

Grant Title	IDEA-B Formula		
NOGA ID	246600011088076600		
Request #	1	Request Amount	\$454,010.02
Amount Not Reimbursed (See Note below)			\$4,870.00
Amount Eligible for Reimbursement			\$449,140.02

Based on the review of documentation provided, the TEA has approved and processed a reimbursement of **\$449,140.02**, based on the transactions tested. The details are noted in the table below.

Nonpayroll Transactions					
TN	Vendor Name	Reimbursement Requested	Costs to be reimbursed	Attributes Failed	Findings/ Observations
01.	ABC Educational Evaluation Services LLC	\$ 5,125.00	\$ 5,125.00	I	Finding 2
02.	Abilities Therapy and Consulting, LLC	\$ 9,260.86	\$ 9,260.86	I	Finding 2
03.	Behavioral Applications, Plc.	\$ 1,650.00	\$0.00	a I	Finding 1 Finding 2
04.	Christopher Adam Kottwitz	\$ 7,000.25	\$ 7,000.25	I	Finding 2
05.	Gifted Intermediate Holdings II, Inc.	\$ 2,709.00	\$ 2,709.00	g I	Observation 1 Finding 2
06.	Mybasepay USA LLC	\$ 3,220.00	\$0.00	a I	Finding 1 Finding 2
07.	Noe Ramos Jr	\$ 3,333.33	\$ 3,333.33	I	Finding 2
08.	NCS Pearson, Inc.	\$ 1,197.42	\$ 1,197.42	None	None
09.	Attainment Company Inc.	\$ 493.76	\$ 493.76	None	None
10.	Riverside Assessments LLC	\$ 3,054.70	\$ 3,054.70	None	None
Total		\$37,044.32	\$32,174.32		

Finding 1 IDEA Public Schools obligated and expended grant funds for professional and contracted services; however, specific approval was not approved for two professional and consulting services. Specifically, Per BS6201, Part 3: Itemized Professional and Consulting Services, no funds were budgeted for Applied Behavior Analysis or for nursing, which require specific approval in the grant application. Because IDEA Public Schools could not demonstrate compliance with allowability requirements, we will not be reimbursing these costs or any associated costs.

Recommendation:

IDEA Public School may seek retroactive approval from TEA for using grant funds for these services by amending its grant application and providing documentation supporting the amendment. If the grant application is not amended, then the associated costs must be reclassified to another appropriate funding source and an updated general ledger and journal entries showing the removal of these expenditures must be submitted.

Required Action: If IDEA Public Schools chooses to amend the grant application to properly budget these costs, IDEA must provide FFM with an approved amendment that includes the budgeted costs and payment will be released upon receiving an approved amended grant application.

Finding 2 In seven instances, IDEA Public Schools indicated goods or services were procured using competitive bidding procedures. However, IDEA Public Schools did not provide adequate supporting documentation for procurement by competitive proposal. Specifically, no bidding documentation or justification of the selected bidder was provided. As a result, IDEA Public Schools did not comply with federal or local procurement requirements. This will not result in questioned costs; however, similar instances of noncompliance may result in future expenditures being questioned.

Recommendation:

IDEA Public Schools should strengthen its internal controls to ensure all purchases meet federal procurement requirements and retain documentation to demonstrate compliance.

Observation 1 Documentation was not maintained to demonstrate that expenditures of grant funds were approved by authorized personnel. Specifically, an approved purchase order was issued after the invoice date.

Recommendation:

We recommend IDEA Public Schools strengthen its internal controls to ensure purchase orders authorized by appropriate personnel are issued before the service is provided and charged to the grant.

Nonpayroll Attributes Tested

- a. Was the cost approved in the program budget per the grant application?
- b. Was the expenditure reasonable and necessary to further the statutory purpose or did it pertain to a required or authorized activity?
- c. Was the cost of the goods or services chargeable or assignable to the grant in accordance with the relative benefits received?
- d. Is the program/activity/strategy funded described in the DIP/CIP, if applicable?
- e. Was the expenditure supplemental to other federal/non-federal programs?
- f. Was the cost incurred and the goods/services received during the grant period?
- g. Did the accounting record include an original and complete internal accounting document that was approved and issued prior to the purchase date?
- h. Was the internal accounting document approved and issued prior to the invoice date?
- i. Did the accounting record include an original and complete third-party document? Do the terms, conditions, and specifications of the contract or purchase order align to the detailed deliverables in the invoice/receipt?
- j. Were micro-purchasing procedures followed?
- k. If the purchase was made using small purchase procedures, was more than one price or rate quotation from qualified sources obtained?
- l. Did the purchase adhere to state and/or federal competitive bidding requirements?
- m. Was adequate documentation maintained to demonstrate the purchase complied with noncompetitive procurement procedures?
- n. If goods/services were purchased through a cooperative, was an agreement provided?
- o. If goods/services were purchased through a cooperative, was documentation to support the cooperative's and organization's compliance with EDGAR's procurement requirements?
- p. Was an assurance provided verifying vendor was not suspended or debarred?
- q. Did the accounting record include documentation demonstrating verification the vendor was not suspended or debarred?
- r. If the transaction was for a set aside or grant-specific program, was the expenditure consistent with the specific requirements? N/A
- s. Was the expenditure properly coded according to FASRG?