

DEED PROGRAM 7 – DISTRICT-OPERATED RESIDENTIAL SCHOOLS

I. **PROGRAM OBJECTIVES**

The objective of this program is to provide a basic residential school for students in grades nine through 12 that provides education, room, and board for a variable-length or 180-day school term without regard to the student's district of residence in accordance with AS 14.16.200 and 4 AAC 33.090.

II. **PROGRAM PROCEDURES**

The Department may grant money to school districts to defray the costs of a statewide or district-wide residential school. These costs include transportation and room and board.

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

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

Compliance Requirement: Grant funds may be expended for the administration and operation of the school district's statewide or district-wide residential school within the limitation of district guidelines and those in AS 14.16.200.

Suggested Audit Procedures:

- a) Test transactions to determine whether expenditures are necessary and reasonable for the performance and administration of the program, and are authorized or not prohibited under applicable guidelines and regulations; and
- b) Verify the region the district is in and that the stipend rate for the correct region is being used, as outlined in AS 14.16.200(b)(2).

B. **ELIGIBILITY -**

1. **Compliance Requirement:** A district that operates a statewide or district-wide residential school for students in grades nine through 12, without regard to the student's district of residence submits an approved district application is eligible for this program.

Suggested Audit Procedures: Review and evaluate policies and procedures for ensuring eligibility compliance.

2. **Compliance Requirement:** Eligibility for funding under this program is limited in accordance with 4 AAC 33.090(f) and AS 14.16.200(b)(2).

Suggested Audit Procedures: Review and evaluate policies and procedures for ensuring eligibility compliance.

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C. MATCHING, LEVEL OF EFFORT AND/OR EARMARKING REQUIREMENTS -
There is no matching, level of effort, or earmarking requirements.

D. REPORTING REQUIREMENTS -

1. Compliance Requirement: The district must submit their Statewide or District-wide Residential School Application (Form# 05-07-061) to the Department during the annual period of open application-May 1 through June 30- for initial approval. A revised application is needed only if the district wishes to amend their initial approved application. Under 4 AAC 33.090(f), a district operating an approved statewide or district-wide residential school shall submit a Statewide or District-Wide Residential School Request for Reimbursement form (Form# 05-07-062) by December 1 of each year. An annual report, Statewide or District-wide Residential School Year End Report (Form# 05-07-089), is due by June 30 of each year.

Suggested Audit Procedures:

- a) Review procedures for preparing reports and evaluate adequacy;
- b) Review reports for completeness and timeliness of submission;
- c) Review request for reimbursement to ensure amounts noted are in accordance with statute and regulation;
- d) Trace data to the supporting documentation; and
- e) Evaluate adjustments for propriety.

2. Compliance Requirement: District must report the statewide or district-wide residential school in a special revenue fund.

Suggested Audit Procedures: Review financial reporting to determine correct reporting of the statewide residential educational program funds.

E. SPECIAL TESTS AND PROVISIONS -

Compliance Requirement: There are no special compliance requirements.

Suggested Audit Procedures: There are no special suggested audit procedures.