



New Hampshire

Department of Education

Federal Fiscal Monitoring Final Report Amherst School District School Year 2019-2020

Provided by the NHDOE, Bureau of Federal Compliance

September 10, 2021

Frank Edelblut
Commissioner



Christine M. Brennan
Deputy Commissioner

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
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September 10, 2021

Adam Steel, Superintendent SAU 39
Tom Gauthier, School Board Chair
1 School Street
Amherst, NH 03031

Superintendent Steel and School Board Chair Gauthier:

Thank you for assisting the New Hampshire Department of Education, Bureau of Federal Compliance (NHDOE, BFC) in the Federal funds remote monitoring procedure for the Amherst School District/SAU 39, conducted on June 7, 2021 by Jessica Lescarbeau.

The attached report summarizes the information gathered during our visit and identifies our concerns relative to Federal grant fiscal compliance. Required corrective actions and associated timelines to rectify compliance issues are also included in the report. Also attached is the Corrective Action Plan (CAP). The CAP is for you to respond to the findings within the monitoring report. The CAP needs to be completed and sent back to the BFC no later than 30 calendar days after receiving the initial report via email.

If you have any questions or comments about the monitoring process and/or the resulting report, you are encouraged to contact Lindsey Labonville at Lindsey.L.Labonville@doe.nh.gov or 603.271.3837, or Jessica Lescarbeau at Jessica.L.Lescarbeau@doe.nh.gov or 603.271.3808.

Sincerely,

A handwritten signature in cursive script that reads "Jessica Lescarbeau".

Jessica Lescarbeau

cc:
Caitlin Davis, Director, NHDOE Division of Education Analytics and Resources (via email only)
Katie Hannon, Director of Finance, SAU 39 (via email only)
Amy Facey, Business Administrator, SAU 39 (via email only)
Elizabeth Kuzsma, School Board Vice-Chair, Amherst, SAU 39 (via email only)
Victoria Parisi, School Board Secretary, Amherst, SAU 39 (via email only)
Terri Behm, School Board Member, Amherst, SAU 39 (via email only)
Joshua Conklin, School Board Member, Amherst, SAU 39 (via email only)

Federally Required Policies

Policy	In Accordance With	Compliant	Comments
Drug-Free Workplace Policy	34 CFR 84.200 and the Drug-Free Workplace Act of 1988	Yes	None
Procurement Policy	2 CFR 200.318-327	Yes	None
Conflict of Interest/Standard of Conduct Policy	2 CFR 318(c)(1)	Yes	None
Inventory Management Policy	2 CFR 200.313(d)	Yes	None
District Travel Policy	2 CFR 200.474(b)	Yes	None
Subrecipient Monitoring Policy/Procedure (if applicable)	2 CFR 200.331(d)	N/A	District does not have subrecipients therefore this policy is not applicable
Time and Effort Policy/Procedure	2 CFR 200.430	Yes	None
Records Retention Policy/Procedure	2 CFR 200.333	Yes	None
Prohibiting the Aiding and Abetting of Sexual Abuse Policy	ESEA 8546	Yes	None
Allowable Cost Determination Policy/Procedure	2 CFR 200.302(b)(7)	Yes	None
Gun Free School Act	Gun Free School Act of 1994	Yes	None

NHDOE's review of the above policy/procedure documents is not intended to be all-inclusive. As such, there may be other federally non-compliance policies/procedures not addressed above. Ultimately, it is the District's/SAU's sole responsibility to meet any and all Federal compliance requirements as a recipient of Federal funds.

District GMS Reimbursement Requests

In addition to reviewing District/SAU policies required by Federal law and rule, seven (7) reimbursement requests for grant activities from the NHDOE Grants Management System (GMS) were selected for review. The selected activities were from the 2019-2020 school year and included the following Federal programs;

<i>Request #</i>	<i>Program</i>	<i>Project #</i>	<i>Month & Year of Project</i>	<i>Activity #</i>	<i>Activity Cost</i>	<i>Activity Description</i>
1	IDEA	202648	Feb-20	84738	\$3,471.42	Construction Services
2	IDEA	202649	Apr-20	81445	\$12,919.07	Salaries and Benefits
3	IDEA Preschool	202649	Apr-20	79099	\$2,345.00	Professional Services- Pupils
4	Title I Part A	20200674	Jul-20	85893	\$689.98	Salaries and Benefits
5	Title II Part A	20200152	Jul-19	79486	\$9,372.40	Salaries and Benefits
6	Title IV A	20200689	Mar-20	84684	\$12,053.83	Professional Services
7	CARES-ESSER	20204909	Feb-21	99034	\$22,151.65	Student Transportation

During our review, a couple of instances of non-compliance were identified surrounding time and effort. The details of our findings are listed below.

Please note that our review of the District's/SAU's management of its Federally funded grant activities was limited to our analysis of the seven GMS selections and was not designed to identify all potential deficiencies in Federal compliance that might exist. As such, other instances of non-compliance may exist that was not identified during the review process.

Findings

Finding #01

Criteria or specific requirements: As a recipient of Federal funds certification of effort to document salary expenses charged directly or indirectly against Federally-sponsored projects is required. Time and effort reports shall; be supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated, be incorporated into the official records of the District, reasonable reflect the total activity for which the employee is compensated by the District, not exceeding 100% of the compensated activities, encompass both Federally assisted and other activities compensated by the District on an integrated basis, comply with the District's established accounting policies and practices, and support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award, a Federal award and non-Federal award, an indirect cost activity and a direct cost activity, two or more indirect activities which are allocated using different allocation bases, or an unallowable activity and a direct or indirect cost activity.

Condition: During our monitoring visit conducted on June 7, 2021, a review of the multiple programs (as indicated in the table above) was conducted. During this review multiple instances of noncompliance surrounding time and effort documentation or lack thereof was found. Details of these findings are outlined by grant below:

IDEA/IDEA Preschool

Activity #81445 Reimbursement from April 2020- no time and effort documentation for the four employees paid in this activity.

Title I Part A

Activity #85893 Reimbursement from July 2020- no time and effort documentation for Brittney Doyle.

Title II Part A

Activity #79486 Reimbursement from July 2019- no time and effort documentation for the employees paid in this activity. The time cards provided do not meet the necessary time and effort requirements.

Questioned Costs: Total questioned costs for all activities in this finding are: \$22,981.45.

Context: The timesheets provided to show the time spent relative to the Programs and Grants in question does not meet all of the Federal requirements for such documentation. The documentation should include the following information; Grant, employee name, period of performance, signatures of the employee and/or supervisor, signatures dated after the period of performance, and a certifying statement. Currently, the District's time and effort documentation is not meeting Federal requirements and is inconsistent across all programs. After speaking with employees of the SAU, it was found that there was a misunderstanding of who exactly needed time and effort documentation. It has been clarified that time and effort is required of any employee being paid in full or part with Federal funds.

Effect: Any request(s) for reimbursement of personnel expenses must meet the requirements of 2 CFR 200.430.

Cause: Even though the School Board has adopted DAF policy for time and effort; it is not being followed by the Business Office.

Requirement(s): The NHDOE is requiring that the Amherst School District update their time and effort documentation to ensure compliance. Additionally, the District must ensure they have a time and effort procedure that they use. The District must retroactively come into compliance for the activities listed in this finding utilizing their new time and effort document and procedure. Furthermore, the District may be subject to random testing, which would require uploading of time and effort documentation to support salary/salary and benefits activities before reimbursement will occur.

Timeline and Evidence for Findings

As the requirements of 2 CFR 200 went into effect approximately five years ago, it is imperative the District/SAU come into compliance with these regulations by April 1, 2022. As the pass-through entity for the Federal grant funds, it is the NHDOE's responsibility to assure compliance of its subrecipients. As such, the NHDOE is requiring the District/SAU to complete the above action as soon as possible.

Finding #01

Required Completion Date: April 1, 2022. The CAP is required to be returned to the NHDOE within 30 calendar days of the date of this report. Failure to meet this deadline may result in the NHDOE taking enforcement actions allowed under 2 CFR 200.

Evidence of Completion: Provide the NHDOE with a copy of the federally compliant time and effort document to be used across all programs. Additionally, the District must ensure they have a compliant procedure for time and effort that the Business Office will use per 2 CFR. Furthermore, the NHDOE requires that the District retroactively ensure the employees paid in the activities mentioned in 'Finding #01' have signed the newly implemented and compliant time and effort document. Copies of these documents must be sent to the NHDOE once the District has come into compliance, but no later than the required completion date.

-END OF DOCUMENT-

**NHDOE Federal Funds Monitoring
Corrective Action Plan**

(Use a separate form for each Corrective Action Item)

Subrecipient contact:

Subrecipient:

Action Item:

Description:

Date:

Please check the box that most appropriately matches the District's status in implementing the Corrective Action Plan (CAP). Please also provide any documentation that supports the District's assertion that the CAP has been fully implemented.

- (1) Partially implemented
- (2) Revised CAP being implemented
- (3) Fully implemented
- (4) No further action required (provide detailed explanation below):

Name of person completing this form

Date

If options (1) or (2) are selected, please explain the implementation status &/or how the CAP was revised as well as the anticipated completion date in the space below:

Corrective Action Plan Update or other explanation as necessary, (status date: / /)

If option (3) is selected, please explain how this was implemented in the space below:

Please return to the Bureau of Federal Compliance within 30 days of receipt.

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