

Cheryl S. Gray

From: Kevin M. Saionzkowski
Sent: Wednesday, September 14, 2011 3:09 PM
To: Daniel J. Stuetzer; Joey S. Jones
Cc: Cheryl S. Gray; Jennifer L. Schonauer
Subject: Stow Munroe Falls CSD (Summit)

Gentlemen – At its meeting on 9/12/11 the SATF considered a package of information sent to AOS by a representative of a district community group alleging misuse of Title I and ARRA funds in the implementation of a learning program called “IB Programme” in the district. The package of info is pretty large and I will send it to Dan’s attention via the interoffice mail. Admittedly I did not look at every single paper but the gist appears to be that the district spent Title I and ARRA funds to implement the program and according to the complainant this is not an allowable use of the federal funds. The SATF designated the district’s 6/30/11 financial audit a Problem Audit Being Tracked (PABT) and determined this matter should be examined during the financial audit. I recommend the following:

- 1) Inquire with appropriate school personnel to obtain an understanding of IB Programme and the nature of school activities associated with implementing it. Obtain and read any available district policies and procedures related to the implementation of the program.
- 2) Inquire with appropriate school personnel regarding the funding of IB Programme related activities.
- 3) Examine district accounting records to substantiate the assertions by the district of the funding source of the activities.
- 4) If the district asserts the program activities are funded by Title I and/or ARRA funds and are an allowable use of the funds, evaluate such claims against the program requirements to determine whether an allowable use of program funds.
- 5) If the district asserts it is not funded by Title I or ARRA funds, scan supporting documentation for charges to the Title I programs and any ARRA funded programs to determine whether charges to the programs may be related to implementing IB Programme. Depending on volume of charges to the programs consider selecting a “sample” of charges to the programs or if not a lot look at all of them.
- 6) Issue any federal questioned costs, and/or report level or management letter comments as the team feels appropriate based on the results.

The procedures should be modified and expanded as needed based on actual circumstances encountered, knowledge of client, and new information obtained. Please have the audit team consult the Special Audit Supplemental TeamMate protocols for documenting the work of a PABT during a financial audit. Jenni is available to the audit team to assist with developing audit steps, evaluating results or whatever so the team should feel free to contact her if needed. At the completion of the additional procedures or at least at the end of the engagement, please have the audit team notify Jenni of the results so that she can sign-off in TeamMate as required by the protocols.

Thanks for addressing this during the financial audit and let us know if there are any questions.

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