

July 19, 2023

Vasanne S. Tinsley, Ed.D.
Interim Superintendent
DeKalb County Board of Education
1701 Mountain Industrial Boulevard
Stone Mountain, Georgia 30083

Subject: Audit Report - Year Ending June 30, 2022

Dear Dr. Tinsley:

The Financial Review Section of the Georgia Department of Education has the responsibility to follow-up and close audit reports which show findings and improper or questioned costs, as shown in the above-mentioned audit report, for funds (state and/or federal) disbursed by this Department.

Indirect Cost Rate Calculation

Federal guidelines require the indirect cost rate to be calculated with final, audited expenditure data. Please complete the attached worksheet, including all adjustments posted to the DE 46 by either the school system or auditors. Disaggregate the adjustments by fund, function, and object. The worksheet will need to be submitted even if your school system does not currently recover indirect costs, as the FY 2022 expenditures are needed for future rate calculations. Failure to provide the requested information could restrict your system from participating in indirect cost recovery in future fiscal years. Please return the worksheet via email within 30 days to Jasmine Williams, jasmine.williams@doe.k12.ga.us.

Clearance of Audit Report

As described in Section II and Section III, Financial Statement Findings and Questioned Costs and Federal Award Findings and Questioned Costs, which addresses the audit findings in the above-mentioned Audit Report, our comments on each finding, by audit control number, are as follows:

FS 2022-001

Strengthen Oversight of the Information System Conversion

Your Corrective Action Plan states the district is developing corrective action plans to strengthen oversight of the Munis conversion from Legacy. This finding should show resolution as of Fiscal Year 2024.

FS 2022-002

Strengthen Information Technology General Controls

Your Corrective Action Plan states the district is developing corrective action plans to strengthen Information Technology internal controls, policies, and procedures and ensure adherence through improved monitoring. This finding should show resolution as of Fiscal Year 2024.

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Richard Woods, Georgia's School Superintendent

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FS 2022-003Internal Control Procedures

Your Corrective Action Plan states that you currently developing a detail plan to strengthen Finance internal controls, policies, and procedures relative to this finding. With the full implementation of this plan, this finding should show resolution as of Fiscal Year 2024.

FS 2022-004Strengthen Controls over Employee Compensation

Your Corrective Action Plan states that you currently developing a detail plan to strengthen internal control controls, policies, and procedures relative to this finding. With the full implementation of this plan, this finding should show resolution as of Fiscal Year 2024.

FA 2022-001Improve Budgetary Controls over Expenditures

This finding is pending review by the Federal Programs Division of the Georgia Department of Education to determine if a refund is appropriate.

FA 2022-002Improve Controls over Indirect Costs

This finding is pending review by the Federal Programs Division of the Georgia Department of Education to determine if a refund is appropriate.

FA 2022-003Improve Controls over Equipment

This finding is pending review by the Federal Programs Division of the Georgia Department of Education.

Thank you for your cooperation during the audit resolution process. Our file on this audit report is pending resolution of finding FA-2022-001, FA 2022-002, and FA 2022-003.

Moderate Risk Designation

Per Official Code of Georgia Annotated Section 20-2-67 (as amended per Senate Bill 68 during the 2020 legislative session), the Department of Audits and Accounts (DOAA) is required to designate a risk level for each school system. Those school systems with irregularities or budget deficits reported for three or more consecutive years are classified as high-risk. School systems with irregularities or budget deficits reported for one or two consecutive years are classified as moderate risk. Based on the Audit Committee Letter dated June 29, 2023, DeKalb County Board of Education has been designated as moderate risk. With that designation, the superintendent is required to submit to the State Board of Education, within 120 days of the date of the Audit Committee Letter, a detailed corrective action plan regarding the risk status. The corrective action plan should include specific changes to the internal control structure of the school system that are designed to reduce the risk status of the district from moderate risk. Please note this corrective action plan is separate from the corrective action you may have submitted as part of the audit process. The corrective action plan should be presented to the local board of education in a regular meeting and signed by each board member. After local

board approval, please submit the signed corrective action plan via email to Jasmine Williams, jasmine.williams@doe.k12.ga.us. The designation by the Department of Audits and Accounts is based on the following findings:

FS 2022-001 Strengthen Oversight of the Information System Conversion

FS 2022-002 Strengthen Information Technology General Controls

FS 2022-003 Internal Control Procedures

FS 2022-004 Strengthen Controls over Employee Compensation

FA 2022-001 Improve Budgetary Controls over Expenditures

FA 2022-002 Improve Controls over Indirect Costs

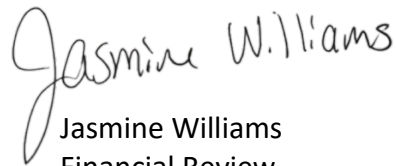
FA 2022-003 Improve Controls over Equipment

And the related prior year findings

Additionally, as the Superintendent, you are required to attend financial management and financial governance training, pursuant to Office Code of Georgia Annotated Section 20-2-109 (as amended per Senate Bill 68 during the 2020 legislative session). You will be notified of the available training dates when set.

Lastly, the Office of Student Achievement is also notified of the DOAA-designated risk status.

Sincerely,



Jasmine Williams
Financial Review

cc: Bryon Schueneman, Chief Financial Officer
Stacey Lutz, Office of Student Achievement