



Title I Administrative Meeting  
Hunt Valley Marriott  
April 27, 2012

**Enhanced Fiscal Monitoring Analysis:**

***Title I Parent Involvement in  
Maryland School Systems***

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# Enhanced Fiscal Monitoring: Title I Parent Involvement **Why?**

- Office of the Inspector General (OIG) Findings for Maryland.
- MSDE's Corrective Action Plan to Address Maryland's Findings.
- Program Improvement & Family Support Responsibility: Title I Enhanced Fiscal Monitoring Protocol.
- MSDE's decision to target Title I Parent Involvement in the first year of Enhanced Fiscal Monitoring and embed it in the annual Title I Program Review in all Maryland LEAs.

# Enhanced Fiscal Monitoring: Title I Parent Involvement **How?**

- Prior to the date of the LEA Program Review, the MSDE Title I Point-of-Contact (POC) will ask the LEA to submit the Title I Parent Involvement of Expenditures Reports for the district and specific Title I schools.
- After a review of the submitted reports, the POC will sample several items the LEA must provide Support/Background Information for each sample item to support expenditure payment.
- The POC will review for all documentation to ensure program and fiscal compliance in the areas of supplement not supplant; reasonable and necessary; and allowable and allocable.

# Enhanced Fiscal Monitoring: Title I Parent Involvement *Source Documents*

- A-133 Compliance Supplement;
- OMB Circular A-87;
- ESEA Reauthorized Act of 2001, Section 1118;
- Title I Parent Involvement Non-Regulatory Guidance.

# Enhanced Fiscal Monitoring: Title I Parent Involvement **Components:**

- Transaction Level Reports of Expenditures;
- Percentage of Funds Spent to Date;
- Approval of Spending Plans/Budgets;
- Supporting/Background Information;
- Programmatic Compliance;
- Supplement not Supplant;
- Reasonable and Necessary;
- Allowable and Allocable;
- Requisitions, Purchase Orders, & Requests for Payments; and
- Internal Controls (*checks and balances*).

# Enhanced Fiscal Monitoring: Title I Parent Involvement

## ***Title I Case Study for Parent Involvement***

- Spending Plan/Budget;
- Purchase Orders/Requisitions/Request for Payments; and
- Source Documents.



# Enhanced Fiscal Monitoring: Title I Parent Involvement

## ***What did you learn from the Title I Case Study for Parent Involvement?***

(A spokesperson from each of the 3 concurrent rooms will share out.)

# Enhanced Fiscal Monitoring: Title I Parent Involvement

***What did the MSDE Title I  
Point-of Contacts learn  
from their Enhanced Fiscal  
Monitoring for Parent  
Involvement in their  
respective LEAs?***





# Enhanced Fiscal Monitoring: Title I Parent Involvement # 1

***Maryland LEAs have their own unique protocols/procedures and internal controls to ensure fiscal and programmatic compliance in their payments of Title I parent involvement expenditures.***

# Enhanced Fiscal Monitoring: Title I Parent Involvement # 2

## *Transaction Level Reports of Expenditures*

- Are not always reviewed by the Title I Office on a regular basis.
- The amount of the expenditure did not always reflect the approved budget item.
- Some payments to vendors were clearly not reasonable/necessary and not allowable.

# Enhanced Fiscal Monitoring: Title I Parent Involvement # 3

## *Percentage of Funds Spent to Date*

- Most schools did not begin spending money until November 2011 in its FY 2012 grant.
- As of January 2012, most **Title I schools** spent 15% or less of their parent involvement funds which is not at a rate expected to ensure all funds are expended by June 30, 2012.
- As of January 2012, the **district parent involvement funds**, when applicable, spent 15% or less of their parent involvement funds which is not at a rate expected to ensure all funds are expended by June 30, 2012.

# Enhanced Fiscal Monitoring: Title I Parent Involvement

# 4

## ***Approval of Spending Plans/Budgets***

- Some LEAs provided incorrect guidance on the uses of parent involvement funds in its Title I schools.
- Non-allowable items in spending plans were approved by the Title I Office.
- Spending plans lacked detail information about purpose of activity, supplies, and materials.
- Not all Title I schools could demonstrate how parents had input on the use of its parent involvement funds. (*One or two parents are not parent input.*)

# Enhanced Fiscal Monitoring: Title I Parent Involvement # 5

## ***Supporting/Background Information***

- Not all school administrators understood the requirements for the use of the Title I school's parent involvement funds.
- Not all sampled expenditures for the schools and/or district had the required supporting/background documentation, such as SANE, to support payment of expenditures.
- Title I schools did not maintain supporting/background information throughout the Title I, Part A grant period.



# Enhanced Fiscal Monitoring: Title I Parent Involvement # 6

## ***Programmatic Compliance***

- Expenditures did not always support **BUILDING PARENT CAPACITY.**
- Some expenditures in Title I targeted assistance schools were questioned as expenditures for all parents and students in the school.

# Enhanced Fiscal Monitoring: Title I Parent Involvement **# 7**

## ***Supplement not Supplant***

- Some parent involvement expenditures were questioned as supplanting, such as printing costs and transportation costs.

# Enhanced Fiscal Monitoring: Title I Parent Involvement **# 8**

## ***Reasonable and Necessary***

- Providing refreshments during American Education Week.
- A high percentage of parent involvement funds was spent on food.
- Rental of Facilities, Food (Banquets), Out-of-State Conference, Stipends, Gifts, etc.



# Enhanced Fiscal Monitoring: Title I Parent Involvement # 9

## ***Allowable and Allocable***

- Entertainment (DJ, keyboard rental, amplifiers).
- Stipends (*one time payment to an individual for specific duties*) were questioned.
- Food.
- Large gifts and rewards.
- Expenditures for a membership driven organizations.
- Certain field trips.

# Enhanced Fiscal Monitoring: Title I Parent Involvement # 10

## *Requisitions, Purchase Orders, and/or Requests for Payment*

- Purchase Orders for items did not always align to the approved budget.
- Purchase Orders were approved for payment that were not allowable, reasonable and necessary, and/or supplanting.
- Request for Payment (stipend) did not provide enough details in the support/background documentation.

# Enhanced Fiscal Monitoring: Title I Parent Involvement # 11

## ***Internal Controls***

- Varies from system to system.
- Not all Title I Coordinators signed-off on spending requests.
- If the Title I Office or another Program Dept. signed off on spending requests, the Finance/Grants Office assumes that expenditures are allowable and meets all federal programmatic and fiscal requirements.
- Not all LEAs implement internal controls to ensure full programmatic and fiscal compliance (*checks and balances*).



# Enhanced Fiscal Monitoring: Title I Parent Involvement

## ***Questions and Answers***



# Enhanced Fiscal Monitoring: Title I Parent Involvement

## ***What's Next?***

**MSDE will select an  
additional Title I area as  
part of its 2012-2013  
Title I, Part A Program  
Review Onsite Monitoring.**

# Enhanced Fiscal Monitoring:

## Title I Parent Involvement

### ***Final Thought...***

**Implement and adhere to specific internal controls within your LEA to ensure all expenditures meet federal programmatic and fiscal requirements because one never knows who will be looking and when....**