

OSEP MONTHLY TECHNICAL ASSISTANCE CALL DMS 2.0: **FISCAL MONITORING**

PART C SINGLE LINE OF RESPONSIBILITY

PART B SUBRECIPIENT MONITORING

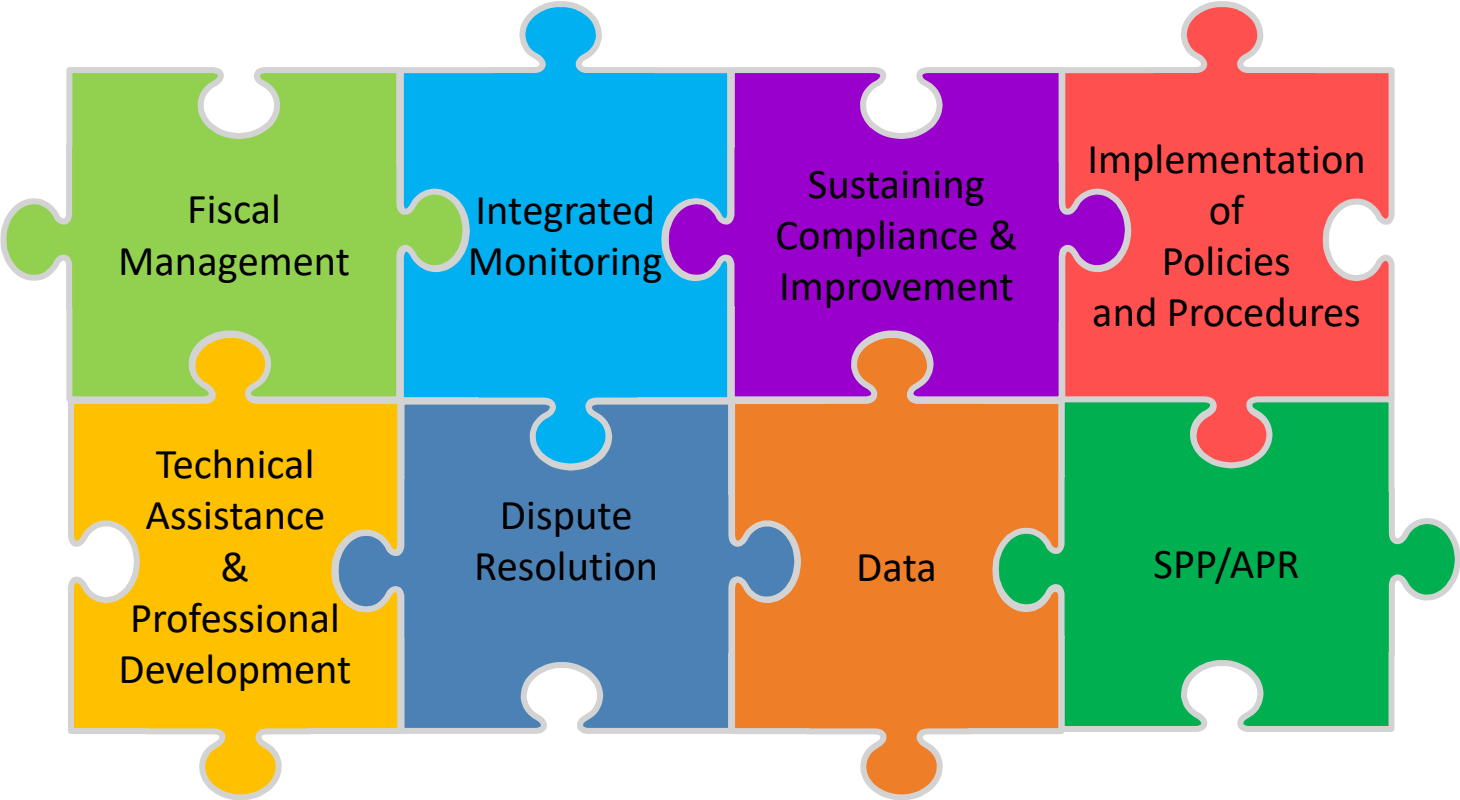
OCTOBER 22, 2020



Agenda and Objectives

- ▶ Provide an overview of the DMS 2.0 process.
- ▶ Discuss the development of the Single Line of Responsibility (SLOR) monitoring protocol
- ▶ Summarize the Introduction document (including a walk-through of the related requirements)
- ▶ Review key components of the SLOR protocol
- ▶ Summarize the IDEA Part B and cross-cutting requirements reflected in the Fiscal Subrecipient Monitoring protocol
- ▶ Review key components of the Subrecipient Monitoring protocol

8
Key
Components



Three Phases of Monitoring – Year 1

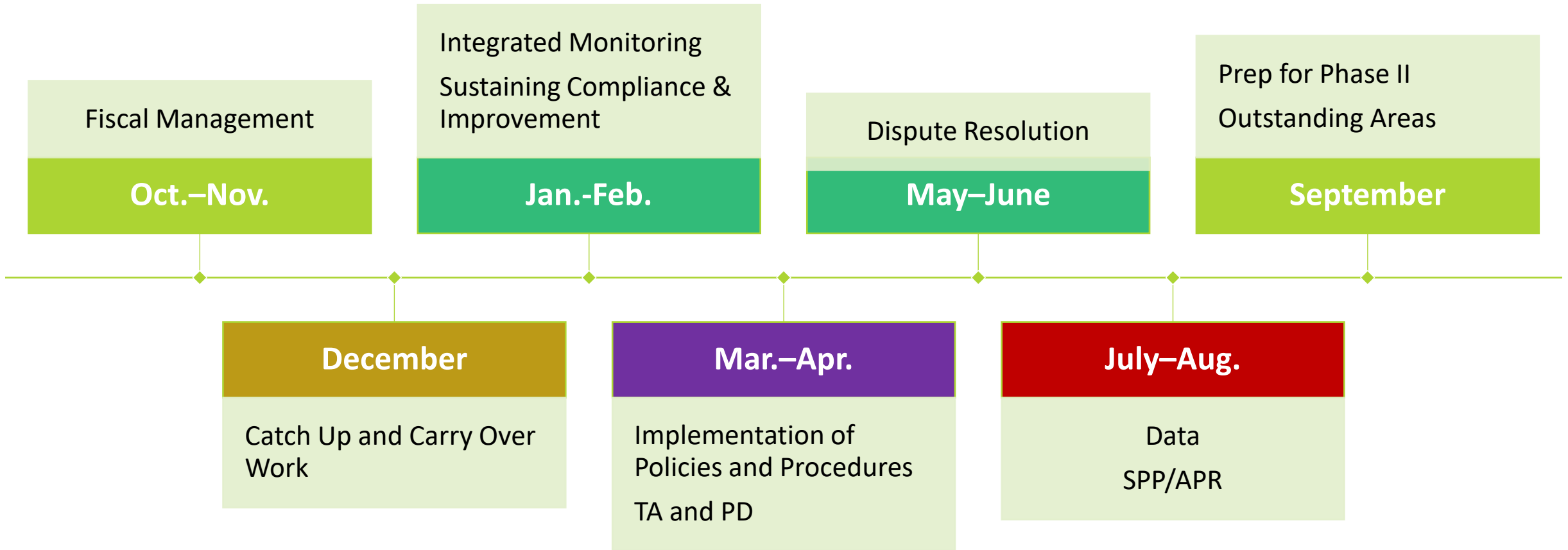
Year 1: Pre-site Work and Preparation

In the year prior to the scheduled monitoring visit, the State Lead, in consultation with team members, will begin working with the State to prepare for the visit.

- ✓ Universal TA such as Self-Assessment and OSEP & TA Center guidance.
- ✓ Requests for documents related to OSEP's protocols.
- ✓ Review of publicly available information by the State Lead
- ✓ Targeted interviews with State staff



DMS Phase I Schedule



Schedule

- ▶ October 2020
November 2020
 - Fiscal Management
 - Part C Single Line of Responsibility (SLOR)
 - Part B Subrecipient Monitoring

Fiscal Monitoring for Unitary Systems

What if my State or entity is the provider of FAPE, and/or early intervention services?

OSEP is working on fiscal monitoring protocols examining key cross-cutting fiscal requirements, and the entity's use of IDEA funds:

- To support special education and related services for Part B, and early intervention services for Part C.
- To support SSIP activities and improve performance on the entity's SIMR.

PART C FISCAL MONITORING: SINGLE LINE OF RESPONSIBILITY (SLOR)

OFFICE OF SPECIAL EDUCATION PROGRAMS
(OSEP)

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DEVELOPMENT OF THE SLOR

DMS to DMS 2.0

November
2016



2017



2018



2019

SOP & Methods

**Geographic
Equity**

**Dispute
Resolution**

Child Find

**General
Supervision**



Introduction: Single Line of Responsibility

Key OSEP Documents/Regulations

- Introduction to the Single Line of Responsibility Protocol
- Single Line of Responsibility Protocol
- Key requirements can be found under 34 CFR §303.120

Why is the Single Line so important?

- Importance of having a strong General Supervision System
- Single Line gives Lead Agencies both the authority and responsibility

Introduction: Single Line of Responsibility

Is there flexibility in how a State implements its Single Line of Responsibility?

- Absolutely! No two Part C programs are the same!

How OSEP and States Can Use the Protocol

- Review of the State's General Supervision System
- Technical Assistance and Support

Components of the SLOR



Key Components of the SLOR

▶ Section I: General Supervision

- General administration and supervision of programs and activities administered by agencies, institutions, organizations, and EIS providers and programs receiving assistance under Part C.

▶ Section II: Monitoring

- Monitoring of programs and activities used by the State to carry out Part C (*whether or not the programs or activities are administered by agencies, institutions, organizations, and EIS providers that are receiving assistance under Part C*), to ensure that the State complies with Part C of IDEA.

▶ Section III: Identification and Coordination

- Identification and coordination of all available resources for early intervention services within the State, including those from Federal, State, local, and private sources, consistent with IDEA Part C Use of Funds and Payor of Last Resort Requirements.

Key Components of the SLOR

▶ Section IV: Financial Responsibility

- Assignment of financial responsibility in accordance with IDEA Part C Use of Funds and Payor of Last Resort requirements.
- Development of procedures ... to ensure that early intervention services are provided to infants and toddlers with disabilities and their families under Part C in a timely manner, pending the resolution of any disputes among public agencies or EIS providers.
- Resolution of intra- and interagency disputes.
- Entry into formal interagency agreements or other written methods of establishing financial responsibility... that define the financial responsibility of each agency for paying for early intervention services... and procedures for resolving disputes...

SLOR Resources

SLOR documents are available on the Department's IDEA website at:

<https://sites.ed.gov/idea/grantees/#DMS>

- ▶ OSEP Funded TA Providers
- ▶ OSEP Fiscal Implementation Team (FIT)

OSEP DMS 2.0 FISCAL MONITORING

PART B SUBRECIPIENT MONITORING

JENNIFER FINCH, SUSAN MURRAY



Subrecipient Monitoring: Regulations

[34 C.F.R. §300.149](#)

SEA responsibility for general supervision

[34 C.F.R. §300.600](#)

State monitoring and enforcement

[2 C.F.R. § 200.328](#)

Monitoring and reporting program performance

[2 C.F.R. § 200.331](#)

Requirements for pass-through entities

Subrecipient Monitoring: Why?

SEA responsibility for monitoring its own activities and those of LEAs: each program, function, or activity

- Uniform Guidance:
 - OSEP fiduciary responsibility;
 - Includes requirement for pass-through entities (SEAs) to conduct risk assessments of subrecipients;
 - Increased emphasis on monitoring performance as well as compliance; and
 - Includes TA as one example of range of potential monitoring activities.

Subrecipient Monitoring: What?

- Collaborative discussion aimed at ensuring States implement fiscal subrecipient monitoring systems as required
- Emphasis on fiscal monitoring; often done in conjunction with program monitoring
- Focus on the Uniform Guidance which has requirements as well as discretion/flexibility for pass-through entities (PTE)

Subrecipient Monitoring: Objectives

- Review requirements
- Discuss State's existing monitoring system
- ★ Discuss how subrecipient monitoring can be aligned with goal of improving outcomes for children with disabilities and achieving the State-Identified Measurable Result in State Systemic Improvement Plan (SSIP)
- Discuss best practices identified at Federal level
- Identify any gaps between the State's system and the requirements in the Uniform Guidance and IDEA
- Help OSEP to continue to identify best practices.

Components of the Subrecipient Monitoring Protocol

- I. Review of Subrecipient Monitoring Requirements Under the Uniform Guidance
- II. Current Monitoring Procedures
- III. Single Audit Responsibilities
- IV. Improved Outcomes for Students with Disabilities



SEA Requirements Under the Uniform Guidance

- A. Ensure that each subaward includes certain detailed information as described in 2 CFR §200.331 (a);
- B. Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring (2 CFR §200.331 (b));
- C. Impose specific subaward conditions upon a subrecipient if appropriate as described in 2 CFR §§200.207 and 3474.10 (2 CFR §200.331 (c));

SEA Requirements Under the Uniform Guidance cont.

- D. Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved (2 CFR §200.331 (d));
- E. Depending upon the assessment of risk posed by the subrecipient, consider monitoring activities ranging from technical assistance to on-site monitoring or conducting agreed-upon-procedures engagements (audits) (2 CFR §200.331 (e));

SEA Requirements Under the Uniform Guidance cont.

- F. Verify that every subrecipient is audited as required (2 CFR §200.331 (f));
- G. Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records (2 CFR §200.331 (g)); and
- H. Consider taking enforcement action against noncompliant subrecipients as described in 2 CFR §200.338 (2 CFR §200.331 (h)); and in program regulations.

Subrecipient Monitoring Resources

Subrecipient Monitoring documents are available on the Department's IDEA website at:

<https://sites.ed.gov/idea/grantees/#DMS>

- ▶ TA Providers, including: NCSI
- ▶ OSEP Fiscal Implementation Team (FIT)

OSEP Fiscal Implementation Team

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