



PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION | Mark Johnson, *Superintendent of Public Instruction*

WWW.NCPUBLICSCHOOLS.ORG

April, 2019

Frank Brogan, Assistant Secretary
Office of Elementary and Secondary Education
U.S. Department of Education
400 Maryland Ave. S.W.
Washington, D.C. 20202-6510

Re: Late Liquidation Request for PR/Award Number S287C160033

Dear Assistant Secretary Brogan:

The North Carolina Department of Public Instruction (NCDPI) is requesting from the United States Department of Education (the Department) to extend the liquidation deadline for FY2016 funds from December 30, 2018 of Title IV Part B funds known as the grant for 21st Century Community Learning Centers until June 30, 2019. The applicable regulation, 34 C.F.R. 80.23(b) sets that deadline at December 30, 2018; however, the Department may under certain conditions extend this deadline to allow access to the Department's Grants Administration and Payment System (G-5). The NCDPI has approximately \$414,555.41 in Title IV, Part B funds from Fiscal Year (FY) 2016 that were not drawn down by the established deadline. With the impact of Hurricane Florence which made landfall on September 14, 2018 and the accompanying rainfall and flooding that continued for several days; followed by high winds and additional rainfall from the remnants of Hurricane Michael, October 10-12, 2018; many of our schools, districts, and grantees were unable to complete activities, make purchases, pay staff, or complete payment of already obligated expenditures. In addition, many of the necessary records and support systems were either unavailable or inaccessible for weeks, unusable due to long term power outages, or completely destroyed. In conjunction with that the NCDPI staff in the finance offices were working hard to make sure districts, schools and grantees received the funds they needed to keep operating during these stressed days and weeks, while they themselves dealt with storm damage at home or with family members. Many tasks were shared or done cooperatively in order to make sure all allowable funds were made available to appropriate recipients. As a result, there were funds drawn from FY2017 and FY2018 Title IV Part B grant accounts totaling over \$500,000 most of which should have been drawn from the FY2016 account.

If the waiver is granted, the funds will be used to support the work of districts and grantees in the 52 counties designated by the governor as extensively impacted by these storms (including 28 counties designated as federal disaster areas by President Trump) to provide the necessary supports to students in the 21st Century Learning Centers that serve students in public schools, charter schools and private schools in North Carolina in advancing student academic achievement and closing achievement gaps. There were few if any schools in NC without some level of impact from these two storms.

FEDERAL PROGRAM MONITORING AND SUPPORT DIVISION

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AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

Additionally, in order to prevent this from happening in the future, the Chief Financial Officer (CFO) has established a new position for which hiring is currently underway, to be designated as a “grant accountant/business analyst” whose sole responsibility will be to monitor all federal grants and reconcile the funds with the individual grant requirements associated with each grant including periods of availability, carryover allowances and allowable costs. This position will work closely with the Director of the Federal Program Monitoring and Support Division and report directly to the Finance Director and indirectly to the CFO. Further, the CFO has redefined roles within that unit so that cash management and processes involved in funds draw downs and reconciliation of drawn down funds will all be under the direct oversight of the Finance Director rather than spread throughout different offices.

Attached is a copy of the press release in which we notified the public and education shareholders of the ability to submit comments on this waiver request as well as copies of the email responses we received and our replies. Also, a copy of a specific email to the State Board of Education is included to show that we made sure they were aware of the waiver request and had the ability to comment. The comment period lasted from March 8, 2019 to April 8, 2019. In addition, notice of the waiver and how to make comments was posted on NCDPI’s website during the same period.

If you have questions about this request, please contact my staff through Michael Wells, director of the Federal Program Monitoring and Support Division at NCDPI, Michael.wells@dpi.nc.gov, (919) 807-3957. We look forward to hearing from you with a positive response. Thank you for your attention to this matter.

Sincerely,