

Westbrook Walnut Grove ISD 2898 Monitoring Report FY 2021

December 14, 2020

<u>Commendations</u>	0
<u>Met Requirements</u>	5
<u>Recommendations</u>	2
<u>Action Required</u>	0



U.S. Department of Education
Office of Rural, Insular, and Native Achievement Programs
Office of Elementary and Secondary Education
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Washington, DC 20202

Monitoring Process

The Office of Rural, Insular, and Native Achievement Programs (RINAP) is committed to supporting States and local educational agencies (LEAs) as they implement Federal grant programs. Part of this commitment includes a monitoring process designed to not only address RINAP's responsibilities for fiscal and programmatic oversight, but to also identify areas in which LEAs need assistance and support to meet their goals and obligations. The monitoring process is anchored around ongoing conversations between RINAP and grantees. For fiscal year (FY) 2021, RINAP conducted this monitoring virtually.

The goals of the monitoring process are to conduct a program-centered, performance-focused review of the Small, Rural School Achievement Program (SRSA) (section 5211 of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA)) through a single, streamlined process that results in improved and strengthened partnerships between the U.S. Department of Education (Department) and LEAs. To accomplish this, the RINAP monitoring process is organized by areas, which reflect the programmatic and fiscal requirements and priorities of the SRSA program.

Monitoring Report

The Monitoring Report summarizes the results of the December 14, 2020 RINAP review of the Westbrook Walnut Grove ISD 2898 (Westbrook) grant administration and fiscal management processes. The report is based on information provided through the monitoring process, and other relevant qualitative data. The primary goal of monitoring is to ensure that implementation of the SRSA program is consistent with the fiscal, administrative, and select program requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance: 2 Code of Federal Regulations (CFR) Part 200), the Education Department General Administrative Requirements (EDGAR), and the ESEA.¹

¹ The RINAP office has chosen to focus only on fiscal and select program requirements applicable, as well as the uniform administrative requirements and general management systems of LEAs. Because this report summarizes the results of a non-comprehensive set of ESEA compliance requirements, the issuance of this report does not preclude other Department program offices, or independent auditors, from identifying areas of noncompliance that are not outlined in this report.

Section I: LEA Overview

As part of this document RINAP includes relevant LEA background information as a way of providing context for the review conversation. All data presented in Section I are reported by grantees to either the National Center for Education Statistics (NCES), Common Core of Data (CCD), or through standard oversight activities.

Section II: Performance Assessment

The information provided in Section II is intended to help an LEA quickly assess whether there are sufficient capacities, infrastructure, and resources allocated to LEA activities by area, in a manner that enables the LEA to achieve its strategic goals for the reviewed Federal program. This section provides the Department's rating of performance on grant administration of the applicable Title V, Part B program in FY 2021. Each rating reflects how the LEA is addressing fiscal and program requirements in a particular area of grant administration. The Department's analysis for each area is primarily based on evidence submitted by the LEA in the form of answers to the self-assessment questions, documents submitted by the LEA prior to the monitoring, and the responses provided to questions during the monitoring interview. RINAP's rating is also informed by evidence collected through public sources and other components of the monitoring process.

Ratings are based on a four-point scale, for which "met requirements with commendation" represents high quality implementation where the grantee is exceeding expectations; "met requirements" indicates that work is of an acceptable quality and the grantee is meeting expectations; "met requirements with recommendations" indicates there are quality implementation concerns and some improvements could be made to ensure the grantee continues to meet expectations; and "action required" indicates there are significant compliance or quality concerns that require urgent attention by the LEA and will be revisited until the LEA has remedied the issue.

Section III: Met Requirements with Commendation ●●●●

This section highlights the areas where the LEA has exceeded requirements and is commended on the grant administration and fiscal management as identified in Section II of this report (*i.e.*, those areas categorized as "met requirements with commendation"). In addition, this section provides an opportunity for the RINAP office to highlight those areas where the LEA has implemented an innovative or highly successful system or approach. In these areas, the Department is not recommending or requiring the LEA to take any further action.

Section IV: Met Requirements ●●●○

This section identifies those areas where the Department has determined that the LEA has met basic requirements of grant administration and fiscal management and is implementing those requirements in a satisfactory manner as identified in Section II of this report (*i.e.*, those areas categorized as satisfactory quality, "met requirements"). The description of satisfactory implementation by relevant area and requirement is an indication of an acceptable

implementation quality level. In these areas, the Department is not recommending or requiring the LEA to take any further action.

Section V: Met Requirements with Recommendations ●●○○

This section identifies those areas where the Department has quality implementation concerns related to grant administration and fiscal management as identified in Section II of this report (*i.e.*, those areas categorized as quality concerns, “met requirements with recommendations”). In these instances, the Department is determining that the LEA is currently complying with requirements, but that improvements could be made to improve the efficiency or effectiveness of operations. Identified issues are grouped according to relevant area and requirement, with citations provided. For each issue listed, the Department will provide a recommendation for improvement, but is not requiring the LEA to take any further action.

Section VI: Action Required ●○○○

This section identifies those areas where the Department has quality implementation concerns related to grant administration and fiscal management as identified in Section II of this report (*i.e.*, those areas categorized as quality concerns, “met requirements with recommendations”). In these instances, the Department is determining that the LEA is currently complying with requirements, but that improvements could be made to improve the efficiency or effectiveness of operations. Identified issues are grouped according to relevant area and requirement, with citations provided. For each issue listed, the Department will provide a recommendation for improvement, but is not requiring the LEA to take any further action.

SECTION I

LEA Overview



COVERED GRANT PROGRAMS ²

TITLE V, PART B – SMALL, RURAL SCHOOL ACHIEVEMENT PROGRAM



STUDENT CHARACTERISTICS

Average Daily Attendance: 372

SCHOOL & LEA CHARACTERISTICS



Schools: 2
Per-Pupil Expenditures: \$15,230
FTE Teachers: 36



SMALL, RURAL SCHOOL ACHIEVEMENT FUNDING

Fiscal Year 2020: \$19,370 ³

Monitoring Information

Monitoring Date December 14, 2020

Reviewers Mr. Robert Hitchcock, Lead
Ms. Alice Kinney, Co-Lead

² Data Source: U.S. Department of Education, Common Core of Data, unless otherwise noted (see <http://eddataexpress.ed.gov/> and <http://nces.ed.gov/ccd/elsi/> for additional information)

³ Fiscal Year 2020 SRSA Award Slate (see https://oese.ed.gov/files/2020/12/Copy-of-FY2020_Master_Eligibility_Spreadsheet-Public.xlsx)

SECTION II

Grant Administration and Fiscal Management Evaluation

Assessment Criteria Key



Met Requirements with Commendation

High quality implementation & compliance.



Met Requirements

Satisfactory implementation & compliance.



Met Requirements with Recommendation

Satisfactory compliance with quality concerns.



Action Required

Significant compliance & quality concerns.

		Assessment
Financial Management	A	● ● ● ○
Period of Availability	B	● ● ● ○
Uses of Funds	C	● ● ○ ○
Audit Requirements	D	● ● ● ○
Equipment and Supplies Management	E	● ● ● ○
Personnel	F	● ● ● ○
Procurement	G	● ● ○ ○

SECTION III

Met Requirements with Commendation

N/A

SECTION IV

Met Requirements

A.

Financial Management



REQUIREMENT SUMMARY

An LEA (or its agent) must use fiscal control and fund accounting procedures that ensure proper disbursement of and accounting for SRSA funds. In general, an LEA must expend and account for Federal funds in accordance with Federal laws and regulations. In addition, LEA accounting systems must satisfy Federal requirements regarding the ability to track the use of funds and permit the disclosure of financial results. LEAs must also have written procedures for determining cost allowability and must maintain effective control over all funds.

EDGAR 34 C.F.R. 75.702

Uniform Guidance 2 C.F.R. 200.302



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

Westbrook's fiscal management procedures for budgeting and cash management, and payment processing are overseen by their Business Manager, Superintendent, and Technology Coordinator and demonstrate the proper disbursement of and accounting for SRSA funds. After receiving their SRSA grant, the funds are then added to the LEA's budget and accounts are then created to code the grant based on its approved obligation. Purchases made with SRSA funds first go through a requisition process where multiple checks are in place to ensure spending aligns with allowable uses and the approved budget. In addition, the Business Manager and Superintendent review SRSA account activity each month.

B.

Period of Availability



REQUIREMENT SUMMARY

An LEA may only charge a grant program for allowable costs incurred during the period of availability and shall liquidate all obligations incurred under the award not later than 90 calendar days after the end date of the period of availability.

EDGAR 34 C.F.R. 75.707

Uniform Guidance 2 C.F.R. 200.309, 2 C.F.R. 200.343(b)

U.S. Code 31 U.S.C. 1552

Department of Education Guidance Late Liquidation Memoranda



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

Westbrook provided evidence demonstrating SRSA funds are only allowed to be spent within the prescribed period of availability. The LEA follows a documented requisition process that includes approval by the Superintendent and a monthly review by the School Board. In addition, the Business Manager receives invoices and pays bills in a timely manner and a service co-op is contracted for accounting purposes, helping to ensure Westbrook spends their SRSA funds before the end of the applicable performance period.

D.

Audit Requirements**REQUIREMENT SUMMARY**

An LEA that expends greater than \$750,000 in Federal funding in a given fiscal year is required to have an audit conducted in accordance with the requirements established in the Uniform Guidance. Completed audits must be submitted within the earlier of 30 calendar days after receipt of the auditors' report or nine months after the end of the audit period. An LEA must promptly follow up and take corrective action on all audit findings.

Uniform Guidance 2 C.F.R. 200.501(a), 2 C.F.R. 200.511-512

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

Westbrook does not expend more than \$750,000 in Federal funding in a given fiscal year and as a result, is not required to have an audit in accordance with the requirements established in the Uniform Guidance.

E.

Equipment and Supplies Management**REQUIREMENT SUMMARY**

An LEA shall use, manage, and dispose of equipment and supplies purchased using Federal funds in accordance with all relevant Federal laws and procedures. LEAs shall also ensure that equipment and supplies are used only for authorized purposes of the project during the period of performance (or until no longer needed).

[Uniform Guidance 2 C.F.R. 200.313-314](#)

[GAO Green Book Principle 10.03](#)

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

Westbrook submitted detailed equipment and supply management guidelines including procedures related to purchasing, payment, requisition and purchase orders, and property disposal. Westbrook staff also described how each request to purchase equipment and supplies with SRSA funds, mainly computers and related equipment, goes through a multi-step approval process and is then inventoried in compliance with Federal inventory regulations.

F.

Personnel**REQUIREMENT SUMMARY**

An LEA shall ensure that charges to Federal awards for salaries are based on records that accurately reflect the work performed. These records must be supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated.

[Uniform Guidance 2 C.F.R. 200.430](#)

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

Westbrook does not use SRSA funds for salaries. However, they documented a system of internal controls that provides reasonable assurance that in the case that salaries were paid for with SRSA funds, that the charges would be accurate, allowable, and properly allocated.

SECTION V

Met Requirements with Recommendation

C.

Uses of Funds



REQUIREMENT SUMMARY

An LEA can only use SRSA funds for allowable costs, as defined in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 C.F.R. §200), which include, among other things, the requirement that costs be reasonable and necessary for the accomplishment of program objectives. An LEA must use SRSA funds to supplement, and not supplant, any other Federal, State or local education funds and may use SRSA funds to carry out local activities authorized under any of the following provisions:

- Title I, Part A
- Title II, Part A
- Title III
- Title IV, Part A or B

ESEA §5212, §5232

EDGAR 34 C.F.R. 75.530

Uniform Guidance 2 C.F.R. 200.403-408, 2 C.F.R. 200.420-475



ISSUE

Westbrook uses its SRSA funds to purchase education technology, mainly computers and related equipment. Although these are allowable uses of funds, Westbrook does not maintain written procedures for determining the allowability of these costs or compliance with supplement, not supplant requirements.



RECOMMENDATION

The Department recommends that Westbrook develop written policies and procedures for evaluating allowable uses of SRSA funds in accordance with [2 C.F.R. 200.302\(b\)\(7\)](#). The Department recommends utilizing relevant statutes, guidance, and regulations, as well as the SRSA program website for resources and support in developing SRSA use of funds policies and procedures. Adding these SRSA-specific guidelines will help ensure that Westbrook officials will be aware of and adhere to allowable use of funds requirements and promote clear decision making if funds were used to pay for different products or services in future fiscal years.

G.

Procurement ●●○○**REQUIREMENT SUMMARY**

An LEA shall ensure that all relevant Federal procurement procedures are followed when procuring goods and services using Federal funds.

Uniform Guidance 2 C.F.R. 200.318, 2 C.F.R. 200.326

**ISSUE**

Westbrook maintains an informal procurement policy that they follow when purchasing items using Federal funds. Westbrook described how purchasing duties are segregated and their process for obtaining quotes and vendor recommendations, but does not maintain a written procurement procedure policy.

**RECOMMENDATION**

The Department recommends that Westbrook develop written policies and procedures for procurement that include written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts, in accordance with [2 C.F.R. 200.318](#), [2 C.F.R. 200.326](#). Adding these SRSA-specific guidelines will help ensure that future Westbrook officials will be aware of and adhere to procurement requirements.

SECTION VI

Action Required

N/A