



New Hampshire

**Department of Education**

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

Provided by the NHDOE, Bureau of Federal Compliance

September 7, 2021

**Frank Edelblut**  
Commissioner



**Christine M. Brennan**  
Deputy Commissioner

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EDUCATION  
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September 7, 2021

Ellen Halliday, Superintendent SAU 83  
Gordon Muench, School Board Chair  
432 Main Street  
Fremont, NH 03044

Superintendent Halliday and School Board Chair Muench:

Thank you for assisting the New Hampshire Department of Education, Bureau of Federal Compliance (NHDOE, BFC) in the Federal funds onsite monitoring procedure for the Fremont School District/SAU 83, conducted on May 21, 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](mailto:Lindsey.L.Labonville@doe.nh.gov) or 603.271.3837, or Jessica Lescarbeau at [Jessica.L.Lescarbeau@doe.nh.gov](mailto:Jessica.L.Lescarbeau@doe.nh.gov) or 603.271.3808.

Sincerely,

*Jessica Lescarbeau*

Jessica Lescarbeau

cc:  
Caitlin Davis, Director, NHDOE Division of Education Analytics and Resources (via email only)  
Nathan Castle, Business Administrator, SAU 83 (via email only)  
Amy Leslie, School Board Vice Chair, SAU 83 (via email only)  
Greg Fraize, School Board Chair, SAU 83 (via email only)  
Emily Phillips, School Board Member, SAU 83 (via email only)  
Brittany Thompson, School Board Member, SAU 83 (via email only)  
Angela O'Connell, School Board Treasurer, SAU 83 (via email only)

## Federally Required Policies

<b>Policy</b>	<b>In Accordance With</b>	<b>Compliant</b>	<b>Comments</b>
<b>Drug-Free Workplace Policy</b>	34 CFR 84.200 and the Drug-Free Workplace Act of 1988	Yes	None
<b>Procurement Policy</b>	2 CFR 200.318-327	Yes	None
<b>Conflict of Interest/Standard of Conduct Policy</b>	2 CFR 318(c)(1)	Yes	None
<b>Inventory Management Policy</b>	2 CFR 200.313(d)	Yes	None
<b>District Travel Policy</b>	2 CFR 200.474(b)	Yes	None
<b>Subrecipient Monitoring Policy/Procedure (if applicable)</b>	2 CFR 200.331(d)	Yes	None
<b>Time and Effort Policy/Procedure</b>	2 CFR 200.430	Yes	None
<b>Records Retention Policy/Procedure</b>	2 CFR 200.333	Yes	None
<b>Prohibiting the Aiding and Abetting of Sexual Abuse Policy</b>	ESEA 8546	Yes	None
<b>Allowable Cost Determination Policy/Procedure</b>	2 CFR 200.302(b)(7)	Yes	None
<b>Gun Free School Act</b>	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.**

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## District GMS Reimbursement Requests

In addition to reviewing District/SAU policies required by Federal law and rule, eight (8) 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 &amp; Year of Project</i>	<i>Activity #</i>	<i>Activity Cost</i>	<i>Activity Description</i>
1	CARES-ESSER	20200795	Jan-21	88430	\$11,528.00	New Computers
2	IDEA	202603	May-20	81719	\$2,374.89	Salaries and Benefits
3	IDEA	202603	May-20	81718	\$820.00	Professional Services
4	IDEA	202603	May-20	81712	\$318.00	Professional Development
5	Title I Part A	20200132	Aug-19	79258	\$1,254.23	Salaries and Benefits
6	Title II Part A	20200338	Mar-20	84585	\$1,500.00	Dues and Fees
7	Title II Part A	20200338	May-20	79372	\$5,018.10	Salaries and Benefits
8	Title IV A	20200381	Dec-20	79374	\$1,372.43	Salaries and Benefits

During our review, multiple instances of non-compliance were identified surround 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 eight 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 again 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 May 21, 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 was found.

### **IDEA**

Activity #81719 Reimbursement request May 2020- time and effort being signed before the end of the period of performance.

#### **Title I Part A**

Activity #79258 Reimbursement request August 2019- time and effort was signed two months prior to the end of the period of performance.

#### **Title II Part A**

Activity #79372 Reimbursement request May 2020- no time and effort was kept for any of the employees paid in this activity reimbursement request.

**Questioned Costs:** Total questioned cost across all three activities in question is \$8,647.22.

**Context:** The time and effort documents provided are being signed before the end of the performance period. The intent of time and effort documents is to certify that the time you are spending while being paid with Federal funds is accurately stated therefore a document cannot be signed before the work has been completed. Additionally, documentation is not being kept consistently across all programs.

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

**Cause:** A lack of controls surrounding the time and effort policy has led to this compliance concern and questioned cost, even though the School Board has adopted DAF the policy is not being followed by the Business Office.

**Requirement(s):** The NHDOE is requiring that the Fremont School District create a time and effort procedure in accordance with 2 CFR 200.430. Said procedure must be compliant and ensure time and effort

documentation is being executed appropriately. Additionally, the District must retroactively come into compliance.

## **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 by the required completion date.

### ***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 time and effort procedure compliant with 2 CFR. Additionally, we require the District to retroactively execute time and effort documents in accordance with this procedure for the employees in question in 'Finding #01'. These documents will be emailed to the NHDOE by 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:

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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:

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

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