

84.323

**SPECIAL EDUCATION – STATE PERSONNEL DEVELOPMENT
GRANT**

State Project/Program: NC STATE IMPROVEMENT PROJECT (NC SIP) (PRC 082)

U. S. Department of Education

Federal Authorization: State Personnel Development Grant [CFDA 84.323A]

N. C. 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 2022-23 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.

Auditors may request documentation of monitoring visits by the State Agencies.

This compliance supplement must be used in conjunction with the OMB 2023 Compliance Supplement which will be issued in the summer. This includes “Part 3 - Compliance Requirements,” for the types that apply, “Part 6 - Internal Control,” and “Part 4 - Agency Program” requirements if the Agency issued guidance for a specific program. The OMB Compliance Supplement is Section A of the State Compliance Supplement.

I. PROGRAM OBJECTIVES

The NC State Improvement Project (NC SIP) provides personnel development, programming, and system implementation support services to significantly improve the performance and success of students with disabilities in local education agencies (LEA), charter schools and state-operated programs in North Carolina. Funds support the implementation of research-based practices in reading, mathematics, adolescent literacy, co-teaching, and leadership's understanding of system implementation of research-based practices.

The goals established to accomplish the purpose of this State Personnel Development Grant are:

GOAL 1 - NC SIP staff will increase their capacity to provide leadership, professional development, coaching, and supports to participating districts, schools, teachers, and families on leadership and effective reading, math, and content literacy instruction.

GOAL 2 - District and building administrators will have the skills to develop, implement, evaluate, and sustain district plans that support the improvement of core content instruction and achievement of students with disabilities in their districts.

GOAL 3 - Teachers and administrators will have the skills to effectively implement evidence-based reading, math, and content literacy for students with disabilities in the birth-12 classrooms, which will lead to increased student engagement, student generalization of skills, academic achievement, and family engagement.

GOAL 4 - Pre-service teachers and in-service administrators enrolled in partnering IHEs, will have the capacity to effectively implement and support research-based reading, math, and content literacy for students with disabilities.

II. PROGRAM PROCEDURES

Each LEA, charter school and state-operated program is provided an opportunity to submit an application for selection to participate in the NC State Improvement Project (NC SIP).

Funds are allocated annually to LEAs, charter schools and state-operated programs selected. The amount of funds allocated is based on state level assessment of local needs, and the LEA's readiness for the level of engagement.

III. COMPLIANCE REQUIREMENTS

Below on the matrix are the types of compliance requirements are applicable to the federal program, noted as "Y," as determined by the federal granting agency if the federal program is listed in Part 2 of the OMB 2023 Compliance Supplement. A State agency may have added a Type. If the program is not listed in Part 2, the State Agency has determined the applicable Types. If a Type, applicable by OMB, does not apply at the local level or if the State has modified the federal requirements at the local level, this should be explained in the supplement under the Type. A Type that is not applicable at the local level is noted by "N."

If a particular Type is noted as “Y,” the auditor must determine if the Type has a direct and material effect on the federal program for the auditee. For each Type of compliance requirement, the auditor must use the OMB 2023 Compliance Supplement, Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and Part 4 (which includes any program-specific requirements) to perform the audit.

CC	A	B	C	E	F	G	H	I	J	L	M	N
Cross Cutting Requirements	Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/ Real Property Management	Matching, Level of Effort, Earmarking	Period of Performance	Procurement Suspension &	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	Y	Y	Y	N	N	Y	N	N	N	Y

Crosscutting Requirements

The compliance requirements in Supplement “DPI-0 Crosscutting Requirements” are applicable to this grant. If the Matrix above indicates “Y” for a particular type, the auditor should refer to DPI-0 for additional testing requirements for that Type.

A. Activities Allowed or Unallowed

Compliance Requirement – Funds may be used by a LEA, charter school or state-operated program only in accordance with State and Federal laws, regulations and policies, and only for those services or activities included in its application and/or 5-year strategic plans.

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 conformity.
- Obtain a copy of the NC SIP application and/or implementation plan and review expenditures to determine that expenditures are in accordance with the project application/plan.

B. Allowable Costs/Cost 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 - Only students who, by reason of the disability, need special education and related services are eligible for participation in this project.

Audit Objective – To determine that NC State Improvement Project (NC SIP) funds are used only for the education of students with disabilities.

Suggested Audit Procedures:

- Determine whether NC SIP funds were used to pay for services to students who are ineligible to participate in the program. If NC SIP funds were used for such children, ascertain the amount of those funds so used.

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

F. Equipment and Real Property Management

Addressed in the NC Department of Public Instruction Cross-Cutting requirements.

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** – This compliance requirement does not apply at the local level. No testing is required.
3. **Earmarking** - This compliance requirement does not apply at the local level. No testing is required.

H. Period of Performance

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

I. Procurement and Suspension and Debarment

Addressed in the NC Department of Public Instruction Cross-Cutting requirements.

J. Program Income

Program does not generate any income.

L. Reporting

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

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 NC Department of Public Instruction Cross-Cutting requirements.