



Illinois State Board of Education

Dr. Tony Sanders, State Superintendent of Education
Dr. Steven Isoye, Chair of the Board

100 N. First Street • Springfield, IL 62777 • isbe.net

June 14, 2023

Sent Via Electronic Mail

Dr. Jeremy Larson
Superintendent
Paris-Union SD 95
509 E. Newton Street
Paris, IL 61944-2421
jl Larson@paris95schools.org

Dear Dr. Larson:

RE: 11-023-095025

The ISBE Federal and State Monitoring (FSM) Department has examined the records related to the programs included in the enclosed Monitoring Findings Summary Report. The FSM Final Monitoring Report identifies problems and explains the reasons for the findings.

The programs monitored by FSM received a written findings response noted in the Monitoring Findings Preliminary Summary Report. A Closing Conference email was sent on May 25, 2023, to inform Paris-Union SD 95 of any changes to the findings and Questioned Costs. The district will be provided with instructions to submit a Corrective Action Plan (CAP) to resolve each finding. Each CAP should include actions that have been or will be taken to resolve each finding, name and title of primary person responsible for implementation of CAP, and estimated date that implementation will be completed. Please submit the CAP response to our office no later than June 30, 2023.

Paris-Union SD 95 will receive a separate correspondence from the Funding and Disbursements Department with information about how to return the Questioned Costs. Grantees may request that a plan be formulated to repay Questioned Costs. Comptroller guidance states that "the terms of each plan will vary with the size and nature of the debt." ISBE policy is to require at least quarterly payments that must be made within four years.

Questioned Costs for FY 2021 Programs:	\$ 600,577
Questioned Costs for FY 2022 Programs:	\$ 989,034
Total Questioned Costs found during review:	\$1,589,611

The Nutrition Department issued the final report on April 19, 2023. The appeal deadline of May 4, 2023 has passed and the case is officially closed.

As a result of the review, the food service account was charged for the following:

Unallowable Expenditures:	\$1,539,769.11
Unallowable Salaries:	\$ <u>113,840.00</u>
Total Unallowable Items Charged to Food Service Account:	\$1,653,609.11

The amount of the unallowable expenditures must be returned to the nonprofit food service account. The amount of the return will cause the nonprofit food service account to exceed the three-month average. Statutes specifies that ISBE shall ensure compliance with the requirements to limit net cash resources and shall provide for approval of net cash

resources in excess of three months' average expenditure. (See 7 CFR 210.19.) Therefore, Paris-Union SD 95 will be required to submit to the Nutrition Department a plan to spend down the excess three-month average funds. This plan is due to r ISBE no later than September 30, 2023.

The School Food Authority must ensure that revenues and expenditures under the nonprofit food service account are allowed in accordance with 7 CFR 210.14 and 2 CFR 200 subpart E.

Technical assistance material and/or training opportunities may be available to help the district correct the problems identified in the reviews. The cooperation of personnel during this review was appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Krish Mohip', written in a cursive style.

Krish Mohip
Deputy Education Officer for Operational Education
Illinois State Board of Education

cc: Kevin Knoepfel, Paris-Union SD 95 School Board President (via U.S. Mail)

June 14, 2023

Jeremy Larson
Paris-Union SD 95
509 E Newton St
Paris, IL 61944-2421

Agreement No.
11-023-0950-25

Dear Dr. Jeremy Larson:

The appeal deadline of May 4th, 2023 has passed and the report is officially closed.

As a result of the review the food service account was charged for the following:

Unallowable expenditures:	\$1,539,769.11
Unallowable Salaries:	\$ <u>113,840.00</u>
Total Unallowable items charged to the food service account:	<u>\$1,653,609.11</u>

The amount of the above unallowable expenditures must be returned to the non-profit food service account. The amount of the return will cause the non-profit food service account to exceed the 3-month average. The agency shall ensure compliance with the requirements to limit net cash resources and shall provide for approval of net cash resources in excess of three months' average expenditure (7 CFR 210.19). Therefore, you will be required to submit to the nutrition department a plan to spend down the excess 3-month average funds. This plan is due to ISBE no later than September 30, 2023.

The school food authority must ensure that revenues and expenditures under the nonprofit food service account are allowed in accordance with 7 CFR 210.14 and 2 CFR 200 subpart E.

Technical assistance material and/or training opportunities may be available to assist in correcting the problems identified in the review. The cooperation of personnel during this review was appreciated.

If you have any questions regarding your review, please contact Toby Turek at rturek@isbe.net. For all other questions please contact our office at 800/545-7892.

Sincerely,



Mark R. Haller, SNS
Division Administrator
Nutrition and Wellness Programs

Enclosure
cc: File



**Illinois
State Board of
Education**

GRANT MONITORING REPORT FISCAL YEAR 2023

Paris-Union SD 95
RCDT #11-023-0950-25

Report Date: May 25, 2023

**ILLINOIS STATE BOARD OF EDUCATION
FEDERAL AND STATE MONITORING DEPARTMENT
KRISTOPHER R. PICKFORD - DIRECTOR**

INTRODUCTION

Purpose

The Illinois State Board of Education (ISBE), as mandated by the Illinois School Code (105 ILCS 5/2-3.32), is charged with monitoring the expenditure of federal funds it disburses to Local Education Agencies (LEAs). The purpose of each review is to:

- Ensure and enhance accountability of federal grant expenses;
- Verify that the LEA spent funds in accordance with approved grant applications, federal laws, and federal regulations governing each federal grant;
- Verify that proper internal controls were in place, and
- Provide technical assistance as needed.

Program Descriptions

This Monitoring Report encompasses an evaluation of the accountability of program revenues, expenditures, fiscal internal controls, and programmatic compliance for the following programs:

Early Childhood – Block Grant 3705-00, 3705-01 and 3705-PE

The Early Childhood Block Grant (ECBG) supports two major programs: Preschool for All (PFA) for children from 3 years old to kindergarten enrollment age and Prevention Initiative (PI) for children birth to age 3 years. The PFA and PI programs are intended for children who have been determined to be at risk for school failure as indicated by their families' high levels of poverty, illiteracy, unemployment, limited-English proficiency, or other need-related indicators.

Title I – Low Income 4300-00

This program helps schools improve teaching and learning to ensure that students from low-income families meet the state's challenging state academic standards.

Title II – Teacher Quality 4932-00

The Teacher Quality program is designed to reduce class sizes and fund the recruitment, training, and mentoring of teachers to improve teacher quality.

Federal – Special Education – IDEA. – Flow-Through 4620-00

These grants provide supplemental funds for special education and related services to diverse learners/children with disabilities.

Title IV – 21st Century 4421-A2

This program provides opportunities for communities to establish schools as Community Learning Centers, providing academic, artistic, and cultural enrichment opportunities during non-school hours.

Other Federal Programs 4998-ER and 4998-E2

The Coronavirus Aid, Relief, and Economic Security (CARES) Act created the Elementary and Secondary School Emergency Relief (ESSER) fund to provide emergency relief grant funds to prevent, prepare for, and respond to the coronavirus pandemic.

Program Review – Scope of Monitoring

The monitoring review includes some aspects of programmatic monitoring, such as gauging the allowability of costs, adhering to budgets, and testing of program existence. All such testing is performed on a sample basis for the year (or portion thereof) under review. During this process, we determine that the grantee in our selected sample is serving the students outlined in the approved application and maintaining the required supporting documentation for the program.

Fiscal Review – Scope of Monitoring

The objective of our fiscal review is to test on a sample basis for the grant year (or portion thereof) under review that the funds are being used in accordance with the grant requirements. We use the *Electronic Code of Federal Regulations, Title 2: Grants and Agreements, Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200)* as our primary regulatory source for grant rules. We also use program-specific statutes and rules, the grant agreement, and other applicable state and federal statutes, rules, and regulations as appropriate. During this process, we determine for our selected sample that the expenditures claimed were allowable, were approved in the budget submitted to Illinois State Board of Education program staff, were within the grant period, were supported by proper documentation, and were properly accounted for and recorded in the correct accounts. Testing also included an examination of internal controls.

Findings

The findings section of this report contains two types of findings resulting from the testing performed during the monitoring review:

Internal Controls, Policies and Procedures – Insufficiencies noted during testing of federal and state requirements related to overall entity wide operations and not attributable to any particular program.

Programmatic – Insufficiencies noted during the testing of specific federal and state program requirements.

Corrective Action Plans

The Code of Federal Regulations (2 CFR 200.511(c)) requires auditees to prepare a Corrective Action Plan (CAP) in response to each finding contained in this report. The CAP for each finding must explain the actions that have been or will be taken to resolve the finding, the name and title of the primary person responsible for the implementation of corrective action, and an estimated date of completed implementation. The Federal and State Monitoring Department will conduct follow-up procedures based on the CAP that is provided. The written response to the findings may be provided electronically to Megan Maletich at mmaletic@isbe.net.

FINDINGS

I. INTERNAL CONTROLS, POLICIES, AND PROCEDURES – FY 2021

Finding No. 1: The grant recipient appeared to circumvent established internal controls, policies, and procedures for the procurement of goods and services. It was noted that contracts over \$25,000 were not all presented to the board for approval as required in the board procurement policy. It was also noted that quotes may not have been obtained or kept on file from more than one vendor for orders costing over \$10,000. One of the tested contracts over \$25,000 had bid opening on June 11, with the contract signed on June 14 for approval and paid on June 15 for the full amount of the bid. The invoice had terms of net 30 with no request for a deposit or payment in full before services were provided. The invoice presented for payment did not specify the services and/or product to be received or a timeline for providing services. Only one bid was on file and bid opening notes were not provided for review. There were also no bid specifications on file for the project. The bid was not presented to the board for approval per the board minutes. It appears this happened with multiple contracts over \$25,000.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must adhere to established internal controls, policies, and procedures when conducting procurements for goods and services.

Corrective Action Plan: Required.

Finding No. 2: The grant recipient did not maintain property records that adequately documented entity equipment in accordance with 2 CFR 200.313(d)(1). The inventory listings of capital equipment items purchased with grant funds were not complete and did not include all of the required information. Property records must be maintained that include a description of the property; a serial number or other identification number, the source of funding for the property (including the Federal Award Identification Number); who holds title; the acquisition date; cost of the property; percentage of federal participation in the project costs for the federal award under which the property was acquired; the location; use and condition of the property; and any ultimate disposition data, including the date of disposal and sale price of the property. This is a repeated finding from the fiscal year 2019 monitoring review.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain property records that adequately document entity equipment and contain,

at a minimum, the elements required under 2 CFR 200.313(d)(1).

Corrective Action Plan: Required.

Finding No. 3: The grant recipient failed to perform a physical inventory of equipment, including a reconciliation to existing records, at least once every two years in accordance with 2 CFR 200.313(d)(2). There was no indication or supporting documentation to verify that a full physical inventory of the grant purchased items has been completed.

Questioned Costs: \$0

Recommended Corrective Action: At a minimum, the grant recipient must conduct a physical inventory of equipment, including a reconciliation to existing records, at least once every two years in accordance with 2 CFR 200.313(d)(2).

Corrective Action Plan: Required.

Finding No. 4: All equipment purchases were not approved. The district purchased two floor scrubbers with purchase prices of \$6,250 and \$7,500, respectively, with ESSER II grant funds, but did not receive prior approval through the budget application. The district claimed the expenses as supply items (object code 400). In accordance with 2 CFR 200.439(b)(1), "Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except with the prior written approval of the Federal awarding agency or pass-through entity." Per 2 CFR 200.439(b)(2), "Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity." Grant recipients must obtain prior approval from the federal awarding agency or pass-through entity for equipment items with a capitalization threshold of \$5,000 or more, or in accordance with the grant recipient's own capitalization threshold if less than \$5,000.

Questioned Costs: \$13,750

Recommended Corrective Action: The grant recipient must obtain approval for equipment purchases.

Corrective Action Plan: Required.

II. EARLY CHILDHOOD BLOCK GRANT 3705-00 – FY 2021

The ECBG supports two major programs: PFA for children from 3 years old to kindergarten enrollment age and PI for children birth to age 3 years. The PFA and PI programs are intended for children who have been determined to be at risk for school failure as indicated by their families' high levels of poverty, illiteracy, unemployment, limited-English proficiency, or other need-related indicators.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for grant funded activities. These records must contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 monitoring review.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. During testing, it was noted that both wages and benefits for instructional staff under function and object codes 1000-100 and 1000-200 were understated on the final expenditure report. The wages and benefits were also not correctly reported in the general ledger to support the claimed amounts. Understated wages totaling \$8,970 and benefits totaling \$9,808 were allowed based on actual wages and benefits paid to the instructional staff to offset a portion of overstated claims in other function and object codes. Salaries and related benefits totaling \$33,897, which were approved for administrator compensation for overseeing the preschool program activities and related benefits, were claimed under function and object codes 2300-100 and 2300-200. A stipend totaling \$30,000 was paid to the principal of Mayo Middle School in July 2020, with no supporting documentation for the purpose of the payment. Compensation for supervisory personnel (including superintendents of schools, directors of education, supervisors of instruction in regular curriculum areas, and principals) falls within the category of expenses that would be incurred if a school were not participating in a federal-/state-funded program. This stipend would not be eligible for reimbursement unless additional administrative personnel are necessary and hired

specifically for that purpose. The grant-covered classrooms are located in their own building; however, the principal is not located at that location. Per review, the extra duties related to the pre-K program were not included in the principal's contract or approved as extra duty pay that was approved by the board. In addition, expenditures for salaries and related benefits totaling \$26,483, which were approved in the budget for summer professional development and PD benefits, were claimed under function and object codes 2210-100 and 2210-200. Based on the general ledger and related support, the only expenditure paid under function and object code 2210-100 was a stipend for \$10,000 paid to a staff member as a consultant on a reading program, which does not appear to benefit the ECBG intent, nor does it appear to be professional development services as approved in the budget.

Questioned Costs: \$41,602

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: During testing, it was noted that some of the staff who provided services and were paid with grant funds did not hold the required certifications. Among those noted include a full-time teacher who only held a substitute certification and para educator staff who either did not hold a certification or had not applied for certification until FY 2023. All staff serving grant students must hold the proper certification at the time they are providing services to be paid with grant funds. The district had certified that staff held the proper certifications in its grant application.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must ensure that all personnel paid from grant funds have the required certification.

Corrective Action Plan: Required.

Finding No. 4: Expenditures paid from the grant were not allowable and/or did not support the program intent. The district claimed the budgeted amount of \$24,000 under function and object code 1000-400; however, \$20,684 of the expenditures included in the grant general ledger and supported with documentation were related to supplies for third grade classes. In addition, the district claimed the budgeted amount of \$20,000 under function and object code 2210-300; however, the only expenditures included in the general ledger and supported with documentation were related to kindergarten through eighth grade teacher trainings.

Expenditures totaling \$11,990 and paid to a transportation contractor were included in the district's grant general ledger and claimed for reimbursement under function and object code 2550-300; however, district personnel stated that all expenditures paid to the contractor were included on the district's transportation claim for reimbursement, which cannot be claimed twice.

Questioned Costs: \$52,674

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

Finding No. 5: The grant recipient did not submit accurate periodic expenditure reports. During testing, it was noted that an expenditure report was submitted as of 9/30/20 for 93% of the total grant allotment, which was based on the budgeted amounts and not based on actual costs. An additional expenditure report was submitted as of 3/31/21 for the balance of the grant allotment per the budget. Per the 2020 Fiscal Policies and Procedures Handbook, all expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). Amounts claimed on the expenditure reports were not supported by source documents due to the fact that there were no expenditures in some of the function/object codes that had been budgeted or expenditures had not actually been incurred when compared to the grant-specific general ledger. The questioned costs associated with this finding are as noted below:

Function/Object Code	Description of Finding	(Overstatement)
1000/300	Overstated Instruction - Purchased Services	(\$1,130)
1000/400	Overstated Instruction - Supplies & Materials	(\$2,768)
2300/300	Overstated General Admin. - Purchased Services	(\$2,000)
2550/300	Overstated Pupil Transportation - Purchased Services	(\$3,010)
3000/300	Overstated Community Services - Purchased Services	(\$6,815)
Net Effect		(\$15,723)

Questioned Costs: \$15,723

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

III. EARLY CHILDHOOD BLOCK GRANT 3705-01 – FY 2021

The ECBG supports two major programs: PFA for children from 3 years old to kindergarten enrollment age and PI for children birth to age 3 years. The PFA and PI programs are intended for children who have been determined to be at risk for school failure as indicated by their families' high levels of poverty, illiteracy, unemployment, limited-English proficiency, or other need-related indicators.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for grant funded activities. These records must contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 monitoring review.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. It was noted that claimed wages for the home visit staff were understated by \$1,951 and the staff benefits claimed were overstated by \$6,320 on the final expenditure report when compared to the general ledger. Wages and benefits were allowed based on the actual wages and benefits paid to the home visit staff. Wages totaling \$4,027 were claimed on the expenditure report under function and object code 2210-100 for professional development; however, there were no wages posted to the general ledger or other supporting documentation to support the amount claimed.

Questioned Costs: \$8,396

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: The grant recipient did not submit accurate periodic expenditure reports. During testing, it was noted that an expenditure report was submitted as of 9/30/20 for 99% of the total grant allotment, which was based on the budgeted amounts and not based on actual costs. An additional expenditure report was submitted as of 3/8/21 for the balance of the grant allotment per the budget. Per the 2020 Fiscal Policies and Procedures Handbook, all expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). Amounts claimed on the expenditure reports were not supported by source documents due to the fact that there were no expenditures in some of the function/object codes that had been budgeted or expenditures had not actually been incurred when compared to the grant-specific general ledger. In addition to the claimed amounts that were not supported by the grant-specific general ledger or subsidiary ledgers, it appears that the district claimed expenditures that were not related to the grant or not allowable, such as hotspot data service fees that were not related to the grant and trash service fees that were not allowable. The questioned costs associated with this finding are as noted below:

Function/Object Code	Description of Finding	(Overstatement)
2210/300	Overstated Improvement of Instruction - Purchased Services	(3,566)
2300/300	Overstated General Admin. - Purchased Services	(2,000)
3000/300	Overstated Community Services - Purchased Services (including exp. not related to grant or unallowable)	(14,719)
3000/400	Overstated Community Services - Supplies & Materials	(5,119)
3000/500	Overstated Community Services - Capital Outlay	(2,761)
Net Effect		(28,165)

Questioned Costs: \$28,165

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

IV. EARLY CHILDHOOD BLOCK GANT 3705-PE – FY 2021

The ECBG supports two major programs; PFA for children from 3 years old to kindergarten enrollment age and PI for children birth to age 3 years. The PFA and PI programs are intended for children who have been determined to be at risk for school failure as indicated by their families' high levels of poverty, illiteracy, unemployment, limited-English proficiency, or other need-related indicators.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for grant funded activities. These records must contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 monitoring review.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. It was noted that claimed wages for instructional staff under function and object code 1000-100 were understated and instructional staff benefits claimed under function and object code 1000-200 were overstated on the final expenditure report when compared to the general ledger and payroll support. The wages and benefits were not correctly reported in the general ledger to support the claimed amount. Wages and benefits were allowed based on actual wages and benefits paid to the instructional staff. The district overstated allowable wages under function and object code 2210-100, as the grant general ledger did not support the amount claimed. Grant funds were approved in the budget for "summer professional development"; however, the claimed wages included stipends paid to staff that were paid on 3/30/21, and the email support stated that the pay was related to summer work as directed by the superintendent and not related to pre-K professional development. In addition, stipends were paid to the principals of Carolyn Wenz Elementary School and Mayo Middle School in June 2021 for registration services pay and civil rights reporting coordinator pay that do not appear to

be grant related. A stipend and related benefits were paid to the principal of Carolyn Wenz Elementary School in July 2020 with no supporting documentation for the purpose of the payment. Compensation for supervisory personnel (including superintendents of schools, directors of education, supervisors of instruction in regular curriculum areas, and principals) falls within the category of expenses that would be incurred if a school were not participating in a federal-/state-funded program. This stipend would not be eligible for reimbursement unless additional administrative personnel were necessary and hired specifically for that purpose. The grant-covered classrooms are located in their own building; however, the principal is not located at that location. Payment of wages to a principal is not allowable under the grant, unless they are the principal of a preschool-only center. The wages and benefits paid for the parent and family coordinator position were also understated on the expenditure report, which were adjusted and allowed to help offset a portion of the overstated claims in other function and object codes. The net questioned costs associated with the errors total \$17,752.

Questioned Costs: \$17,752.

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: During testing, it was noted that some of the staff who provided services and were paid with grant funds did not hold the required certifications. Among those noted include a para educator and multiple substitute staff. All staff serving grant students must hold the proper certification at the time they are providing services to be paid with grant funds. The district had certified that staff held the proper certifications in its grant application.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must ensure that all personnel paid from grant funds have the required certification.

Corrective Action Plan: Required.

Finding No. 4: The grant recipient did not submit accurate periodic expenditure reports. During testing, it was noted that an expenditure report was submitted as of 9/30/20 for 94% of the total grant allotment, which was based on the budgeted amounts and not based on actual costs. An additional expenditure report was submitted on 5/10/21 for the balance of

the grant allotment per the budget. Per the 2020 Fiscal Policies and Procedures Handbook, all expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). Amounts claimed on the expenditure reports were not supported by source documents due to the fact that there were no expenditures in some of the function/object codes that had been budgeted or expenditures had not actually been incurred when compared to the grant-specific general ledger. In addition to the claimed amounts that were not supported by the grant-specific general ledger or subsidiary ledgers, it appears that the district claimed expenditures that were not related to the grant or not allowable, such as playground equipment that was not located at the pre-K center and transportation costs, cafeteria purchases, and educational conference speakers that were not specific to the pre-K students or program. The district also claimed expenditures that were budgeted in certain function and object codes in the incorrect function and object codes on the expenditure reports, creating both understatements and overstatements within various function and object codes. The expenditures that appeared allowable and supportive of the program intent were accepted and allowed to offset a portion of the questioned costs in other function and object codes. The net questioned costs associated with this finding are as noted below:

Function/Object Code	Description of Finding	Understatement (Overstatement)
1000/300	Overstated Instruction - Purchased Services	(2,109)
1000/400	Understated Instruction - Supplies & Materials	4,303
2210/400	Overstated Improvement of Instruction - Supplies & Materials	(20,000)
2300/300	Overstated General Administration - Purchased Services	(5,000)
2540/500	Overstated Operations & Maint. - Capital Outlay (Equipment not located at Pre-K center)	(25,000)
2550/300	Overstated Pupil Transportation - Purchased Services (Not a specific Pre-K route)	(15,000)
2560/400	Overstated Food Service - Supplies & Materials (Claimed invoices are related to regular education cafeteria purchases)	(6,003)
3000/300	Overstated Community Services - Purchased Services (Claimed speaker fees for PD offered to all district staff)	(6,969)
3000/400	Overstated Community Services - Supplies & Materials	(3,000)
Net Effect		(78,778)

Questioned Costs: \$78,778

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

V. TITLE I – LOW INCOME 4300-00 – FY 2021

This program helps schools improve teaching and learning to ensure that students from low-income families meet the state's challenging state academic standards.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 monitoring review.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. Wages that were not related to the grant services were posted to the grant general ledger accounts and claimed on the expenditure reports for reimbursement. Grant funds under function and object code 2210-100 were approved in the budget for "subs to assist with professional development"; however, the general ledger account included stipends paid to staff that were paid on 3/30/21 with the email support stating that the pay was related to summer work as directed by the superintendent and not related to sub pay for professional development. In addition, supporting documentation was not provided to verify that listed general ledger expenditures were related to substitute pay or were related to professional development supporting the Title I program. The amount claimed for staff benefits under function and object code 1000-200 exceeded the actual cost of the benefits on the allowable wages claimed. The total benefits claimed on the expenditure report were not supported within the general ledger, and a portion of the claimed benefits were related to wages that were not allowable.

Questioned Costs: \$23,754

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: Expenditures paid from the grant were not allowable and/or did not support the program intent. Expenditures that were not related to grant services were posted to the grant general ledger accounts and claimed on the expenditure reports. Some of these items were related to supplies for the high school, sports, art programs, band and music programs, and nurse supplies. These supplies are not related to the core courses of math, language arts, and reading that are the focus of the Title I grant. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented, and the cost must be incurred during the approved budget period. After adjustments and allowable offsets within budget variance rules, the net questioned costs associated with this finding total \$23,737.

Questioned Costs: \$23,737

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

Finding No. 4: The grant recipient did not submit accurate periodic expenditure reports. During testing, it was noted that an expenditure report was submitted as of 9/30/20 for the full amount of the approved budgeted amount at that time based on the budgeted amounts and not based on actual costs. The balance of additional funds allotted were claimed on the expenditure report as of 3/24/21 per the approved budget amendment and not based on actual costs incurred on the cash basis. Per the 2020 Fiscal Policies and Procedures Handbook, all expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). Expenditures should only be claimed after the expenditure has been paid.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

VI. TITLE II – TEACHER QUALITY 4932-00 – FY 2021

The Teacher Quality program is designed to reduce class sizes and fund the recruitment, training, and mentoring of teachers to improve teacher quality.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 monitoring review.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. The amount claimed for employee benefits exceeded the actual cost of the benefits on the claimed wages. The full amount of the teacher's wages was not paid for with grant funds. Only the benefits related to the claimed wages may be paid for with the grant funds. Per the payroll and benefits report, the benefits were overstated on the expenditure report.

Questioned Costs: \$1,149

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: Expenditures paid from the grant were not allowable and/or did not support the program intent. Expenditures for district software subscriptions that were not related to professional development services, as approved in the grant budget, were posted to the grant general ledger accounts and claimed on the expenditure reports. Per the district's grant general ledger and related invoice support, the expenditures claimed

under function and object code 2210-300 were for school messenger subscriptions; an eDynamic electives subscription for engineering and design, biotechnology, and forensic science; and an online interaction management system that are not related to professional development within the general education curriculum. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented, and the cost must be incurred during the approved budget period. The district must submit a budget amendment for approval prior to claiming expenditures that substantially deviate from the approved budget.

Questioned Costs: \$11,866

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

Finding No. 4: The grant recipient did not submit accurate periodic expenditure reports. During testing, it was noted that an expenditure report was submitted as of 9/30/20 for the full amount of the approved budgeted amount at that time based on the budgeted amounts and not based on actual costs. The balance of additional funds allotted were claimed on the expenditure report as of 3/24/21 per the approved budget amendment and not based on actual costs incurred on a cash basis. Per the 2020 Fiscal Policies and Procedures Handbook, all expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). Expenditures should only be claimed after the expenditure has been paid.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

VII. FEDERAL – SPECIAL EDUCATION – IDEA – FLOW-THROUGH 4620-00 – FY 2021

These grants provide supplemental funds for special education and related services to diverse learners/children with disabilities.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify

adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. The wages for adaptive physical education were not added to the grant budget until 5/25/21. Wages had not been included in the budget prior to 5/25/21. Grantees that submit a state or federal budget amendment between the project begin and end dates are not allowed to begin an activity and obligate or expend funds prior to the date of receipt at ISBE, provided the scope or intent of the approved project has not changed. If the scope or intent of a project significantly changes through an amendment, ISBE programmatic approval should be obtained prior to the obligation of funds for the new activities provided in the amendment. Some of the payments that were provided to support the amount claimed for adaptive PE were stipends paid to staff prior to 5/25/21 and other payments were paid to administrative office staff and employees with other job responsibilities; however, the district could not provide proper time and effort documents to support the basis of the payments or timing of services provided.

Questioned Costs: \$65,000

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: Expenditures paid from the grant were not allowable and/or did not support the program intent. The purchase of budgeted Chromebooks was also paid for with ESSER I grant funds. These Chromebooks were purchased for all district students, not specifically for the special education program students. As a result, the LEA requested reimbursement for the same invoice under two different grants. The

expenditure was accepted under the ESSER I grant and is unallowable under the 4620- IDEA grant.

Questioned Costs: \$211,250

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

Finding No. 4: The grant recipient did not submit accurate periodic expenditure reports. During testing, it was noted that an expenditure report was submitted as of 10/15/20 for the full amount of the approved budgeted amount at that time based on the budgeted amounts and not based on actual costs. The balance of additional funds allotted were claimed on the expenditure report as of 3/31/21 per the approved budget amendment and not based on actual costs incurred on the cash basis. A budget amendment was then submitted on 5/25/21 to budget funds in new function and activity codes. An additional expenditure report was needed to move funds to the new function and activity codes from the previously claimed function and activity codes, which were already reimbursed. Per the 2020 Fiscal Policies and Procedures Handbook, all expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). Expenditures should only be claimed after the expenditure has been paid.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

VIII. OTHER FEDERAL PROGRAMS 4998-ER – FY 2020

The CARES Act created the ESSER fund to provide emergency relief grant funds to prevent, prepare for, and respond to the coronavirus pandemic.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). Expenditures were not recorded in separate general ledger accounts to account for the use of the grant funds. Expenditures were included with the general district expenditures. Per 2 CFR 200.302(b)(3), the LEA must have "records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets,

expenditures, income and interest and be supported by source documentation."

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: The grant recipient did not submit accurate periodic expenditure reports. All federal expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). The full amount of the grant allotment was reported on the first expenditure report submitted for reimbursement as of 5/31/20 (submitted on 5/21/20) and was based on the amounts budgeted by function and object codes. The full amount of the grant was reimbursed on 5/29/20. A budget amendment was submitted on 2/16/21, moving funds to different function and activity codes. A new expenditure report was submitted to agree with the amendment as of 3/15/21. The invoices provided to support the use of funds were not paid as of 5/31/20, resulting in grant funds being received in advance of incurring the costs. Expenditures that were budgeted and reported as purchased services were mainly for supplies, and items budgeted as capital outlay items were actually supplies and purchased services items. It was noted in the approved budget that no supply items would cost over \$500 each; however, water fountains costing \$1,087 each were purchased with grant funds. These items were purchased before the amended budget and expenditure report. The expenditures claimed as of the final expenditure report date appear to be allowable and reasonable expenditures to support the program intent; therefore, no questioned costs will be assessed. Expenditures claimed for reimbursement with grant funds should be properly reflected in the budget and expenditure report within the correct function and object codes.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

IX. OTHER FEDERAL PROGRAMS 4998-E2 – FY 2021

The CARES Act created the ESSER fund to provide emergency relief grant funds to prevent, prepare for, and respond to the coronavirus pandemic.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Expenditures paid from the grant were not allowable and/or did not support the program intent. It was noted that several multi-year software subscriptions were purchased. The cost of one of these subscriptions services was not calculated correctly for the grant period and was overstated as a prorated portion of the five-year subscription that extends beyond the grant period was not correctly subtracted from the total cost. The subscription fee may only be reimbursed for the grant period of 3/13/20 - 9/30/23. Per 2 CFR 200.403(h), "Cost must be incurred during the approved budget period."

Questioned Costs: \$6,981.

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

Finding No. 3: The grant recipient did not submit accurate periodic expenditure reports. During testing, it was noted that an expenditure report was submitted as of 10/31/21 for the full amount of the grant allotment based on the budgeted amount and not based on actual costs. The expenditure report was submitted prior to expenditures being paid and was reimbursed on 11/3/21. An additional expenditure report was submitted as of 12/31/21 to move funds to new function and activity codes from the previously claimed function and activity codes per the amendment that was

submitted 5/12/22. Per the 2020 Fiscal Policies and Procedures Handbook, all federal expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). Expenditures should only be claimed after the expenditure has been paid.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

X. EARLY CHILDHOOD BLOCK GRANT 3705-00 – FY 2022

The ECBG supports two major programs: PFA) for children from 3 years old to kindergarten enrollment age and PI for children birth to age 3 years. The PFA and PI programs are intended for children who have been determined to be at risk for school failure as indicated by their families' high levels of poverty, illiteracy, unemployment, limited-English proficiency, or other need-related indicators.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for grant funded activities. These records must contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 and FY 2021 monitoring reviews.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. During testing, it was noted that both wages and benefits claimed for instructional staff were overstated on the final expenditure report. The wages and benefits were also not correctly reported in the general ledger to support the claimed amounts. Wages and

benefits were allowed based on the actual wages and benefits paid to the instructional staff that provided services to the Preschool for All grant based on the Employee Earnings, Tax, Deductions, and Benefits Report provided by the district. This is a repeated finding from the FY 2021 monitoring review.

Questioned Costs: \$73,972

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: During testing, it was noted that some of the staff who provided services and were paid with grant funds did not hold the required certifications. Among those noted include a full-time teacher who only held a substitute certification and para educator staff who either did not hold a certification or had not applied for certification until FY 2023. All staff serving grant students must hold the proper certification at the time they are providing services to be paid with grant funds. The district had certified that staff held the proper certifications in its grant application. This is a repeated finding from the FY 2021 monitoring review.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must ensure that all personnel paid from grant funds have the required certification.

Corrective Action Plan: Required.

Finding No. 4: Expenditures paid from the grant were not allowable and/or did not support the program intent. Expenditures for purchased services and supplies that were posted to the general ledger and claimed on the expenditure report were not related to the grant intent. Expenditures noted included professional development services for staff who are not working with pre-K students, STEM grant consultation fees, school messenger software and custom website design services for the entire district, and transportation services that were not supported. Expenditures must be related to the classrooms, students, and staff served by the grant, and must be supported by source documents. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented, and the costs must be incurred during the approved budget period.

Questioned Costs: \$30,822

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

XI. EARLY CHILDHOOD BLOCK GRANT 3705-01 – FY 2022

The ECBG supports two major programs: PFA for children from 3 years old to kindergarten enrollment age and PI for children birth to age 3 years. The PFA and PI programs are intended for children who have been determined to be at risk for school failure as indicated by their families' high levels of poverty, illiteracy, unemployment, limited-English proficiency, or other need-related indicators.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for grant funded activities. These records must contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 and FY 2021 monitoring reviews.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. During testing, it was noted that both wages and benefits claimed for the home visit staff were understated on the final expenditure report. Wages and benefits were allowed based on actual wages and benefits paid to the home visit staff, and the additional expenditures allowed over the original claimed amount are allowed to help offset a portion of the questioned costs in other function and object budget cells. This is a repeated finding from the FY 2021 monitoring review.

Questioned Costs: \$(5,064)

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: Expenditures paid from the grant were not allowable and/or did not support the program intent. Expenditures for purchased services that were posted to the general ledger and claimed on the expenditure report were not related to the grant intent. Expenditures noted included subscription fees for district time and attendance software, district software implementation fees for the time and attendance software, districtwide copier lease, districtwide hotspot service fees, and services related to other grant programs. Expenditures must be related to the families and staff served by the grant. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented, and the cost must be incurred during the approved budget period.

Questioned Costs: \$33,905

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

XII. EARLY CHILDHOOD BLOCK GRANT 3705-PE – FY 2022

The ECBG supports two major programs: PFA for children from 3 years old to kindergarten enrollment age and PI for children birth to age 3 years. The PFA and PI programs are intended for children who have been determined to be at risk for school failure as indicated by their families' high levels of poverty, illiteracy, unemployment, limited-English proficiency, or other need-related indicators.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for grant funded activities. These records must contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 and FY

2021 monitoring reviews.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. During testing, it was noted that wages for instructional staff were understated, and instructional staff benefits were overstated on the final expenditure report. The wages and benefits were not correctly reported in the grant general ledger to support the claimed amounts. Wages and benefits were allowed based on actual wages and benefits paid to the instructional staff. A stipend was paid to the principal of Mayo Middle School in October 2021 with no supporting documentation for the purpose of the payment. Compensation for supervisory personnel (including superintendents of schools, directors of education, supervisors of instruction in regular curriculum areas, and principals) falls within the category of expenses that would be incurred if a school were not participating in a federal-/state-funded program. This stipend would not be eligible for reimbursement unless additional administrative personnel are necessary and hired specifically for that purpose. Payment of wages to a principal is not allowable under the grant, unless they are the principal of a preschool-only center. Wages and benefits were claimed for summer professional development staff; however, the only expenditures included in the grant general ledger were for the time period of July 2021 through June 2022 for a portion of the regular school year salary for the instructional coach that was not included in the budget during the current grant period. The benefits paid for the parent and family coordinator position were also understated on the expenditure report. The additional supported wages and benefits will be accepted to offset a portion of the claimed wages and benefits that were not supported. This is a repeated finding from the FY 2021 review.

Questioned Costs: \$(13,257)

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: During testing, it was noted that some of the staff who provided services and were paid with grant funds did not hold the required

certifications. Among those noted include a para educator who did not obtain certification until 8/23/22, which was after the grant year was over, and various substitute staff. All staff serving grant students must hold the proper certification at the time they are providing services to be paid with grant funds. The district had certified that staff held the proper certifications in its grant application.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must ensure that all personnel paid from grant funds have the required certification.

Corrective Action Plan: Required.

Finding No. 4: Expenditures paid from the grant were not allowable and/or did not support the program intent. Expenditures for purchased services, supplies, and capital outlay that were posted to the general ledger and claimed on the expenditure report were not related to the grant intent. Expenditures noted include transactions posted to the general ledger for districtwide professional development services, a large number of items purchased from Amazon by district staff other than grant staff at the end of the grant year in June 2022, playground equipment that was not located at the grant served school location, and multi-year software subscriptions. Only \$1,500 of \$17,500 for these purchases is attributable to the grant during the grant period. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented, and the cost must be incurred during the approved budget period.

Questioned Costs: \$174,314

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

Finding No. 5: The grant recipient did not purchase supplies and materials in a timely fashion in accordance with the approved budget and the grant's project implementation. Classroom supplies were not ordered until the end of the school year in May 2022. The current grant year students received limited to no benefit from these items during the grant year.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must develop policies and procedures to ensure that all supplies and materials are purchased in a timely fashion to maximize the benefit to the grant program in support of the program intent.

Corrective Action Plan: Required.

XIII. TITLE I – LOW INCOME 4300-00 – FY 2022

This program helps schools improve teaching and learning to ensure that students from low-income families meet the state's challenging state academic standards.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 and FY 2021 monitoring reviews.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Expenditures paid from the grant were not allowable and/or did not support the program intent. Expenditures for purchased services and supplies that were posted to the general ledger and claimed on the expenditure report were not related to the grant intent. Expenditures noted include grant consulting fees that were not approved in the budget; service agreements for custom research queue contracts, a portion of which was outside the grant period; an online education conference offered to other districts; duplicate payment of an invoice; building maintenance supplies; future year software license fee; and district office software licenses. Most of the supplies and purchased services are not related to the core courses of math, reading, and language arts that are the focus of the Title I grant or were for services that were not between the grant start and end dates. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented, and the cost must be incurred during the approved budget period.

Questioned Costs: \$203,397

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

XIV. TITLE II – TEACHER QUALITY 4932-00 – FY 2022

The Teacher Quality program is designed to reduce class sizes and fund the recruitment, training, and mentoring of teachers to improve teacher quality.

Finding #1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from the FY 2019 and FY 2021 monitoring reviews.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Expenditures paid from the grant were not allowable and/or did not support the program intent. Expenditures that were not related to grant services were posted to the grant general ledger accounts and claimed on the expenditure reports. This included transactions for the district human resources software subscription, online parent workshops, and the fee for a movie production. These transactions are not related to the approved professional development services as approved in the grant budget. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented,

and the costs must be incurred during the approved budget period.

Questioned Costs: \$4,452

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

XV. TITLE IV – 21ST CENTURY 4421-A1– FY 2022

This program provides opportunities for communities to establish schools as Community Learning Centers, providing academic, artistic, and cultural enrichment opportunities during non-school hours.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. It was noted that payments made to staff for future services were posted to the grant expenditure accounts and claimed for reimbursement. All wages claimed must be for services provided as of the date paid. Per the time and effort documents for these future services, many of the services were not related to the grant program intent. Stipends paid to staff for services related to other grants were posted to the 21st Century grant general ledger account and claimed. The full-time salary for one district staff member, who provided a variety of district services, was also included in the general ledger postings. The district was unable to provide time and effort documentation to support that the services provided were related to 21st Century grant services. The wages, stipends, salaries,

and related benefits for the future services and other services not related to the grant are not allowable.

Questioned Costs: \$345,368

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: Expenditures paid from the grant were not allowable and/or did not support the program intent. Expenditures for supplies that were not related to the grant or were not approved in the grant budget were posted to the general ledger and presented to support the amounts claimed. These expenditures included items for the district's regular education classrooms, software, eighth grade trip, band, clothing, food, and district sports. A reimbursement for evaluation services was requested on the expenditure report, but no payments for this service were provided. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented, and the costs must be incurred during the approved budget period.

Questioned Costs: \$59,645

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.

Finding No. 4: The grant recipient did not submit accurate periodic expenditure reports. During testing, it was noted that an expenditure report was submitted as of 4/26/22 for the full amount of the approved budgeted amount and not based on actual costs. Per the 2020 Fiscal Policies and Procedures Handbook, all expenditure reports must be submitted on a cumulative (i.e., year-to-date), cash basis accounting method (i.e., expenses are recognized when they are paid). The expenditure report was not submitted on the cash basis for reimbursement and was not supported by the transactions posted to the general ledger.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must submit accurate periodic expenditure reports.

Corrective Action Plan: Required.

XVI. FEDERAL – SPECIAL EDUCATION – IDEA – FLOW-THROUGH 4620-00 – FY 2021 & FY 2022

These grants provide supplemental funds for special education and related services to diverse learners/children with disabilities.

Finding No. 1: The grant recipient did not maintain adequate financial records in accordance with 2 CFR 200.302(b)(3). "Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation." During the review, it was found that several expenditures were not properly posted to the financial records and did not support the amounts reported on the expenditure reports. This is a repeated finding from FY 2021 monitoring review.

Questioned Costs: \$0

Recommended Corrective Action: The grant recipient must maintain adequate financial records capable of adequately identifying the source and application of grant funds in accordance with 2 CFR 200.302(b)(3).

Corrective Action Plan: Required.

Finding No. 2: Salaries, wages, and/or benefits paid from grant funds were not approved and/or accurate. The wages for adaptive PE and paraprofessional staff services were not added to the grant budget until 11/30/21. Wages had not been included in the budget prior to 11/30/21. Grantees that submit a state or federal budget amendment between the project begin and end dates are not allowed to begin an activity and obligate or expend funds prior to the date of receipt at ISBE, provided the scope or intent of the approved project has not changed. If the scope or intent of a project significantly changes through an amendment, ISBE programmatic approval should be obtained prior to the obligation of funds for the new activities provided in the amendment. The wages that were paid and posted to the general ledger for a special education teacher prior to 11/30/21 are not allowable. The general ledger also included stipends that were paid to staff, including a principal, per an email directive for payment with no other time and effort documents to support the services provided. These stipends are not allowable without proper supporting documentation of services provided that are in addition to the salaried services that should already be provided to students. This is a repeated finding from the FY 2021 monitoring review.

Questioned Costs: \$30,095

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all salaries, wages, and/or benefits paid from grant funds are approved and/or accurate.

Corrective Action Plan: Required.

Finding No. 3: Expenditures paid from the grant were not allowable and/or did not support the program intent. Transactions for the purchase of software subscriptions, including a five-year subscription, and supplies for the general student population were posted to the grant general ledger account and included in the claimed amounts. These items were either not allowable expenditures or not for special education program services. Per 2 CFR 200.403, expenditures must be necessary and reasonable for the performance of the grant, be adequately documented, and the costs must be incurred during the approved budget period.

Questioned Costs: \$51,385

Recommended Corrective Action: The grant recipient must develop and implement procedures to ensure that all grant expenditures are allowable and support the program intent.

Corrective Action Plan: Required.