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## Independent Accountants' Report

To the Fiscal Committee of the General Court  
State of New Hampshire

We have examined management of the State of New Hampshire's assertions regarding the amounts of payroll costs charged to the following Federal Programs: Title I Part A, Title II, Title III and School Improvement Grant, for the years ended June 30, 2016, 2015 and 2014 as presented in Exhibit I (attached):

- The amounts in the "Total" column represent the total amount of payroll costs charged to each Federal Program in each fiscal year
- The amounts in the "Supportable" column represent the total amount of payroll costs charged to each Federal Program in each fiscal year for which management had supporting documentation
- The amounts in the "Unsupported" column represent the total amount of payroll costs charged to each Federal Program in each fiscal year for which management did not have supporting documentation

Management of the State of New Hampshire is responsible for these assertions. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, management's assertions, listed above, regarding the amounts of payroll costs charged to the Title I Part A, Title II, Title III and School Improvement Grant for the years ended June 30, 2016, 2015 and 2014 as presented in Exhibit I are fairly stated in all material respects.

This report is intended solely for the information and use of the State of New Hampshire and is not intended to be and should not be used by anyone other than the specified parties.

**KPMG LLP**

Boston, Massachusetts  
September 6, 2018

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EDUCATION**

Exhibit I – Total, Supportable and Unsupportable Payroll Costs for Title I part A, Title II, Title III and School Improvement Grant Federal Programs

For the Fiscal Years Ended June 30, 2016, 2015 and 2014

<u>Federal Program</u>	<u>Total</u>	<u>Supportable</u>	<u>Unsupportable</u>
<b><u>Total</u></b>			
Title I, part A	\$ 2,066,406.18	—	\$ 2,066,406.18
Title II	634,615.58	—	634,615.58
Title III	496,530.97	—	496,530.97
School Improvement Grant	186,300.59	—	186,300.59
	<u>3,383,853.32</u>	<u>—</u>	<u>3,383,853.32</u>
<b><u>SFY 2016</u></b>			
Title I, part A	857,189.94	—	857,189.94
Title II	243,985.36	—	243,985.36
Title III	216,737.52	—	216,737.52
School Improvement Grant	50,690.01	—	50,690.01
	<u>1,368,602.83</u>	<u>—</u>	<u>1,368,602.83</u>
<b><u>SFY 2015</u></b>			
Title I, part A	723,159.64	—	723,159.64
Title II	189,910.78	—	189,910.78
Title III	149,088.66	—	149,088.66
School Improvement Grant	65,227.96	—	65,227.96
	<u>1,127,387.04</u>	<u>—</u>	<u>1,127,387.04</u>
<b><u>SFY 2014</u></b>			
Title I, part A	486,056.60	—	486,056.60
Title II	200,719.44	—	200,719.44
Title III	130,704.79	—	130,704.79
School Improvement Grant	70,382.62	—	70,382.62
	<u>887,863.45</u>	<u>—</u>	<u>887,863.45</u>

**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EDUCATION**

Notes to Exhibit I – Total, Supportable and Unsupportable Payroll Costs for Title I part A, Title II, Title III and  
School Improvement Grant Federal Programs

For the Fiscal Years Ended June 30, 2016, 2015 and 2014

**(1) Description of the Department of Education**

The Department of Education (Department) offers a wide variety of programs and services in support of New Hampshire's students, teachers, educators, administrators, families, and community members. The Department is organized into the four divisions: The Division of Career Technology and Adult Learning, The Division of Higher Education – Higher Education Commission, The Division of Educational Improvement and The Division of Program Support. The Department's mission is to provide educational leadership and services which promote equal educational opportunities and quality practices and programs that enable New Hampshire residents to become fully productive members of society.

**(2) Basis of Accounting**

The amounts included in Exhibit I are reported on the cash basis of accounting.

**(3) Basis of Presentation**

The amounts in the Total column represent in total and for the fiscal years ended June 30, 2016, 2015 and 2014, payroll costs charged to the federal government's Title I part A, Title II, Title III and School Improvement Grant programs. The State of New Hampshire has determined the amounts in the unsupported column were deemed unsupported based on the Federal Cost Principles criteria included in the Office of Management and Budget's Circular A-87 for the fiscal year ended June 30, 2014, and the Uniform Guidance 2 C.F.R section 200.430 for the fiscal years ended June 30, 2016 and 2015.