

American Recovery and Reinvestment Act (ARRA) Action Plan

County: Obion County Board of Education

Program Title: Basic Education Program – ARRA Funds

CFDA Number: 84.394

The Office of Tennessee Recovery Act Management (TRAM) has established directives that must be followed by all County Governments (subrecipients) that receive ARRA grants. Directive number nine states, “All recipients and subrecipients of ARRA funds are required to complete an action plan”.

The Action Plan must be prepared for each ARRA grant. The Action Plan does not have to be submitted to a state agency, but must be prepared in writing and maintained on file for inspection. This form may be used to document the County’s Action Plan. The Action Plan should be signed and dated at the bottom by the senior accountable official for Recovery Act activities and the person(s) who prepare the Action Plan.

- 1) A plan detailing how the funds will be spent and how the agency will address the absence of federal funding after the ARRA grant is discontinued.

The Basic Education Program (BEP) was established in the early 1990s through legislative enactment of the Education Improvement Act. During the 2009 – 2010 and 2010 – 2011 fiscal years, the Board will budget and expend these funds for teacher salaries. For the 2011 – 2012 fiscal year and thereafter, the State of Tennessee will be required, by law, to fully fund the Basic Education Program; therefore, when the ARRA grant is discontinued, it is expected that the State will budget sufficient funds to replace the absence of Federal ARRA revenue.

- 2) A summary description of the program and the objectives of the program. The goals and objectives should demonstrate cost-effectiveness. Goals and objectives are usually easy to understand, quantifiable, and as a result, measureable. The description will usually include (a) how performance will be measured (i.e. the methodology); (b) who is responsible for measuring performance; and (c) how often the results/progress will be tracked and reported. The description must be written in plain language that is concise and easily understood by a person who has no in-depth knowledge of the program.

The Basic Education Program is the funding formula for the calculation of K-12 education funding necessary for our schools to succeed. In conjunction with local funding through tax assessments, the funds are used to educate students to a proficient level in math, reading, science, and social studies. Annually, the State measures performance of students and teachers through statistical calculations generated from results of student performance on standardized, mandated tests. Throughout the school year, the System measures performance of students through testing, daily work, and other assignments. Throughout the school year, the System evaluates teacher performance through evaluations and walk-in observations.

3) A description of the source (Name of the Federal/State/Other Agency) and amount of the ARRA grant the County expects to receive.

The Obion County Board of Education expects to receive \$726,600 in BEP funding through State Fiscal Stabilization Funds from the Tennessee Department of Education during the 2009 – 2010 fiscal year. The Obion County Board of Education expects to receive approximately \$725,900 in BEP funding through State Fiscal Stabilization Funds from the Tennessee Department of Education during the 2010 – 2011 fiscal year.

4) What are the Federal/State/Other Agency reporting requirements for the ARRA grant?

The Obion County Board of Education will be required to report expenditures through the State's Federal Application Consolidated Tracking System (FACTS) and/or eReporting prior to the State releasing the ARRA grant funds to the Board. The reporting will occur after the close of the second (2nd) quarter of each fiscal year.

5) What are the ARRA grant expenditure and performance measure requirements? (e.g. grant can/cannot be expended for, matching, time frames for obligation/expenditure, capturing the number of jobs created and retained, etc.)

There are no performance measure requirements to receive these funds. The System is required to report expenditure of the funds in accordance with State guidelines (See #4 above).

6) What procedures will be placed in operation to ensure that ARRA grant awards and expenditures are separately captured?

The Board of Education will post ARRA grant revenues for the BEP funds in revenue account number 46512 – Basic Education Program – ARRA. The Board of Education will capture the expenditures in account number 141-71100-116 – Regular Instruction Program, Teachers – with a specific sub fund for the ARRA grant.

7) What procedures will be utilized to capture performance measure data specifically related to jobs created and retained?

Jobs retained can be accurately estimated by dividing the average teacher's salary for Obion County into the ARRA grant revenue. For the 2009 – 2010 fiscal year, the approximate classroom teacher salary is \$42,000; therefore, there are approximately 17 classroom teaching positions retained due to the State's use of BEP State Stabilization Funds. There were no jobs created with ARRA grant revenues.

8) Establish written criteria for sub-granting ARRA funds to other governments or nonprofits and awarding contracts if applicable.

ARRA funds received by the Obion County Board of Education will not be distributed to other governments or nonprofit organizations; therefore, this objective is not applicable.

9) A written description of the risk assessment plan required by TRAM Directive number eight. TRAM Directive number eight states, All recipients and subrecipients of ARRA funds are required to adopt a risk assessment process for all ARRA programs to include:

- Risk identification,
- Risk evaluation, and
- Risk mitigation plans.

The risk assessment must also include items that address meeting program requirements and objectives.

The System’s annual audit is performed by Tennessee Comptroller of the Treasury. For the fiscal year ended June 30, 2008 (our latest audit), the audit report did not indicate any internal control weaknesses that relate to receipting of funds, disbursing/expending of funds, federal grants, or segregation of duties. Officials believe that there is reasonable assurance that the management internal controls in place will safeguard against misappropriation, waste, or abuse. Accordingly, we are confident that our internal controls are sufficient to properly administer all funds received through the American Recovery and Reinvestment Act (ARRA). During the review of our latest audit report, the following items were discussed:

- 1) All officials and employees that will be involved with this grant have been informed of the System’s responsibility for these funds and the need for teamwork to achieve the objectives of this grant as well as the need for accurate, timely reporting.
- 2) Linda Carney, Director of Finance, and her employees are aware that quarterly reports must be filed with the Tennessee Department of Education within five days after the end of each quarter, unless other reporting guidelines have been established by the Tennessee Department of Education. The Finance Department will code the revenue and expenditures.
- 3) The System’s annual budget has been approved by the Board of Education and the Obion County Commission and receipt and expenditure of these funds is included within.

1. _____
Signature – David W. Huss, Director of Schools
Senior Accountable Official for Recovery Act Activities

Date

2. Signature(s) – Name(s) and title(s) of the individual(s) responsible for preparing the Action Plan

David W. Huss, Director of Schools

Linda Carney, Director of Finance

Date