

Department of
Public Instruction
BISMARCK, NORTH DAKOTA

Audit Report

For the Biennium Ended
June 30, 2017

Joshua C. Gallion
State Auditor

Office of the State Auditor
Division of State Audit

Office of the State Auditor

Department of Public Instruction

Report Highlights

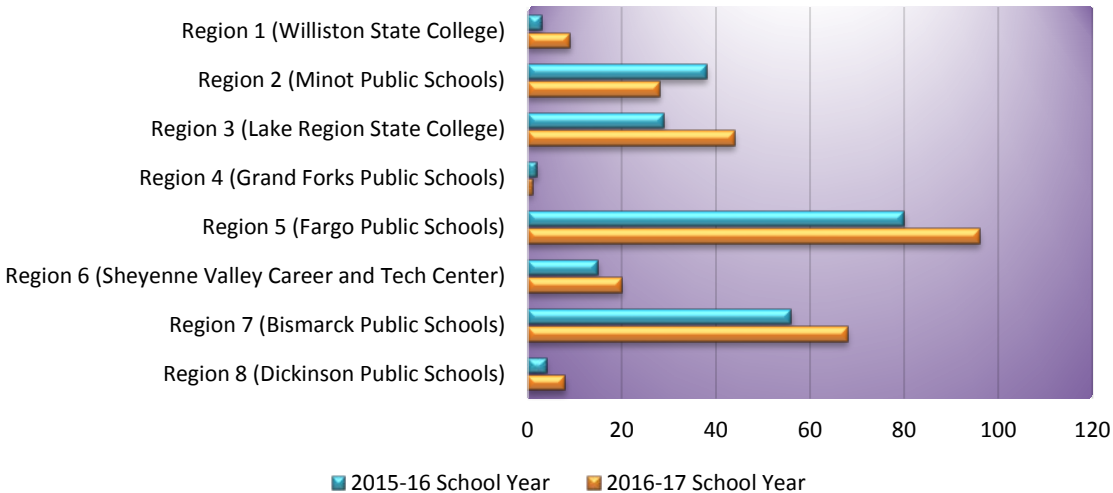
Financials and Internal Control: We evaluated and tested high-risk areas of internal control. We did not note any deficiencies that are required to be brought to the attention to those charged with governance.

Legislative intent: We evaluated and tested high-risk areas including the proper use of special funds and appropriation laws.

- The Department of Public Instruction had expenditures for the "Grants - Other Grants" line item in excess of legislative appropriations by at least \$378,932.

Operations: Through the Displaced Homemaker Program, the Department of Public Instruction has directed funding to adult learning centers to provide counseling and guidance, job readiness training, and other services to displaced homemakers. The number of students served in each region for the Displaced Homemaker Program are shown in the graph below.

Displaced Homemaker Program Students Served



Source: Department of Public Instruction records

**LEGISLATIVE AUDIT AND FISCAL REVIEW
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Mike Nathe
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Senators

**Dwight Cook
Judy Lee
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AUDITOR AND AGENCY PERSONNEL

State Auditor Personnel

**Cindi Pedersen, CPA, Audit Manager
Kevin Scherbenske, CPA, In-Charge
Megan Reis, Auditor
Amanda Westlake, Auditor**

Department of Public Instruction Contacts

**Kirsten Baesler, State Superintendent
Jamie Mertz, Business Manager**

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STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVENUE – DEPT 117
BISMARCK, NORTH DAKOTA 58505

Transmittal Letter

December 14, 2017

The Honorable Doug Burgum, Governor
Members of the North Dakota Legislative Assembly
The Honorable Kirsten Baesler, Superintendent, Department of Public Instruction

We are pleased to submit this audit of the Department of Public Instruction for the biennium ended June 30, 2017. This audit resulted from the statutory responsibility of the State Auditor to audit or review each state agency once every two years. The same statute gives the State Auditor the responsibility to determine the contents of these audits.

In determining the contents of the audits of state agencies, the primary consideration was to determine how we could best serve the citizens of the state of North Dakota. Naturally, we determined financial accountability should play an important part of these audits. Additionally, operational accountability is addressed whenever possible to increase efficiency and effectiveness of state government.

Cindi Pedersen, CPA, was the audit manager. Inquiries or comments relating to this audit may be directed to the audit manager by calling (701) 328-2241. We wish to express our appreciation to Ms. Baesler and her staff for the courtesy, cooperation, and assistance they provided to us during this audit.

Respectfully submitted,

/S/

Joshua C. Gallion
State Auditor

Executive Summary

Introduction

The North Dakota Department of Public Instruction (Department) is required to enforce all state statutes and federal regulations pertaining to the establishment and maintenance of public schools and related programs, and supervise the North Dakota School for the Deaf, Blind/Vision Services, and the State Library. The Department is to operate efficiently and effectively, expand the delivery options that increase education opportunities for all North Dakota citizens, evaluate and communicate education policy and vision to all North Dakota citizens, and serve as an advocate for adequate financial resources to support public education.

The Legislative Audit and Fiscal Review Committee (LAFRC) requests that certain items be addressed by auditors performing audits of state agencies. Those items and the Office of the State Auditor's responses are noted below.

Responses to LAFRC Audit Questions

1. What type of opinion was issued on the financial statements?

Financial statements were not prepared by the Department of Public Instruction in accordance with generally accepted accounting principles, so an opinion is not applicable. The agency's transactions were tested and included in the state's basic financial statements on which an unmodified opinion was issued.

2. Was there compliance with statutes, laws, rules, and regulations under which the agency was created and is functioning?

Other than our finding addressing "noncompliance with appropriation laws" (page 13), the Department of Public Instruction was in compliance with significant statutes, laws, rules, and regulations under which it was created and is functioning.

3. Was internal control adequate and functioning effectively?

Yes.

4. Were there any indications of lack of efficiency in financial operations and management of the agency?

No.

5. Has action been taken on findings and recommendations included in prior audit reports?

There were no recommendations included in the prior audit report.

6. Was a management letter issued? If so, provide a summary below, including any recommendations and the management responses.

Yes, a management letter was issued and is included on page 16 of this report, along with management's response.

LAFRC Audit Communications

7. *Identify any significant changes in accounting policies, any management conflicts of interest, any contingent liabilities, or any significant unusual transactions.*

There were no significant changes in accounting policies, management conflicts of interest, contingent liabilities, or significant unusual transactions identified.

8. *Identify any significant accounting estimates, the process used by management to formulate the accounting estimates, and the basis for the auditor's conclusions regarding the reasonableness of those estimates.*

The Department of Public Instruction's financial statements do not include any significant accounting estimates.

9. *Identify any significant audit adjustments.*

Significant audit adjustments were not necessary.

10. *Identify any disagreements with management, whether or not resolved to the auditor's satisfaction relating to a financial accounting, reporting, or auditing matter that could be significant to the financial statements.*

None.

11. *Identify any serious difficulties encountered in performing the audit.*

None.

12. *Identify any major issues discussed with management prior to retention.*

This is not applicable for audits conducted by the Office of the State Auditor.

13. *Identify any management consultations with other accountants about auditing and accounting matters.*

None.

14. *Identify any high-risk information technology systems critical to operations based on the auditor's overall assessment of the importance of the system to the agency and its mission, or whether any exceptions identified in the six audit report questions to be addressed by the auditors are directly related to the operations of an information technology system.*

ConnectND Finance, Human Resource Management System (HRMS), the State Automated Reporting System including Foundation Aid Payment System module, and the NDFoods program are high-risk information technology systems critical to the Department of Public Instruction.

Audit Objectives, Scope, and Methodology

Audit Objectives

The objectives of this audit of the Department of Public Instruction for the biennium ended June 30, 2017 were to provide reliable, audited financial statements and to answer the following questions:

1. What are the highest risk areas of the Department of Public Instruction's operations and is internal control adequate in these areas?
2. What are the significant and high-risk areas of legislative intent applicable to the Department of Public Instruction and are they in compliance with these laws?
3. Are there areas of the Department of Public Instruction's operations where we can help to improve efficiency or effectiveness?

Audit Scope

This audit of the Department of Public Instruction is for the biennium ended June 30, 2017. We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Department of Public Instruction has operations in the following locations. Each location was included in the audit scope:

- Central Office (State Capitol).
- North Dakota Vision Services/School for the Blind (Grand Forks)
- North Dakota School for the Deaf (Devils Lake)
- North Dakota State Library (Bismarck)

Audit Methodology

To meet the objectives outlined above, we:

- Prepared financial statements from the legal balances on the state's accounting system tested as part of this audit and the audit of the state's Comprehensive Annual Financial Report.
- Performed detailed analytical procedures including computer-assisted auditing techniques. These procedures were used to identify high-risk transactions and potential problem areas for additional testing.
- Tested internal control and compliance with laws and regulations which included selecting representative samples to determine if controls were operating effectively and to determine if laws were being followed consistently. Non-statistical sampling was used and the results were projected to the population. Where applicable, populations were stratified to ensure that particular groups within a population were adequately represented in the

- sample, and to improve efficiency by gaining greater control on the composition of the sample.
- Interviewed appropriate agency personnel.
 - Reviewed applicable chapters of North Dakota Century Code as well as the 2015 and 2017 Session Laws
 - Queried the ConnectND (PeopleSoft) system. Significant evidence was obtained from ConnectND.
 - Observed Department of Public Instruction's processes and procedures.
 - Tested significant internal controls related to the NDFoods computer system.
 - Tested significant internal controls related to the Foundation Aid Program.

In aggregate, there were no significant limitations or uncertainties related to our overall assessment of the sufficiency and appropriateness of audit evidence.

Financial Statements

Statement of Revenues and Expenditures

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
<u>Revenues and Other Sources:</u>		
Federal Revenue	\$ 143,138,703	\$ 135,738,500
Commodity Food Processing	389,319	738,369
Rents	321,331	263,826
Conference Registration Fees	224,375	119,997
Other Revenue	332,853	265,402
Transfers In	153,836,289	183,297,313
Total Revenues and Other Sources	<u>\$ 298,242,870</u>	<u>\$ 320,423,407</u>
<u>Expenditures and Other Uses:</u>		
Grants	\$1,137,318,568	\$1,099,167,843
Salaries and Benefits	15,739,766	15,364,559
Professional Services	6,151,032	5,548,088
IT Contractual Services and Repairs	1,545,997	1,673,071
Data Processing/Telecommunications	1,129,393	1,021,727
Operating Fees and Services	978,934	782,381
Travel	926,802	790,778
Supplies	712,891	1,157,096
Repairs and Maintenance	481,899	323,625
Professional Development	345,781	229,063
Lease of Space	256,802	215,068
Lease/Purchase of Equipment	250,966	220,611
Printing/Postage	194,800	146,281
Utilities	175,580	188,299
Other Operating Expenses	365,804	364,406
Transfers Out	4,240,672	3,801,403
Total Expenditures and Other Uses	<u>\$1,170,815,687</u>	<u>\$1,130,994,299</u>

Statement of Appropriations (Department of Public Instruction)

For the Biennium Ended June 30, 2017

Expenditures by Line Item:	<u>Original Appropriation</u>	<u>Adjustments</u>	<u>Final Appropriation</u>	<u>Expenditures</u>	<u>Unexpended Appropriation</u>
Salaries and Benefits	\$ 18,280,006	\$ 2,064	\$ 18,282,070	\$ 15,929,441	\$ 2,352,629
Operating Expenses	30,828,192	218,880	31,047,072	20,485,541	10,561,531
Integrated Formula Payments	1,916,640,000	295,371	1,916,935,371	1,884,531,020	32,404,351
Grants – Special Education	17,300,000	1,200,000	18,500,000	18,500,000	0
School District Safety Grants		849,130	849,130	604,265	244,865
Grants - Transportation	57,000,000	107,256	57,107,256	57,107,256	0
Grants – Other Grants	268,617,227	(644,500)	267,972,727	268,351,659	(378,932)
Rapid Enrollment Grants	14,800,000	(2,295,471)	12,504,529	8,754,680	3,749,849
Power School Transportation	6,000,000		6,000,000	4,899,399	1,100,601
Efficiency	30,000		30,000	5,062	24,938
National Board Certification	120,000		120,000	38,500	81,500
Totals	<u>\$ 2,329,615,425</u>	<u>\$ (267,270)</u>	<u>\$2,329,348,155</u>	<u>\$2,279,206,823</u>	<u>\$ 50,141,332</u>
Expenditures by Source:					
General Fund	\$ 1,820,982,952	\$(116,820,563)	\$1,704,162,389	\$1,666,352,818	\$ 37,809,571
Other Funds	508,632,473	116,553,293	625,185,766	612,854,005	12,331,761
Totals	<u>\$ 2,329,615,425</u>	<u>\$ (267,270)</u>	<u>\$2,329,348,155</u>	<u>\$2,279,206,823</u>	<u>\$50,141,332</u>

Expenditures without Appropriations of Specific Amounts:

The Statewide Conference Fund is nonappropriated in accordance with OMB Policy 211 (\$268,780 of expenditures this biennium).

Insurance recoveries has a continuing appropriation authorized by NDCC section 54-44.1-09.1 (\$1,427 of expenditures for this biennium).

Revolving Printing Fund has a continuing appropriation authorized by NDCC section 15.1-03-03 (\$3,332 of expenditures during the biennium).

Statement of Appropriations (State Library)

For the Biennium Ended June 30, 2017

Expenditures by Line Item:	<u>Original Appropriation</u>	<u>Adjustments</u>	<u>Final Appropriation</u>	<u>Expenditures</u>	<u>Unexpended Appropriation</u>
Salaries and Benefits	\$ 4,007,839	\$ 12,000	\$ 4,019,839	\$ 3,912,413	\$ 107,426
Operating Expenses	1,665,393	48,000	1,713,393	1,322,964	390,429
Grants	3,095,500	(60,000)	3,035,500	2,922,128	113,372
Totals	<u>\$ 8,768,732</u>	<u>\$ 0</u>	<u>\$ 8,768,732</u>	<u>\$ 8,157,505</u>	<u>\$ 611,227</u>
Expenditures by Source:					
General Fund	\$ 6,329,981		\$ 6,329,981	\$ 6,216,264	\$ 113,717
Other Funds	2,438,751		2,438,751	1,941,241	497,510
Totals	<u>\$ 8,768,732</u>	<u>\$ 0</u>	<u>\$ 8,768,732</u>	<u>\$ 8,157,505</u>	<u>\$ 611,227</u>

Expenditures without Appropriations of Specific Amounts:

The Statewide Conference Fund is nonappropriated in accordance with OMB Policy 211 (\$8,198 of expenditures this biennium).

Statement of Appropriations (School for the Deaf)

For the Biennium Ended June 30, 2017

Expenditures by Line Item:	<u>Original Appropriation</u>	<u>Adjustments</u>	<u>Final Appropriation</u>	<u>Expenditures</u>	<u>Unexpended Appropriation</u>
Salaries and Benefits	\$ 7,291,854		\$ 7,291,854	\$ 6,840,535	\$ 451,319
Operating Expenses	1,925,163		1,925,163	1,586,259	338,904
Capital Assets	827,174		827,174	768,532	58,642
Construction Carryover		\$ 74,511	74,511	74,511	0
Grants	186,900	149,726	336,626	127,511	209,115
Totals	<u>\$ 10,231,091</u>	<u>\$ 224,237</u>	<u>\$ 10,455,328</u>	<u>\$ 9,397,348</u>	<u>\$ 1,057,980</u>
Expenditures by Source:					
General Fund	\$ 8,541,881	\$ 149,726	\$ 8,691,607	\$ 8,414,282	\$ 277,325
Other Funds	1,689,210	74,511	1,763,721	983,066	780,655
Totals	<u>\$ 10,231,091</u>	<u>\$ 224,237</u>	<u>\$ 10,455,328</u>	<u>\$ 9,397,348</u>	<u>\$ 1,057,980</u>

Expenditures without Appropriations of Specific Amounts:

The Statewide Conference Fund is nonappropriated in accordance with OMB Policy 211 (\$10,550 of expenditures this biennium).

Statement of Appropriations (School for the Blind)

For the Biennium Ended June 30, 2017

Expenditures by Line Item:	<u>Original Appropriation</u>	<u>Adjustments</u>	<u>Final Appropriation</u>	<u>Expenditures</u>	<u>Unexpended Appropriation</u>
Salaries and Benefits	\$ 4,554,349	\$ 5,040	\$ 4,559,389	\$ 4,419,406	\$ 139,983
Operating Expenses	762,669		762,669	675,418	87,251
Capital Improvements	56,954		56,954	56,663	291
Totals	<u>\$ 5,373,972</u>	<u>\$ 5,040</u>	<u>\$ 5,379,012</u>	<u>\$ 5,151,487</u>	<u>\$ 227,525</u>
Expenditures by Source:					
General Fund	\$ 4,748,647	\$ 5,040	\$ 4,753,687	\$ 4,753,623	\$ 64
Other Funds	625,325		625,325	397,864	227,461
Totals	<u>\$ 5,373,972</u>	<u>\$ 5,040</u>	<u>\$ 5,379,012</u>	<u>\$ 5,151,487</u>	<u>\$ 227,525</u>

Expenditures without Appropriations of Specific Amounts:

Visual Aids, Devices, and Appliance Fund has a continuing appropriation authorized by NDCC section 25-06-10 (\$17,294 of expenditures during the biennium).

Internal Control

In our audit for the biennium ended June 30, 2017, we identified the following areas of the Department of Public Instruction's internal control as being the highest risk:

Internal Controls Subjected to Testing:

- Controls surrounding the processing of revenues.
- Controls surrounding the processing of expenditures.
- Controls surrounding the processing of payroll.
- Controls effecting the safeguarding of assets.
- Controls relating to compliance with legislative intent.
- Controls surrounding the ConnectND (PeopleSoft) system.
- Controls surrounding the ND Foods computer system.
- Controls surrounding the State Automated Reporting System including the Foundation Aid Payment System module.
- Controls surrounding the Homeless Child and Displaced Homemaker grants.

The criteria used to evaluate internal control is published in the publication *Standards for Internal Control in the Federal Government* issued by the Comptroller General of the United States (Green Book, GAO-14-704G). Agency management must establish and maintain effective internal control in accordance with policy of the Office of Management and Budget (OMB Policy 216).

We gained an understanding of internal control surrounding these areas and concluded as to the adequacy of their design. We also tested the operating effectiveness of those controls we considered necessary based on our assessment of audit risk. We concluded internal control was adequate.

Auditors are required to report deficiencies in internal control that are significant within the context of the objectives of the audit. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect: misstatements in financial or performance information, violations of laws and regulations or impairments of effectiveness or efficiency of operations, on a timely basis. Considering both qualitative and quantitative factors, we did not identify any significant deficiencies in internal control. However, we noted other matters involving internal control that we have reported to management of the Department of Public Instruction in a management letter dated December 14, 2017.

Compliance with Legislative Intent

In our audit for the biennium ended June 30, 2017, we identified and tested Department of Public Instruction's compliance with legislative intent for the following areas we determined to be significant and of higher risk of noncompliance:

- Provide up to \$14,800,000 of grant funds for providing rapid enrollment grants to eligible school districts (2015 North Dakota Session, Senate Bill 2013, section 8).
- Provide up to \$150,000 of grant funds for providing continuing education grants up to \$1,200 per recipient (2015 North Dakota Session, Senate Bill 2013, section 9).
- Provide up to \$450,000 of grant funds for providing cardiopulmonary resuscitation training grants for training made available to students at both the high school and middle school levels (2015 North Dakota Session, Senate Bill 2013, section 10).
- Proper use of the following legally restricted funds:
 - Displaced Homemakers fund.
 - Revolving Printing fund.
 - State Tuition fund.
 - Visual Aids, Devices, and Appliance fund.
 - School for the Deaf fund.
 - School for the Blind fund.
 - Library Commission fund.
 - National Board Certification fund.
- Compliance with appropriations and related transfers (2015 North Dakota Session Laws, Senate Bill 2013).
- Compliance with OMB's Purchasing Procedures Manual.
- Travel-related expenditures are made in accordance with OMB policy and state statute.
- Compliance with payroll-related laws including statutory salaries for applicable elected positions and certification of payroll.
- Proper use of outside bank accounts, petty cash funds and proper authority for investments outside the Bank of North Dakota.
- Adequate blanket bond coverage of employees (NDCC section 26.1-21-08).
- Compliance with fixed asset requirements including record-keeping, surplus property, annual inventory and lease analysis requirements.

The criteria used to evaluate legislative intent are the laws as published in the *North Dakota Century Code* and the *North Dakota Session Laws*.

Government Auditing Standards requires auditors to report all instances of fraud and illegal acts unless they are inconsequential within the context of the audit objectives. Further, auditors are required to report significant violations of provisions of contracts or grant agreements, and significant abuse that has occurred or is likely to have occurred.

The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards*. The finding is described below. Other than this finding, we concluded there was compliance with the legislative intent identified above. We also noted

certain inconsequential instances of noncompliance that we have reported to management of the Department of Public Instruction in a management letter dated December 14, 2017.

Noncompliance with Appropriation Laws (Finding 17-1)

Condition:

The Department of Public Instruction had expenditures for the "Grants - Other Grants" line in excess of legislative appropriations by at least \$378,932.

Criteria:

NDCC 54-44.1-09 states that all expenditures of the state and of its budget units of moneys drawn from the state treasury must be made under authority of biennial appropriations acts, which must be based upon a budget as provided by law, and no money may be drawn from the treasury, except by appropriation made by law as required by section 12 of article X of the Constitution of North Dakota.

Senate Bill 2013 of the 2015 Session Laws is the appropriation bill for the Department of Public Instruction.

Cause:

The Department of Public Instruction failed to ensure grant expenditures remained within amounts appropriated by the Legislature.

Effect or Potential Effect:

Violation of state law.

Recommendation:

We recommend that the Department of Public Instruction ensure spending remains within the amounts appropriated by the Legislature.

Department of Public Instruction Response:

DPI agrees with finding 17-1. The Grants – Other Grants amount in our 15-17 appropriation was not large enough to cover the federal grant requests to our grantees. We are required to pay these grant requests when received. In late July 2017, we had reached our 15-17 appropriation amount for federal grants and began to pay school districts out of our 17-19 appropriation. We have increased our federal grants appropriation in the 17-19 biennium and this will be sufficient to cover all anticipated grant requests.

Operations

Our audit of the Department of Public Instruction included reviewing operations surrounding the Displaced Homemaker Program and Homeless Child Program.

Displaced Homemaker Program

Background

Displaced Homemakers are persons who find themselves 'displaced' through separation, divorce, death or disability of spouse, or other loss of support. Adult Learning Centers are able to provide academic support, career and college guidance and services for displaced homemakers so they may enjoy independence and economic security.

Our audit of the Department of Public Instruction Displaced Homemaker grant program procedures was designed and conducted to meet the following objectives:

- Are policies and procedures in place to ensure that necessary information is adequately conveyed to the grantee?
- Were performance measures properly developed?
- Has a process been developed that ensures the integrity and validity of the selection process?
- Do grant requirements, including such items as grant contract, work plans, and/or status and financial reports facilitate accountability?
- Do monitoring efforts validate financial status, outputs/outcomes, results and continued compliance with grant provisions?
- Does management compile data/information from the grant program operations to be able to assess program performance versus expectations?

We did not identify any significant issues related to the objectives noted above and all objectives were met. However, we did note a certain matter involving operations that we have reported to management of the Department of Public Instruction in a management letter dated December 14, 2017.

Homeless Child Program

Background

The educational program for Homeless Children and Youth provides funding to local educational agencies, shelters, and other organizations that provide services to homeless children and youth in North Dakota. The program's goal is to provide activities and services to homeless children and youth that enable them to enroll in, attend, and succeed in school. Homeless children and youth have the right to have access to the same free and appropriate public education as other children and youth.

Our audit of the Department of Public Instruction Homeless Child grant program procedures was designed and conducted to meet the following objectives:

- Are policies and procedures in place to ensure that necessary information is adequately conveyed to the grantee?
- Were performance measures properly developed?
- Has a process been developed that ensures the integrity and validity of the selection process?
- Do grant requirements, including such items as grant contract, work plans, and/or status and financial reports facilitate accountability?
- Do monitoring efforts validate financial status, outputs/outcomes, results and continued compliance with grant provisions?
- Does management compile data/information from the grant program operations to be able to assess program performance versus expectations?

We did not identify any significant issues related to the objectives noted above and all objectives were met. However, we did note a certain matter involving operations that we have reported to management of the Department of Public Instruction in a management letter dated December 14, 2017.

Management Letter (Informal Recommendations)

December 14, 2017

The Honorable Kirsten Baesler, Superintendent
Department of Public Instruction
State Capitol
600 E Boulevard Avenue
Bismarck, ND 58505

Dear Ms. Baesler:

We have performed an audit of the Department of Public Instruction for the biennium ended June 30, 2017, and have issued a report thereon. As part of our audit, we gained an understanding of the Department of Public Instruction's internal control structure to the extent we considered necessary to achieve our audit objectives. We also performed tests of compliance as described in the same report.

Our audit procedures are designed primarily to enable us to report on our objectives including those related to internal control and compliance with laws and regulations and may not bring to light all weaknesses in systems and procedures or noncompliance with laws and regulations which may exist. We aim, however, to use our knowledge of your organization gained during our work to make comments and suggestions which we hope will be useful to you.

In connection with the audit, gaining an understanding of the internal control structure, and tests of compliance with laws and regulations referred to above, we noted certain conditions we did not consider reportable within the context of your audit report. These conditions relate to areas of general business practice or control issues that have no significant bearing on the administration of federal funds. We do, however, want to present our recommendations to you for your consideration and whatever follow-up action you consider appropriate. During the next audit we will determine if these recommendations have been implemented, and if not, we will reconsider their status.

The following present our informal recommendations.

LEGISLATIVE INTENT

Informal Recommendation 17-1: We recommend the Department of Public Instruction follow State procurement policies when applicable.

GRANT REVIEWS

Informal Recommendation 17-2: We recommend the Department of Public Instruction require grantees of the Homeless Child Grant Program to submit progress or final reports to measure how they are progressing with their proposed objectives.

Informal Recommendation 17-3: We recommend that the Department of Public Instruction develop documented policies and procedures regarding their Displaced Homemakers grant program.

Management of Department of Public Instruction agreed with these recommendations.

I encourage you to call me at 328-2241 if you have any questions about the implementation of recommendations included in your audit report or this letter.

Sincerely,

Cindi Pedersen, CPA

Cindi Pedersen, CPA
Audit Manager

You may obtain audit reports on the internet at:

www.nd.gov/auditor

or by contacting the Office of the State Auditor

at:

Email: ndsao@nd.gov

Phone: (701) 328-2241

Office of the State Auditor

600 East Boulevard Avenue – Department 117

Bismarck, ND 58505-0060