Purpose
The purpose of this document is to provide all stakeholders with information regarding the Oklahoma State Department of Education’s (OSDE) consolidated monitoring process for applicable federal grant programs (see list below).

Monitoring Overview
As the State Education Agency (SEA), the OSDE must comply with applicable laws and regulations regarding all federal awards. All local educational agency (LEA) subrecipients receiving federal funds must participate in a monitoring review process required by the United States Department of Education (USDE) as an accountability component of the 1965 Elementary and Secondary Education Act (ESEA), as reauthorized in 2015 by the Every Student Succeeds Act (ESSA). [ESSA § 9204 (2015)] The provision of consolidated federal grant monitoring enables OSDE to work collaboratively with LEAs by providing them with high quality technical assistance for fiscal and programmatic planning and implementation of all services provided for students, teachers, principals, and other school leaders on behalf of their federally funded programs. [2 eC.F.R. § 200.332(d)(e) (2022)] OSDE staff provides technical assistance regarding laws and regulations throughout the monitoring process. Technical assistance serves the purpose of supporting LEAs in reaching and maintaining compliance.

The LEA subrecipient is responsible for managing the day-to-day operation of grant and subgrant supported activities to assure compliance. It is the LEA’s responsibility to ensure that federal funds are spent according to the prescribed federal program requirements. All LEAs must grant access to documents related to the administration of the federal grant to the SEA and any authorized representatives. [2 eC.F.R. § 200.327 (2022)]

OSDE has a comprehensive program and fiscal management monitoring plan for subrecipients of federal funds. The LEA subrecipients must submit for approval an annual budget and be approved through the online Grants Management System (GMS) before funds can be reimbursed. OSDE staff review the budget submitted by the LEA to determine if funds are appropriately budgeted according to grant requirements. Approved assurances and grant applications, properly certified by the LEA superintendent under the provisions of ESEA and ESSA, constitute a contractual agreement between the OSDE and the LEA.

The Office of Federal Programs (OFP) monitoring review plan includes the following grant programs:
- Title I, Part A, Improving the Academic Achievement of the Disadvantaged,
- Title I, Part C, Education of Migratory Children,
- Title I, Part D, Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or At-Risk,
- Title II, Part A Preparing, Training, and Recruiting High-Quality Teachers, Principals, and Other School Leaders,
- Title IV, Part A, Student Support and Academic Enrichment,
- Title V, Part B, Subpart I, Rural Education Initiative, Subpart 2, Rural and Low-Income School Program (RLIS),
- Title IX, Part A, Education for the Homeless and Other Laws,
- Coronavirus Aid Relief and Economic Security Act, 2020 (CARES Act), Elementary and Secondary School Emergency Relief Fund (ESSER),
Subrecipient Risk Analysis Factors

While ALL LEAs are monitored at least once on a three-year cycle, monitoring outside of the scheduled cycle may be required if a LEA is identified as high risk. Risk management is a central factor in the monitoring process. The risk analysis process emphasizes accountability and transparency for using resources wisely and focuses on the results of LEA implementation of applicable laws and regulations. New subrecipients and those evaluated as high risk may warrant closer monitoring. [2 eC.F.R. § 200.332(b) (2022)] and [2 eC.F.R. § 200.206(b) (2022)]

OSDE performs a consolidated monitoring risk assessment to determine high risk LEAs. Some of the factors addressed include, but are not limited to:

- LEAs with greater percentages of awarded funds,
- LEAs with participating non-public schools,
- LEAs that did not meet Maintenance of Effort (MOE),
- LEAs that lost carryover funds (2nd year and 1st year excess carryover),
- LEAs that had significant audit findings,
- LEAs that failed to submit OCAS data report in a timely manner,
- LEAs that had Office of Civil Rights (OCR) findings,
- LEAs for which the OSDE has received a formal legal complaint,
- LEAs that were determined to be non-compliant in previous monitoring cycles,
- LEAs that failed to meet the Consolidated Application deadline,
- LEAs that failed to closeout in a timely manner,
- LEAs that ended the fiscal year with a negative fund balance,
- LEAs that failed to comply with the forty five day application submission requirement,
- LEAs with a first-year superintendent or federal programs coordinator,
- LEAs that experience issues unique to the administration of federal programs.

Monitoring Goals

To meet the federal monitoring requirements, the OFP has developed and implemented a monitoring indicator checklist that is utilized each year to effectively monitor LEA subrecipients. [2 eC.F.R. § 200.329 (2022)] OFP staff members are provided training on how to effectively monitor LEAs. Listed below are the major goals included in OFP’s monitoring process:

- To provide ongoing oversight and monitoring of federal grants,
- To develop a grant monitoring program that will ensure compliance with program requirements,
- To ensure subrecipients meet the intended purposes of federal grants,
- To identify and track grant compliance,
- To identify the technical assistance needs of subrecipients,
- To ensure timely expenditure of grant funds,
- To prevent waste, fraud and abuse,
- To identify programmatic best practices.
Monitoring Process
OFP’s monitoring process consists of two major components, desk and on-site reviews, that assist LEAs in their efforts to build capacity for improved student achievement and ensure program compliance. OFP staff collects evidence during the desk and/or on-site reviews to determine compliance with the monitoring indicators. During the review process, the OFP reviewers will communicate with the LEA if further action needs to be taken to reach compliance. Also, as a method of assisting LEAs to correct fiscal and/or programmatic violations that occurred during the previous fiscal year, OFP requires LEAs to submit a Corrective Action Plan (CAP) to address and implement action steps to rectify any identified compliance issue(s).

Desk Monitoring
Most LEAs to be monitored during the three-year cycle are selected for desk review and receive the following documents via email:

- Initial monitoring notification letter
- Monitoring Indicator Checklist containing ESSA indicators
- Monitoring Toolkit
- Reviewer LEA Assignment List
- Oklahoma State Plan for Federal Programs Consolidated Monitoring

These documents and other resources may be found at https://sde.ok.gov/consolidated-monitoring.

Each LEA is assigned an OFP staff member who serves as the LEA contact and is primarily responsible for providing technical assistance concerning the monitoring process. One of the most important functions of the OFP staff member is organizing the desk review process and performing the appropriate follow-through. Desk reviews include an examination of specific program compliance. In conducting the desk review, the LEA is required to collect, organize, and submit all program specific documentation, according to the established timeline.

OFP staff performs a detailed review of all submitted monitoring documents. Documents are reviewed in alignment with ESSA indicators, and they will determine the results of the monitoring. During the review process, the OFP reviewers will communicate with the LEA if further action needs to be taken to reach compliance.

On-Site Monitoring
According to the risk assessment, some LEAs will be selected for on-site visits. The LEAs will follow the desk monitoring process by submitting evidence prior to an on-site visit by OFP staff members. OFP staff performs a detailed review of all submitted monitoring documents, prior to the on-site monitoring visit. Documents are reviewed in alignment with ESSA indicators, and they will determine the results of the monitoring. On-site monitoring visits typically take place between the beginning of January and the end of March. OFP staff members are assigned to conduct onsite reviews. The number of staff assigned to perform the site visit will vary depending on the size of the LEA, issues identified, and federal programs applicable to the LEA.

On-site monitoring will take anywhere from a few hours to multiple days, as needed to appropriately monitor all applicable program requirements. During the on-site visit, the OFP
monitoring team will interview LEA personnel such as the superintendent, federal programs
director/coordinator, principals, teachers, parents, and/or other stakeholders, both individually and
in groups, as appropriate. This multi-level interview strategy allows OFP staff to gather
information from a variety of perspectives and evaluate the impact of the administration and the
implementation of the federal programs at the LEA and site level.

OFP staff will close the on-site monitoring visit with an exit conference to discuss preliminary
results. After the on-site visit, the OFP staff will offer technical assistance, as necessary, to assist
the LEA in achieving compliance.

OSDE’s Closure of the Monitoring Process

After the LEA has submitted all the required monitoring documents, and the OFP staff has
determined the subrecipient has reached compliance status, the following documentation is sent to
the LEA’s superintendent or the authorized representative:
  • Formal compliance letter
  • Monitoring Indicator Checklist indicating all areas have met requirements

If, at the end of the monitoring review process, determined by a pre-established deadline, the LEA
has not submitted all the required monitoring documents, and the OFP staff has determined the
LEA has not reached compliance, the following documentation is sent to the LEA’s superintendent
or the authorized representative:
  • Formal non-compliance letter
  • Monitoring Indicator Checklist indicating all areas which have not met requirements,
  • Corrective Action Plan (CAP) template

If compliance is not met by the established timeline, the LEA’s funds from all participating federal
programs shall be withheld for the current and the ensuing fiscal year. LEAs found to be non-
compliant at the end of the monitoring review process will be required to submit a Corrective
Action Plan for each point of non-compliance, as well as evidence of implementation of the
Corrective Action Plan by September 30. Funds withheld due to non-compliance will be released
if and when all required Corrective Action Plans have been received and approved within 30
(thirty) days of notification of non-compliance. [2 eC.F.R § 200.208(c)(2) (2021)] and [2 eC.F.R.
§ 200.339 (2021)]

OFP has developed a consolidated monitoring framework that encourages strategic planning for
the use of all federal funds, to increase the academic achievement of all students.