



JULY 19, 1996

REPORT NO. 96-50(H)

MEMORANDUM FOR: M. E. McNEILL, SUPERINTENDENT, MURRAY COUNTY BOARD OF EDUCATION, CHATSWORTH, GEORGIA

SUBJECT: Memorandum Survey Report--Murray County Apprenticeship Program, ARC Grant No. GA-11516-94 /95 (Contract 94-72)

PURPOSE

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

SCOPE

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 is August 1, 1994 through August 31, 1996. We reviewed the grantee's reports, examined records, and held discussions with grantee officials May 30-31, 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, A-102, and the ARC Code.

BACKGROUND

ARC Grant No. GA-11516-94-I-302-0328 was awarded to the Murray County Board of Education to provide funds for the first year of operation for the Murray County Apprenticeship Training Program. The project was to provide approximately 24 students at Murray County High School with an apprenticeship opportunity in one of four areas: health occupations, business leadership, child development or technical skills. ARC funds totaling \$52,000 were to be used for a Vocational Counselor to supervise the apprenticeship program and a career vocational guidance center. The initial grant period was August 1, 1994 through July 31, 1995.

The grant agreement was amended to provide additional funds of \$52,000 and to extend the grant period through August 31, 1996. Local funds totaling \$54,911 (34.6 percent of total project costs) were to be provided by the grantee. Specific tasks to be completed included:

- 1) Selecting a vocational counselor to coordinate the program;
- 2) Recruiting industries and businesses to participate in the program;

- 3) Recruiting, interviewing, selecting and placing student apprentices in one of four types of apprenticeships, including: health occupations, business leadership, child development or technical skills;
- 4) Monitoring the students' performance; and
- 5) Providing a career vocational guidance center which will make available the latest in computerized vocational counseling to students and adults in Murray County

At the time of our visit, the grantee had claimed grant costs of \$71,336.30 and \$32,663.70 remained in the grant account. In addition, the grantee had recently filed a reimbursement request totaling \$15,880.39.

RESULTS

We noted that the individual scheduled to be the grantee's project director resigned before the project began and his replacement began work on the first day of the grant period. The Apprenticeship Coordinator began work a couple of months after that. This resulted in the grantee getting a later start on the project than had been anticipated. In addition, the state required one year of pre-planning for the Apprenticeship Program, so the first students were not placed in apprenticeships until May 1995.

Expenditures - We reviewed a sample of project expenditures to determine if they were allowable expenses for the ARC project and properly documented. Because the purpose of the travel was not annotated on some of the travel vouchers, we were unable to determine if the travel should be charged to the ARC project. We discussed those vouchers with the grantee and they provided additional information indicating that they were allowable grant expenses. We understand that the missing information was an oversight and the grantee agreed to ensure that future travel vouchers include the purpose of travel.

Budget Control - OMB Circular A-102 requires that actual expenditures be compared with budgeted amounts for each grant. However, we noted that the grantee's accounting records for the ARC grant indicated the budget for the second year of the grant was \$87,086 instead of \$87,911. The grantee indicated it was an oversight and the records were corrected while we were on-site to increase the budget amount posted for fringe benefits by \$825.

Career Center - Because of space limitations, the grantee was unable to establish a formal career center, however, the equipment and supplies purchased to address this element of the grant agreement are available for use in the vocational wing of Murray County High School. The grantee also entered into a User Service Agreement with the Georgia Career Information Center at Georgia State University to provide career and educational software and materials that are used by students and adults.

Student Apprentices - As noted above, the state required one year of pre-planning before apprenticeship students were placed in jobs. Before students were placed, the grantee had to recruit local businesses that were willing to hire apprentices; develop forms for use in the program; recruit, interview and screen students; and provide competencies for the student jobs which identify job elements the students are required to learn for a particular job.

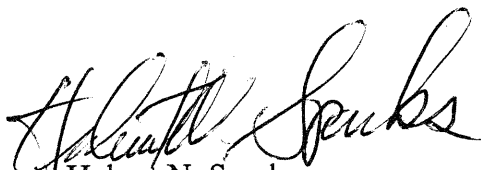
According to the grant agreement, 24 students were to be served by the project. The grantee placed a total 11 apprentices during the grant period and six of them are continuing in the program and will be followed by project personnel. When school starts in August, there will be a new group of 10 apprenticeship students. According to the grantee, the Georgia Department of Education limits the number of apprenticeship students to 10 per year and the grantee follows those requirements so they can obtain funding from the state after the ARC grant ends. The number of participating students in the program will increase as new students are added each year and students from the previous years continue on in the program.

The grantee indicated that the student apprentices were making good progress in the program and that the student evaluations received from participating employers indicate that the employers are pleased with the performance and attitudes of the students.

Project Status - The grantee indicated they intend to spend all of the grant funds and that they will request a time extension if it appears they are unable to spend the funds by the end of the grant period on August 31, 1996. They also indicated that the Apprenticeship Program will continue with state funding.

GRANTEE RESPONSE

We discussed the results noted above with the grantee during our visit and initial questions regarding additional documentation and corrections to accounting records have been satisfactorily addressed. As a result, no response to this report by the grantee is required.


Hubert N. Sparks
Inspector General