

84.011

MIGRANT EDUCATION STATE GRANT PROGRAMS

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**State Project/Program:** EDUCATION OF MIGRATORY CHILDREN (PRC 051)

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**U. S. Department of Education**

**Federal Authorization:** Elementary and Secondary Education Act of 1965, Title I, Part C, as amended by Every Student Succeeds Act (ESSA) P.L.114-95. Effective 07/01/17.

**State Authorization:**

**NC Department of Public Instruction**

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**N.C. DPI Confirmation Reports:**

Confirmation of Funds Expended and/or Disbursed from the State Public School Fund and Federal Programs 2018-19 will be available at the [NC DPI School Business Division Annual Reports Application](#). The system provides an electronic view of Year-to-Date (YTD) financial reports in response to requests for confirmation from independent auditors.

The auditor should **not** consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor **can** consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current. The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

**I. PROGRAM OBJECTIVES**

The purpose of the Migrant Education Program (MEP) is to expand, improve, and coordinate education programs for the children of the nation’s migratory farm workers and fishers. State and local programs are required to implement the following:

- Address the special educational needs of migratory children in a coordinated, integrated, and efficient way through high quality comprehensive programs;
- Target the most recently mobile children who experience the most disruption in schooling;

- Implement student records transfer and other data exchange program as students migrate;
- Provide priority services for migratory children whose education has been interrupted during the school year, and who are failing, or at risk of failing, to meet the state’s content and performance standards;
- Migrant Education Program funds may be used in school wide programs; however, funds must first be used to provide services that meet the identified needs of migratory children.

**II. PROGRAM PROCEDURES**

Funds are allocated to a State Education Agency (SEA), the N.C. Department of Public Instruction (DPI), to carry out its approved State plan for providing migrant education program services and activities (1) directly, (2) through subgrants to Local Education Agencies (LEA’s), or (3) by special arrangements and contracts with other public or private nonprofit agencies (operating agencies). Because a SEA may choose to provide program services directly or through a LEA or other operating agencies, some of the suggested audit procedures will apply for a SEA or LEA, depending on which agency provides the services and where the records are maintained.

Funds are allocated to LEAs as follows:

Calculated funding rate is determined by dividing the total funds available, by the sum of all LEAs regular and summer variable factors. The allotment of funds to each LEA is determined by multiplying the sum of the regular and summer term variables times the calculated funding rate.

Funds are allocated to LEA’s using the following indicators:

Ninety-three percent (93%) of the grant is distributed on a needs-based formula. The calculated funding rate is determined by dividing the total funds available, by the weighted migratory headcount. The allotment of funds to each LEA is determined by multiplying the weighted headcount by the calculated funding rate. Every LEA that reports any migratory children will receive a minimum of ½ a teacher position.

Funding is weighted based on the table below:

<b>Variable Factors</b>	<b>Weight</b>
Head count of Migratory children served all year	5.0
Head count of summer migratory children	2.0
Head count of migratory children participants in any program	1.5
Head count of current migratory children	1.0
Head count of migratory out-of-school youth and migratory pre-k students served	1.0
No. of LEP who are also Migrant	2.0

Funds are distributed according to the cash request procedures discussed in the DPI Cross-Cutting Requirements, DPI-0.

### III. COMPLIANCE REQUIREMENTS

DPI mandates that all testing in the DPI Cross-Cutting Requirements be performed by the local auditor. Please refer to Cross-Cutting Requirements DPI-0.

Other procedures that pertain to this program can be found in the US Department of Education Cross-cutting Section and the Federal Compliance Supplement.

#### A. Activities Allowed or Unallowed

**Compliance Requirement** - Funds may be used by a LEA or other operating agency only in accordance with the approved State plan and only for those services or activities in its project application.

**Audit Objective** – To determine that expenditures are allowable and are properly recorded.

**Suggested Audit Procedures** – Obtain a copy of the Budget Balance Reconciliation Report (305/705) from the finance officer and compare to local accounting records for appropriateness. Test expenditure and related records to determine if expenditures were made only for those services or activities in the project application.

Examine expenditures for appropriate approval and documentation.

Determine that personnel paid from these funds do not exceed budgeted personnel in approved program budget.

#### B. Allowable Costs/Costs Principles

Addressed in the NC Department of Public Instruction Cross-cutting Requirements.

#### C. Cash Management

Addressed in the NC Department of Public Instruction Cross-cutting Requirements.

#### E. Eligibility

**Compliance Requirement** - The term “migratory child” means a child who is, or whose parent, spouse, or guardian is, a migratory agricultural worker, including a migratory dairy worker, or a migratory fisher, and who, in the preceding 36 months, in order to obtain, or accompany such parent, spouse, or guardian in order to obtain temporary or seasonal employment in agricultural or fishing work, has moved from one school district to another.

**Audit Objective** – To determine that funds are used only for the education of eligible children.

**Suggested Audit Procedures** - Review procedures for determining eligibility, and ensure the correctness of eligibility information recorded on the Certificate of Eligibility (COE).

Test the COE and other records to determine if procedures are followed and errors are within the 5-percent error rate.

**Eligibility for Subrecipients** – The Department of Public Instruction program consultant determines if the eligibility requirements are met when the project is approved.

**G. Matching, Level of Effort, Earmarking**

**1. Matching**

This compliance requirement does not apply at the local level. No testing is required.

**2. Level of Effort**

Addressed in the US Department of Education Cross-Cutting Section.

**3. Earmarking**

Addressed in the US Department of Education Cross-Cutting Section.

**Compliance Requirement** - A school unit may spend no more than 20% of its yearly allotment for administration and supervision of the Migrant Education program (N. C. State Board of Education Policy)

**Audit Objective** – To determine that the sub recipient did not spend more than 20% of its funds for administration and supervision.

**Suggested Audit Procedure** - Ascertain the amount of Migrant Education expenditures. Review expenditure records and supporting documentation for administrative costs. Ascertain that the administrative cost is within the 20% requirement following the outlined formula.

**Include any account with the following Purpose and Object Codes:**

Purpose Codes		Object Codes	Object Codes cont.
6300	Administration	113	211, 221, 231, 311, 312, 326,
		151	327, 332, 341, 342, 343, 411,
		183	418, 461, 462, 471, 541, 542
		196	
		197	
		199	
8100	Indirect Cost	392	

**Determine the Allotment amount for the current fiscal year. (Do not include carryover)**

**Example:**

FY 2010-11 Allotment \$150,000.00

**Calculate the Allowable Amount of Administration by multiplying the Allotment amount by the current year's percentage limitation. FY 2010-11 (20%)**

**Example:**

\$150,000 x 20% =

\$30,000.00

*Allowable amount of Administration*

**Determine the Administrative Cost using the codes below:**

**Example:**

6300-051-113

15,000.00

6300-051-151	8,000.00
6300-051-211	1,560.00
6300-051-221	1,228.00
6300-051-231	3,212.00
8100-051-392	<u>298.00</u>
<b>Total Administration</b>	29,298.00

***Compare the Allowable amount of Administration to the total Administrative Cost.***

When the total administration expenditures are less than the allowable amount of administration you are in compliance with the Administrative Policy.

**Example:**

$$\$30,000.00 - 29,298.00 = \$702.00$$

The remaining \$702.00 can be carried over at June 30 if sufficient carryover funds exist and added to the allowable amount of Administrative cost for use until the period of availability ends.

**H. Period of Availability of Federal Funds**

**Compliance Requirement** - Expenditures may not be incurred before the project begins. Any expenditures prior to the beginning date are considered unallowable and must be refunded to the SEA.

**Audit Objective** – To determine that no expenditures were incurred prior to the beginning date of the approved the project.

**Suggested Audit Procedure** - Review transactions to verify that no expenditures were incurred prior to the approved project application beginning date.

**I. Procurement and Suspension and Debarment**

Addressed in the NC Department of Public Instruction Cross-cutting Requirements.

**L. Reporting**

Addressed in the US Department of Education Cross-cutting Section and the NC Department of Public Instruction Cross-cutting Requirements.

**M. Subrecipient Monitoring**

This compliance requirement does not apply at the local level. No testing is required.

**N. Special Tests and Provisions**

Addressed in the US Department of Education Cross-cutting Section, Federal Compliance Supplement, and the NC Department of Public Instruction Cross-cutting Requirements.

**Compliance Requirement** - A SEA and its operating agencies receiving Title I Migrant Education program funds shall design and improve their Title I Migrant Education program and

projects on an annual assessment of educational needs that, among other things, (1) identifies needs of all significant concentrations of migratory children expected to reside in the area served by the project, (2) requires selection of those migratory children (preschool and school age) in greatest need for services and (3) determines the educational needs of participating children with sufficient specificity to ensure concentration on these needs. (34 CFR 201.31, 201.32, 201.36)

**Audit Objective** – To determine that the required assessments have been prepared.

**Suggested Audit Procedure** - Review the LEA project to ascertain whether currently migratory children with special educational needs (preschool and school age) are selected and served on a priority basis.