

93.558 SOCIAL SERVICES BLOCK GRANT (SSBG)

State Project/Program: SUPPORT OUR STUDENTS PROGRAM (SOS)

**U.S. Department Of Health and Human Services
Administration for Children and Families**

Federal Authorization: Social Services Block Grant: CFDA number: 93.558. The allocation was from 2001-2002 Session Law 2001-424 Sec. 5.1 (a).

State Authorization: G.S. 143B-152.1 through 143B-152.7 SOS Requirements for Program Operations SOS Request for Proposals/Applications

**Department of Juvenile Justice and Delinquency Prevention
(Prior to July 20, 2000, Office of Juvenile Justice)**

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The auditor should **not** consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor **can** consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current.

The grantor agency may elect to review audit working papers to determine that audit tests are adequate. Auditors may request documentation of monitoring visits by the State Agencies.

I. PROGRAM OBJECTIVES

The purpose of the program is to award grants to neighborhood and community-based organizations to establish local SOS programs that provide high quality after-school activities for school-aged children and provide for comprehensive, collaborative delivery of services by public and nonpublic agencies to these children. These services shall be designed to enrich and make a positive impact on the lives of school-aged children. These after-school activities may include activities after the regular school day and activities on days that students are not required to attend school.

The goals of the program are to:

- Reduce juvenile crime in local communities served by the program;

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- Recruit community volunteers to provide positive adult role models for school-aged children and to help supervise after-school activities;
- Reduce the number of students who are unsupervised after school, otherwise known as “latchkey” children;
- Improve the academic performance of students participating in the program;
- Meet the physical, intellectual, emotional, and social needs of the students participating in the program and improve their attitudes and behavior; and
- Improve coordination of existing resources and enhance collaboration so as to provide services to school-aged children effectively and efficiently.

II. PROGRAM PROCEDURES

With legislative changes effective January 1, 1999, the Support Our Students Program is administered by the Department of Juvenile Justice and Delinquency Prevention (DJJDP) located at 3010 Hammond Business Place, 1801 Mail Service Center, Raleigh, North Carolina 27699-1801. Prior to January 1, 1999, the Community Services Section of the Division of Youth Services, Department of Health and Human Services, administered the program. The Division of Youth Services and the Juvenile Services Division of the Administrative Office of the Courts merged in January 1999 to become the Office of Juvenile Justice. On July 20, 2000, Governor Jim Hunt signed the bill creating the Department of Juvenile Justice and Delinquency Prevention.

Grants are made by the Support Our Students Program upon written proposals (Request for Proposals/Applications) submitted by local 501(c) (3) organizations and approved by the DJJDP. Grant award contracts are issued upon initial approval and renewed annually upon the submission of contract renewal plans for each new fiscal year. SOS Administrative Requirements for Program Operations are a part of the Request for Proposal and are also distributed annually as a part of the contract renewal plan.

The Support Our Students Program is a component of Program Services Division of the DJJDP and is administered at the state level. The state’s role is: to administer the funds for the grants; disseminate information regarding the program; develop and disseminate requests for proposals to establish local programs; provide technical assistance to local SOS programs; monitor the grants funded; revoke a grant if necessary; develop and implement an evaluation system; and report on the implementation of the program to the General Assembly and the Governor. An initial training session is provided to new programs and ongoing training is offered through regional meetings and an annual conference.

During fiscal year 2007-2008, Support Our Students Programs were operated by 501(c)(3) organizations in 92 North Carolina counties.

III. COMPLIANCE REQUIREMENTS

A. Activities Allowed or Unallowed

These funds may be used only for after-school services for school age children covered by the Request for Proposal or as submitted in the contract renewal plan.

Suggested Audit Procedures - Review the use of funds by the organization to determine that after-school activities identified in the Request for Proposal or contract renewal plan are being provided and that the activities are being provided a minimum of three hours per day for four days per week or two and a half hours per day five days per week as per SOS Administrative Requirements for Program Operation.

B. Allowable Costs/Cost Principles

Allowable Costs - Grant recipient's total cost for personnel shall not exceed 75% of the total SOS grant.

Suggested Audit Procedures - Verify expenditures for salaries, fringes and contracted personnel with supporting documentation to determine that personnel costs do not exceed 75% of the total grant amount.

Allowable Costs - Grant recipient's total cost for equipment shall not exceed 13% of the total SOS grant.

Suggested Audit Procedures - Verify expenditures for equipment with supporting documentation to determine that costs do not exceed 13% of the total grant amount.

Allowable Costs - Capital costs (any expenditure related to the purchase of equipment valued at \$350 or more and with a life expectancy of more than a year and any improvement to real estate) shall not exceed 4% of a grant in any fiscal year.

Suggested Audit Procedures - Verify expenditures for capital costs with supporting documentation to determine that capital costs do not exceed 4% of the grant amount in any fiscal year.

Allowable Costs - No grant recipient shall permit reimbursements to individuals for meals, travel or lodging in an amount that exceeds the rates applicable to the employees of the State of North Carolina as provided in the State Budget Manual, Section 5.

Suggested Audit Procedures - Verify that the supporting documentation for meals, travel or lodging do not exceed state rates.

C. Cash Management

Compliance Requirements – Disbursements from DJJDP are made on a monthly basis to each of the 100 county nonprofit program providers through the automatic deposit system. Monthly transmittals are made in equal payments beginning with the DJJDP approval month and continuing through the last month of the fiscal year.

Audit Objective- Determine that monthly disbursements were in accordance with approved budget for the program.

Suggested Audit Procedures- Select a sample of expenditure and compare monthly receipts and disbursements with general ledger information.

E. Eligibility

Students served by the Support Our Students Program should be school-aged in grades K-9, and should be school or parent referred, court involved, latchkey, or academic and/or behavioral risk factor that places the youth at risk for juvenile delinquency

Suggested Audit Procedures - Verify documentation that only eligible individuals participated in the program.

F. Equipment and Real Property Management

Compliance Requirement - Equipment purchased with Support Our Students grant funds shall be used for the SOS program. An equipment inventory shall be maintained locally and a copy of a list of all equipment purchased with grant funds shall be attached to the annual cost report. Should a program be discontinued during the life of the equipment, the organization shall contact the DJJDP and follow its written instructions regarding the disposition of the equipment.

Suggested Audit Procedures - Review the equipment inventory and equipment expenditures reported on the annual cost report for consistency and verify supporting evidence of purchase.

Determine whether assets have been disposed. Verify that the entity has written permission.

H. Period of Availability of State Funds

Compliance Requirement - Grant funds available in any fiscal year (July 1 -June 30) may be used only for expenses incurred during the current fiscal year.

Suggested Audit Procedures - Review organization's expenditure records and determine whether expenses were incurred in current fiscal year.

L. Reporting

Compliance Requirement - Expenditures of the Support Our Student's Program are reported to the DJJDP monthly and annually.

Suggested Audit Procedures - Verify that expenditures reported to DJJDP reconcile to the entity's financial records.

Compliance Requirement - Organizations are not required to provide matching funds. If an organization obtains matching funds, the organization must report these amounts to the DJJDP.

Suggested Audit Procedure - Review the records for expenditures dates and documentation/invoices to support reported expenditures on the Schedule of Receipts and Expenditures Form.

N. Special Tests and Provisions

Compliance Requirement - Personal service contracts may not exceed \$1,000.00 without prior approval of the Support Our Students State Office.

Suggested Audit Procedures - Verify written documentation of approval from DJJDP Community Grants Section.