

State of Oregon
OREGON DEPARTMENT OF EDUCATION
POLICY MANUAL



AGENCY POLICY

581-518

Effective Date: 04-20-2015

AUTHORIZED SIGNATURE: Signature on file at ODE

RE: Advanced Payment of State Grants for Summer Programs

PURPOSE: To provide guidelines for use of current biennial resources for summer programs in the following biennium.

Overview: Local education and other entities provide programs to students, educators and other during summer months. Most of these payment are in the form of grants and require the grantee to access the grant funds through the Department of Education's Electronic Grants Management System (EGMS). (See ODE Policy \$581-508). Payment of grant funds typically is on a cost-reimbursement basis.

Occasionally, however, certain grants require advance payment. In particular, at the end of each biennium, some summer programs and/or activities need advanced payments to ensure operation of the programs during summer months can occur. This policy covers those payments and is limited to advance payment of state funds for summer programs.

DEFINITIONS:

Advanced Payment – payment made under a grant agreement in advance of the work performed and/or costs incurred by the grantee

Cost-reimbursement basis – payment made under a grant agreement after work has been performed and costs incurred by the grantee

Grantee – the organization or other entity that receives a grant from ODE and assumes legal and financial responsibility and accountability both for the awarded funds and for the performance of the grant-supported activity

State Funds – Generally, per the Oregon Accounting Manual, State Funds are defined as: "Any funds held by the State Treasurer and disbursed to satisfy a claim which includes federal funds, general funds, lottery funds, and other funds. Also includes any funds held by and agency such as petty cash or change funds or on deposit with another financial institution when allowed by law." *For purposes of this policy, however, state funds means state General Fund and state General Fund spent as Other Funds. More specifically, this policy does not apply to federal funds.*

POLICY:

It is the policy of ODE that advanced payments of state grant funds (General Fund or Other Funds) to local education and other entities before the end of a biennium (June 30 of each odd-numbered year) may be made for the purpose of summer programs.

Each grant agreement shall include restrictions of purpose and restrictions of time to ensure grant funds are used for the benefit of summer programs (*i.e.*, indicate funds are to be used for activities occurring in July, August and any portion of September relating to summer activities). Activities must occur during the summer months immediately following the advancement of funds. Final reconciliations of expenditures and repayment of any excess advances must be made by the grantee to ODE no later than December 15 of the same year.

ODE shall report advanced payments in accordance with GASB 65, *Items Previously Reported as Assets and Liabilities*, and other applicable accounting guidelines