

## Purchase, Contract, and Procurement Guidance for 21<sup>st</sup> CCLC Programs

### Overview

Subgrantees that receive federal funds must have fiscally sound processes in place to manage funds, including but not limited to purchasing, procurement, cash management, and sound budget practices.

### Purchase and Expenditure Requirements

When using federal 21<sup>st</sup> CCLC funds for allowable purchases supporting the federal program, the subgrantee must have a fiscally sound process in place that includes elements such as:

- Staff must clearly understand how to requisition materials/supplies/equipment for the program.
- Process for securing purchases.
- Process for tracking purchases back to the program funding source
- Process for inventorying materials/supplies/equipment upon arrival at the center.

Subgrantees must be mindful of the following when purchasing supplies, materials, equipment, services, etc. with federal 21<sup>st</sup> CCLC program funds:

- Purchases and expenditures must be appropriate and allowable to the 21<sup>st</sup> CCLC program.
- Purchases must be incurred during the project period of the awarded grant.
- Purchases must be recorded on an accounting ledger.
- State or local funds used to support the federal 21<sup>st</sup> CCLC program must be tracked separately.
- Purchases must supplement and not supplant the program's local fiscal and educational responsibility.
- Subgrantees must, upon request, be able to provide supporting documentation (e.g., receipts, requisitions, vouchers, contracts, invoices, etc.) for the expenses. *Not providing documentation could result in requiring detailed documentation for ALL future reimbursement requests, nonpayment, or a request to return the funds for expenditures not supported by documentation.*

## Contract and Procurement Requirements

Object code 300 in the fiscal accounting process is labeled as Purchased Professional and Technical Services. This object code is to be used any time funds will be used to purchase a service. The following are examples of a purchased service:

- Paying a consultant or speaker to do a presentation for staff development.
- Paying a company to receive technical assistance or other services.
- Paying a provider for tutoring/programming services provided to enrolled students.
- Contracted license agreements and fees required to implement an educational program.

Subgrantees should have a contract/procurement policy in place with a threshold of when a contract/procurement is required. If funds are being used to purchase a service that requires a contract, the contract **must**, at a minimum, include:

- Scope of services.
- Duration of the contract.
- Method and amount of payment.
- Execution by both parties

Additionally, subgrantees must ensure they do not enter into a contract or sub-grant with any vendor that is debarred, suspended, or ineligible for participation in federal programs by:

1. Checking the Excluded Parties List (EPLS) in the [System for Award Management \(SAM\)](#),
2. Collecting a certification from the vendor and attaching it to the contract, or
3. Adding a clause or condition to the contract that indicates the vendor is eligible.

If the subgrantee is paying a vendor with federal funds for which a procurement or contract is required, the contract must show exactly how the funds will be used to demonstrate that the services are appropriate for the program. A document that sets forth the specific goods and services purchased with the program's federal funds proves to auditors and the USDE the intentions for spending federal funds.