

Grant Title	ARP ESSER III		
NOGA ID	21528001108807		
Request #	Request 9	Request Amount	\$2,946,515.85

Upon reviewing the documentation provided, the TEA has approved and processed a reimbursement totaling **\$2,926,515.85**. This amount is determined based on the allocations to each class object code and the corresponding evaluated transactions, as outlined in the table below.

Class Object Code	Approved Budget Amounts	Reimbursement Requested	Reimbursable Costs
6100	\$ 102,986,446.00	\$ 2,312,111.19	\$ 2,312,111.19
6200	\$ 7,894,635.00	\$ 30,064.25	\$ 10,064.25
6300	\$ 20,974,080.00	\$ 581,627.37	\$ 581,627.37
6400	\$ 372,520.00	\$ 22,713.04	\$ 22,713.04
6600/15XX	\$ 0.00	\$ 0.00	\$ 0.00
Indirect Cost	\$ 24,886,767.00	\$ 0.00	\$ 0.00
Total	\$ 157,114,448.00	\$ 2,946,515.85	\$ 2,926,515.85

Throughout the review process, we have made the following observations and provided recommendations to address the findings:

Findings and Observations

Finding 1 In one instance, IDEA Public Schools (IDEA) indicated goods or services were procured using competitive bidding procedures for TN06 - The W. Oscar Neuhaus Memorial Foundation; however, the supporting documentation provided did not demonstrate the purchases complied with federal requirements. 2 CFR 200.319 requires procurement transactions to be conducted in a manner providing full and open competition. Specially, IDEA could not produce:

- Advertisement of RFP
- Adequate number of bidders
- Technical Evaluation Sheet (Score Card)

This will not result in questioned costs; however, similar instances of noncompliance may result in future expenditures being questioned.

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

Finding 2 In one instance, IDEA indicated the purchase for TN07 – Sustained Leaders was procurement by small purchase; however, an adequate number of price or rate quotes was not provided. As a result, IDEA did not comply with federal or local procurement requirements. As a result, IDEA did not comply with local and federal procurement requirements.

Upon notification to the district of missing documents, IDEA decided to reduce their drawn down request in the amount of the contract (\$20,000.00) and removed the expenditure from the ESSER 3 grant. Therefore, we are reducing payment for request 9 payment by \$20,000.00.

IDEA made correction to their general ledger in October 2024 and the correction (reclassification and replacement) of questioned amount of \$20,000.00 will be reflected in Request 11.

Recommendation: We recommend IDEA strengthen its internal controls to ensure all purchases meet federal procurement requirements and retain documentation to demonstrate compliance.

Required Action: IDEA will need to review similar instances of small procurement and ensure that the proper documentation is maintained in accordance with federal and local requirements.

Observation 1 In 5 instances, IDEA incurred expenditures of grant funds for payroll costs; however, proper time and effort documentation was not maintained to comply with federal time and effort standards as stipulated in Title 2 CFR 200.430(i)(1)(v). Upon notification of the time and effort reporting requirements, IDEA produced the time and effort record and provided the appropriate documentation to support the payroll costs charged to the grant.

Recommendation: We recommend IDEA strengthen its procedures to ensure expenditures are adequately supported with appropriate documentation.

Observation 2 TEA Justification/Use of Funds Form for payroll expenses was not dated at the time of completion.

Recommendation:
We recommend IDEA strengthen its internal controls to ensure it is able to fully document and demonstrate that written justification forms for addressing the allowability for use of ESSER grant funds are maintained current, signed and dated by the preparer or approver.

Please review this report carefully and take appropriate corrective actions to address the findings, observations, recommendations, and required actions.

TEA considers this review closed. However, the records submitted by your organization remain subject to review by appropriate federal or state oversight entities. You will be notified in the event a follow up to the review is scheduled.