
**APPALACHIAN REGIONAL COMMISSION
OFFICE OF INSPECTOR GENERAL
AUDIT OF GRANT AWARD
Winston County Schools
Double Springs, Alabama**

**Final Report Number: 14-37
Project Number: AL-17224
July 2014**

**Prepared by
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July 23, 2014

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Leon Snead & Company, P.C. has completed an audit of grant number AL-17224 awarded by the Appalachian Regional Commission (ARC) to the Winston County Schools (WCS). The audit was performed to assist the Office of Inspector General in carrying out its oversight of ARC grant funds.

The audit objectives were to determine whether: (1) program funds were managed in accordance with the ARC and federal grant requirements; (2) internal grant guidelines, including program (internal) controls, were appropriate and operating effectively; (3) accounting and reporting requirements were implemented in accordance with generally accepted accounting principles (or other applicable accounting and reporting requirements); and (4) the matching requirements and the goals and objectives of the grant were met.

Overall, WCS's financial management and administrative procedures and related internal controls were adequate to manage the funds provided under the ARC grant reviewed. The costs reviewed were supported and considered reasonable. We found that WCS had an adequate process in place for obtaining and recording data related to the goals of the grant. In addition, the records and reports indicated that the primary tasks required by the grant agreement were accomplished.

WSC highlighted in its final project report that teacher professional development began with two workshops held at each school prior to the end of the 2012 school year. Wireless capabilities for all schools were completed prior to the beginning of the 2013 school year. Deployment of student iPads occurred October 16-18, 2013, with all eleventh and twelfth grade students receiving an iPad. The program was intended for eleventh grade students, but WCS was able to purchase enough iPads within the funds available to include the twelfth graders. The report stated that the project has now moved from a learning format for the majority of teachers to embracing the use of iPads in the classrooms and seeking new innovative ways to these strategies.

Leon Snead & Company appreciates the cooperation and assistance received from the WCS and ARC staff during the audit.

Sincerely,


Leon Snead & Company, P.C.

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Background

Leon Snead & Company, P.C. completed an audit of grant number AL-17224 awarded by the Appalachian Regional Commission (ARC) to the Winston County Schools (WCS). The audit was conducted at the request of the ARC, Office of Inspector General, to assist the office in its oversight of ARC grant funds.

ARC grant AL-17224 was awarded to cover the period March 1, 2012 through March 1, 2013. The grant provided \$300,000 in ARC funds and required \$75,000 in non-ARC matching funds to provide funding assistance for iPad computers for all teachers, administrators and eleventh grade students at the WCS in Appalachian Alabama. The teachers and administrators were to receive two days of professional development, which focused on how the iPads and applications could be used in classroom settings and integrate best practices related to core subject matter and technology. Eleventh grade students were to be able to use the iPads for classroom assignments and for homework.

At the time of the audit, the grant activities had been completed and the grant had been administratively closed by ARC. The total project cost reported under the grant was \$375,000 (\$300,000 from ARC and \$75,000 non-ARC match).

Objectives, Scope & Methodology

The audit objectives were to determine whether: (1) program funds were managed in accordance with the ARC and federal grant requirements; (2) internal grant guidelines, including program (internal) controls, were appropriate and operating effectively; (3) accounting and reporting requirements were implemented in accordance with generally accepted accounting principles (or other applicable accounting and reporting requirements); and (4) the matching requirements and the goals and objectives of the grant were met.

We reviewed the documentation provided and interviewed WCS personnel to obtain an overall understanding of the grant activities, the accounting system, and the operating procedures. We reviewed WCS's administrative procedures and related internal controls to determine if they were adequate to administer the grant funds. We reviewed financial and other required reports to determine whether they were properly supported and submitted in accordance with the requirements. We reviewed the most recent financial statements audit report (including the related report on internal controls) to determine whether there were any issues that impacted the ARC grant. We also reviewed the documentation for the \$300,000 in expenditures charged to the grant and claimed for reimbursement during the grant period to determine whether the charges were properly supported and allowable. In addition, we reviewed the documentation used to support the \$75,000 in expenditures reported as matching costs.

The primary criteria used in performing the audit were the provisions of the ARC grant agreement, applicable Office of Management and Budget Circulars, and relevant parts of the ARC Code. The audit was performed in accordance with the *Government Auditing*

Standards. The fieldwork was performed during the period of June 2-16, 2014, including on-site work at WCS's office in Double Springs, Alabama during June 2-6, 2014. The audit results were discussed with the WCS representative at the conclusion of the on-site visit.

Summary of Audit Results

Overall, WCS's financial management and administrative procedures and related internal controls were adequate to manage the funds provided under the ARC grant reviewed. The costs reviewed were supported and considered reasonable. We found that WCS had an adequate process in place for obtaining and recording data related to the goals of the grant. In addition, the records and reports indicated that the primary tasks required by the grant agreement were accomplished.

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