting the vendor
- There is no soliciting or accepting of gratuities, favors, or anything of monetary value from contractors or subcontractors
- All Procurement transactions provide full and open competition as required by statutory obligation
- Staffing determinations are analyzed through a Workload Analysis completed by the District Coordinator.
- Services secured through contracts follow the guideline suggested through the MDE.

Ordering Procedures:

When submitting items for purchase, an employee shall complete the requisition form and submit to their supervisor for approval. The supervisor will assure the appropriate fund is utilized for eligible expenditures. The requisition is submitted to the office where the purchase order is created, and submitted to the vendor.

Purchases with federal funds require completion of additional verification that purchase is eligible

and meets EDGAR 34 CFR § 80.36 requirements. Signature from Director or Business Manager are required in order to utilize federal funds.

Purchases which require credit card payment will originate in the Special Education or District Office.

Personal reimbursements are made with prior approval of the purchase by Supervisor, Director or Business Manager.

Receipt of Materials

As orders are received, they will be checked in by either the requisitioning employee or the secretary. This requires verification that the content ordered matches what was actually received. Packing slips are signed and dated by the individual verifying the receipt of merchandise and returned to the central office or a message of confirmation is initiated to the District Office that all ordered product has been received.

MAWSECO Procedures are as follows:

Inventory Management:

An inventory will be kept of equipment purchased with special education funds in excess of \$5000, are sensitive in nature or outlined per district policy or procedure and will be maintained on an annual basis. "Equipment" is an article of nonexpendable, tangible personal property having a useful life of more than one year. Items that are sensitive in nature are items such as portable technology (iPad, iPod touch, portable tablets).

Inventoried equipment shall be marked with identification tags and logged in a central location. Property records of all equipment defined will be maintained and reconciled at least every two years. When equipment is no longer needed it will be disposed of according to federal, state and local laws.

All items not meeting the definition of equipment shall be considered supplies. Supplies shall not be inventoried; however each employee shall be responsible to effectively control and account for all supplies trusted to their care. Each employee shall properly safeguard supplies and ensure they are used solely for the authorized purposes.

Time and Effort Reporting:

Time and Effort Reporting will be completed for all employees of MAWSECO and the required employees of its members.

For Employees funded through a single cost objective, a semi-annual certification will be kept. This certification will be signed by the employee or the supervisor after the fact.

For employees paid through multiple cost objectives (including at least one federal source), a

monthly time report or Personnel Activity Report (PAR) will be kept. The report will be prepared and signed by the employee and supervisor after the fact reflecting actual work performed.

PAR/Certification/Tuition Billing Revision:

The budget and payroll will initially be based on an estimate of the cost objective(s) that the employee will be working on. Comparisons of the actual costs based on the monthly activity reports to budgeted distributions will be made quarterly. If the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent, adjustments will be recorded annually. If the differences are larger than ten percent, adjustments will be made at the time in regards to PAR reporting. Tuition billing distribution percentages will be revised annually, if necessary to reflect changed circumstances.

Cash Management:

Federal Budgets for MAWSECO and its members are entered from MAWSECO's EDRS submission which flows directly into the SERVS financial system.

Districts are allocated their federal funds from MAWSECO. The district budgets are set at the district and approved via the Director of Special Education. The District expends funds and seek reimbursement from MAWSECO for their federal expenditures. After MAWSECO makes payment to the District, MAWSECO draws reimbursement from SERVS Financial.

As MAWSECO seeks to use Federal Funds, the process remains one of reimbursement. MAWSECO make a purchase or payment of an eligible expenditure and seeks reimbursement from the SERVS financial system. A draw is only made to seek reimbursement.

Third Party Billing

On behalf of its member districts, MAWSECO shall seek reimbursement from third parties for the cost of services provided by district or cooperative staff whenever the services are eligible for third party reimbursement. This shall be done in accordance with Minn. Stat. Sec. 125A.21, Subd. 2.

Participation of Private School Students:

MAWSECO will notify districts of their federal special education funds to be used to provide equitable participation services to parentally-placed private school children with disabilities.

A timely and meaningful consultation will occur with the representatives of private schools located in the member districts that will include discussion of the child find process, the calculation of proportionate amount and how the services will be provided.

The District will maintain control over the funds, property and program decisions. The Cooperative and its members will ensure that proportionate share funds are used to meet the special education and related service needs of eligible students with disabilities and are not used

for the general needs of the private school. MAWSECO and its members will track the required expenditures by fiscal year.

Transportation Procedures:

Transportation Procedures will begin with the IEP team determination of a child's eligible use for specialized transportation. The case manager will communicate with the special education or MARSS Coordinator the appropriate transportation category, Transportation Code 03 for student with specialized transportation outlined in the IEP or Transportation Code 06 for a general education student which requires transportation in order to access specialized instruction through a care and treatment facility. The District Coordinator will communicate with the transportation director in order to initiate transportation.

A consistent form is being developed for each district to communicate the appropriate information to assure eligibility, accommodations required, eligibility for third party reimbursement and appropriate communication.