



New Hampshire

Department of Education

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

Provided by the NHDOE, Bureau of Federal Compliance

September 17, 2021

Frank Edelblut
Commissioner



Christine M. Brennan
Deputy Commissioner

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
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September 17, 2021

Dr. David DeRuosi, Interim Superintendent SAU 33
Joseph Saulnier, School Board Chair
43 Harriman Hill Road
Raymond, NH 03077

Interim Superintendent DeRuosi and School Board Chair Saulnier:

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 Raymond School District/SAU 33, conducted on May 17, 2021 by Jessica Lescarbeau. This monitoring visit has been by far the biggest pleasure this year! It is clear the District is making every effort surrounding Federal compliance and it should not go without saying, thank you.

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

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cc:
Caitlin Davis, Director, NHDOE Division of Education Analytics and Resources (via email only)
Marjorie Whitmore, Business Administrator, SAU 33 (via email only)
John Harmon, School Board Vice Chair, SAU 33 (via email only)
Ada Vadeboncoeur, School Board Secretary, SAU 33 (via email only)
Anthony Clements, School Board Member, SAU 33 (via email only)
Dawn Leamer, School Board Member, SAU 33 (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.

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District GMS Reimbursement Requests

In addition to reviewing District/SAU policies required by Federal law and rule, sixteen (16) 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	Project AWARE 2.0	202620	Sep-20	86752	\$4,050.00	Professional Services
2	Project AWARE 2.0	202620	Sep-20	86747	\$75,600.00	Other Professional Services
3	Project AWARE 2.0	202620	Sep-20	86746	\$6,619.02	Salaries and Benefits
4	Project AWARE 2.0	202620	Sep-20	86751	\$1,650.00	Supplies
5	IDEA	202682	Jun-20	86802	\$3,466.52	Supplies
6	IDEA	202544	Nov-19	79660	\$6,354.51	Salaries and Benefits
7	IDEA Preschool	202544	Nov-19	79660	\$1,668.84	Salaries and Benefits
8	Title I Part A	2020062	Sep-19	79355	\$2,281.58	Professional Development
9	Title I Part A	2020062	Sep-19	80647	\$332.10	Books and Resources
10	Title I Part A	2020062	May-20	80646	\$6,734.77	Transportation Services
11	Title II Part A	20200194	Nov-19	82658	\$600.00	Professional Educational Services
12	Title II Part A	20200194	Nov-19	82370	\$7,000.00	Instructional Program
13	Title II Part A	20200194	Nov-19	82368	\$1,499.00	Professional Educational Services
14	Title IV A	20200372	Aug-20	92989	\$2,590.00	Books and Resources
15	Title IV A	20200372	Aug-20	92971	\$21,210.00	Books and Resources
16	Title IV A	20200372	Jan-21	96964	\$3,530.00	Equipment

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

In addition to our findings, the NHDOE has one recommendation:

1. After review of the Title IV A Program Activity #96964 January 2021, it was found that the District inappropriately used the ‘Object Code’ of ‘Equipment’ for procurement of iPads. Since the procurement of the items is under \$5000 per unit, a more appropriate code of “Supplies”, “Technology”, or something similar would be better used here.

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 sixteen 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: Micro-purchase awards may be awarded without soliciting competitive price or rate quotations if the non-Federal entity considers the price to be reasonable based on research, experience, purchase history or other information and documents it files accordingly. Purchase cards can be used for micro-purchases if procedures are documented and approved by the non-Federal entity. Additionally, the non-Federal entity must maintain records sufficient to detail the history of procurement. These records, will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Condition: During our monitoring visit conducted on May 17, 2021, a review of the Title IV A program, Activity #96964 for January 2021 was conducted which included an outside contract with Newsela in the amount of \$21,210. No supporting documentation was provided for the procurement of this service.

Questioned Costs: The contract in the amount of \$21,210.

Context: While the contract offers services that are allowable under the Title IV A program, no justification for price or procurement method was documented. After conducting further review with the District, it was documented that the District intended for sole-sourcing, however never filed a request with the NHDOE.

Effect: Any procurement of services must follow the procurement standards in 2 CFR 200.318 through 200.326. Non-compliance could lead to additional compliance concerns and questioned costs.

Cause: A lack of controls surrounding the procurement policy has led to this compliance concern and questioned cost, even though the district has adopted DAF the policy is not being followed consistently.

Requirement(s): The NHDOE requires that the Raymond School District create a procurement procedure compliant with 2 CFR.

Finding #02

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 May 17, 2021, a review of multiple programs (as indicated in the table above) was conducted. During this review one instance of noncompliance surrounding time and effort documentation was found. While reviewing Project Aware 2.0 Activity #86746 for reimbursement requests in September 2020 it was found that the document being used to certify the time is spent working on the grant is not compliant. Employees must ensure they are signing the document after the period of performance to certify the work was 100% spend on that grant.

Questioned Costs: \$6,619.02

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 information, time spent on the Grant, period of performance, name of employee, signature of employee and/or supervisor, signature must be dated after the period of performance, and a certifying statement that the information stated is true. Currently, the Raymond School District is omitting to have the document dated.

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 Raymond School District update their time and effort documentation to ensure compliance. Additionally, we require not only that they have the appropriate documentation in place, but also that they use the documentation in accordance with their policy and procedure. The District may be subject to random testing to ensure they are compliant with time and effort procedures.

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 completed procurement procedure compliant with 2 CFR.

Finding #02

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 completed time and effort procedure as well as the newly implemented federally compliant time and effort document to be used going forward. The District must also retroactively come into compliance by ensuring the employee paid in 'Finding #02' signs the newly implemented document in accordance with the District's time and effort procedure.

-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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