



June 13, 2002

OIG REPORT 02-33

**MEMORANDUM FOR: RICK CLIFTON
TECHNOLOGY DIRECTOR
CHATTOOGA COUNTY BOARD OF EDUCATION**

SUBJECT: Memorandum Survey Report
Review of Chattooga County Telecommunications Project
GA-13798

PURPOSE

The purposes of our review were to determine; (1) the allowability of the costs claimed under the ARC grant, (2) if the grant objectives were met and (3) the current status of the project.

SCOPE

We performed a limited scope review of the financial records. The ARC Regional Planning Specialist and the State ARC Director had performed an on-site evaluation of the program's progress and results in April 2002. Our review included procedures to review costs incurred and claimed for reimbursement under the grant, as well as costs claimed as matching funds. The period of performance for the grant was October 1, 2000 to March 31, 2002.

We reviewed the grantee's reports, examined records, and held discussions with grantee officials in Lyerly, Georgia, on April 25, 2002. As a basis for determining allowable costs and compliance requirements, we used the provisions of the grant agreement, Office of Management and Budget (OMB) Circulars A-87 and A-102, and the ARC Code. Audit work was performed in accordance with Government Auditing Standards.

BACKGROUND

ARC Grant GA-13798 was awarded to the Chattooga County Board of Education to establish a new telecommunication program at the Chattooga High School to serve the community. The project included the purchase of 50 computers with software, Internet Service Provider equipment, telephone line service costs, consultant services and other related costs. The students in the Technology Class at the high school will use the computers to establish a school/community WEB site that is designed to serve the entire county school population and train local businesses in how to use the internet to bridge the "digital divide" in the Chattooga County.

The total project costs was estimated at \$360,899. The ARC grant was for \$254,899 (71%) and the grantee was to pay or cause to be paid the non-federal matching contribution of \$106,000 (29%).

RESULTS

Financial Review

During our visit, we reviewed the grantee's accounting records, including invoices and supporting documentation for the grant costs charged to the project. Claimed costs were supported by the grantee's accounting records and no deficiencies were noted as to the allowability of the expenses or the adequacy of the documentation for the expenditures we reviewed. The grantee has met their requirements for matching funds.

The grantee's last reimbursement request, dated March 25, 2002, claimed total costs of \$360,899, which included grant costs of \$254,899 (71%) and matching costs of \$106,000 (29%). The final report has been received and the grant was closed on May 8, 2002.

Program Review

The ARC evaluation team concluded that the grantee had met the goals of the grant.

A handwritten signature in black ink, appearing to read 'C.H. Jennings', with a long horizontal flourish extending to the right.

Clifford H. Jennings
Inspector General



June 13, 2002

Mr. Rick Clifton, Technology Director
Chattooga County Board of Education
33 Middle School Road
Summerville, GA 30747

re: OIG Report 02-33, ARC Grant GA-13798,
Chattooga County Telecommunications

Dear Mr. Clifton:

Enclosed is a copy of our report dealing with the subject grant. We have closed the report based on the absence of any reportable conditions.

A copy of the report has been provided to the Federal Co-Chairman, ARC Executive Director, Director of Program Operations, and Georgia State Alternate.

The courtesies and cooperation afforded the auditor were appreciated.

Sincerely,

Clifford H. Jennings
Inspector General

Enclosure

cc: Federal Co-Chairman
ARC Executive Director
Director of Program Operations
Georgia State Alternate