

# Semi-Annual Performance Report

July 1-December 31, 2021

## GRANT ACTIVITIES

Between July 1 and December 31, 2021, the Ohio Department of Education performed the following grant activities.

- **CSP Subgrantee Application Scoring:**

- May 26: Conducted CSP Peer Review Training
- May 27-June 2: Peer Review Read and Sample Scoring
- June 7: Peer Review Calibration Call
- June 9-23: Peer Review and Tech Review of Subgrantee Applications
- June 29: Peer Review Consensus Scoring Call

- **CSP Round 4 Closeout:**

- September 30: Final reimbursements were issued to close out Round 4 Year II subgrant activities for:
  - Capital Collegiate Preparatory Academy
  - Huber Heights Preparatory Academy dba Parma Academy
  - Kenmore Preparatory Academy dba Toledo Preparatory Academy
  - North Columbus Preparatory Academy
  - Arts & College Preparatory Academy
  - Citizens Academy Southeast
  - Northwest Ohio Classical Academy
  - ReGeneration Bond Hill
  - Westside Academy

- **CSP Round 5 Subgrantee Awards:**

- July 16: Approved CSP Sub-Grantees (6 New Subgrantees and 2 Continuation Grants Awarded)
- August 5: CSP Sub-Grant Awardee Training
  - November 23: Citizens of the World Awardee Training

- **CSP Subgrantee Monitoring:**

- November 29: CSP Fall Compliance Survey Open
- December 30: CSP Fall Compliance Survey Closes

- **CSP Advisory Committee:**

- July 8: Semi-Annual CSP Advisory Committee Teams Meeting
- October 28: State Superintendent Designee, Aly Deangelo invited to replace Chris Woolard's seat on the advisory committee (Invite accepted)
- November 29: CSP Advisory Committee meets to discuss New CSP Grant Application and provides feedback on USED Semi-Annual Report

- **Independent Monitor:**

- October 21: Independent Monitor agrees to revised Agreed Upon Procedures
- October 27: Auditor of State approves revised Agreed Upon Procedures
- October 27: USED approves revised Agreed Upon Procedures
- November 18: AUP engagement letter signed

- **USED and WestEd Monitoring:**

- August 11: No Cost Extension request submitted
  - August 20: No Cost extension request approved for 12 months
- October 26: Revised Jan- July 2021 Semi-Annual Report accepted by USED
- October 27: USED approves CSP Grant Round 6 for Implementation awards only
- November 10: ED524 form submitted to USED for approval
- November 11: CSP Data Collection Form submitted

**GRANT EXPENDITURES:**

\$2,251,308.13 were expended from the grant for the current reporting period.

**UPDATE ON GRANT PROJECT TIMELINES:**

The project timeline has been updated.

\*Attached: Ohio CSP Workplan and [Community School Directory](#)

## UPDATES ON AUDIT FINDINGS AND RESOLUTIONS OF AUDITS INVOLVING CHARTER SCHOOLS IN OHIO, INCLUDING THE AUTHORIZERS' RESPONSIBILITIES AND INVOLVEMENT:

Attached: Appendix C 10 31 2021 CS Audit Reports

This biannual update includes information on community school audit reports released by the Auditor of State during the reporting period of June 1, 2021 through October 31, 2021.

Appendix C provides information on single audit reports and findings for recovery issued during the reporting period. A separate spreadsheet on active findings for recovery is provided. Schools with repayments to the Attorney General's Office are highlighted.

The Auditor of State's Office performs financial audits (regular and single audits) and various other special audits, retirement system examinations, and agreed upon procedures of community schools. Regular financial statement audits are independent, objective evaluations of an organization's financial reports and financial reporting processes. The primary purpose of regular financial audits is to give regulators, investors, directors, and managers reasonable assurance that financial statements are accurate and complete.

Single audits combine the annual financial statement audit with additional audit coverage of federal funds. The single audit is intended to meet the basic audit needs of both the non-federal entity and federal awarding agencies. Before Dec. 26, 2014, all community schools receiving at least \$500,000 annually required a single audit. All awards made on or after Dec. 26, 2014, were subject to the Uniform Guidance, which sets the threshold at \$750,000 or more.

The Auditor of State may declare community schools as "unauditable." The auditor finds a school unauditable if its financial records are not sufficient to complete an audit. There are no community schools on the unauditable list for this reporting period.

### 1. Auditor of State Community School Audit Updates

The Auditor of State completed and issued 25 community school audit reports since the Department's last report to the USED. Table 1 reflects the audit reports released between June 1, 2021 and October 31, 2021.

**Table 1: Community School Audit Reports – Summary by Type**

Fiscal Year	Regular Audit	Single Audit	Other Audits	Total Audits
2020 *	19	3	0	22
2019	1	0	0	1
2018	1	0	0	1
2017 ^	1	0	0	1
<b>Total</b>	<b>22</b>	<b>3</b>	<b>0</b>	<b>25</b>

\* The regular audits include one report that covered FY19 and FY20.

^ The regular audit covers the period 7/1/15 - 9/30/17. The school closed effective 9/30/17.

### 2. New Financial Audit Findings - All Fiscal Years

There are no single audit findings for this reporting period. We continue to review all audit reports as they are released. Single audit reports issued in the future will be reviewed, and management decisions on findings will be made pursuant to 2 CFR § 200.521(d).

3. Summary of Resolutions for Previously Unresolved Findings

The Department received an updated report on the status of findings for recovery being handled by the Attorney General’s Office. Findings for recovery in “active” collection status are listed in Appendix C. (See the “Active Findings for Recovery” spreadsheet.) The schools with repayment activity during this reporting period are highlighted.

As reflected in Table 2, the Auditor of State issued four findings for recovery to one school. The table also lists other findings issued to the school, which closed effective September 30, 2021.

The Department confirmed the amounts were certified to the Attorney General’s Office for collection.

**Table 2: Findings for Recovery**

Year	School	Details
FY2015- FY2017	Watkins Academy	<p>Findings for 7/1/17-9/30/17: 1) Noncompliance - Financial Reporting. Financial statements not prepared in accordance with GAAP. 2) Material Weakness - Financial Statement Errors. Cash basis financial statements included debt payments improperly classified as operating disbursements. The financial statements were adjusted. 3) Noncompliance - Failure to Provide Records. Two canceled checks and support for a deposit were not provided to the auditors.</p> <p>Findings for 7/1/15-6/30/17: 1) Noncompliance/ Finding for Recovery - Employee Reimbursements. A \$1,427 finding for recovery against the school Superintendent and in favor of the school. No support documentation for reimbursements of \$651 to the Superintendent, and no itemized receipts for \$776 in per diem expenses. No indication the Board approved the expenses. 2) Noncompliance/ Finding for Recovery - Debit Card Transactions. Superintendent made 204 debit card transactions totaling \$28,633 between 7/1/14 - 1/23/17 that were not supported by documentation and/or not for a proper public purpose. \$205 in fees was charged due to the Superintendent's excessive debit card use. The Superintendent received personal loyalty points when she used the school's debit card. A \$28,838 finding for recovery was issued against the Superintendent and in favor of the school. 3) Noncompliance/Finding for Recovery - Late Fees. A \$1,026 finding for recovery against the Treasurer and in favor of the school for late fees paid to Dayton Power and Light Company. 4) Noncompliance/ Finding for Recovery - Sales Tax. A \$605 finding for recovery against the Treasurer and in favor of the school for sales tax paid for various supplies purchases. 5) Material Weakness - Purchasing Procedures. No formally approved policy regarding debit card usage. Transactions not recorded to the accounting system until the bank statements were received the following month. 6) Material Weakness - Financial Statement Errors. Numerous errors required adjustments in the financial statements. 7) Noncompliance - Failure to Provide Records. Numerous records not provided for the audit.</p>

4. Other Audit Findings

The Auditor of State did not issue any audit reports within this category.

