

# DEED PROGRAM 03 – SCHOOL BROADBAND ASSISTANCE

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## I. **PROGRAM OBJECTIVES**

Authorized under AS 14.03.127, funds are appropriated to the Department of Education & Early Development for payment of school district internet services for schools that have less than or equal to 100 Mbps broadband service and that qualify for a discounted rate under the federal universal services program.

## II. **PROGRAM PROCEDURES**

Following enactment of the enabling legislation, the Department distributes a grant application packet and executes a grant agreement with the school district to provide funding for Internet services in accordance with the language of the legislation.

## III. **COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES**

Compliance requirements are contained in the grant agreement and in 4 AAC 33.600 through 4 AAC 33.690.

### A. **TYPES OF SERVICES ALLOWED OR UNALLOWED -**

**Compliance Requirement:** A district must include only monthly recurring costs for eligible circuits or connections in its calculation of current Internet service cost and the projected cost of increasing the eligible circuit or connection download speed up to 100 Mbps under 4 AAC 33.605.

**Suggested Audit Procedures:** Test transactions to determine whether expenditures are necessary and reasonable for the performance of the program and are authorized or not prohibited under the grant agreement and other applicable guidelines and regulations.

### B. **ELIGIBILITY -**

**Compliance Requirement:** Only a public school district in which one or more schools qualify for a discounted rate for Internet services under the federal universal services program is eligible for this program.

**Suggested Audit Procedures:** None.

### C. **MATCHING, LEVEL OF EFFORT AND/OR EARMARKING REQUIREMENTS -**

**Compliance Requirement:** The grant agreement may contain specific provisions to which the grantee is to adhere.

**Suggested Audit Procedures:** Review the grant agreement; identify any special provisions or requirements; and verify that the requirements were met.

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### D. REPORTING REQUIREMENTS -

1. **Compliance Requirement:** Special revenue funds are used to account for the proceeds of specific revenue sources that legally restricted to expenditure for specified purposes, therefore, to increase transparency of funding, School Broadband Assistance funding must be collected and reported in a Special Revenue Fund.

**Suggested Audit Procedures:** Verify that program funds are collected and reported in a special revenue fund.

2. **Compliance Requirement:** Not later than April 15 of the fiscal year that a district receives funding under AS 14.03.127, a district shall file a year-end report with the department on a form provided by the department. 4 AAC 33.665

**Suggested Audit Procedures:**

- a) Review the grant agreement to determine reporting requirements;
- b) Review procedures for preparing required reports and evaluate adequacy;
- c) Review the year-end report for completeness and timeliness of submission;
- d) Trace data in the report to the supporting documentation; and
- e) Evaluate adjustments, if any, for propriety.

### E. SPECIAL TESTS AND PROVISIONS -

1. **Compliance Requirement:** Districts receiving funding under AS 14.03.127 are required to retain all records related to its application and funding under AS 14.03.127 and under the federal universal services program for any year the district applied for funding under AS 14.03.127. Records must be retained for 10 years after the end of the fiscal year funding under AS 14.03.127 was received.

**Suggested Audit Procedures:**

- a) Review procedures for document retention and evaluate adequacy; and
- b) Review a sampling of documents to verify existence and availability.

2. **Compliance Requirement:** The grant agreement may contain specific provisions to which the grantee is to adhere.

**Suggested Audit Procedures:** Review the grant agreement; identify any special provisions or requirements; and verify that the requirements were met.