

**Delaware Comprehensive Monitoring Plan  
Education Jobs Fund Program  
Education Jobs (Ed Jobs)  
Protocol to Review Ed Jobs  
June 2012**

**Background**

States have important oversight responsibilities over the implementation of the American Recovery and Reinvestment Act of 2009 (ARRA). The Education Jobs (Ed Jobs) Program is a Federal program that provides \$10 billion in assistance to States to save or create education jobs for the 2010-2011 school year. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

The Ed Jobs program is authorized in Public Law No. 111-226 (Act), which President Obama signed on August 10, 2010, CFDA 84.410. States must monitor grant and sub grant supported activities to ensure compliance with applicable Federal requirements. If a State or its sub grantees fail to comply with requirements governing these funds the federal government may, consistent with applicable administrative procedures, take one or more enforcement actions, including withholding or suspending, in whole or part, funds awarded or recovering misspent funds.

Under the Ed Jobs Program, States are responsible for thoroughly and effectively monitoring local educational agencies, and other entities receiving Ed Jobs funds. Federal Department of Education has indicated that each State must have a comprehensive monitoring plan and protocols to review activities supported with Ed Jobs funds. Accordingly, this document is intended to provide the structure for an effective monitoring of Ed Jobs dollars.

**Procedures for Awarding Funds**

1. The Delaware Department of Education (DDOE) has primary responsibility for the administration of Education Jobs Funds (Ed Jobs) as a result of delegation by Governor Jack A Markell. Sub-recipient monitoring will be a joint effort between the DDOE and the Office of Management and Budget (OMB).
2. Allocations of Ed Jobs Funds were based upon the State's primary elementary and secondary education funding formula (e) as identified in its application for funding under the SFSF program. A total of \$27.8M was allocated to Delaware. As of May 2012, \$21.3M has been expended leaving a remaining balance of \$6.5M available for allocation.
3. In public education, LEAs must use it funds only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services.
4. In accordance to OMB Circular A-133 Compliance Supplement 2011, the Education Jobs Funds can be used as follows:
  - a. For purposes of this program, the phrase '**compensation and benefits and other expenses, such as support services**' includes among other things:

Salaries, Other Employment Costs	Health insurance	Tuition reimbursement
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- b. An LEA may use the funds to pay the salaries of teachers and other employees who provide school-level educational and related services. In addition to teachers, employees supported with program funds may include, among others:

Principals	Assistant principals	Academic coaches	In-service teacher trainers
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Classroom aides	Counselors	Librarians	Secretaries
Social workers	Psychologists	Interpreters	Physical therapists
Speech therapists	Occupational therapists	Information Technology personnel	Nurses
Athletic coaches	Security officers	Custodians	Maintenance workers
Bus drivers	Cafeteria workers		

- c. The statute prohibits LEAs from using Ed Jobs funds for general administrative expenses as that term is defined by the national Center for Education Statistics (NCES) in its Common Core of Data. These prohibited expenses are administrative expenditures related to the operation of the superintendent's office or the LEA's board of education, including the salaries and benefits of LEA-level administrative employees.

The statute also prohibits LEAS from using Ed Jobs funds for other LEA-level support services expenditures. These prohibited activities include the payment of expenditures for fiscal services, LEA program planners and researchers, and human resource services.

- d. An LEA may not use the funds to pay for contractual school-level services by individuals who are not employees of an LEA (e.g., janitors employed by an outside firm). However, an LEA that contracts with another LEA to provide educational and related services may use Ed Jobs funds to pay that portion of the contract associated with the salaries and benefits of the employees of the LEA providing the services.
- e. An LEA may not use Ed Jobs funds to compensate employees and other liabilities for any period prior to August 10, 2010, the date of enactment of the Act.
5. The DDOE did not require an LEA that has previously submitted the required local application under the State Fiscal Stabilization Fund (SFSF) program to submit an application to receive funding under the Ed Jobs program.
6. The funds are available for obligations that occur as of August 10, 2010 (the date of enactment of Pub. L. No. 111-226) through **September 30, 2012**.

### **Fiscal Oversight of Ed Jobs Funds**

1. Tracking of Ed Jobs Funds –
- The state, school districts, and charter schools all administer funds using a unified accounting system. Effective Fiscal Year 2011, Delaware implemented its new accounting system, First State Financials (FSF).
  - A resulting benefit to this is that all cash management functions are performed centrally by the DDOE. As part of this, the State has put in place ongoing procedures to monitor cash balances and to minimize the time lapsing between the transfer and disbursement of funds. These procedures also ensure that each sub recipient has an adequate financial recordkeeping system to properly account for the use of their Ed Jobs funds.
  - All ARRA funds have been given separate and uniform project tracking coding to allow for seamless tracking of ARRA funds. All Ed Jobs funds have also been set up within FSF uniformly among entities receiving Ed Jobs funds.
  - OMB monitors expenditure, encumbrance and balance levels.
2. Yearly Annual Financial Report – All school districts and charter schools must file an annual report to the DDOE. OMB/DDOE will review each entities annual report with emphasis being placed on those Ed Jobs recipients that show signs of fiscal issues.

3. Local Audits – Each Ed Jobs recipient must have a local audit. Audit findings are provided to these sub recipients each spring by the Auditor’s office. OMB/DDOE will review these local audits for irregularities or noncompliance.
4. 1512 Reporting – Delaware has chosen to implement 1512 reporting using a decentralized methodology for state agencies. As part of this, school districts and charters have been designated as sub-recipients for purposes of Ed Jobs reporting and have been delegated the responsibility to report their 1512 information directly into [federalreporting.gov](http://www.omb.delaware.gov/arra/index.shtml). Comprehensive guidance to both prime and sub recipients is located on the OMB website at <http://www.omb.delaware.gov/arra/index.shtml>.
5. OMB receives copies of districts’/charters’ sub recipient reports after entering into [federalreporting.gov](http://federalreporting.gov) and OMB extensively uses the “DUNS Extract” capabilities of the [federalreporting.gov](http://federalreporting.gov) system to cross check sub recipient info. OMB reviews each sub recipient report for data quality and provides feedback when issues are noted. 1512 information provides a regular source of data for purposes of monitoring Ed Jobs funds.
6. Desk Reviews – Delaware understands that a robust program of sub recipient monitoring requires some measure of review. Delaware proposes to do desk reviews of all districts and charter schools during the period July 2012 through August 10, 2012.
7. The OMB will provide periodic direction regarding reporting via e-mail and formal guidance posted on the OMB website. All recipients are expected to comply with federal requirements, the specifications in the award letter, and all periodic direction and guidance from DDOE and OMB.

#### **Subrecipient Monitoring**

1. The OMB will monitor sub recipients by conducting desk reviews of the LEA’s Ed Jobs plan. This will include a written response to questions submitted by the OMB for districts and charter schools.
2. The OMB will provide sub recipients with a copy of its monitoring protocol prior to the review.
3. The OMB will provide sub recipients with a report including recommendations within 20 business days following the review.
4. The OMB will require a progress report on recommendations 60 days following the submission of the report to the sub recipients. The report must include verification that any corrective actions have been implemented.
5. Each recipient must maintain records that fully disclose the total cost of the activity for which the funds are used; the share of the cost provided from other sources, and other such records as will facilitate an effective financial or programmatic audit. The recipient must maintain such records for 3 years after the completion of the activity for which funds are used.