

NORTH BOONE COMMUNITY SCHOOLS

www.nbcusd.org

North Boone Community Unit School District #200
6248 North Boone School Road
Poplar Grove, IL 61065
Voice: 815-765-3322
Fax: 815-765-2053

November 12, 2010

Illinois State Board of Education
100 North First Street E-228
Springfield, IL 62777-0001
Attn: Ethelene Ferdinand, External Assurance

RE: 04-004-2000-26

Dear Ms. Ferdinand:

The following information is in response to the monitoring findings summary report for fiscal year 2010:

Title I – Low Income, Revenue Code 4300-00:

Finding #1 – Grant recipient did not maintain separate expenditure accounts or subsidiary accounts.

Response: Separate expenditure accounts/reporting was in place, but has been further expanded for ease in matching quarterly reports.

Finding #2 -- Expenditures paid from the grant was not allowable and/or did not support the program intent. Questioned cost \$169.

Response: The questioned cost was for external DVD /speaker attachments which are used with the Smart Boards (approved cost). External devices were more economical.

Finding #3 – Instructional salaries were understated.

Response: Understatement was due to timing issue and review of proper staff allocation. All review and notations were completed prior to final expenditure report. Review of staffing is done quarterly.

ARRA-Title 1-Low Income, Revenue Code 4851-00:

Finding #1 – Grant recipient did not maintain separate expenditure accounts or subsidiary accounts

Response: Separate expenditure accounts and subsidiary ledger was in place, but has been further expanded for ease in matching quarterly reports.

Finding #2 – The grant recipient did not submit accurate periodic expenditure reports. The Instructional supply account was understated by \$2556 and the education media purchase services was overstated by \$2400.

Response: Expenditure reports were completed on a timely basis. Upon further review, the overstated expenditure had been done prior to grant approval and was removed on following report. Supplies that had been understated were expensed to the wrong account as was found during review. All were corrected prior the final expenditure report. Reports are distributed to grant writer(s) on a regular basis for review.

Title II-Teacher Quality, Revenue Code 4932-00

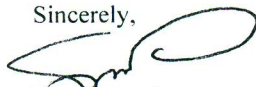
Finding #1 – Grant recipient did not maintain separate expenditure accounts or subsidiary accounts.

Response: Separate expenditure accounts and subsidiary ledger was in place, but has been further expanded for ease in matching quarterly reports.

Finding #2 -- The grant recipient did not submit accurate periodic expenditure reports. The Instructional purchase service was understated.

Response: All expenditures and detail were available; however internal accounting system had them classified in the 400 object level instead of 300. Account detail and separation has been expanded.

Sincerely,



Steven Baule
Superintendent



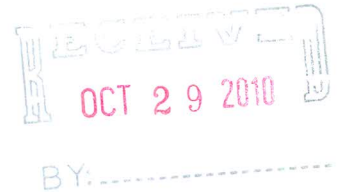
Illinois State Board of Education

100 North First Street • Springfield, Illinois 62777-0001
www.isbe.net

Jesse H. Ruiz
Chairman

Christopher A. Koch, Ed.D.
State Superintendent of Education

October 27, 2010



Dr. Steven Baule
Superintendent
North Boone C.U.S.D. 200
6248 N. Boone School
Poplar Grove, IL 61065

Dear Dr. Baule:

RE: 04-004-2000-26

The External Assurance staff has examined the records related to the programs detailed in the enclosed Monitoring Findings Summary Report. Also enclosed is the monitoring report that explains the findings and reasons for the questioned costs.

Those programs requiring a written response to their findings have been noted on the Monitoring Findings Summary Report. A written response to the findings should be submitted to our office within 30 days, delineating specific actions that will be taken to correct problems identified in the Monitoring Report.

We appreciate the courtesies and cooperation extended to our staff. If you have any questions, please contact Vickie Bruhn, Consultant at 217/782-7970.

Sincerely,

A handwritten signature in cursive script that reads "Ethelene Ferdinand".

Ethelene Ferdinand, MBA
Division Administrator
External Assurance

cc: Honorable Richard Fairgrievies

Illinois State Board of Education
External Assurance
100 North First Street
Springfield, Illinois 62777-0001
217/782-7970

October 27, 2010

North Boone C.U.S.D. 200

RCDT # 04-004-2000-26

Monitoring Findings Summary Report

Fiscal Year	School Year	Revenue Code	Program Name(s)	Questioned Costs	Written Response Required (Yes/No)
2010	2009-2010	4300-00	Title I - Low Income	\$169	Yes
2010	2009-2010	4851-00	ARRA-Title I - Low Income	\$0	Yes
2010	2009-2010	4932-00	Title II - Teacher Quality	\$0	Yes

Illinois State Board of Education
External Assurance
100 North First Street
Springfield, Illinois 62777-0001
217/782-7970

October 27, 2010

North Boone C.U.S.D. 200

RCDT # 04-004-2000-26

Monitoring Report

This Monitoring Report encompasses an evaluation of the accountability of program revenues, expenditures, fiscal internal controls and programmatic compliance for the period covering July 1, 2009 to June 29, 2010 for the following programs:

Discussion with Management

The results of the monitoring review were discussed on July 6, 2010 with:

Name	Position
Ms. Cathy Nelson	Business Manager

The Illinois State Board of Education was represented by Afaf Qayyum, Consultant.

School Year	Program Name	Revenue Code
2009-2010	Title I - Low Income	4300-00

Finding #1 The grant recipient did not maintain separate expenditure accounts or subsidiary ledger accounts for grant expenditures.

Recommended Corrective Action The grant recipient must maintain separate expenditure accounts or subsidiary ledger accounts for grant expenditures.

Finding #2 Expenditures paid from the grant were not allowable and/or did not support the program intent.

Questioned Costs: \$169

Recommended Corrective Action The grant recipient must develop and implement procedures to ensure that all expenditures are allowable.

Finding #3 The grant recipient did not submit accurate periodic expenditure reports. The 1000-100 Instructional Salaries account was understated by \$3750.

Recommended Corrective Action The grant recipient must submit accurate periodic expenditure reports.

Please contact Monique Chism, Division Administrator, Innovation & Improvement for technical assistance.

Forward any written response to the monitoring findings directly to:

Ethelene Ferdinand, MBA, Division Administrator
 Illinois State Board of Education
 External Assurance
 E-228
 100 North First Street
 Springfield, Illinois 62777-0001

217/782-7970

School Year	Program Name	Revenue Code
2009-2010	ARRA-Title I - Low Income	4851-00

Finding #1 The grant recipient did not maintain separate expenditure accounts or subsidiary ledger accounts for grant expenditures.

Recommended Corrective Action The grant recipient must maintain separate expenditure accounts or subsidiary ledger accounts for grant expenditures.

Finding #2 The grant recipient did not submit accurate periodic expenditure reports. The 1000-400 Instructional Supplies account was understated by \$2556 and the 2220-300 Educational Media Purchased Services was overstated by \$2400.

Recommended Corrective Action The grant recipient must submit accurate periodic expenditure reports.

Please contact Monique Chism, Division Administrator, Innovation & Improvement for technical assistance.

Forward any written response to the monitoring findings directly to:

Ethelene Ferdinand, MBA, Division Administrator
 Illinois State Board of Education
 External Assurance
 E-228
 100 North First Street
 Springfield, Illinois 62777-0001

217/782-7970

School Year	Program Name	Revenue Code
2009-2010	Title II - Teacher Quality	4932-00

Finding #1 The grant recipient did not maintain separate expenditure accounts or subsidiary ledger accounts for grant expenditures.

Recommended Corrective Action The grant recipient must maintain separate expenditure accounts or subsidiary ledger accounts for grant expenditures.

Finding #2 The grant recipient did not submit accurate periodic expenditure reports. The 2210-300 Improvement of Instruction Purchased Services account was understated by \$10,865.

Recommended Corrective Action The grant recipient must submit accurate periodic expenditure reports.

Please contact Monique Chism, Division Administrator, Innovation & Improvement for technical assistance.

Forward any written response to the monitoring findings directly to:

Ethelene Ferdinand, MBA, Division Administrator
 Illinois State Board of Education
 External Assurance
 E-228
 100 North First Street
 Springfield, Illinois 62777-0001

217/782-7970