



Internal Audit Department

AUDIT REPORT

Career, Technical, and Agricultural Education (CTAE) Audit

Project Number: 2024-HS-TECH

Report Date: November 2024

To: Office of the Superintendent

Auditors:

Tisha Smoots, Internal Auditor II

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Audit Report

Division: DeKalb County School District Superintendent Office

Audit Period: 2021-2023

Location:

DeKalb County School District
1701 Mountain Industrial Boulevard
Stone Mountain, Georgia 30083

Administrator:
Superintendent of Schools: Dr. Devon Q Horton

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PRE-AUDIT PLANNING:

Background:

Career, Technical, and Agricultural Education (CTAE) is preparing Georgia's students for their next steps after high school. Georgia CTAE pathway course offerings, and the new Educating Georgia's Future Workforce initiative, leverage partnerships with industry and higher education to ensure students have the skills they need to thrive in the future workforce. Georgia's CTAE program is supported by federal funding through the Carl D. Perkins Career and Technical Education Improvement Act and state and local funding. Dekalb County School District Career Technical and Agricultural Education Program (CTAE) integrates core academic knowledge with technical and occupation skills to prepare students for post-secondary education and the workforce.

The state of Georgia has identified 130 career pathways and 17 Career Clusters that are structured to prepare students for Georgia's workforce. Georgia's 17 Career Cluster Model represents multiple pathways, which guides students to success for college preparation and career development. These courses expose students to career pathways, teach them employability skills, and enter the workforce, a university, a technical college, military service, or a registered apprenticeship. The curriculum for each above cluster is based on a set of common knowledge, skills and abilities which prepares students for various opportunities. These opportunities include but are not limited to advanced curriculum, dual enrollment, Work-based Learning, career awareness, career development and employability skills. The approved program of study career cluster pathways are listed below:

Agriculture, Food & Natural Resources	Finance
Architecture & Construction	Science, Technology Engineering & Mathematics
Arts, A/V Technology & Communications	Hospitality & Tourism
Business Management & Administration	Government & Public Administration
Education & Training	Manufacturing
Information Technology	Law, Public Safety Corrections & Security
Energy	Transportation, Distribution, & Logistics
Human Services	Marketing
Health Science	

The vision of the DCSD CTAE program is as follows: *"We believe that all students can and should be equipped to pursue a meaningful career, strengthen their community, and drive economic prosperity."* The mission of the program is: *"In pursuit of this vision, we will collaborate with*

industry and community partners to provide high-quality educational experiences for students to prepare them for workplace success.”

The program goals:

- To prepare DeKalb County Schools’ students to compete in a global and technological society
- To prepare students to enter and meet the needs of a high demand and high skilled workforce
- To prepare students for post-secondary options without the need for remediation
- To prepare students to become self-directed and lifelong learners
- To develop socially conscious students
- To expose elementary and middle grade students to career awareness

The DCSD School’s Career Clusters allow students to choose an area of interest from the 17 career clusters available. Students take classes tailored to the chosen cluster, which helps them navigate their way to success, no matter what they choose to do after high school graduation. The aim of the program is to show students the relevance of what they’re learning in the classroom, whether they want to attend a two-year college, a four-year university or go straight into the world of work. Students will begin to learn about potential careers in elementary and middle school so that they are ready to choose a pathway once they reach high school.

Schools & Pathway Offerings for Dekalb Technology South

- Audio Video Technology & Film
- Auto Maintenance
- Barbering
- Cosmetology
- Law and Justice
- Manufacturing
- Patient Care
- Teaching as a Profession
- Welding
- Work-Based Learning

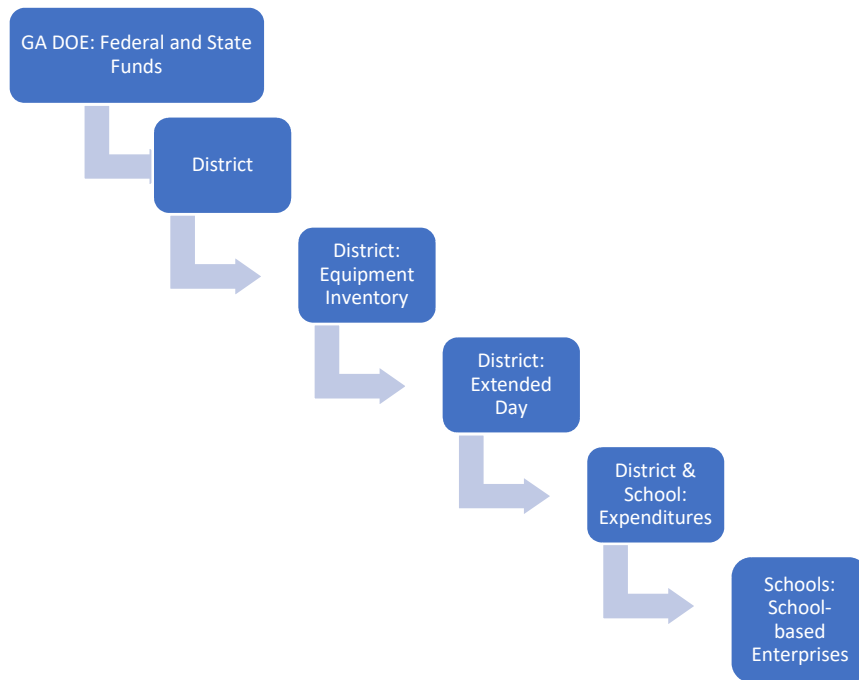
The Career & Technical Student Organizations at Dekalb Technology South:

- FBLA (Business & Computer Science – Future Business Leaders of America)
- HOSA (Health Science – Health Occupations Student Association)
- SkillsUSA (Trade & Industry)
- TSA (Engineering – Technology Student Association)
- VEX Robotic

AUDIT SUMMARY:

Scope of Work:

This audit was conducted to provide school leadership with information concerning DCSD Career, Technical, and Agricultural Education (CTAE) program. This report will detail the processes as it relates to CTAE funding and expenditures. The scope areas for this audit includes the review of CTAE federal and state funds; equipment inventory; expenditures; extended day; and school-based enterprises.



Scope Area 1: Career, Technical, and Agricultural Education (CTAE)

Funding

Objective 1. Identify all sources of CTAE funding, the related application process and receipt of the funds within MUNIS. [Low Risk]

Internal Audits interviewed Ms. Gunter, Director of CTAE and Ms. Stepney, Chief Academic Officer to gain an understanding of DCSD Career Technical, and Agricultural Education (CTAE) Program. The Perkins Federal Grant received is used to develop, coordinate, implement or improve the CTAE Programs. The Director of CTAE supervises the middle and high school career and technical education (CTAE) programs and ensures all Federal grant requirements are met and maintained. The CTAE programs are primarily funded by Local Funds and Federal Perkins Grant Funds. The Perkins Funds are awarded annually by submitting a Georgia DOE Consolidation Application. Recently, DCSD was awarded a grant through the Georgia Foundation for Public Education. The CTAE Program is offered at the 19 middle schools and 25 high schools in the DeKalb County School District.

MIDDLE SCHOOLS		
BETHUNE MIDDLE SCHOOL	FREEDOM MIDDLE SCHOOL	SALEM MIDDLE SCHOOL
CEDAR GROVE MIDDLE SCHOOL	HENDERSON MIDDLE SCHOOL	SEQUOYAH MIDDLE SCHOOL
CHAMBLEE MIDDLE SCHOOL	LITHONIA MIDDLE SCHOOL	STEPHENSON MIDDLE SCHOOL
CHAMPION MIDDLE SCHOOL	MCNAIR MIDDLE SCHOOL	STONE MOUNTAIN MIDDLE SCHOOL
CHAPEL HILL MIDDLE SCHOOL	MILLER GROVE MIDDLE SCHOOL	TUCKER MIDDLE SCHOOL
COLUMBIA MIDDLE SCHOOL	PEACHTREE Charter MIDDLE SCHOOL	
DRUID HILLS MIDDLE SCHOOL	REDAN MIDDLE SCHOOL	

HIGH SCHOOLS		
ARABIA MOUNTAIN HIGH SCHOOL	ELIZABETH ANDREWS HS (Non-Cluster)	STONE MOUNTAIN HIGH SCHOOL
CEDAR GROVE HIGH SCHOOL	LAKESIDE HIGH SCHOOL	TOWERS HIGH SCHOOL
CHAMBLEE HIGH SCHOOL	LITHONIA HIGH SCHOOL	TUCKER HIGH SCHOOL
CLARKSTON HIGH SCHOOL	MARTIN LUTHER KING HIGH SCHOOL	WARREN TECH SCHOOL
COLUMBIA HIGH SCHOOL	MCNAIR HIGH SCHOOL	DeKalb School of the Arts
CROSS KEYS HIGH SCHOOL (DHST-North)	MILLER GROVE HIGH SCHOOL	DeKalb Early College Academy (Non-Cluster)
DEKALB HIGH SCHOOL TECH South	REDAN HIGH SCHOOL	DeKalb Alternative (Non-Cluster)
DRUID HILLS HIGH SCHOOL	SOUTHWEST DEKALB HIGH SCHOOL	
DUNWOODY HIGH SCHOOL	STEPHENSON HIGH SCHOOL	

Auditor's Actions:

Documentation reviewed:

- CTAE Middle and High School Pathways.pdf
- Division of Curriculum & Instruction Career Technical and Agricultural Education Standard Operating Procedures Manual: Carl D. Perkins and State CTAE Grants)
- GaDOE Website(www.gadoe.org)
- Consolidated applications pulled from Georgia Department of Education Website (GaDOE)

District Level Employees Interviewed:

- Ms. Stacy Stepney, Chief Academic Officer
- Ms. Doryiane Gunter, CTAE Director

DCSD Funding Process:

The DCSD CTAE Department submits annual the Consolidated Application to Georgia Department of Education (GaDOE) which includes information on what regarding funds will be allocation for and because the state holds the department accountable for the funds. For the budgeting of the Perkins Funds, a clear and detailed description must be provided for each budget entry made on the budget tab of each grant. The product(s) or service(s) that will be purchased must be clearly identified along with the CTAE pathway(s) that will be served.

The DSCD Application review process is conducted at multiple levels and consist of the following:

- The grantee submits the Consolidated Application by May 15th (Sign-off by CTAE Director and Superintendent)
- The GaDOE state staff reviews applications and communicate any adjustments needed between May 15th thru September 30th)
- The amounts awarded for the Perkins Grant are sent to LEAs between July thru August.
- The CTAE Director allocates the funds and submit budgets for the Consolidated Application by September 30th. (Sign-off by CTAE Director and Superintendent)

Receipt of Funds Process:

After the funds are awarded, the CTAE team uses the Consolidated Local Needs Assessment (CLNA) to determine how the funds are allocated. The funds are allocated to support program improvement through lab updates, instructional resources, professional development for staff, and supporting Career Tech Student Organizations (CTSOs).

The CTAE Team works with the C&I Budget Specialist and Finance Team Members to ensure that the funds are posted to the correct account. Once the funds are budgeted and approved for the GADOE Consolidated Application, the DCSD Finance Team creates the budgets and loads the funds for spending. The budget is monitored by the CTAE Accounting Associate and the CTAE Director.

Graph of funds received for audit period:

General Ledger	Description	Yr 2021	Yr 2022	Yr 2023	Yr 2024
438000	Other Grants From Georgia DOE	\$213,764.28	\$444,044.83	\$0.00	\$0.00
445200	Oth Fed Grants Thru GA DOE	\$770,300.38	\$993,680.48	\$0.00	\$0.00
445350	Cares Act-Esser	\$18,012.95	\$11,354.00	\$0.00	\$0.00
3711	Navy JROTC	\$0.00	\$0.00	\$0.00	\$0.00
3811	Air Force JROTC	\$0.00	\$0.00	\$0.00	\$0.00
3911	Army JROTC	\$0.00	\$0.00	\$0.00	\$0.00
38321	Vocational 85% Grant Prog IMP	\$0.00	\$670,848.02	\$0.00	\$0.00
38721	CTAE Supervision	\$62,277.00	\$14,474.00	\$57,333.00	\$57,333.00
42121	CTAE - Industry Certification	\$1,532.06	\$1,212.00	\$0.00	\$13,457.09
59911	Career Tech. - Trade & Industry	\$0.00	\$0.00	\$0.00	\$0.00
65121	CTAE - CTE Extended Day	\$640,929.26	\$222,884.03	\$587,010.54	\$381,059.81
67421	CTAE - Extended Year	\$21,422.19	\$1,285.31	\$2,476.45	\$20,178.00
70821	Perkins IV Carryover	\$134,023.14	\$0.00	\$121,896.00	\$64,071.44
74021	CTAE-AG-Extended Day	\$3,567.42	\$0.00	\$11,563.91	\$3,736.08
74121	CTAE-AG-Extended Year	\$2,029.35	\$3,113.97	\$819.40	\$3,367.00
	Totals	\$1,867,858.03	\$2,362,896.64	\$781,099.30	\$543,202.42

Reconciliation Process:

According to GaDOE FY 24 Budget Guidance for Expending CTAE Grant Funds “*Sec. 211- Fiscal Requirements of the Perkins V Guidelines indicate that “funds made available under this Act for career and technical education activities shall supplement, and shall not supplant, non-Federal funds (local or state funds) expended to carry out career and technical education activities.”*

Ms. Gunter reviews her budget and Perkins funds daily to ensure that they are managing and maintaining the budget. Grant recipients must monitor expenditures to ensure that Perkins funds are not supplanting the general requirements of the Eligible Recipient. This law is designed to ensure that Perkins funds pay for something extra, not the day-to-day operational costs. The reconciliation is performed by Ms. Gunter at the end of the school year.

The auditor traced and vouched the funds awarded to the general ledger accounts in Munis. For instance, the funds awarded were reconciled to GL 38321 Vocational 85% Grant Prog IMP in Munis. Auditor reviewed the related general ledger accounts and the GaDOE – LEA Consolidated Applications to trace and vouched the funds. Auditor verified that all the awarded funds were received and accounted for. The auditor reviewed the following information: the proposal to Board of Education for the Perkins Grant, GaDOE – LEA Consolidated Applications, Grant Award Notification Letter, Budget Rollup spreadsheets for DCSD, and Munis reports for general ledger accounts. To ensure and confirm the funds have been received a completion report is completed at the end of the year and the report shows what funds were drawn back, what funds were spent and what funds that the District will be reimbursed. This reconciliation is performed by Ms. Gunter at the end of the school year. No issues were found for the review of CTAE funding.

The auditor's review of funding confirmed that there are adequate processes and in controls in place to ensure compliance. The auditor's test and procedures confirmed segregation of duties, required signatures and reconciliation processes. No issues were found for the review of funding. The residual risk after consideration of the adequacy and/or effectiveness of controls/risk mitigators is low and thus is within the DCSD risk tolerance.

Scope Area 2: Equipment Inventory

Objective 1: Examine internal controls related to CTAE equipment inventory purchases within MUNIS. [High Risk]

Equipment Inventory Process:

Each school lab maintains an inventory of the equipment and resources. CTAE inventory purchased at the District Level is managed by the CTAE Department Chair and the CTAE Coordinators. CTAE works with DIIT to ensure all technology equipment (Computers, Laptops, Printers, etc.) are added to the asset list and tagged appropriately.

- All the vendors that are used for purchases must have an assigned vendor number and must be active, registered in the DCSD purchasing system and on the DCSD approved vendor list.
- Departments must obtain a quote from the vendor of their choice from the DCSD approved vendor list.
 1. All vendors qualified quotes under \$5,000 must be submitted to CTAE Instructional Coordinator for review. Once the Coordinator has given approval, the quote goes to the CTAE Director for final review and approval. The quote must include the following: item description, quantity, unit cost, school, and teacher's name.
 2. All vendor qualified quotes over \$5,000 must be submitted to CTAE Instructional Coordinator for review. Once the Coordinator has given approval then the quote goes to the CTAE Director for final review and approval. The BOE does not have to approve equipment inventory.
- Software purchases request must be requested from the system – Hardware/Software
- Computers, laptops, or printers purchase requests must be requested and approved through the e-store. The E-store is part of DCSD IT Department that handles purchase of electronics, services and electronically tag purchased electronic.

Auditor's Actions:

Documentation reviewed:

- Munis reports were generated for the following general ledger accounts for equipment inventory: 561100 Supplies – Technology Related; 561500 Expendable Equipment; and 561600 Expandable Computer Equipment

- Division of Curriculum & Instruction Career Technical and Agricultural Education Standard Operating Procedures Manual: Purchasing – Product & Services)
- CTAE Inventory SOP.doc
- School System Equipment Inventory Management Record Spreadsheets

District Level Employees Interviewed:

- Ms. Stacy Stepney, Chief Academic Officer
- Ms. Doryiane Gunter, CTAE Director

Internal Audits conducted interviews to obtain information regarding CTAE inventory management. The auditors reviewed general ledger account reports, invoices, purchase orders, software purchase approval emails, emails for E-store approval, and quotes signed off by CTAE Director. The auditors vouched and reconciled the School System Equipment Inventory Management Record Spreadsheets to general ledger account reports. The Schools System Equipment Inventory Management Record Spreadsheets are completed once the school year starts and at the end of the school year. Each coordinator is responsible for maintaining the inventory reports for each school and each program.

Control Failure 2A: Insufficient, incomplete, and inaccurate School System Equipment Inventory Management Record Spreadsheets. [CTAE Department]- High Risk

According to GaDoe Grant Management Procedure Manual, *“The equipment inventory may be in the form of a list or electronic spreadsheet and must contain: acquisition date; description of the equipment; identification number; identification of federal funding by grant source; acquisition cost; who holds title; all pertinent information on the ultimate transfer, replacement or disposition of the equipment; equipment location; equipment use; and current condition.”*

Exhibit 2:

SCHOOL SYSTEM EQUIPMENT INVENTORY MANAGEMENT RECORD												
Career, Technical and Agricultural Education												
Georgia Department of Education												
Facility Code	Facility Name	Location of Equipment	Date Purchased	Description of the Equipment	Serial Number or Equipment ID Number	Source of Equipment (Vendor)	Cost of Equipment	Fund Source	Percent Federal Funds	Condition of Equipment	Disposal Date	Disposal Sale Price

2A-1. Missing Serial Number or Equipment ID Numbers or Name of Vendor; Missing Data. The auditor identified that Freedom Middle School, Columbia High School, Dunwoody High School, Redan High School, Tucker High School has some inventory items with N/A or blank for the serial numbers, equipment id number or name of vendor. *(Incomplete)*

2A-2. Missing Date Purchased; Missing Data. The auditor identified that Champion Middle School, Peachtree Charter Middle School, and Columbia High School had some inventory items with no purchase date. *(Insufficient & Incomplete)*

2A-3. Not Using Updated School System Inventory Management Record; Update. The DeKalb School of the Arts had not completed the updated record. *(Inaccurate)*

Improvement Opportunity:

CTAE routinely purchase supplies and equipment, and therefore, should make sure they adhere to the established policies and procedures (SOP) on how inventory will be maintained and how often physical inventory audits should be completed. Currently the coordinators maintain the inventory spreadsheet for each school and program. CTAE school contact (each CTAE teacher) should perform annual school-wide CTAE equipment/property inventory audits. This inventory audit should capture the required inventory data related to all CTAE equipment/property and its location on the school campus.

To strengthen internal controls regarding the safekeeping of equipment inventory we suggest developing an Equipment Disposal Form and Equipment Transfer Form. These forms will allow tracking of equipment that is no longer operating and equipment that maybe transferred or used at other locations. We also suggest a meeting with the Finance Department regarding which CTAE equipment that should be listed on DCSD Depreciation Schedule.

Recommendation:

- According to GaDOE FY 24 Budget Guidance for Expending CTAE Grant Funds, *“An inventory of expandable equipment and expandable computer equipment should be maintained for control/audit purposes for a minimum of five years.”*
- Inventory records must be maintained that include a description of the equipment, date purchased, serial number or equipment ID, vendor, cost of equipment, funding source, equipment location, and condition of equipment. Please use the form identified above (Exhibit 2).
- In addition to the inventory audits performed by the coordinators; CTAE school contact (CTAE Teacher) should also be required to perform a physical inventory audit of all equipment at the beginning and close of the school year. A copy of the physical inventory audit reports should be provided to the coordinators. Any discrepancies

should be reported immediately to the school administrator responsible for inventory and the CTAE Director.

Scope Area 3: Expenditures

Objective 1: Review CTAE Program Expenditures for compliance with the standard accounting procedures, guidelines established by the GaDOE, federal legislation, CTAE Grant Budget Guidance and DCSD Board purchasing policies. [Low Risk]

The primary use of Perkins funds received by the eligible recipient should be to develop, coordinate, implement or improve career and technical education programs. Funds made available to eligible recipients may be used for improving, enhancing, and expanding CTAE Pathways/Programs of Study. All aspects of the use of Perkins V funds must be supported by a comprehensive local needs assessment, data, rationale, a local improvement plan, and the district must have the capacity to measure students/program improvement resulting from the use of these funds. Expenditures should comply with the standard accounting procedures and guidelines established by the State Board of Education, federal legislation and CTAE Grant Budget Guidance.

Expenditures:

Expenditures are submitted via purchase orders within MUNIS. DCSD CTAE Department has a written standard operating procedure for Purchasing-Product & Services. The coordinator determines what expenditures are needed and obtains quotes from the vendors. Ms. Gunter reviews the expenditures to ensure that it is allowable based on the needs assessment that was provided to GaDoe. The accounting associate reviews GaDOE allowable charge codes and assign the MUNIS charge code that aligns with the expenditure. The administrative assistant or secretary enters expenditures into Munis. Some internal controls include CTAE Quote Coversheet and Vendor Verification Forms to support purchase orders. Once, the expenditures are in Munis and processed the Budget Specialist completes a review process. If there is an issue with a purchase, then Ms. Gunter will review the expenditure for approval. An end of year reconciliation is performed by Ms. Gunter for all expenditures.

- All the vendors that are used for purchases must have an assigned vendor number and must be active, registered in the DCSD purchasing system and on the DCSD approved vendor list.
- Departments must obtain a quote from the vendor of their choice from the DCSD approved vendor list.

3. All vendors qualified quotes under \$5,000 must be submitted to CTAE Instructional Coordinator for review. Once the Coordinator has given approval, the quote goes to the CTAE Director for final review and approval. The quote must include the following: item description, quantity, unit cost, school, and teacher's name.
4. All vendor qualified quotes over \$5,000 must be submitted to CTAE Instructional Coordinator for review. Once the Coordinator has given approval then the quote goes to the CTAE Director for final review and approval.

Supplies:

Include small tools or items that are not repairable. Also, printing cost, when the supplies are a major part of the expense would be recorded in supplies. All supply items that cannot be properly classified as technology supplies, computer software, textbooks, or books and periodicals. Examples: Flash Drives, SD cards, calculators, batteries, data cords, small hard drives, etc. In addition, office supplies, paper, consumable instructional supplies and etc. for the CTAE management.

Travel (Employees):

- Expenditures for transportation, meals, hotel, and other expenses associated with staff travel.

Consultant Services:

- Consultant Services includes Purchased Professional and Technical Services: Services that can be performed only by persons or firms with specialized skills and knowledge.

Substitute Fees:

- Teacher fees for the activities funded in the grant application. Serves as temporary replacement on a daily basis for any CTAE certified teachers & non-instructional staff, such as a paraprofessional participating in a CTAE related activity.

Allowable Expenses:

- Expendable Equipment: Items with a per-unit cost less than \$5000, that might otherwise be classified as "equipment" rather than "supplies." In addition to the allowable expenses category above the funds can be used for Faculty honorariums, materials and supplies to support curriculum development and professional development and the purchase of equipment for instruction that supports GADOE approved CTAE Pathways.

Auditor's Actions:

Documentation reviewed:

- GaDOE FY24 Budget Guidance for Expending CTAE Grant Funds.pdf
- FY23-QBE-FTE-Comp-Chart_Dekalb County.xlsx (FY23 CTAE Local QBE/FTE Expenditures Compared to Perkins V Improvement Grant)
- Auditor generated MUNIS reports for the following general ledger accounts 564200 Books (Other Than Textbooks); 573000 Purchase Equip-Not Buses/Comp; and 581000 Dues and Fees. 530000 Purchased Pro/Tech Services; 543000 Repair & Maintenance Service; 553200 Communication-Web Subscript/LIC; 551900 Stud Transp Purchased-Oth Srce; 558000 Travel – Employees; 561000 Supplies; 561200 Computer Software; 561500 Expendable Equipment; 561600 Expandable Computer Equipment; 564000 Digital/Electronic Textbooks; 564100 Textbooks – Printed; 564200 Books (Other Than Textbooks); 573000 Purchase Equip-Not Buses/Comp; and 581000 Dues and Fees
- DCSD Board Policy DJE: Purchasing
- CTAE Handbook.pdf (Division of Curriculum & Instruction Career Technical and Agricultural Education Standard Operating Procedures Manual: Purchasing – Product & Services)
- Local School Accounting Handbook 13. Purchasing Department

District Level Employees Interviewed:

- Ms. Stacy Stepney, Chief Academic Officer
- Ms. Doryiane Gunter, CTAE Director

The auditor traced expenditures from the Perkins Grant/Local QBE Expenditures documentation for FY23 to the Munis Reports for the Object and Project Codes. Ms. Gunter discussed and provided expenditures scope transaction details spreadsheet FY23 for the following object codes: 564200 Books (Other Than Textbooks); 573000 Purchase Equip-Not Buses/Comp; and 581000 Dues and Fees. Auditor confirmed that no more than five percent of the expenditures were for administrative purposes. The auditor reviewed “Request for Authority to Travel on Official District Business (Professional Travel)” form for CTAE travel. The form requires 4 signatures. The review of the purchase orders confirmed the required 4 signatures. No issues found.

According to the Division of Curriculum & Instruction Career Technical and Agricultural Education Standard Operating Procedures Manual, Vendor Services purchases request must have a vendor complete ICA form (**Independent Contractor Agreement**). For quotes of \$5,000 and under the short form must be completed and for services over \$5,000 the long form must be completed. For the short ICA form less than \$5,000, the Administrator Signature, Senior Staff Approval Signature, and if necessary Superintendent Approval Signature. For the long ICA form for over than \$5,000, only the Superintendent Signature is required for approval. The auditor reviewed purchase orders, quotes, signature routing forms and Independent Contractor Agreements (ICA). No issues were found.

The auditors review of expenditures confirmed that there are adequate processes and in controls in place to ensure compliance. The auditor’s test and procedures confirmed segregation of duties, required signatures and reconciliation processes. No issues were found for the review of expenditures. The residual risk after consideration of the adequacy and/or effectiveness of controls/risk mitigators is low and thus is within the DCSD risk tolerance.

Scope Area 4: Extended Day Grant

Objective 1: Examine internal controls in place for Career and Technical Education Extended Day/Extended Year Grants. [Low Risk]

Extended Day and Extended Year grants funds and are allocated to school systems to compensate teachers conducting CTE cocurricular activities after regular school hours. Extended day grants are allocated by the Georgia Department of Education Grants. To support the CTAE Programs, the states provide Extended Day and Extended Year grants that compensate teachers for time spent on the program activities after school and during the summer.

Rules associated with Extended Day

Rule 160-4-3-.11 in the Georgia Administrative Code pertains to the **Extended Day Grant Program**. *Career and Technical Education Extended Day Grants - grants to local school systems for the purpose of delivering work-based learning services/experiences and leadership development activities beyond the regular school day for students in career and technical education programs.*

Requirements:

- Local school systems implementing extended-day programs with state funds must:
- Pay high school teachers in state-approved program areas (grades 9-12) for extended-day work performed beyond the regular school day.
- Provide planning periods during the regular school day for teachers delivering extended-day instructional and leadership development activities.
- Schedule teachers to teach no more than one segment out of field.
- Participate in the extended-day accountability reporting process.
- Submit program details and annual reports to the department.
- Extended-day grant funds should support work-based learning, instructional services, and leadership development in agriculture education and career and technical education programs.

General Ledger	Description	Yr 2021	Yr 2022	Yr 2023	Yr 2024
		65121	CTAE - CTE Extended Day	\$640,929.26	\$222,884.03
67421	CTAE - Extended Year	\$21,422.19	\$1,285.31	\$2,476.45	\$20,178.00

519910	Extra Activity Salaries	\$0.00	\$0.00	\$0.00	\$0.00
74021	CTAE-AG-Extended Day	\$3,567.42	\$0.00	\$11,563.91	\$3,736.08
74121	CTAE-AG-Extended Year	\$2,029.35	\$3,113.97	\$819.40	\$3,367.00
	Totals	\$667,948.22	\$227,283.31	\$601,870.30	\$408,340.89

Auditor's Actions:

Documentation Reviewed:

- Auditor generated MUNIS reports for the following general ledger accounts: 519910 Extra Activity Salaries; 65121 CTAE – CTE Extended Day; 67421 CTAE – Extended Year; 74021 CTAE-AG-Extended Day; 74121 CTAE-AG-Extended Year
- Georgia Department of Education Career Technical and Agricultural Education Extended Day Guidelines
- CTAE Handbook Draft.pdf (Division of Curriculum & Instruction Career Technical and Agricultural Education Standard Operating Procedures Manual: The Program of Work Process (Extended Day Grant))
- Consolidated Application (Example: FY23 Extended Day Budget.pdf)
- GADOE – LEA Consolidated Application_Extended Year Grant_FY23.pdf
- Program of Work Reports (2022-2023 Program of Work – Expectations Not Met.pdf and 2022-2023 Program of Work – Ezra Thompson.pdf)
- Monthly Reports (Extended Year Monthly Report Gayden.pdf and POW Monthly Report_Expectations Not Met.pdf)

District Level Employees Interviewed:

- Ms. Stacy Stepney, Chief Academic Officer
- Ms. Doryiane Gunter, CTAE Director

DCSD Extended Day Process:

DCSD CTAE Department has a written standard operating procedure for the Program of Work Process (Extended Day Grant). Each teacher who receives Extended Day funding must complete a Program of Work (POW). Teachers who receive Extended Year funding are required to complete a Prior Year Activities Report, as well as a budget request form for the upcoming year. The SOP provides CTAE teachers instructions on how to complete the program of work outlining teacher's plans to meet a set of standards, the current year's Annual Report/Program of Work, Program of Work Application for the next school year, and monthly reports. The CTAE Director and the CTAE Instructional Coordinators review the Program of Works (POW), monthly reports, and annual report. The reports are reviewed to ensure that the participating teacher is meeting or have not met their plans. The reports are maintained in a statewide resource database (CTAERN and CNET) at <https://www.ctaern.org>.

According to Georgia Department of Education Career Technical and Agricultural Education Extended Day Guidelines concerning pay scale, *“The minimum hourly rate is calculated as one hour per day based on an eight hour workday. Teachers who work one hour beyond the school day for a 190-day school year receive “full extended day” pay. For simplicity the hours to be worked have been standardized into 20 hours per month for full extended day.”* On the GA DOE – LEA Consolidated Application shows the activity, course number, number of students enrolled, school number, school name, instructor name, projected extended year days employed, daily rate, summer salary, from local/qbe, and from state grant.

Ms. Gunter provided copies of the program of works (POW), monthly reports, and annual reports for participating teachers. The reports reviewed by the auditor included the activity’s date, POW category, a description, the number of hours spent, and the number of people involved in the activity. The auditor review of expenditures confirmed that there are adequate processes and in controls in place to ensure compliance. The auditor’s test and procedures confirmed segregation of duties, required signatures and reconciliation processes. No exceptions were found concerning extended day/extended year. The residual risk after consideration of the adequacy and/or effectiveness of controls/risk mitigators is low and thus is within the DCSD risk tolerance.

Improvement Suggestions:

During the interview with Ms. Stepney and Ms. Gunter they addressed concerns regarding teacher’s and the amount of extended day pay received. Currently there are procedures in place regarding the calculation of extended day pay. However, there are still concerns from the teachers regarding the yearly extended day amount they receive. It is suggested that the CTAE Department develop written guidance concerning the calculation of the extended day pay.

Scope Area 5: School Based Enterprises

Objective 1: Review policies and procedures in place for the School Based Enterprises. {Low Risk}

School Based Enterprise is part of the CTAE department curriculum that deals with retail experience and providing students with educational career related skills to retail and management. Students learn the standards that are associated with operating a brick-and-mortar business and online business. The programs are industry certified and certify through an accreditation process with the American Marketing Association. School Based Enterprises (SBE) is one of the three components of a Georgia High School marketing program. The three components are academic portion, CTSO which is DECA, and the school based enterprise.

One academic benefit of the school store is to provide hands on experience to the students. The hands on experience includes operating and logistics of owning and pricing, inventorying, marketing, creating process, creating menus, and they review the data from the sales. They engage and demonstrate the employability skills that they learn in the first, second and third level business classes. One economic benefit is the Distributive Education Club of America (DECA), which are the students in the work-based learning program and is basically the school store and the students go through all three of the marketing classes. From the store ten percent of the proceeds from the school stores goes back to the school and the remaining ninety percent is used to fund trips, competitions, and conferences for DECA students.

Auditor's Actions:

Documentation Reviewed:

- GA DOE Career Technical Instruction Coordinator Handbook
- Electronic Pymt Request.pdf

District and School Level Employees Interviewed:

- Ms. Marilyn Hollis, Coordinator
- Ms. Doryiane Gunter, CTAE Director
- Ms. Adrienne Francois, Marketing Education Teacher at Stephenson High School

Internal Audits conducted interview with Ms. Francois (Stephenson High School) to obtain information regarding the operation of the school store at her school. The CTAE program has a new model that works for the District and for the sake of uniformity so that everybody is doing the same thing and Ms. Hollis will be training the students and teachers on this new model.

School Based Enterprise (SBE) Set-up Process:

DSCD currently has 5 stores and 2 kiosks in the following schools listed below.

Description of POS Stores
Redan HS - Marketing SBE - Cache'
Dunwoody HS - Marketing SBE - The Cat Shack
Lithonia HS - Marketing SBE - The Dog Shack
Miller Grove HS - Marketing SBE The Wolverine Warehouse
Stephenson HS - Marketing SBE - The Jag Express Operating since 2005
Marketing SBE Kiosks - Cedar Grove HS - New!
Southwest Dekalb HS - Double Kiosk - New!
Coming Soon! - The AIC Café Double Kiosk

The employees involved with the set-up of the stores include the CTAE Director, coordinators and marketing teacher. The marketing teacher assigned to each school store instruct, assist, and guide the students. The coordinators are responsible for the set-up, providing support and guidance and ensuring the school store is in align with the CTAE program requirements.

The fixtures and materials used to setup the SBEs are purchased using general funds. Each store has a certified marketing teacher that supervises the management of the stores and teaches the students the marketing concepts to help run the stores. The students conduct surveys to inquiry what their fellow students would like to purchase from the store. The students review data collected and the market research to assist in determining what items to sale. The students perform a cost/profit breakdown and develop the product listing.

SBE Inventory:

The stores provide products and services to students, staff, and the community. The stores are managed and operated by students. Some of the items sold in the stores include: spirit wear, school supplies, snacks, helium balloons, hot drinks like coffee and frozen drinks. Columbia High School is in the process of setting up a store that will offer fashion merchandise since they have a fashion merchandising pathway. Some other stores will also begin to sell fashion merchandise. Ms. Francois maintains the inventory and other items on her whiteboard in the classroom. She determines the inventory the inventory levels based on what was sold and purchased in prior years.

SBE Revenue:

The stores use two different POS Systems: School Store POS and POS Unlimited. Both systems provide the same functions, capabilities, and services. The school stores currently use Worldpay a third-party service similar to Square that provides the ability to use electronic processing for electronic sales. World Pay processes the debit/credit card sales from the POS system and then deducts their fee from the sales and makes a payment to the school. The daily sales and also the fees charged for the service, they deduct the fees from one or more of the payments that are made directly to the school. The current POS systems are compatible with MUNIS.

Transactions from the POS systems are uploaded to the local school account for each school store and connected to the local schools' bank account. The bookkeepers for each school reconcile the sales and record the money to the school store account in MUNIS.

The register closes and opens with \$50 each day that the store opens. The register is balanced each day when store is opened and closed and recounted the following opening day to ensure the opens with the \$50. The class reviews register reports, inventory reports, and reset/restock on Wednesdays since that is the day that are closed and can really focus on the data and assess ways that they can improve. The current POS systems are compatible with MUNIS. Transactions from the POS systems are uploaded to the local school account for each school store and connected to the local school's bank account. The bookkeepers for each school are able to reconcile the sales and record the money to the school store account in MUNIS.

The Finance Department is currently looking into a different POS System (My School Bucks) that it will also be compatible with Munis but will offer cashless sales, online sales, and electronic payments. No exceptions were found for the review School Based Enterprises. The residual risk after consideration of the adequacy and/or effectiveness of controls/risk mitigators is low and thus is within the DCSD risk tolerance.

Improvement Opportunities:

- Create opening and closing spreadsheet or form for balancing the register and recording daily sales total.
- Create a spreadsheet or form to help maintain and keep track of the inventory for all stores.

SUMMARY

The CTAE Program is a very beneficial program for the students of DCSD. The auditors performed a risk assessment by observing the different areas of the program as outline in this report and as they relate to the GA Doe Guidelines. Risk can be defined as the possibility that something could negatively affect the District. More specifically, risk was defined as the factors that causes the CTAE Department to not be in compliance. During the audit, the auditor found that CTAE Department processes concerning the funding, equipment inventory, expenditures, and school based enterprises are in compliance with the guidelines of the program.

Our risk assessment included an analysis of the processes and procedures in place within the CTAE Department regarding the management of the program funds. Maintaining the records of funds received and managing the expenditures are vital to the program. The CTAE Department follows best practices such as separation of duties, monitoring of program funds, and reconciliations. The controls activities in place for the CTAE Program involved are operating effectively to reasonably ensure the funds are received, deposited and spent correctly. Overall, the management of the funds are efficient and effective.

REFERENCES:

List of Individuals interviewed:

Name	Title	Department-Division	Location
Ms. Stacy Stepney	Chief Academic Officer	Curriculum & Instruction	721
Ms. Doryiane Gunter	Director, CTAE	Career Tech Education	745
Ms. Marilyn Hollis	Coordinator II CTAE/Instruction	Career Tech Education	745
Ms. Candice Rayner	Cosmetology Teacher	DHS Technology South	623
Mr. Jerome Heath	Barbering Instructor	DHS Technology South	623
Mr. Blair Northern	Automotive Technologies Instructor	DHS Technology South	623

Ms. Adrienne Francois	Marketing Education Teacher	Stephenson High School	578
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