

**Department of Education**

**For the Year Ended  
June 30, 2001**

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STATE OF TENNESSEE  
**COMPTROLLER OF THE TREASURY**  
State Capitol  
Nashville, Tennessee 37243-0260  
(615) 741-2501

**John G. Morgan**  
Comptroller

February 7, 2002

The Honorable Don Sundquist, Governor  
and  
Members of the General Assembly  
State Capitol  
Nashville, Tennessee 37243  
and

The Honorable Faye P. Taylor, Commissioner  
Department of Education  
Suite 600, Andrew Johnson Tower  
Nashville, Tennessee 37243

Ladies and Gentlemen:

Transmitted herewith is the financial and compliance audit of the Department of Education for the year ended June 30, 2001.

The review of management's controls and compliance with policies, procedures, laws, and regulations resulted in certain findings which are detailed in the Objectives, Methodologies, and Conclusions section of this report.

Sincerely,

John G. Morgan  
Comptroller of the Treasury



**STATE OF TENNESSEE  
COMPTROLLER OF THE TREASURY  
DEPARTMENT OF AUDIT  
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December 4, 2001

The Honorable John G. Morgan  
Comptroller of the Treasury  
State Capitol  
Nashville, Tennessee 37243

Dear Mr. Morgan:

We have conducted a financial and compliance audit of selected programs and activities of the Department of Education for the year ended June 30, 2001.

We conducted our audit in accordance with government auditing standards generally accepted in the United States of America. These standards require that we obtain an understanding of management controls relevant to the audit and that we design the audit to provide reasonable assurance of the Department of Education's compliance with the provisions of policies, procedures, laws, and regulations significant to the audit. Management of the Department of Education is responsible for establishing and maintaining internal control and for complying with applicable laws and regulations.

Our audit disclosed certain findings, which are detailed in the Objectives, Methodologies, and Conclusions section of this report. The department's administration has responded to the audit findings; we have included the responses following each finding. We will follow up the audit to examine the application of the procedures instituted because of the audit findings.

We have reported other less significant matters involving the department's internal controls and/or instances of noncompliance to the Department of Education's management in a separate letter.

Sincerely,

Arthur A. Hayes, Jr., CPA,  
Director

AAH/sc

State of Tennessee

# Audit Highlights

Comptroller of the Treasury

Division of State Audit

Financial and Compliance Audit  
**Department of Education**  
For the Year Ended June 30, 2001

## AUDIT SCOPE

We have audited the Department of Education for the period July 1, 2000, through June 30, 2001. Our audit scope included those areas material to the Tennessee Comprehensive Annual Financial Report for the year ended June 30, 2001, and the Tennessee Single Audit Report for the same period: the School Breakfast Program, the National School Lunch Program, the Title I Grants to Local Education Agencies, the Special Education-Grants to States, and the Vocational Education-Basic Grants to States. In addition to those areas, our primary focus was on management's controls and compliance with policies, procedures, laws, and regulations in the areas of revenue, expenditures, the Education Trust Fund, the Basic Education Program, utilization of the Department of Finance and Administration's State of Tennessee Accounting and Reporting System (STARS) grant module to record the receipt and expenditure of federal funds, and compliance with the Department of Finance and Administration's guidelines for uniform monitoring of subrecipients. The audit was conducted in accordance with government auditing standards generally accepted in the United States of America.

## AUDIT FINDINGS

### **Controls Over Cash Receipts Are Weak**

Cash-receipting duties were not adequately segregated and reconciliations between cash receipts, accounting records, and deposits were not performed by an employee independent of the receipting, depositing, and posting functions for all funds received (page 10).

### **Vocational Education Reporting Procedures Are Inadequate**

The department has no written procedures and has not performed the necessary oversight to ensure that the Local Education Agencies report accurate expenditure amounts (page 9).

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"Audit Highlights" is a summary of the audit report. To obtain the complete audit report, which contains all findings, recommendations, and management comments, please contact

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**Audit Report**  
**Department of Education**  
**For the Year Ended June 30, 2001**

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# **Department of Education For the Year Ended June 30, 2001**

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## **INTRODUCTION**

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### **POST-AUDIT AUTHORITY**

This is the report on the financial and compliance audit of the Department of Education. The audit was conducted pursuant to Section 4-3-304, *Tennessee Code Annotated*, which authorizes the Department of Audit to “perform currently a post-audit of all accounts and other financial records of the state government, and of any department, institution, office, or agency thereof in accordance with generally accepted auditing standards and in accordance with such procedures as may be established by the comptroller.”

Section 8-4-109, *Tennessee Code Annotated*, authorizes the Comptroller of the Treasury to audit any books and records of any governmental entity that handles public funds when the Comptroller considers an audit to be necessary or appropriate.

### **BACKGROUND**

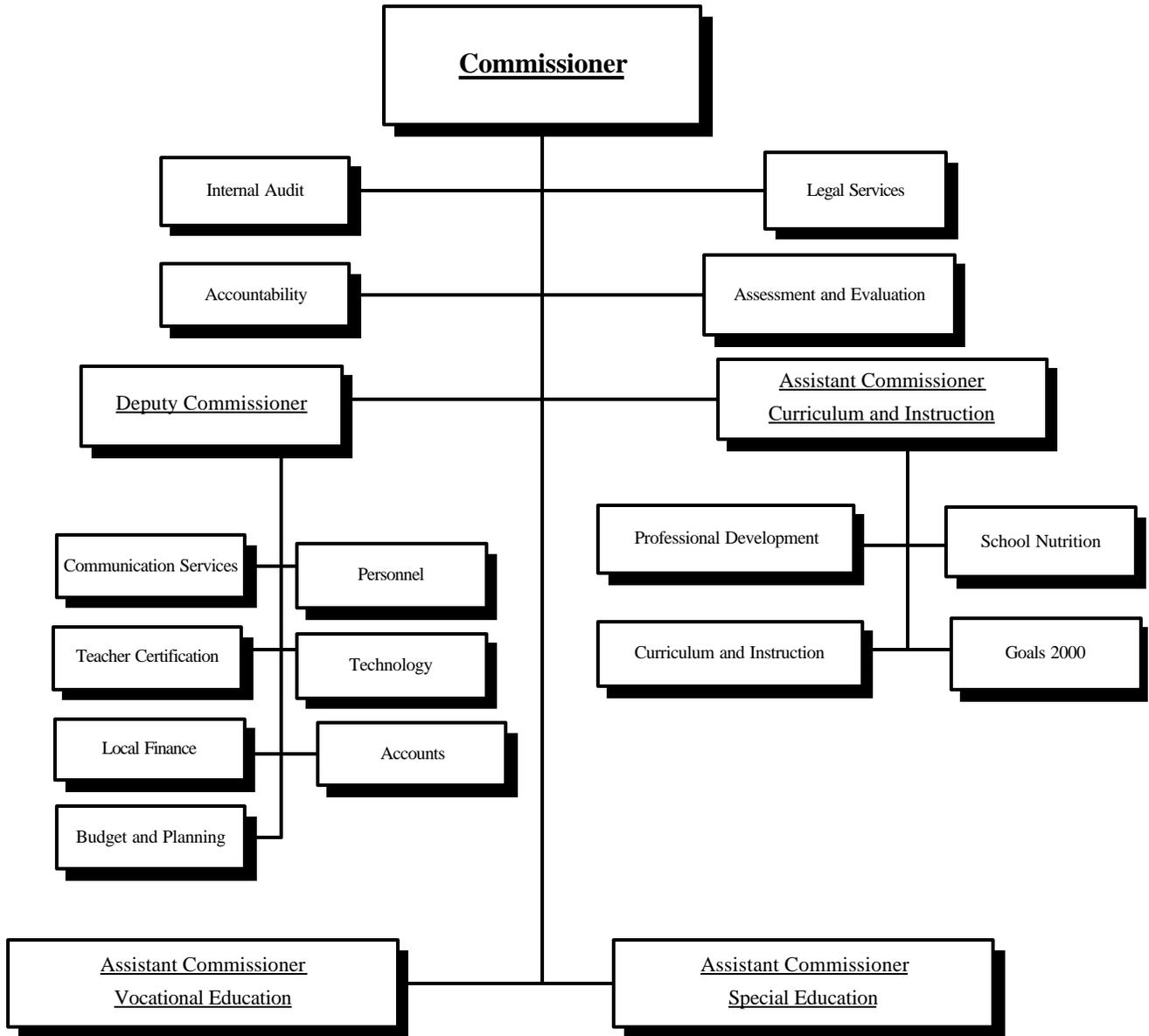
The mission of the Department of Education is to advance student success by creating and supporting a dynamic, world-class system of teaching and learning for all Tennesseans. To fulfill this mission, the department carries out its mandate through an administrative staff and three major divisions: the Division of Curriculum and Instruction, the Division of Vocational Education, and the Division of Special Education.

The department provides technical assistance and monitoring on a statewide basis through its central office and six field offices. The department allocates state and federal funds to the 138 school districts in Tennessee, which annually serve 896,500 students and employ 65,800 teachers, principals, supervisors, and other professional employees statewide.

The current mandate to the department is to implement the accountability provisions of the Education Improvement Act. During the 2000-2001 fiscal year, the three major initiatives of the department were (1) training teachers to prepare students for high-stakes graduation tests that begin in school year 2001-2002; (2) identifying a group of schools on notice to provide intensive technical assistance and additional grant funding; and (3) holding schools and school districts accountable through individual school and district report cards.

An organization chart of the department is on the following page.

# Department of Education Organization Chart



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## AUDIT SCOPE

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We have audited the Department of Education for the period July 1, 2000, through June 30, 2001. Our audit scope included those areas material to the Tennessee Comprehensive Annual Financial Report for the year ended June 30, 2001, and the Tennessee Single Audit Report for the same period: the School Breakfast Program, the National School Lunch Program, the Title I Grants to Local Education Agencies, the Special Education-Grants to States, and the Vocational Education-Basic Grants to States. In addition to those areas, our primary focus was on management's controls and compliance with policies, procedures, laws, and regulations in the areas of revenue, expenditures, the Education Trust Fund, the Basic Education Program, utilization of the Department of Finance and Administration's STARS (State of Tennessee Accounting and Reporting System) grant module to record the receipt and expenditure of federal funds, and compliance with the Department of Finance and Administration's guidelines for uniform monitoring of subrecipients. The audit was conducted in accordance with government auditing standards generally accepted in the United States of America.

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## PRIOR AUDIT FINDINGS

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Section 8-4-109, *Tennessee Code Annotated*, requires that each state department, agency, or institution report to the Comptroller of the Treasury the action taken to implement the recommendations in the prior audit report. The Department of Education filed its report with the Department of Audit on August 29, 2001. A follow-up of the prior audit finding was conducted as part of the current audit.

### RESOLVED AUDIT FINDING

The current audit disclosed that the Department of Education has corrected the previous audit finding concerning the approval of expenditures.

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## OBJECTIVES, METHODOLOGIES, AND CONCLUSIONS

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### AREAS RELATED TO TENNESSEE'S COMPREHENSIVE ANNUAL FINANCIAL REPORT AND SINGLE AUDIT REPORT

Our audit of the Department of Education is an integral part of our annual audit of the Comprehensive Annual Financial Report (CAFR). The objective of the audit of the CAFR is to render an opinion on the State of Tennessee's general-purpose financial statements. As part of our audit of the CAFR, we are required to gain an understanding of the state's internal control and determine whether the state complied with laws and regulations that have a material effect on the state's general-purpose financial statements.

Our audit of the Department of Education is also an integral part of the Tennessee Single Audit, which is conducted in accordance with the Single Audit Act, as amended by the Single Audit Act Amendments of 1996. The Single Audit Act, as amended, requires us to determine whether

- the state complied with rules and regulations that may have a material effect on each major federal financial assistance program, and
- the state has internal control to provide reasonable assurance that it is managing its major federal award programs in compliance with applicable laws and regulations.

We determined that the following areas within the Department of Education were material to the CAFR and to the Single Audit Report: the School Breakfast Program, the National School Lunch Program, the Title I Grants to Local Education Agencies, the Special Education-Grants to States, and the Vocational Education-Basic Grants to States.

To address the objectives of the audit of the CAFR and the Single Audit Report as they pertain to these federal award programs, we interviewed key department employees, reviewed applicable policies and procedures, and tested representative samples of transactions.

We have audited the general-purpose financial statements of the State of Tennessee for the year ended June 30, 2001, and have issued our report thereon dated December 4, 2001. The opinion on the financial statements is unqualified. The Tennessee Single Audit Report for the year ended June 30, 2001, includes our reports on the schedule of expenditures of federal awards and on internal control and compliance with laws and regulations.

The audit of the department revealed one finding related to the Single Audit Report: Vocational Education reporting procedures are inadequate.

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## **MAJOR FEDERAL AWARD PROGRAMS**

### **SCHOOL BREAKFAST PROGRAM/NATIONAL SCHOOL LUNCH PROGRAM**

The School Breakfast and National School Lunch programs are the two largest programs in the Child Nutrition Cluster of grant programs. The objectives of the Child Nutrition Cluster programs are to assist states in administering food services that provide healthful, nutritious meals to eligible children in public and nonprofit private schools, residential child care institutions, and summer recreation programs; and to encourage the domestic consumption of nutritious agricultural commodities.

### **TITLE I GRANTS TO LOCAL EDUCATION AGENCIES**

The objective of the Title I program is to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas with high concentrations of children from low-income families.

### **SPECIAL EDUCATION-GRANTS TO STATES**

The objectives of the Special Education program are to (1) ensure that all children with disabilities have available to them a free, appropriate public education which emphasizes special education and related services designed to meet their unique needs; (2) ensure that the rights of children with disabilities and their parents or guardians are protected; (3) assist states, localities, educational service agencies, and federal agencies to provide for the education of all children with disabilities; and (4) assess and ensure the effectiveness of efforts to educate children with disabilities.

### **VOCATIONAL EDUCATION-BASIC GRANTS TO STATES**

The objective of the Vocational Education program is to provide grants to states and outlying areas to develop the technical, vocational, and academic skills of secondary students and postsecondary students.

Our audit of these programs consisted of the following areas, as applicable:

- General Internal Control
- Activities Allowed or Unallowed and Allowable Costs/Cost Principles
- Cash Management
- Matching, Level of Effort, Earmarking
- Period of Availability of Federal Funds
- Procurement and Suspension and Debarment

- Federal Reporting
- Subrecipient Monitoring
- Special Tests and Provisions
- Schedule of Expenditures of Federal Awards

The audit objectives, methodologies, and our conclusions for each area are stated below. For each area, auditors documented, tested, and assessed management's controls to ensure compliance with applicable laws, regulations, grants, contracts, and state accounting and reporting requirements. To determine the existence and effectiveness of management's controls, auditors administered planning and internal control questionnaires; reviewed policies, procedures, and grant requirements; prepared internal control memos, performed walk-throughs, and performed tests of controls; and assessed risk.

### **General Internal Control**

Our objectives for general controls were to obtain an understanding of, document, and assess management's general controls. We interviewed key program employees; reviewed organization charts, descriptions of duties and responsibilities for each division, and correspondence from the grantor; and considered the overall control environment of each program. We did not note any significant deficiencies in management's general controls related to the major federal award programs.

### **Activities Allowed or Unallowed and Allowable Costs/Cost Principles**

The objectives for the applicable major federal programs were to determine if funds were used for allowable purposes; federal expenditures were in compliance with grant requirements; and expenditures involving federal funds were recorded correctly as to the applicable federal grant and the proper grant program.

Supporting documentation for all significant items of the major federal programs was reviewed and tested to determine if funds were used for allowable purposes. The significant items were also tested for compliance with grant requirements and appropriate recording to the proper grant program.

We determined that grant funds were spent for allowable activities in compliance with grant requirements and were properly recorded to the applicable federal grant and the proper grant program.

### **Cash Management**

Our objective for the applicable major federal programs was to determine if the department complied with the terms and conditions of the Cash Management Improvement Act Agreement between the state and the Secretary of the Treasury, United States Department of the Treasury (State-Treasury Agreement).

We tested a nonstatistical sample of federal cash drawdown transactions for compliance with the State-Treasury cash management agreement.

We determined that management had complied, in all material respects, with the State-Treasury cash management agreement.

### **Matching, Level of Effort, Earmarking, and Period of Availability of Federal Funds**

Our objectives for the applicable major federal programs were to provide reasonable assurance that matching requirements were met and to provide reasonable assurance that federal funds were used only during the authorized period of availability.

To provide reasonable assurance that matching requirements were met, we examined the State of Tennessee Accounting and Reporting System (STARS) Grant Expenditures by Object reports. We reviewed a listing of expenditures charged to grants that closed during the audit period to determine whether the federal funds were used only during the authorized period of availability.

The department appeared to comply with matching requirements, and federal funds appeared to be used only during the authorized period of availability. However, controls over the reporting of state expenditures by the Local Education Agencies were inadequate, as discussed in finding 1.

### **Procurement and Suspension and Debarment**

Our objectives for the applicable major federal programs were to provide reasonable assurance that procurement of goods and services was made in compliance with the provisions of applicable regulations and guidelines, and that no subaward, contract, or agreement for purchase of goods or services was made with any debarred or suspended party.

We reviewed the OMB Circular A-133 *Compliance Supplement* for internal control and compliance requirements for procurement and suspension and debarment. In addition, nonstatistical samples of transactions were selected and tested for assurance that no items were purchased from a party that was suspended or debarred.

Management appears to have complied with procurement requirements, including requirements concerning debarred and suspended parties.

### **Federal Reporting**

Our objective for the applicable major federal programs was to ensure that reports of federal awards submitted to the federal awarding agency included all activity of the reporting period, were supported by underlying accounting or performance records, and were submitted in accordance with program requirements.

We asked management about the requirements and procedures for preparing, reviewing, and submitting program financial and progress reports. We selectively tested the mathematical accuracy of the reports, reviewed supporting documentation for the information presented, and determined if the reports were prepared in accordance with grant guidelines and requirements.

In all material respects, reports of federal awards appeared to include all activity of the reporting period, were supported by underlying records, and were submitted in accordance with program requirements.

### **Subrecipient Monitoring**

Our objective for the applicable major federal programs was to determine whether subrecipients (Local Education Agencies) were properly monitored to ensure compliance with federal award requirements.

We asked management about procedures for monitoring subrecipients and tested a nonstatistical sample of subrecipients to determine if an audit in accordance with OMB Circular A-133 had been performed.

The department appears to have properly monitored subrecipients.

### **Special Tests and Provisions**

Specific requirements for special tests and provisions for applicable major federal programs were obtained by review of the OMB Circular A-133 *Compliance Supplement*; interviews with key employees; and review of laws, regulations, and the provisions of contract or grant agreements pertaining to specific programs. Where applicable, nonstatistical samples were selected.

The department appears to have complied with all special tests and provisions requirements tested.

### **Schedule of Expenditures of Federal Awards**

Our objective was to verify that the Schedule of Expenditures of Federal Awards was properly prepared and adequately supported. We verified the grant identification information on the Schedule of Expenditures of Federal Awards, and total disbursement amounts were traced to supporting documentation. We determined that the Schedule of Expenditures of Federal Awards was properly approved and adequately supported.

## **Finding, Recommendation, and Management's Comment**

### **1. Vocational Education reporting procedures are inadequate**

#### **Finding**

Internal controls over the reporting of state expenditures by Local Education Agencies (LEAs) for the Vocational Education-Basic Grants to States program are inadequate. The department has no written procedures and has not performed the necessary oversight to ensure that the LEAs report accurate expenditure amounts. As a result, state expenditures reported to the Vocational Education division by the LEAs were not always accurate. A sample of 25 LEAs selected for maintenance of effort testwork revealed that two LEAs understated state expenditures and one LEA overstated state expenditures for fiscal year 2000, and three LEAs understated state expenditures and one overstated state expenditures for fiscal year 1999. The LEAs submitted revised expenditure reports in response to questions asked by the auditors. When an effective internal control system is not implemented, management's objectives are less likely to be realized.

#### **Recommendation**

The Vocational Education division should develop policies and procedures to ensure accurate reporting of expenditures by the Local Education Agencies. The policies and procedures should be communicated to the LEAs. In addition, Vocational Education personnel should analyze the reported expenditure amounts for reasonableness.

#### **Management's Comment**

We concur. The Division of Vocational-Technical Education will develop more specific guidelines for the local education agencies to use in reporting.

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## **REVENUE**

Our objectives for reviewing revenue controls and procedures were to determine whether

- internal controls were adequate,
- the department reconciled revenue records with revenue reports,
- the department maintained proper documentation for each journal voucher,

- transactions were properly documented,
- receipts agreed with amounts deposited,
- deposit slips were properly completed,
- departmental records were reconciled with STARS (State of Tennessee Accounting and Reporting System),
- funds were properly controlled and deposited intact, and
- funds were deposited in a timely manner.

We reviewed the applicable laws and regulations, interviewed key department personnel, and reviewed supporting documentation to gain an understanding of the controls and procedures over revenues. We reviewed reconciliations of revenue records with revenue reports. We also tested a nonstatistical sample of revenue transactions and a nonstatistical sample of cash receipts.

We determined that cash-receipting duties were not adequately segregated and a reconciliation between cash receipts, accounting records, and deposits was not performed by an independent person, as discussed in finding 2. We determined that transactions were properly documented, that receipts agreed with amounts deposited, that deposits were completed properly, that departmental records were reconciled with STARS, and that funds were properly controlled and deposited intact. We also determined that funds were deposited in a timely manner.

## **Finding, Recommendation, and Management’s Comment**

### **2. Controls over cash receipts are weak**

#### **Finding**

The department’s controls over cash receipts are weak. Testwork revealed the following problems:

- a. Cash-receipting duties in the business office were not adequately segregated. One employee received funds, prepared the deposit, and posted deposits to the accounting records.
- b. Reconciliations between cash receipts, accounting records, and deposits were not performed by an employee independent of the receipting, depositing, and posting functions for all funds received.

Effective internal controls are essential to account for government resources and to ensure that revenue is properly accounted for. Management has the responsibility to institute control procedures

that will ensure that funds received are properly accounted for and to provide effective supervisory reviews to provide reasonable assurance that errors and irregularities will be detected in a timely manner.

### **Recommendation**

Management should establish effective internal controls designed to segregate responsibilities or establish adequate compensating controls. Management should also ensure that reconciliations are performed by an employee not involved in the receipting and depositing of funds for all revenue collected.

### **Management's Comment**

We concur. Management will try to establish more effective controls, which will be designed to segregate responsibilities. Management will look at establishing responsibilities for reconciliation of receipts that will better assure that errors or any irregularities can easily be detected.

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### **EXPENDITURES**

Our objectives for reviewing expenditure controls and procedures were to determine whether

- internal controls were adequate,
- expenditures were properly approved,
- the department maintained proper documentation for each journal voucher,
- evidence exists that goods were received,
- invoices were mathematically accurate,
- signatures on supporting documentation were made by authorized individuals,
- documentation was sufficient to support payment of the invoice, and
- bids were solicited when needed.

We reviewed the applicable laws and regulations, interviewed key department personnel, and reviewed supporting documentation to gain an understanding of the controls and procedures over

expenditures. We also tested all significant expenditure transactions and a nonstatistical sample of other expenditure transactions.

We determined that expenditures were approved by authorized personnel. We determined that the department maintained proper documentation for journal vouchers and evidence existed that goods were received. We determined that invoices were mathematically accurate and documentation was sufficient to support payment of the invoice. Also, bids were solicited when needed.

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## **EDUCATION TRUST FUND**

Our objective for reviewing the education trust fund was to determine whether the financial statements, which are included in the state's Comprehensive Annual Financial Report, were fairly stated, properly supported, and comparable to the prior-year financial statements.

We recalculated the financial statements to determine their accuracy, traced amounts to the State of Tennessee Accounting and Reporting System, and verified account classifications. We compared the current-year financial statements with the prior-year financial statements to determine any reporting changes. We also compared the amounts between current-year financial statements and prior-year financial statements and obtained explanations for any significant variances.

We determined that the financial statements were fairly stated, properly supported, and comparable to the prior-year financial statements.

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## **BASIC EDUCATION PROGRAM**

The objectives of our review of the Basic Education Program (BEP) were to determine whether

- internal controls were adequate,
- expenditure amounts in the BEP database traced to supporting documentation submitted by the Local Education Agencies (LEAs), and
- the average daily membership amounts listed in the BEP database traced to supporting documentation submitted by the LEAs.

We reviewed the applicable laws and regulations, interviewed key department personnel, and reviewed supporting documentation to gain an understanding of the controls and procedures over the

BEP. We selected a nonstatistical sample of LEAs and traced expenditure and average daily membership amounts in the BEP database to supporting documentation submitted by the LEAs.

We determined that internal controls over BEP appeared adequate. We determined that expenditure amounts in the BEP database traced to supporting documentation submitted by the LEAs. We also determined that the average daily membership amounts listed in the BEP database traced to supporting documentation submitted by the LEAs.

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**DEPARTMENT OF FINANCE AND ADMINISTRATION POLICY 20,  
“RECORDING OF FEDERAL GRANT EXPENDITURES AND REVENUES”**

Department of Finance and Administration Policy 20 requires that state departments whose financial records are maintained on the State of Tennessee Accounting and Reporting System (STARS) fully utilize the STARS Grant Module to record the receipt and expenditure of all federal funds. Our testwork focused on whether

- appropriate grant information was entered into the STARS Grant Control Table upon notification of the grant award, and related revenue and expenditure transactions were coded with the proper grant codes;
- the department made drawdowns at least weekly using the applicable STARS reports;
- the department had negotiated an appropriate indirect cost recovery plan, and indirect costs were included in drawdowns; and
- the department utilized the appropriate STARS reports as bases for preparing the schedule of expenditures of federal awards and reports submitted to the federal government.

We interviewed key personnel to gain an understanding of the department’s procedures and controls concerning Policy Statement 20. We performed testwork to determine if appropriate grant information was entered into the STARS Grant Control Table upon notification of the grant award, and if related revenue and expenditure amounts were coded with the proper grant codes. We performed testwork to determine if the department made drawdowns at least weekly using the applicable STARS reports, if the department had negotiated an appropriate indirect cost recovery plan, and if indirect costs were included in drawdowns. We also performed testwork to determine if the appropriate STARS reports were used as bases for preparing the schedule of expenditures of federal awards and reports submitted to the federal government.

Based on our interviews, reviews of supporting documentation, and testwork, we determined that the appropriate grant information was entered into the STARS Grant Control Table upon

notification of the grant award, and that related revenue and expenditure transactions were coded with the proper grant codes. We determined that the department made drawdowns at least weekly using the applicable STARS reports. We determined that the department had negotiated an appropriate indirect cost recovery plan, and indirect costs were included in drawdowns. We also determined that the department utilized the appropriate STARS reports as bases for preparing the schedule of expenditures of federal awards and reports submitted to the federal government.

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## **DEPARTMENT OF FINANCE AND ADMINISTRATION POLICY 22, “SUBRECIPIENT MONITORING”**

Department of Finance and Administration Policy 22 establishes guidelines for uniform monitoring of subrecipients that receive state and/or federal funds from state departments, agencies, and commissions. Our testwork focused on

- the criteria used to distinguish between subrecipients and vendors,
- the department’s method for risk assessment,
- determining whether the risk assessment method targeted areas that helped identify the subrecipient’s risk level, and
- determining whether the risk assessment method was properly and consistently applied to the subrecipients.

We interviewed key personnel and reviewed supporting documentation to gain an understanding of the department’s procedures and controls concerning Policy Statement 22. We selected a listing of payees to determine whether payees not listed as subrecipients were appropriately classified as vendors. We reviewed the method used for risk assessment to determine whether the risk assessment targeted areas that identified the subrecipients’ risk level. We also reviewed the risk assessment method to determine if the method was properly and consistently applied to the subrecipients.

We determined that the department’s procedures and controls concerning Policy 22 appeared adequate. We determined that payees not listed as subrecipients were appropriately classified as vendors. We determined that the method used for risk assessment targeted areas that identified the subrecipients’ risk level, and we determined that the risk assessment method was properly and consistently applied to the subrecipients.

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## OBSERVATIONS AND COMMENTS

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### **TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**

*Tennessee Code Annotated*, Section 4-21-901, requires each state governmental entity subject to the requirements of Title VI of the Civil Rights Act of 1964 to submit an annual Title VI compliance report and implementation plan to the Department of Audit by each June 30. The Department of Education filed its compliance report and implementation plan on June 29, 2001.

Title VI of the Civil Rights Act of 1964 is a federal law. The act requires all state agencies receiving federal money to develop and implement plans to ensure that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal funds. The Human Rights Commission is the coordinating state agency for the monitoring and enforcement of Title VI. A summary of the dates state agencies filed their annual Title VI compliance reports and implementation plans is presented in the special report *Submission of Title VI Implementation Plans*, issued annually by the Comptroller of the Treasury.

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## APPENDIX

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### DIVISIONS AND ALLOTMENT CODES

Department of Education divisions and allotment codes:

331.01	Division of Administration
331.02	Grants-in-Aid
331.03	Elementary and Secondary Education System Act, Titles I, II, VI
331.04	Technology Infrastructure and Systems Support
331.05	Training and Professional Development
331.06	Curriculum and Instruction
331.07	State Board of Education
331.09	Improving School Programs
331.10	Career Ladder Program
331.11	Accountability
331.12	Goals 2000, Educate America Act/Technology Literacy
331.25	Basic Education Program
331.35	School Nutrition Programs
331.36	Special Education Services
331.43	State Driver Education
331.45	Vocational Education
331.90	Alvin C. York Agricultural Institute
331.91	Tennessee School for the Blind
331.92	Tennessee School for the Deaf–Knoxville
331.93	West Tennessee School for the Deaf–Jackson
331.95	Tennessee Infant and Parent Services
331.97	Major Maintenance