

## MEMORANDUM

To: Applicable LEAs

From: Nan Gray, State Director of Special Education

Date: 6-15-09

Re: Use of ARRA IDEA Part B Funds for the Purchase of Equipment

Section 605 of the IDEA authorizes the Secretary to allow the use of IDEA funds for the acquisition of equipment if the Secretary determines that the program would be improved by allowing funds to be used for these purposes. To be able to use IDEA funds for these costs, LEAs need to obtain the prior approval of the Utah State Office of Education. For purposes of these prior approval requirements, "equipment" is defined to mean an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the governmental unit for financial statement purposes, or \$5,000.

In order to initiate the approval process, the LEA must submit a letter to Brenda Hales, Associate Superintendent at the Utah State Office of Education, with a copy provided to Nan Gray, State Director of Special Education. The letter must contain the following:

- An assurance that the following general criteria must be met in order for a cost to be allowable under any Federal award.

The cost must --

- a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
- b. Be allocable to Federal awards under the provisions of OMB Circular A-87(Cost principals for State, Local and Indian Tribal Governments). Circular A-87 can be found online at [http://www.whitehouse.gov/omb/circulars/a087/a87\\_2004.html](http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html)
- c. Be authorized or not prohibited under state or local laws or regulations.
- d. Conform to any limitations or exclusions set forth in OMB Circular A-87, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
- e. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.
- f. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- g. Except as otherwise provided for in OMB Circular A-87, be determined in accordance with generally accepted accounting principles.
- h. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.
- i. Be the net of all applicable credits.
- j. Be adequately documented.

- An assurance that the purchase will comply with all school bus standards for construction and operations—focusing specifically on attributes of buses which accommodate students with disabilities, and that the purchase will comply with school bus operator and bus aide licensure and training.
- The LEA will also be required to report the existence of new buses as well as their size, capacity and operational statistics (miles and minutes associated with its use) to Murrell Martin, USOE, at 801-538-7666 or via email: [murrell.martin@schools.utah.gov](mailto:murrell.martin@schools.utah.gov)

LEA Superintendents will be notified immediately upon approval for the purchase of equipment by Brenda Hales, Associate Superintendent, USOE.