

**84.287**

**Twenty-First Century Community Learning Centers**

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**State Program/Project 21<sup>st</sup> CENTURY COMMUNITY LEARNING CENTERS (PRC 110)**

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**U.S. Department of Education**

**Federal Authorization:** Title IV, Part B of the Elementary and Secondary Education Act of 1965, as amended by Every Student Succeeds Act (ESSA) P.L. 114-95. Effective 07/01/17.

**State Project/Program:** 21<sup>ST</sup> Century Community Learning Centers (PRC 110)

**NC Department of Public Instruction**

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**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.

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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 purpose of this part is to provide opportunities for communities to establish or expand activities in community learning centers that — (1) provide opportunities for academic enrichment, including providing tutorial services to help students, particularly students who attend low-performing schools, to meet the challenging State academic standards; (2) offer students a broad array of additional services, programs, and activities, such as youth development activities, service learning, nutrition and health education, drug and violence prevention programs, counseling programs, arts, music, physical fitness and wellness programs, technology education programs, financial literacy programs, environmental literacy programs, mathematics, science, career and technical programs, internship or apprenticeship programs, and other ties to an in-demand industry sector or occupation for high school students that are designed to reinforce and complement the regular academic program of participating students; and (3) offer families of students served by community learning centers opportunities for active and meaningful engagement in their children's education, including opportunities for literacy and related educational development.

## II. PROGRAM PROCEDURES

Eligibility - LEAs, community-based organizations (CBO), faith-based (FBO) Indian tribes or tribal organizations (as such terms are defined in section 4 of the Indian Self Determination and Education Act (25 U.S.C. 450b), another public or private entity, or a consortium of two or more such agencies, organizations, or entities are eligible to apply for funding. Grants will be made based on a competitive process. The actual recipient to be funded will be selected on the basis of criteria specified in the Request for Proposal (RFP) and Federal regulations. State Board of Education approval is required before allocation of funds.

## 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 & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

**A. Activities Allowed or Unallowed**

**Compliance Requirement** – Funds may be used by a LEA, Charter School, 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** – The auditor is to determine that expenditures that have been made are allowable.

**Suggested Audit Procedures:**

- Obtain a copy of the Budget Balance Reconciliation Report (305/705) from the finance officer and compare to local accounting records for conformity.
- Obtain a copy of the project application from the local program coordinator and review expenditures to determine that expenditures are in accordance with the project application.
- Review salary expenditures to determine that personnel paid from these funds do not exceed budgeted personnel in approved program budget. Funds cannot be used for any activity during the school day unless approved in writing by DPI.
- Review the Request for Proposal (RFP) to determine the number of students each center proposed to serve. Then look at the number of students each center serves. If there is a difference, then determine any Questioned Cost.
  - Upon approval of the grantee’s budget for the first year of the grant award, funds will be allotted as follows:
  - Initial allotment equal to 34% of total approved grant award;
  - Second allotment equal to 34% of the total approved grant award if 50% of enrollment goal is met; and

- Final allotment equal to 32% of the total approved grant award if 75% of enrollment goal is met. • Example, RFP proposes 100 students to be served. To receive the second allotment (34%), the program must have enrolled 50 students. To receive the third allotment (32%), the program must have enrolled 75 students.

## **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 Subrecipients** – 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**

**Compliance Requirement:** Prior approval for all “technology equipment” purchases is required. Federal Guidance places a threshold amount of \$10k or more to require quotes/bids; however, the Federal Government allows the State Education Agency (SEA) to set a more restrictive limit. DPI places the threshold at \$500 or more.

**Audit Objective:** To determine if prior approval and bidding process for technology equipment purchases was followed.

**Suggested Audit Procedure:** No testing is required. Fiscal monitors within the Federal Program Monitoring & Support Division monitor for compliance with this requirement.

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

### **1. Matching**

No match requirement has been imposed on sub recipients.

### **2. Sustainability Plan**

**Compliance Requirement** – A Sustainability Plan must be in place.

**Audit Objective** – To determine if the required plan exists.

**Suggested Audit Procedure** - Review the plan to see if exists.

**3. Level of Effort**

Addressed in the US Department of Education Cross-Cutting Section.

**4. Earmarking**

Addressed in the US Department of Education Cross-Cutting Section and the Federal Compliance Supplement.

**H. Period of Availability of Federal Funds**

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

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

**Suggested Audit Procedure:**

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

**I. Procurement and Suspension and Debarment**

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

**J. Program Income**

**Compliance Requirement:** Program fees are not allowed to be charged.

**Audit Objective** – To determine if program fees have been charged.

**Suggested Audit Procedure** - No testing is required. Fiscal monitors within the Federal Program Monitoring & Support Division monitor for compliance with this requirement.

**L. Reporting**

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

**M. Subrecipient Monitoring**

**Compliance requirement:** For each subrecipient's three-year grant cycle, monitoring is conducted as follows:

- Year 1 – Program Quality Reviews (PQRs) and Fiscal Desk Reviews (FDRs)
- Year 2 – Comprehensive Program Monitoring Reviews (CPMRs) and Fiscal Monitoring Reviews (FMR)
- Year 3 – CPMRs, FMRs, PQRs, and/or FDRs based on a risk assessment

**Audit Objective:** To determine if subrecipients were monitored.

**Suggested Audit Procedure:** Review Monitoring Calendar and compare to the program cycle year.

**N. Special Tests and Provisions**

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