



U.S. Department of Education
Office of Inspector General

Burlington Community School District's Use of Elementary and Secondary School Emergency Relief Grant Funds

August 9, 2024
ED-OIG/F24CA0172

FLASH REPORT

NOTICE

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UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

Audit Services

August 9, 2024

McKenzie Snow
Director
Iowa Department of Education
400 E 14th St
Des Moines, IA 50319

Dear Director Snow:

Enclosed is our final report, "Burlington Community School District's Use of Elementary and Secondary School Emergency Relief Grant Funds," Control Number ED-OIG/F24CA0172. This report incorporates the comments you provided in response to the draft report. The U.S. Department of Education's policy is to expedite audit resolution by timely acting on findings and recommendations. Therefore, if you have any additional comments or information that you believe may have a bearing on the resolution of this flash review, you should send them directly to the following Department of Education official, who will consider them before taking final Departmental action on this review:

Adam Schott
Delegated the Authority to Perform the Functions and Duties of the Assistant Secretary
Office of Elementary and Secondary Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

We appreciate your cooperation during this review. If you have any questions, please contact me at (916) 213-7630 or Ben.Sanders@ed.gov.

Sincerely,

/s/

Ben C. Sanders
Regional Inspector General for Audit

Enclosure

Results in Brief

Burlington Community School District's Use of Elementary and Secondary School Emergency Relief Grant Funds



Why the OIG Performed This Work

Congress passed three coronavirus relief acts within a 1-year period that provided more than \$275 billion for an Education Stabilization Fund to prevent, prepare for, and respond to the coronavirus, which the President declared as a national emergency in March 2020. This included \$189.5 billion for Elementary and Secondary School Emergency Relief (ESSER), funds intended to provide vital support to States, local educational agencies, and schools to address the impact of the coronavirus. Support, in part, includes activities designed to help students and educators safely return to and sustain in-person instruction, and that address the educational inequities exacerbated by the coronavirus pandemic and students' social, emotional, mental health, and academic needs.

Ensuring that ESSER funds are used for allowable purposes is critical to help address the needs of students and educators. The Burlington Community School District (Burlington) was allocated approximately \$16.5 million in ESSER funds to support 8 schools serving about 3,300 students.

We performed this review to determine whether Burlington expended ESSER grant funds for allowable purposes in accordance with applicable requirements.

What Did the OIG Find?

We determined that all the ESSER expenditures we reviewed for Burlington were allowable and in accordance with applicable requirements. Allowable activities generally include those authorized by the Elementary and Secondary Education Act, Individuals with Disabilities Education Act, Adult Education and Family Literacy Act, Carl D. Perkins Career and Technical Education Act of 2006, and subtitle B of title VII of the McKinney-Vento Homeless Assistance Act. It also includes activities listed in section A-3 of the U.S. Department of Education's [Frequently Asked Questions](#) document for the ESSER and Governor's Emergency Education Relief Programs.

We also found that Burlington complied with key Federal procurement requirements, including those covering the procurement methods to be followed and contract cost, price, and provisions, when procuring the goods or services associated with each ESSER expenditure we reviewed.

What Are the Next Steps?

Because we identified no exceptions, our report does not include recommendations. However, our results are limited to the ESSER expenditures we reviewed, and it is critical that any remaining ESSER funds continue to be used appropriately.

We provided a draft of this report to the Iowa Department of Education (Iowa) for comment, and copied Burlington on that transmittal. We summarize Iowa's comments, which included feedback from Burlington, at the end of the finding and provide the full text of the comments at the end of the report ([Iowa Department of Education's Comments](#)). Iowa agreed with our finding. In the feedback it provided to Iowa, Burlington stated that it agreed with the information in this report and would ensure that all remaining ESSER funds are used for allowable purposes in accordance with applicable requirements.

Purpose

The objective of our flash review was to determine whether the Burlington Community School District (Burlington) expended Elementary and Secondary School Emergency Relief (ESSER)¹ grant funds for allowable purposes in accordance with applicable requirements. This flash review report presents the results of our review.

Burlington Community School District

The Burlington Community School District in Iowa is a local educational agency (LEA) in a remote town setting with 8 schools serving about 3,300 students. Burlington was allocated approximately \$16.5 million in ESSER funds. As of August 15, 2023, Burlington had spent about \$13.5 million (82 percent) of its \$16.5 million ESSER allocation to address the impacts of the coronavirus pandemic. In its approved American Rescue Plan Act (ARP) ESSER plan, Burlington noted that it planned to use its ARP ESSER funds for evidence-based accelerated learning interventions in literacy, mathematics, and social-emotional-behavioral health (including mental health); expansion of summer school offerings; and improvements in school facilities to reduce the risk of virus transmission and improve indoor air quality.

Results of Our Review

For the selected transactions covered by our review, Burlington expended ESSER grant funds for allowable purposes and in accordance with applicable requirements. We selected and reviewed 20 non-personnel ESSER expenditures (19 percent) from a total population of 108 non-personnel expenditures for the period July 1, 2022, through June 30, 2023 (review period).² We used a judgmental, risk-based process to select the

¹ ESSER is one of multiple emergency relief funds comprising the Education Stabilization Fund, which was first authorized and funded under the Coronavirus Aid, Relief, and Economic Security Act (March 27, 2020), and for which Congress later provided additional funding under the Coronavirus Response and Relief Supplemental Appropriations Act (December 27, 2020) and the American Rescue Plan (March 11, 2021). Under ESSER, the U.S. Department of Education awarded grants to State educational agencies for the purpose of providing local educational agencies with emergency relief funds to address the impacts that the coronavirus pandemic had on elementary and secondary schools and their students.

² We limited the scope of our review to non-personnel expenditures; personnel expenditures were excluded because they represented a relatively small percentage of all ESSER expenditures (non-personnel and personnel) during our review period.

20 expenditures, which represented \$3,202,646 (61 percent) of the \$5,278,074 in total non-personnel ESSER expenditures during our review period.

We reviewed each expenditure to determine whether it was (1) connected to the coronavirus pandemic (intended to prevent, prepare for or respond to the coronavirus pandemic, including its impact on the social, emotional, mental health, and academic needs of students); (2) an authorized use of ESSER funds under applicable law and regulations; and (3) reasonable and necessary and otherwise permissible under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance, 2 Code of Federal Regulations (C.F.R.) part 200). We also performed additional work, as needed, to determine whether Burlington complied with key Federal procurement requirements, specifically those covered under 2 C.F.R. sections 200.320 (methods of procurement to be followed), 200.324 (contract cost and price), and 200.327 (contract provisions), when procuring the goods or services associated with each expenditure. We interviewed Burlington officials to gain a basic understanding of how they used ESSER funds, and their processes for approving and monitoring ESSER expenditures.

An LEA can use ESSER funds for any activity deemed allowable under section 18003(d) of the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136); section 313(d) of the Coronavirus Response and Relief Supplemental Appropriations Act (P.L. 116-260); and section 2001(e) of ARP (P.L. 117-2). These activities generally include any activity authorized by the Elementary and Secondary Education Act, Individuals with Disabilities Education Act, Adult Education and Family Literacy Act, Carl D. Perkins Career and Technical Education Act of 2006, and subtitle B of title VII of the McKinney-Vento Homeless Assistance Act; as well as those listed in section A-3 of the U.S. Department of Education's [Frequently Asked Questions](#) document for the ESSER and Governor's Emergency Education Relief Programs (May 2021, and updated on December 7, 2022).

We determined that all 20 (100 percent) expenditures that we reviewed for Burlington were used for allowable purposes and in accordance with applicable requirements. These expenditures were generally for school facility repairs, air quality improvements, asbestos abatement, and construction management. They were connected to the coronavirus pandemic, authorized uses of ESSER funds under applicable law and regulations, and reasonable and necessary and otherwise permissible under Uniform Guidance. In addition, we found that Burlington complied with the key Federal procurement requirements covered under 2 C.F.R. sections 200.320 (methods of procurement to be followed), 200.324 (contract cost and price), and 200.327 (contract provisions) when procuring the goods or services associated with each expenditure.

Because all the expenditures we reviewed were for allowable purposes and in accordance with applicable requirements, we make no recommendations in this report.

However, our results are limited to the ESSER expenditures we reviewed, and it is critical that any remaining ESSER funds continue to be used appropriately.

Iowa Department of Education's Comments

The Iowa Department of Education (Iowa) agreed with our finding. In the feedback that it provided to Iowa, Burlington stated that it agreed with the information in this report and would ensure that all remaining ESSER funds are used for allowable purposes in accordance with applicable requirements.

Appendix A. Scope and Methodology

Our review covered Burlington’s non-personnel ESSER expenditures from July 1, 2022, through June 30, 2023 (review period). We limited our scope to non-personnel expenditures because they accounted for the vast majority (84 percent) of all ESSER expenditures (non-personnel and personnel) during our review period. We limited our internal control work to gaining a basic understanding of how Burlington’s accounting system was used to account for ESSER funds and how to interpret accounting codes. We conducted our review remotely from February 2024 through June 2024. We discussed the results of our review with Burlington and Iowa officials on June 11, 2024.

Sampling Methodology

To determine whether Burlington expended ESSER grant funds for allowable purposes in accordance with applicable requirements, we selected and reviewed 20 non-personnel expenditures (19 percent) from a total population of 108 non-personnel expenditures for the period July 1, 2022, through June 30, 2023. We used a judgmental, risk-based process to select the 20 expenditures for review. We selected three expenditures, including the two largest expenditures, because they were high dollar (each exceeded \$100,000) and paid to a vendor whose goods and services accounted for more than 80 percent of the LEA’s non-personnel ESSER expenditures during our review period. We selected the remaining 17 expenditures using one or a combination of high dollar amount, vendor name, unclear transaction description, and duplicate amount. The 20 expenditures represented \$3,202,646 (61 percent) of the \$5,278,074 in total non-personnel ESSER expenditures during our review period. The results of our testing apply only to the expenditures reviewed and cannot be projected to the universe of non-personnel ESSER expenditures.

Use of Computer-Processed Data

We relied, in part, on computer-processed data (LEA expenditure data) from Burlington’s accounting system. Burlington provided us with a PDF document (report generated from its accounting system) that contained its ESSER expenditure data from July 1, 2022, through June 30, 2023. We converted the PDF document to a spreadsheet for quicker review and analysis. To assess the completeness of the expenditure data in the spreadsheet, we compared total expenditures in the spreadsheet to total expenditures in the four quarterly ESSER expenditure reports that Burlington submitted to the Iowa Department of Education for our review period. To assess the reliability of the expenditure data in the spreadsheet, we reviewed supporting documentation, such as invoices and proof of payment, for the 20 expenditures covered by our review. We did not identify any issues and concluded that the expenditure data in the spreadsheet were reliable for their intended use.

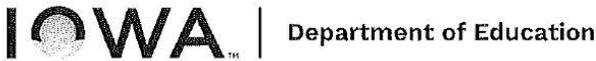
Compliance with Standards

We conducted our work in accordance with OIG quality control standards and the Council of the Inspectors General on Integrity and Efficiency’s “Quality Standards for Federal Offices of Inspector General,” which require that we conduct our work with integrity, objectivity, and independence. We believe that the information obtained provides a reasonable basis for our conclusions.

Appendix B. Acronyms and Abbreviations

ARP	American Rescue Plan Act
Burlington	Burlington Community School District
C.F.R.	Code of Federal Regulations
ESSER	Elementary and Secondary School Emergency Relief
Iowa	Iowa Department of Education
LEA	local educational agency
Uniform Guidance	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Iowa Department of Education's Comments



McKenzie Snow, Director Kim Reynolds, Governor
Adam Gregg, Lt. Governor

July 26, 2024

Ben C. Sanders
Regional Inspector General for Audit
U.S. Department of Education
Office of Inspector General
Sacramento Region

Reference: Control Number ED-OIG/F24CA0172

Dear Mr. Sanders:

The purpose of this letter is to confirm the Iowa Department of Education has reviewed the draft flash report, "Burlington Community School District's Use of Elementary and Secondary School Emergency Relief Grant Funds", and agrees with the findings as written.

The Burlington Community School District would like to add the comment below:

"The Burlington Community School District has reviewed and agrees with the audit report. As there were no findings or recommendations in the report, the District will ensure that all remaining ESSER funds will be used for allowable purposes in accordance with the applicable requirements."

Respectfully,



Jillian Dotson
Chief, Bureau of Federal Programs



Sandra Hurtado-Peters
Chief Financial Officer

Ensuring all students experience a world-class education.

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