

84.196

EDUCATION FOR HOMELESS CHILDREN AND YOUTH

Federal Authorization: The McKinney-Vento Act Reauthorized Under ESSA, included in Title IX, Part A, effective 10-01-2016

State Project/Program: Education of Homeless Children and Youth (PRC 026)

NC Department of Public Instruction

Agency Contacts:

Program

Dr. Dr. LaTricia Townsend, Director
Federal Program Monitoring and Support Division
LaTricia.Townsend@dpi.nc.gov (984) 236-2786

Tina Letchworth, Assistant Director
Federal Program Monitoring and Support Division
Tina.Letchworth@dpi.nc.gov (984) 236-2799

Financial

Shirley McFadden, Monitoring and Compliance
Manager
Monitoring and Compliance Section
Shirley.McFadden@dpi.nc.gov
(984) 236-2258

N.C. DPI Confirmation Reports:

Confirmation of Funds Expended and/or Disbursed from the State Public School Fund and Federal Programs 2020-21 will be available at the [NC DPI School Business Division Annual Reports Application](#). The system provides an electronic view of Year-to-Date (YTD) financial reports in response to requests for confirmation from independent auditors.

The auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current.

The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

Auditors may request documentation of monitoring visits by the State Agencies.

This compliance supplement must be used in conjunction with the OMB 2021 Compliance Supplement which will be issued in the summer. This includes “Part 3 - Compliance Requirements,” for the types that apply, “Part 6 - Internal Control,” and “Part 4 - Agency Program” requirements if the Agency issued guidance for a specific program. The OMB Compliance Supplement is Section A of the State Compliance Supplement.

I. PROGRAM OBJECTIVES

The objective of the Homeless Education Program is to ensure that homeless children and youth have equal access to the same free, appropriate public education as other children; to provide activities for and services to ensure that these children enroll in, attend, and achieve success in school; to establish or designate an office in each State

educational agency (SEA) for the coordination of education for homeless children and youth; to develop and implement programs for school personnel to heighten awareness of specific problems of homeless children and youth; and to provide grants to local educational agencies (LEAs).

II. PROGRAM PROCEDURES

Funds are provided to DPI for allocation to LEAs and Charter Schools. States must submit a plan to the Department for approval. Grant awards to the State educational agencies will be issued when applications are approved. Subgrants to LEAs will be awarded competitively. Funds are granted to LEAs that have approved plans/projects application on file with DPI. The plan describes how the LEA or Charter School will enable participating schools to substantially help homeless children meet the standards expected of all children.

Funds are distributed according to the cash request procedures discussed in the DPI Cross-Cutting Requirements, DPI-0.

III. COMPLIANCE REQUIREMENTS

Noted below in the following matrix are the types of compliance requirements that are applicable to the federal program. These Types are determined by the federal agency, noted as "Y," on the "Matrix of Compliance Requirements" located in Part 2 of the OMB 2021 Compliance Supplement; however, the State Agency may have added the Type and this is noted by "Y." If the State determines that the federal requirement does not apply at the local level or if the State modifies the federal requirements, this is noted in the supplement under the type of compliance requirement. If the federal and/or State agencies have determined that the type is not applicable, it is noted by "N."

If the Matrix indicates "Y," the auditor must determine if a particular type of compliance requirement has a direct and material effect on the federal program for the auditee. For each such compliance requirement subject to the audit, the auditor must use the OMB 2021 Compliance Supplement, Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and Part 4 (which includes any program-specific requirements) to perform the audit.

If there is no program listed on the "Matrix" in Part 2 or Part 4, the State has determined the Type that is applicable. If a Type is determined to be direct and material, the auditor should refer to the requirements found in Part 3 and listed in this supplement.

CC	A	B	C	E	F	G	H	I	J	L	M	N
Cross Cutting Requirements	Activities Allowed or Unallowed	Allowable Costs/ Cost Principles	Cash Management	Eligibility	Equipment/ Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension &	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
N	Y	Y	Y	N	Y	N	Y	Y	N	Y	Y	Y

A. Activities Allowed or Unallowed

Compliance Requirement — Funds may be used by a LEA or other operating agency only in accordance with the approved State plan and only for those services or activities in its project application or approved amendments.

Audit Objective – To determine that expenditures are allowable.

Suggested Audit Procedures:

- Obtain a copy of the Budget Balance Reconciliation Report (305/705) from the finance officer, and insure that it matches local accounting records for conformity.
- Obtain a copy of the project application from the local homeless liaison and review expenditures to determine that expenditures are in accordance with the project application.
- Obtain a copy of the grant’s allowable service and authorized activities from the local homeless liaison and review expenditures to determine that the expenditures are in accordance with Federal Law and grant requirements.
- Obtain a copy of the time and effort reports of personnel. Review them to make sure the grant is properly charged for their salary.
- Review salary expenditures to determine that personnel paid from these funds do not exceed budgeted personnel in approved program budget.

Compliance Requirement — Requires all districts to designate a local homeless liaison for homeless children and youths and to have submitted annual report of data to the Department of Public Instruction.

Audit Objective – To determine that LEAs have properly administered the grant funds as outline in the grant.

Suggested Audit Procedures:

- Obtain a copy of the homeless liaison duties from the LEA and a name of the person who serves in the capacity of the homeless liaison.
- Verify that the homeless liaison duties have been performed by the identified position.
- Obtain a copy of the RFP, the written grant and all grant expenditures to meet audit objectives.

B. Allowable Costs/Cost Principles

Addressed in the NC Department of Public Instruction Cross-Cutting Requirements.

C. Cash Management

Addressed in the NC Department of Public Instruction Cross-Cutting Requirements.

E. Eligibility

Eligibility for Sub-grantees – No testing is required. The Department of Public Instruction program consultant determines if the eligibility requirements are met when the project is approved.

Eligibility for Individuals – This compliance requirement does not apply at the local level. No testing is required.

F. Equipment and Real Property Management

Addressed in the NC Department of Public Instruction Cross-Cutting Requirements

G. Matching, Level of Effort, Earmarking**1. Matching**

This compliance requirement does not apply at the local level. No testing is required.

2. Level of Effort

This compliance requirement does not apply at the local level. No testing is required.

3. Earmarking

This compliance requirement does not apply at the local level. No testing is required.

H. Period of Availability of Federal Funds

Compliance Requirement - Expenditures may not be incurred before the project begins. Any expenditure incurred prior to the beginning date are considered unallowable and must be refunded to DPI.

Audit Objective – To determine that no expenditures were incurred prior to the beginning date of the project.

Suggested Audit Procedure:

- Review transactions to verify that no expenditures were incurred prior to the approved project application beginning date.

I. Procurement and Suspension and Debarment

Addressed in the NC Department of Public Instruction Cross-Cutting Requirements.

J. Program Income

This compliance requirement does not apply at the local level. No testing is required.

K. Reserved**L. Reporting**

Addressed in the NC Department of Public Instruction Cross-Cutting Requirements.

M. Subrecipient Monitoring

Addressed in the NC Department of Public Instruction Cross-Cutting Requirements.

N. Special Tests and Provisions

Addressed in the NC Department of Public Instruction Cross-Cutting Requirements.