



APRIL 19, 1996

OIG REPORT NO. 96-20(H)

MEMORANDUM FOR ROBERTA F. PILCHER, SUPERINTENDENT OF ELMORE  
COUNTY BOARD OF EDUCATION, WETUMPKA, ALABAMA

SUBJECT: Memorandum Survey Report--Review of Interactive Distance  
Learning Network, ARC Grant AL-11502-94-I-302-0314 (Contract  
94-87)

### PURPOSE

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

### SCOPE

Our review included procedures to review costs claimed for reimbursement under the grant as well as costs claimed as matching funds. The period of performance was April 1, 1994 through February 28, 1995. We reviewed the grantee's reports, examined records, and held discussions with grantee officials February 2, 1996. 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.

### BACKGROUND

ARC Grant No. AL-11502-94-I-302-0314 was awarded to the Elmore County Board of Education to provide funding for the initial phase of a distance learning telecommunication system in Elmore County, Alabama. The project was to provide increased curriculum offerings, data interchange, video conference capabilities for the schools, the business community, and the public sector, and in-service training for the teaching staff. Specific tasks to be completed were as follows:

- 1) Provide the necessary equipment to implement the Interactive Distance Learning Network in Elmore County by linking together the five public high schools in the project area;
- 2) Provide for the initial training of personnel assigned to the project;
- 3) Coordinate the project with technical support and assistance provided by the Science, Energy, and Technology Division of the Alabama Department of Economic and Community Affairs; and

- 4) Provide an evaluation of the success of the project.


Equipment to be provided included television monitors, computers, cameras, related software, VCRs, electronic switches, Digital Code transmitter equipment, installation of all equipment, and other electrical cabling upgrades.

The grant was for the lesser of \$175,000 or 50 percent of actual, reasonable and eligible project costs. At the time of our review, the grantee had received an advance from ARC of \$175,000.

## RESULTS

The grantee reported to ARC that project expenditures totaled \$452,300; however, \$127,300 of that amount was for fiber optic cable charges and training funded by other sources. The remaining \$325,000 was for a contract with one vendor to provide the installation, maintenance, and ongoing support for an interactive video, voice, and data fiber-optic network. We reviewed grantee provided documentation to support that expenditure and no deficiencies were noted. Subsequent to our visit, the grantee provided ARC staff with documentation supporting additional acceptable grant costs. Therefore, we did not question the advance received by the grantee.

At the time of our review, the system was installed and in use, primarily for educational purposes by the school system. We understand that 250 students used the network during the first school year. In addition to elective and advance placement classes for the students, the network was also used for CPR and computer training classes. ARC is also participating in Phase II of the project which will link additional users to the network.

  
Hubert N. Sparks  
Inspector General