

IDEA PART B SECTION 611 & 619 (PRESCHOOL) FEDERAL GRANTS

FISCAL MONITORING PROCEDURES MANUAL FOR LOCAL EDUCATION AGENCIES (LEAs) AND SUBRECIPIENTS



IDAHO STATE DEPARTMENT OF EDUCATION
DEPARTMENT OF SPECIAL EDUCATION | FUNDING & FISCAL ACCOUNTABILITY

650 W STATE STREET, 2ND FLOOR
BOISE, IDAHO 83702
208 332 6800 OFFICE
WWW.SDE.IDAHO.GOV

CREATED 09/13/2017
REVIEWED 10/15/2020

TABLE OF CONTENTS

FISCAL MONITORING PROCEDURES	3
OVERVIEW	3
PURPOSE AND AUTHORITY	3
PROCEDURES AND METHODOLOGY	4
TECHNICAL ASSISTANCE.....	4
PRELIMINARY RISK ASSESSMENT	4
DESK REVIEW.....	5
FIELD REVIEW	6
MONITORING REPORT	8
RESOLUTION	8
FISCAL MONITORING CYCLE AND RISK ASSESSMENT PROCEDURES.....	9
SEQUENTIAL SAMPLING MONITORING	9
RISK BASED MONITORING	9
RISK CATEGORIES AND CYCLE	10
CORRECTIVE ACTION PLAN AND ENFORCEMENT MECHANISMS.....	11
TIMELINE	11
APPENDIX I.	12
APPENDIX II.	35
APPENDIX III.....	37

I. FISCAL MONITORING PROCEDURES

OVERVIEW

The Idaho State Department of Education (ISDE) is the prime recipient of IDEA Part B grant awards under both the Special Education – Grants to States Program and the Special Education – Preschool Grants Program. The Special Education team is responsible for administering those grants. That administrative responsibility includes the general supervision requirements of the Individuals with Disabilities Education Act (IDEA), as well as program and fiscal monitoring of sub-recipients required by federal statutes and regulations.

PURPOSE AND AUTHORITY

This manual contains the State Department of Education - Special Education Department standards for fiscal monitoring and oversight. These procedures are developed to standardize guidelines concerning oversight, evaluation, and monitoring of each Idaho Local Education Agency (LEA) and sub-recipients.

This document sets forth the Policies and Procedures and identifies each component of the Idaho State Department of Education Plan for fiscal monitoring of sub-recipients of IDEA Part B and Preschool funds.

The federal regulatory provisions under which the ISDE Special Education Department monitors for fiscal accountability and compliance are:

- 34 CFR Part 74 Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations
- 34 CFR Part 80 Uniform Administrative Requirements for Grants and Cooperative Agreements
- IDEA Title 34 Code of Federal Regulations Part 300
- 2 CFR Part 200 EDGAR -Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards:

- 2 CFR Part 200 3474 Uniform Administrative Requirements, Cost Principles, and Audit Requirements
- 2 CFR Part 180 – OMB Guidelines to agencies on Government-wide Debarment and Suspension (non-procurement)
- 2 CFR Part 3485 Non-Procurement Debarment and Suspension.

II. PROCEDURES AND METHODOLOGY

TECHNICAL ASSISTANCE

The ISDE Special Education provides technical assistance to ensure that all sub-recipients of IDEA awards are compliant with applicable federal statutes and regulations including the uniform administrative requirements and cost principles for federal awards given in Title 2 of the Code of Federal Regulations (CFR), Part 200, as well as the specific administrative and fiscal requirements of IDEA. Technical assistance is provided as an integral part of the procedures outlined below or can be provided in specific areas of need, at the request of the sub-recipient.

PRELIMINARY RISK ASSESSMENT

The ISDE Special Education - Funding and Fiscal Accountability Office uses certain tools routinely to perform preliminary assessment of the risk posed by an LEA or sub grantee. These activities consist of, but are not limited, to:

- Review of Financial and Compliance Audit
 - a. State Audit of Federal Programs
 - b. LEA Audits
 - c. IFARMS Annual Reports
 - d. A-133 Single Audits
 - e. Limited Scope Audits
- LEA Self-Assessment

- IDEA Part B and Preschool Application review: Maintenance of Effort, Budget, Coordinated Early Intervening Services, Excess Costs, Private School Proportionate Share, LEA Sponsored Charter School, School-Wide Programs, Statement of Assurances, and Self-Assessment check list.

DESK REVIEW

Desk Review consist of, but is not limited, to:

- Review sub-award letters, contracts, files, documents, and related correspondence;
- Review applicable Federal and State Regulations;
- Review budget or expenditure reports through the Grant Reimbursement Application GRA;
- Review audits reports as necessary;
- Review prior monitoring reports;
- Review sub-recipients equipment inventory and identify equipment/property that needs inspection (if any)
- Review of written, board-approved, fiscal policies and procedures
- Review of documentation of specific areas of concern, such as use of funds set aside for CEIS or the provision of Services to Parentally-placed Private School Children (where applicable.)

FIELD REVIEW

Field Review consist of, but is not limited, to:

- Entrance Conference - A description of the scope and purpose of the monitoring, including programs to be reviewed and determination that information required to complete monitoring visit is available at the site.
- Conduct interviews - With staff involved with IDEA Part B grant activity (specifically business managers and special education directors); and arrange exit interview.
- A detailed review of:
 - a. Fiscal and program records for compliance with IDEA Part B and Preschool requirements, generally accepted accounting principles and internal control best practices.
 - b. Review pay records (time cards/sheets) and attendance reports to ensure compliance with time and effort requirements
 - c. Review of employment contracts/agreements between LEAs and personnel paid with IDEA Part B funds to ensure that services to students with disabilities are being provided and payments are appropriate. Contracts shall be reviewed for dates, authorized signatures, amount paid, and supporting documents to justify payment.
 - d. Review staffing levels, operating procedures, and contracts
 - e. Review sub-recipients records on expenditures of IDEA Part B funds and supporting documents.
 - f. Review of written, board-approved, fiscal policies and procedures
 - g. Procurement Practices
 - Adherence to contract requirements and instruction for purchases
 - Documentation of contract awards
 - Procedures for prevention of conflict of interest
 - Political Activities Prohibited
 - Property Management
 - h. Financial Management

- Standards for financial management systems.
 - Fiscal controls and accountability.
 - Record retention.
 - Allowability of costs
 - Fiscal Records such as cash receipts journal, cash disbursement, payroll journal, general ledger, bank reconciliation, accounts payable, purchase orders, cost allocation plan
 - Source documents such as time sheets, vendor invoices, travel reimbursements, petty cash, canceled checks
- i. Payments for program activities such as travel, training attendance...
- Justification for the need of the activities (which may include agenda, training attendance records, documentation of miles traveled, receipts, etc.);
 - Pre-approval by SDE of Out of State travel using IDEA Part B funds;
 - An invoice or receipt for payment received (itemized and dated) for the supportive service.
- j. Record Keeping
- Require that records be retained for 3 years after submission of final expenditure report for that funding period.
- k. Property Control Records
- Property purchased with IDEA Part B funds shall be tagged and used for the purpose for the purpose of serving student with disabilities
 - Buildings and facilities rental funded with contract funds is being used for project proposes and is adequate/inadequate
 - Verification of prior approval, where applicable
 - Conduct a random check to determine if proper care and attention is being given to the maintenance, repair, and protection of federal property

Fiscal auditors will use the Monitoring Visit Form (Appendix I) to document all the testing procedures during the field review

- Exit interview – An exit interview will be conducted with the appropriate LEAs or sub-recipients staff when the monitoring visit is completed. Problem areas will be discussed in general terms.

MONITORING REPORT

A monitoring report (Appendix II) will be prepared as a result of the desk review, field review, and other related activities. The report will state the objectives, scope and methodology of the monitoring; and will clearly state findings, recommendations, and whether corrective action is required. Findings will contain a statement of criteria (regulation, directive, or contract clause etc...), the condition found, the cause of the problem, and the effect or consequence that will result if corrective action is not taken. The monitoring report with findings – if applicable - will be prepared within 30 days of the completion of the monitoring activity and a copy of the report will be filed in the master fiscal monitoring folder. LEAs or sub recipients with audit findings might have special conditions or restrictions imposed by the ISDE Special Education as a result.

RESOLUTION

The ISDE will consider all findings resolved only after the sub-recipient has provided sufficient evidence that the corrective action plan has been fully implemented. At such point, a closeout letter will be issued to the sub- recipient within 30 days to indicate that all findings have been resolved and to document that conditions/restrictions have been lifted.

III. FISCAL MONITORING CYCLE AND RISK ASSESSMENT PROCEDURES

SEQUENTIAL SAMPLING MONITORING

Sequential sampling is a non-probability sampling technique that consists in picking a single or a group of subjects in a given time interval. This sampling method will ensure that ISDE Special Education – Funding and Fiscal Accountability Office monitors all LEAs and sub recipients receiving IDEA Part B 611 & 619 (Preschool) Funds at any given point of time in a four years cycle at a minimum.

The ISDE Special Education Funding and Accountability Coordinator will determine whether the LEAs selected will be subject to a desk review or a field review. The factor used in making that determination shall be based on the size of the award amount in the last three recent fiscal years, as follow:

- Award amount \$750,000 or less : less likely to be subject to a field review
- Award amount \$750,000 - \$1,500,000: somewhat likely to be subject to a field review
- Award amount \$1,500,000 or more: most likely to be subject to a field review

However, if a grantee is classified as high risk in our annual risk assessment this will automatically trigger a field review in our sequential sampling monitoring schedule.

The ISDE Special Education Department awards IDEA Part B and Preschool Funds to approximately 145 Local Educations Agencies. Therefore, this sampling method will allow ISDE – SPED to monitor approximately 36 sub recipients per year or 3 per month.

RISK BASED MONITORING

[Annual Risk Assessment](#)

The risk based monitoring method will be used on an on-going basis. The IDEA Part B Administrators will perform an annual risk assessment of all LEAs and sub recipients receiving IDEA Part B 611 & 619 Funds. A fiscal risk assessment form (Appendix III) will be completed annually. This score sheet consists of indicators and graded rubrics using several metrics in line

with federal compliance requirements, generally accepted accounting principle, and internal control best practices.

The data used to score LEAs are based on several information of fiscal operations collected throughout the year. The maximum score a sub recipient can achieve is 60 points.

Based on the annual risk assessment score, each entity will be classified in three different risk categories, as described below:

- Low Risk Grantee: 54-60 points
- Medium Risk Grantee : 42-53 points
- High Risk Grantee: 0-41 points

If an LEA is identified as “high risk” for violations of fiscal compliance and accountability requirements, the ISDE will notify the LEA of the noncompliance, identifying the level of noncompliance and the required actions to correct the noncompliance.

New charter schools are automatically classified as high-risk grantee in their first year of operations or the first year they receive IDEA Part B funds.

RISK CATEGORIES AND CYCLE

Low Risk

LEAs falling into this category will be subject to the sequential monitoring schedule for a desk or field review **every four years** as described above. Depending on the risk level posed by the non-compliance issue, the LEA might be on schedule for training and technical assistance in the months following the annual risk assessment, if deemed necessary.

Medium Risk

LEAs falling into this category will be subject to a desk or field review **every two years** until the SPED Funding and Fiscal Accountability Coordinator has determined that they meet all the criteria to be removed from this category. Depending on the risk level posed by the non-compliance

issue, the LEA might be on schedule for training and technical assistance in the months following the annual risk assessment, if deemed necessary.

High Risk

LEAs falling into this category will be subject to a desk or field review **every year** until the SPED Funding and Fiscal Accountability Coordinator has determined that they meet all the criteria to be removed from this category.

CORRECTIVE ACTION PLAN AND ENFORCEMENT MECHANISMS

If an LEA receives a report with monitoring findings, the issue needs to be addressed within 90 days. When the LEA has corrected non-compliance issues, the SPED Funding and Fiscal Accountability Coordinator will send a notification that the non-compliance issues have been successfully remediated. An LEA that successfully remediates a non-compliance issue could be removed from the high or medium risk categories; assuming the corrective action improves the LEA risk assessment score during the annual risk assessment. However, failure to address the findings within 90 days could lead the SDE Special Education Department to use enforcement mechanisms as outlined in 34CFR 300.600 such as technical assistance with recommended corrective action plan, additional restrictions on the grant, the freezing of federal funding, or the withholding of funds in whole or in part.

TIMELINE

Fiscal monitoring activities will be on going throughout the fiscal year.

APPENDIX I.



LEA AND REVIEWER INFORMATION

LEA or Subrecipient	
Funding Sources	
Date of Visit	
Visit Conducted By	

PERSON(S) INTERVIEWED OR CONTACTED DURING THE VISIT

NAME	TITLE	PHONE/EMAIL

PURPOSE FOR THIS FISCAL MONITORING VISIT

As a requirement of the Office of Management and Budget, Uniform Grant Guidance, an on-site monitoring visit is conducted by the Idaho State Department of Education, Special Education - Funding and Fiscal Accountability Office, to ensure Local Education Agencies (LEAs) or sub recipients are in compliance with Federal, State, and Local laws and regulations.

Monitoring efforts are conducted to gauge and measure compliance of LEA to grant rules and regulations in order to:

- Monitor activities to ensure grant funds are used for authorized purposes in compliance with laws and regulations.
- Assess the organization internal controls to ensure reliable financial reporting and accountability.
- Assist and recommend areas of improvement and provide guidance to improve administrative efficiencies and programmatic effectiveness.

SECTION 1. ADMINISTRATIVE REVIEW

Section 1. Compliance	Yes/No/NA
1. Does the LEA have concerns about the latest Uniform Grant Guidance requirements?	
2. Has the LEA submitted all required reports on time? (Annual IDEA application and monthly GRA requests)	

Comments
Recommendations and Corrective Action

SECTION 2. COST PRINCIPLES AND EXPENDITURES TESTING

Supporting Documentation Needed:

- Revenue and Expenses Report or General Ledger - to include revenue, expenditures and remaining balance
- Budget Report – to include budgets and may also include actual expenses
- Gross salary pay by cost center report – to include positions, names, and amounts
- Detailed Ledger Report – to include detailed expenditure transactions: type of expense, vendor name, date, and amount
- Budget Report for previous year if the LEA is reporting carryover in the current year
- Accounting report identifying positions paid in Salaries & Benefits for each Federal program and by school for IDEA Part B 611 and 619 Funds
- List of all staff, including FTEs and funding sources
- On-site interview with the business manager
- On-site interview with the special education director
- The budget report for IDEA federal program must align with the budget submitted during the application

Section 2. Compliance	Yes/No/NA
1. Expenditures and budgets are tracked and reported separately per federal grant in the accounting system.	
2. Expenditures are for allowable and approved activities.	
3. Expenditures supplement/not supplant state and local funds	
4. Were expenditures reported and requested through the Grant Reimbursement Request (GRA) on a reimbursable basis?	
5. Are expenditures supported by proper source documentation, including, but not limited to, purchase orders (PO), original invoices, packing slips, cancelled checks, accounting journal entries, and other pertinent records necessary to permit the tracing of grant funds?	
6. Does the cost allocation of invoices match the LEA methods of cost allocation narrative?	
7. Does the agency ensure that the payment transaction includes a PO, contractual agreement, or reference to a contractual agreement?	
8. Does the agency ensure that costs charged to grant funds were not also billed and/or reimbursed by other funding sources such as Medicaid? (Methods include stamping of original invoices, invoice numbers included in financial system, etc.)	
9. Expenditures selected for testing are: <ul style="list-style-type: none"> a. Necessary, reasonable and allocable b. Conform with Federal law and grant terms 	

Section 2. Compliance	Yes/No/NA
<ul style="list-style-type: none"> c. Consistent with State and Local Policies d. Consistently treated as either direct cost or an indirect cost e. In accordance with GAAP f. Allowable in accordance to IDEA Title 34 CFR 300 & Uniform Grant Guidance 2 CFR Part 200 Subpart E 	

Section 2. Findings

Section 2. Recommendations and Corrective Action

SECTION 3. TIME AND EFFORT

Supporting Documentation Needed:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated (i.e. signatures, periods of certification...)
- Be incorporated into official records
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities
- Encompass both Federally assisted and all other activities compensated by the District on an integrated basis;
- Comply with the established accounting policies and practices; and
- Support the distribution of the employee's salary or wages among specific activities of costs objectives.

Section 3. Compliance	Yes/No/NA
1. Charges to Federal awards for salaries and wages, including stipends, must be based on records that accurately reflect the work performed, salary distribution, and semiannual certification 2 CFR §200.430, 200.403(a)	

Section 3. Findings

Section 3. Recommendations and Corrective Action

SECTION 4. IDEA SPECIFIC REQUIREMENTS

Supporting Documents Needed:

Accounting record identifying distributions or payments for:

- Parentally Placed Private School Children
- CEIS
- District Charter Schools services

Section 4. Compliance	Yes/No/NA
1. The LEA ensures that it accurately tracks and reports expenditures for maintenance of effort and excess cost.	
2. The LEA ensures that it accurately tracks and reports expenditures for services to Parentally-Placed Private School Children	
3. The LEA ensures that it accurately tracks and reports expenditures for Coordinated Early Intervention Services CEIS, for allowability of costs and adequacy of internal controls.	
4. The LEA ensures that it accurately tracks and reports expenditures services to Students with Disabilities in District Charter Schools, for allowability of costs and adequacy of internal controls.	

Section 4. Findings

Section 4. Recommendations and Corrective Action

SECTION 5. INVENTORY MANAGEMENT SYSTEM

Supporting Documents Needed:

- The LEA has Inventory Procedures that includes the following
 - Process performed when inventory is received
 - Process describing what type of property is tagged and what position/office performs the tagging
 - Process to adjust the inventory records in the event the property is sold, lost, or stolen, or cannot be repaired; and
 - Process describing how the physical inventory is performed
- For each equipment and computing device purchased with IDEA Part B Federal funds, the following information is maintained:
 - Serial number or other identification number;
 - Source of funding for the property;
 - Who holds title;
 - Acquisition date and cost of the property;
 - Percentage of Federal participation in the projects costs for the Federal award under which the

- property was acquired;
 - Location, use and condition of the property; and
 - Any ultimate disposition data including the date of disposal and sale price of the property
- Proof of physical inventory of the property taken and the results reconciled with the property records at least once every two years.

Section 5. Compliance	Yes/No/NA
1. Does the LEA have an Inventory Management System in place for tracking property acquired with IDEA Part B funds	
2. Did the LEA receive prior ISDE SPED approval for equipment purchases over \$5,000?	
3. Does the LEA ensure the purchased equipment is being used for grant specific purposes?	
4. Does the LEA maintain an inventory of equipment on the description, condition, serial number, deployed location, custodian, acquisition date, acquisition cost, and disposition of equipment?	
5. Does the agency have a method for the disposition of equipment?	
6. Has a physical inventory of equipment been taken within the last two years?	
7. Does the LEA ensure preventative measures for the adequate safeguarding of equipment in order to deter equipment from being lost, stolen, or destroyed?	
2 CFR 200.19(c) 313 & 317	

Section 5. Findings

Section 5. Recommendations and Corrective Action

SECTION 6. CONTRACT AND PROCUREMENT REVIEW

Supporting Documents Needed:

- The LEA has written procurement policies and procedures that includes the following
 - Threshold amounts
 - Conflicts of interest policy
 - Bidding process
- Contract agreements, approval and prior approval process, invoice payment under the contract established.

Section 6. Compliance	Yes/No/NA
1. Does the LEA have policies and procedures to ensure that its procurement mechanisms conform to the standards outlined in 2 CFR §200.19 (c) & 318?	
2. Does the LEA procurement policy establish procurement method thresholds? Are these thresholds in compliance with federal requirements?	
3. Does the LEA have a conflict of interest policy in place?	
4. Does the LEA have a debarment and suspension policy in place?	
5. Does the LEA ensure that local preferences are not used when entering into and procurement transaction or contractual agreement?	

Section 6. Findings

Section 6. Recommendations and Corrective Action

SECTION 7. FISCAL RECORD RETENTION

Supporting Documents Needed:

- The LEA has the GAN notification on file or knows where to access it in the GRA. .
- The LEA has internal controls in place that identify in writing:
 - Who tracks expenditures?
 - Who draws down funds from the GRA?
 - Who deposits the checks?
- The LEA has an internal accounting system process that identifies obligations and unobligated balances (carryovers) and how these are tracked (e.g., excel or carryover calculator).
- The LEA has a written process for identifying any interest earned. For example, if the LEA accidentally requested from the GRA more than what was expended, then excess funds will be sitting in the LEA's account, possibly earning interest. If this is the case, this must be reported to the SDE.

Important Note: Generally, an LEA should not earn interest because LEAs receive payments from the SDE on a reimbursement basis.

- The LEA keeps records that show:
 - The amount of funds under the grant or subgrant;
 - How the subgrantee uses those funds;
 - The total cost of each project;
 - The share of the total cost of each project provided from other sources;
 - Other records to facilitate an effective audit;
 - Other records to show compliance with Federal program requirements;
 - Evidence that records are maintained for a minimum of 6 years.
- Evidence that the LEA has a written policy/procedure for maintaining and storing original records, both paper and electronic. Procedure includes reasonable safeguards for ensuring that the records are not altered.

Section 7. Compliance	Yes/No/NA
<p>1. IDEA Part B original source documents are kept (CFR Part 200.302(b):</p> <ul style="list-style-type: none"> a. Federal Awards CDA, Federal Award ID number; b. Authorization (the process of giving someone permission to do or have something); c. Obligations, unobligated balances (carryovers); d. Expenditures; e. Assets (inventory control); f. Time and effort documentation; g. Income (if applicable); h. Interest (if applicable) 	
<p>2. The LEA maintains all records that fully show</p> <ul style="list-style-type: none"> a. The amount of funds under the grant or subgrant; b. How the subgrantee uses those funds; c. The total cost of each project; d. The share of the total cost of each project provided from other sources; e. Other records to facilitate an effective audit; f. Other records to show compliance with Federal program requirements; g. Project experiences and results; and 	
<p>3. The LEA maintains original records. If records are electronic, there is no need to create and retain paper copies. Both types of records may be subject to periodic quality control reviews. 2 CFR 200.335</p> <p>Definition: The original record is the record that remains in the same content, context, and structure that it was created the day it was used, based on the LEA’s policy. If an LEA’s policy is to obtain actual signatures on all Purchase Orders (POs), then all documents with original signatures must be filed and stored. If the policy allows electronic POs with digital signatures, then all electronic POs must be saved on a shared drive</p>	

Section 7. Findings

Section 7. Recommendations and Corrective Action

SECTION 8. FINANCIAL SYSTEM REVIEW

Supporting Documents Needed:

- Copy of the fiscal policies and procedures manual
- LEA cost center or cost allocation plan
- Inspect LEA budget vs expenses report spreadsheets or accounting system output
- LEA chart of accounts
- Public School Finance indirect cost rate agreement letter
- Bank reconciliation report
- Accrual reports
- Salary distribution in accounting system

Section 8. Compliance	Yes/No/NA
1. Does the LEA maintain a financial management system that accurately identifies the source and amount of funds awarded to them?	
2. Does the LEA have a method to compare actual costs to budgeted costs to ensure that programs are operating within their budgets?	
3. Does the LEAs accounting system ensure that grant funds are not commingled with other funds or other grant funds?	
4. Does the LEA have a copy of their current approved IDEA Part B budget?	
5. Are budget modifications requested and approved prior to expenditure?	
6. Is the indirect cost rate used approved by Public School Finance?	
7. Does the agency perform monthly bank reconciliations?	
8. Is the agency on a cash or accrual basis?	
9. If the agency is on a cash basis, are year-end accruals supported by the general ledger?	
10. Does the agency ensure separation of duties for all accounting transactions? List the names and titles of the initiator(s) and approver(s). 2 CFR 200.302	

Section 8. Findings

Section 8. Recommendations and Corrective Action

SECTION 9. FINANCIAL AUDITS

Supporting Documents Needed:

- Copy of “Schedule of Findings and Questioned Costs” section from district audit for last two years (Reviewer: Pay particular attention to Federal Award Program Audit)
- Evidence that Federal Award Program Audit findings have been addressed

Section 9. Compliance	Yes/No/NA
1. Did the LEA’s previous fiscal monitoring result in findings?	
2. If yes, were corrective actions implemented after the findings?	
3. Did the LEA’s most recent financial audit result in findings?	
4. If yes, were corrective actions implemented after the findings?	

Section 9. Findings

Section 9. Recommendations and Corrective Action

SECTION 10. WRITTEN FISCAL POLICIES AND PROCEDURES

Supporting Documents Needed:

- Evidence that the LEA has a manual that sets forth the policies and procedures used by the LEA to administer federal funds

Section 10. Compliance	Yes/No/NA
<p>Does the LEA have written policies and procedures in compliance with Uniform Grant Guidance:</p> <ul style="list-style-type: none">• Cost principles 2 CFR §200.302.305.474.414.331• Procurement 2 CFR §200.19• Time and effort 2 CFR §200.430, 200.403(a)• Inventory management 2CFR §200.313• Cash management 2CFR §200.302• Conflict of Interest Policy 2 CFR §200.319 (c) & 318• Fiscal records are retained for a minimum of 6 years - 2 CFR §200.333 and SDE records retention policies• Separation of duties 2 CFR 200.302	

Section 10. Findings

Section 10. Recommendations and Corrective Action

SECTION 11. OTHER

Compliance	Yes/No/NA
1. Are there any challenges the agency is experiencing?	
2. Does the LEA have any improvements or suggestions on the grant administration process?	

Comments

Fiscal Monitoring Reviewer Signature	Fiscal Monitoring Approver Signature

APPENDIX II.

[Insert date]

[Insert Superintendent's name], Superintendent

[Insert district name and number]

Dear Superintendent [insert Superintendent's last name]:

Thank you for assisting the Idaho State Department of Education (SDE) in the Federal Programs Monitoring process for [insert district's name]. This visit was conducted on [insert monitoring date(s)]. The following Federal Programs were monitored: [insert all of the federal programs monitored].

Following this letter is the Final Report, which reflects information gathered from a review of program documentation, district staff interviews, school staff and parent interviews, and classroom observations. Recommendations and findings are included in the report. Technical Assistance, such as contact information for a resource or a link to a sample, is offered where there are findings. Although the district is not required to formally respond to the recommendations, it is important to consider them.

Please respond, in writing, to the Findings and send the District's Response Report to the Special Education Funding and Fiscal Accountability Office, by [insert a date about 30 days from the monitoring review]. For the LEA Response Report, identify each finding and include specific documentation to satisfy the finding OR submit a Corrective Action Plan that includes 1) reference to the finding; 2) a specific measurable objective for satisfying the finding; 3) timeline(s); and 4) clear lines of responsibility. Please do not hesitate to contact our office with questions, as the district's Response Report is prepared.

If the LEA has comments about the monitoring process, the LEA is encouraged to contact Anthony Mukuna at amukuna@sde.idaho.gov or at 208.332.6916 or Grace Dehner at gdehner@sde.idaho.gov or at 208.332.6910.

Thank you for the cooperation and assistance your district provided the reviewers during the fiscal monitoring. It is in this spirit of support that ISDE SPED submits this Final Report. It is our sincere desire that through cooperative assessment of the IDEA Part B 611 & 619 programs, the quality of services to academically at-risk students is strengthened.

Sincerely

APPENDIX III.



LEA/SUBRECIPIENT FISCAL RISK ASSESSMENT FORM

Name of LEA:

Date:

Total Score (Out of 60):

Completed By:

Indicator	0 points	1 point	2 points	3 points	SCORE
Turnover in Personnel – Program (as of Nov 1)		Turnover in Special Education Director position within last year	Turnover in Special Education Director position between 1 and 2 years	No turnover in Special Education Director position within the last 2 years	
Turnover in Personnel – Fiscal (as of Nov 1)		Turnover in Special Education Fiscal position within last year	Turnover in Special Education Fiscal position between 1 and 2 years	No turnover in Special Education Fiscal position within the last 2 years	
Indicator	0 points	2 points	4 points	6 points	
Date of Last Fiscal Monitoring Visit		Last fiscal monitoring visit was 2 or more years ago	Last fiscal monitoring visit was between 1 and 2 years ago	Last fiscal monitoring visit was within the last year	
Size of the IDEA Part B and 619 Award from recent fiscal years		Combined award greater than \$1,500,000	Combined award between \$750,000 and \$1,500,000	Combined award less than \$750,000	
Maintenance of Effort data	Failed MOE for 3 of the past 3 years for which data are available	Failed MOE for 2 of the past 3 years for which data are available	Passed MOE for 2 of the last 3 years for which data are available	Passed MOE for the past 3 years for which data are available	

Indicator	0 points	2 points	4 points	6 points	
Audits – Corrective Actions from most recent completed audit	Audit with 2 or more unresolved findings from the last two recent completed audits	Audit with 2 or more resolved findings AND/OR one unresolved finding from the last two audits	Audit with one finding within the last two recent completed audits	Audit with no current finding within the last two recent completed audits	
Timeliness of Report Submission (GRA requests)	No GRA request submission within the last 12 months	1 to 2 months with GRA requests submissions over the last 12 months	3 months with GRA requests submissions over the last 12 months	4 months with GRA requests submissions over the last 12 months	
Data Reporting Integrity – IDEA Part B & Preschool application expenditures to Grant Reimbursement	IDEA online application and GRA expenditures don't match for grant	IDEA online application and GRA expenditures match only for 619/preschool grant	IDEA online application and GRA expenditures match only for 611/school age grant	IDEA online application and GRA expenditures match for both 611 & 619 grants	
Reverting IDEA funds AND/OR Carryover most recent fiscal year	IDEA funds reverted AND/OR carryover greater than 75%	No IDEA funds reverted and carryover from 35% to 75%	No IDEA funds reverted and carryover from 10% to 35%	No IDEA funds reverted and carryover of 10% or less	
Financial Management System	New financial management system within last year	Substantially changed financial management system within last year	New or substantially changed financial management system within last 2 years	Consistent and accurate financial management system in place for more than 2 years	
Written Policies in compliance with Uniform Grant Guidance (cost principles, procurement, time and effort, inventory management, cash management, record keeping)	LEA has no written policies and procedures	LEA implemented written policies and procedures within last year	LEA implemented written policies and procedures within last 2 years	LEA implemented written policies and procedures for more than 2 years	
Total Score out 60					0

Based on the annual risk assessment score, each entity will be classified in three different risk categories, as described below:

Low Risk Grantee: 54 - 60 points	Medium Risk Grantee: 42 - 53 points	High Risk Grantee: 0 - 41 points
----------------------------------	-------------------------------------	----------------------------------

New charter schools are automatically classified as high-risk grantee in their first year of operations or the first year they receive IDEA Part B funds.