

American Recovery and Reinvestment Act (ARRA) - Action Plan

County: Blount County Schools

Program Title: IDEA Preschool Grant

CFDA Number: #84.392

1. A plan detailing how the funds will be spent and how the agency will address the absence of federal funding after the ARRA grant is discontinued.

During the 2009-2010 and 2010 and 2011 fiscal years, the Board of Education will budget and expend IDEA Preschool Funds to purchase additional professional development, instructional supplies, materials, and equipment needed above and beyond the normal Federal allocation. Since these funds are for the purchase of additional professional development, instructional supplies, materials, and equipment, the revenues and expenditures are of a non-recurring nature and absence of Federal funding will not affect the operations of the IDEA Preschool program. The Board of Education does not anticipate receiving IDEA Preschool ARRA funds in the future. Any funds allocated during the 2009-2010 fiscal year and not expended prior to June 30, 2010 will be budgeted and expended during the fiscal year ending June 30, 2011.

2. A summary description of the program and the objectives of the program. The goals and objectives should demonstrate cost-effectiveness. Goals and objectives are usually easy to understand, quantifiable, and as a result, measureable. The description will usually include (a) how performance will be measured (i.e. the methodology); (b) who is responsible for measuring performance; and (c) how often the results/progress will be tracked and reported. The description must be written in plain language that is concise and easily understood by a person who has no in-depth knowledge of the program. (Suggestion - you may want to answer questions 3 through 8 prior to completing this procedure.)

IDEA Preschool is for special education students ages 3-5. This program helps students who have a documented disability, predominantly students meeting the speech and language impairment, developmental delay, and autistic students. Students are served for speech language services at their typically developing Head Start, Pre-School, and Special Education Pre-School. Students with significant developmental delays are served in one of four special education preschools throughout the School System. The Battelle Developmental Inventory Second Edition (BDI-II) is given by preschool teachers to entering students and at the end of each school year to monitor progress towards individual goals. Speech and Language students are also progress monitored with standardized instruments as determined by the Speech Language Pathologist at each student's zoned elementary school.

3. A description of the source (Name of the Federal/State/Other Agency) and amount of the ARRA grant the County expects to receive.

U.S. Department of Education, through the State of Tennessee, Department of Education; FY 2010 \$82,443

4. What are the Federal/State/Other Agency reporting requirements for the ARRA grant?

The Blount County Board of Education will be required to report expenditures through the State's Federal Application Consolidated Tracking System (FACTS) and/or eReporting prior to the State releasing the ARRA grant funds to the Board. The reporting will occur in accordance with guidelines established by the Tennessee Department of Education.

5. What are the ARRA grant expenditure and performance measure requirements? (e.g. grant can/cannot be expended for, matching, time frames for obligation/expenditure, capturing the number of jobs created and retained, etc.)

ARRA grant funds for IDEA Preschool Grant must be expended in accordance with guidelines established by the U.S. Department of Education, IDEA, and Tennessee Department of Education. A project budget will be prepared and submitted to the State for approval. All funds must be expended/obligated prior to June 30, 2010.

6. What procedures will be placed in operation to ensure that ARRA grant awards and expenditures are separately captured?

The Board of Education will post ARRA grant revenues for the IDEA Preschool funds in revenue account number 142-471430 – School Federal Projects, IDEA Preschool, Grants to LEAs. The Board of Education will capture the expenditures in account category 142-71200– with a specific sub fund for the IDEA Preschool ARRA grant.

7. What procedures will be utilized to capture performance measure data specifically related to jobs created and retained?

ARRA funds will have a separate reporting procedure. All salaries paid by ARRA IDEA Preschool funding will be recorded in the local school system personnel database as well as on county expenditure reports.

8. Establish written criteria for sub-granting ARRA funds to other governments or nonprofits and awarding contracts if applicable.

N/A – Blount County Schools will not be sub-granting IDEA Preschool Grant funds.

Action Plan (Cont'd)

9. A written description of the risk assessment plan required by TRAM Directive number eight. TRAM Directive number eight states, All recipients and subrecipients of ARRA funds are required to adopt a risk assessment process for all ARRA programs to include:

- Risk identification,
- Risk evaluation, and
- Risk mitigation plans.

The risk assessment must also include items that address meeting program requirements and objectives. (Instructions for preparing a risk assessment are presented at www.tn.gov/comptroller by following the ARRA link to the Division of County Audit.

SEE RISK ASSESSMENT ATTACHED.

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1. Rob Britt, Director of Schools
Senior Accountable Official for Recovery Act Activities




10-13-09

Signature

Date

2. Signature(s) – Name and Title of Individuals Responsible for
Preparing the Action Plan



10-13-09

Scott Kirkham, Grant Administrator

Date



10-13-09

Troy Logan, Fiscal Administrator

Date

Blount County School System

Risk Assessment Compliance Documentation

ARRA IDEA Preschool, CFDA#84.392

Step 1

Internal control policies and procedures have been developed by the office(s) of Blount County's Accounting & Budgeting Office and Blount County Schools (BCS). These offices will follow their respective internal control procedures to administer funds under their control. These internal policies and procedures will serve to provide reasonable assurances that the grant administrative offices of BCS will be able to administer the AARA IDEA Preschool insuring:

1. Effectiveness and efficiency of financial operations of the BCS.
2. Reliability of financial reporting for the program by BCS' management.
3. Compliance with applicable laws and regulations set forth by the State and Federal Government.

The BCS Internal Control Policies and Procedures serve to:

1. Maintain an appropriate internal control environment;
2. Employs a risk assessment procedure;
3. Establish formal procedures for all control activities;
4. Provides a forum for sharing of information and communication; and
5. Provide a monitoring of this process to accommodate changes in internal control needs and to improve where necessary, those in effect.

We have reviewed the Comprehensive Annual Financial Report for the Year Ended June 30, 2008, and noted the report did not disclose any deficiencies in internal controls over financial reporting that auditors considered to be material weaknesses; disclosed no instances of noncompliance or other matters that are required to be reported under GAS; did not disclose any deficiencies in internal controls over compliance with requirements applicable to major programs and OMB A133 that auditors considered to be material weaknesses. And the audit did not reveal any segregation of duties internal control findings.

The audit did reveal one finding of questioned costs under OMB A133. The corrective action was completed by November 2008.

BCS' internal control policies and procedures are maintained in the respective offices of the Blount County's Accounting & Budgeting Office and BCS and will serve to guide the internal controls necessary to implement the ARRA grants received by BCS.

Therefore, based on our understanding of the Office of the Tennessee Recovery Act Management's (TRAM) directives and guidance from the State of Tennessee, Division of County Audit, we are in compliance with the TRAM Directives No. 5 and 6. We have reviewed the BCS internal control policies and procedures; are familiar with these controls; and have reasonable assurance these internal controls are in place and functioning properly. The BCS internal control environment includes approvals, adjustments, recordkeeping, reporting reconciliation, segregation of duties, and supervision. The control environment also facilitates external monitoring and post-audit activities.

Step 2

BCS has reviewed and defined the program objectives of the AARA IDEA Preschool Grant Funds that were received on July 1, 2009. During FY10 and FY11, the board of education will budget and expend IDEA Preschool ARRA funds to purchase additional professional development, instructional supplies, materials, and equipment needed above and beyond the normal Federal allocation. Since these funds are for the purchase of additional professional development, instructional supplies, materials, and equipment, the revenues and expenditures are of a non-recurring nature and absence of Federal funding will not affect the operations of the IEDA Preschool program. The Board of Education does not anticipate receiving IDEA Preschool ARRA funds in the future. Any funds allocated during the 2009-2010 fiscal year and not expended prior to June 30, 2010 will be budgeted and expended during the fiscal year ending June 30, 2011.

A meeting of associated officials and staff was held on October 13, 2009, whereby the expectations and objectives of IDEA Preschool ARRA grant were identified as it pertains to the IDEA Preschool project. BCS has a clear understanding of these program expectations and objectives.

Step 3

A formal meeting was held by BCS Officials on October 13, 2009. All employees and officials associated with the administration of the ARRA grant for the IDEA Preschool project were present.

The following employees of BCS were in attendance:

Rob Britt, Troy Logan, Scott Kirkham

Each in attendance was briefed on the program requirements and goals of BCS with respect to implementing the IDEA Preschool Project. Each one was instructed as to the need for strict transparency and accountability guidelines associated with this project. As a result of that meeting, ARRA grant administration duties and responsibilities were outlined and assigned as follows:

Rob Britt, Senior Accountable Official, ARRA Grants

Scott Kirkham, IDEA Preschool Grant Administrator

Troy Logan, Fiscal Administrator

The following items were reviewed at the meeting:

- a.) The latest financial and compliance audit of Blount County with respect to identifying past significant deficiencies and/or material weaknesses. Steps have been taken to address these audit findings and the following actions were taken to ensure that these deficiencies do not arise during the administration of the ARRA grant.

We have reviewed the Comprehensive Annual Financial Report for the Year Ended June 30, 2008, and noted the report did not disclose any deficiencies in internal controls over financial reporting that auditors considered to be material weaknesses; disclosed no instances of noncompliance or other matters that are required to be reported under GAS; did not disclose any deficiencies in internal controls over compliance with requirements applicable to major programs and OMB A133 that auditors considered to be material weaknesses. The audit did not reveal any segregation of duties internal control findings.

The audit did reveal one finding of questioned costs under OMB A133. The corrective action was completed by November 2008.

- b.) The Grant Administrators have the following oversight responsibilities:

- Accounting
- Reporting
- Purchasing
- Other duties that assure accountability of the grant

In that regard the Grant Administrator assigns all responsibilities in the administration of this grant including but not limited to:

- Preparing and filing quarterly reports
- Cash draw downs

- Oversight of expenditures to insure appropriates within the objectives of the grant
 - Goal and project completion progress
 - Corrective Action needed relative to any of the above
 - Continuous monitoring of all persons and activities associated with the grant.
- c.) The grant administrator understands that it is his/her responsibility to make every one assisting in the administration of the ARRA grant are aware of the county's responsibility of administering the grant and to insure that the administration operates in an environment of transparency and open communication. The Blount County Schools' grant administration team has been made fully aware that Blount County Schools' failure to properly account for and/or spend ARRA funds may require Blount County taxpayers to reimburse the federal government for any or all of the misused funds.
- d.) Blount County Schools has employed the Comptroller of the Treasury new accounts for the tracking program funds (receipts and disbursements). Furthermore Blount County Schools has established appropriate accounts compliant with the Comptroller of the Treasury's Uniform Chart of Accounts. The bookkeeper/account for this project has been made aware of the requirement to file all necessary reports associated with this grant within 10 (ten) days of the end of each quarter of the grant appropriating period to comply with ARRA accounting guidelines. Any unexpended grant funds that carry over into another accounting period will be designated as ARRA Project reserves.
- e.) The Grant Administrator will conduct, assign and/or oversee each person responsible for cash draw downs, preparing any and all associated reports and submitting all reports to as appropriate to the state/federal agency overseeing this program in a timely manner.
- f.) Internal controls for administration of these grants were discussed and acknowledged at a meeting held on 10-13-09 between all associated with the administration of the grants. The purpose of the meeting was to review existing and to identify any new internal controls necessary to minimize the potential for misappropriations', waste or abuse, of grant funds. See Step 1 above for analysis of internal controls. We are confident that our internal controls are sufficient to properly administer all funds received through ARRA.
- g.) In the event that the Grant Administrator is unable to perform his duties, a new administrator will be appointed by Rob Britt, Director of Schools. In the interim period Jane Morton will serve in the former Grant Administrator's capacity until the new Grant Administrator resumes that responsibility.

Periodic meetings will be scheduled periodically during the grant administration period for all personnel associated with the IDEA Preschool Project as deemed necessary by the Grant Administrators.

The purpose of these meetings will be to assess concerns that arise with regard to grant administration, complying with grant objectives, maintaining appropriate documentation, and maintaining proper and appropriate accounting and reporting procedures. Prior to these meetings the Grant Administrator will consult with state or federal departments as appropriate to identify any issues that need to be addressed by county management.

Step 4

The fourth step in the risk assessment process involves resolving any risks identified.

As of this date, October 13, 2009, no current risks have been identified for the IDEA Preschool Project.