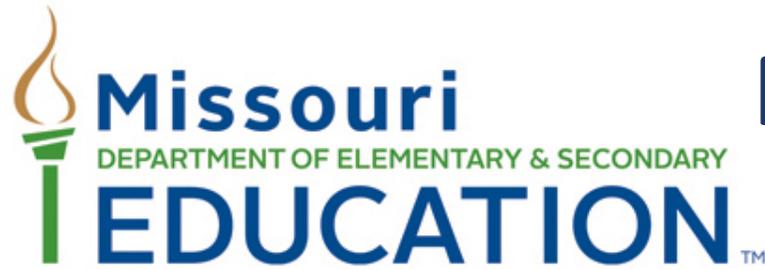


SPECIAL EDUCATION FINANCE PRESENTS:



NEW DIRECTORS FINANCE ACADEMY

Tiered Monitoring Process

AUGUST 2020





TIERED MONITORING



TIERED MONITORING SYSTEM

- The Department utilizes a web-based application called the Tiered Monitoring System
- The Tiered Monitoring System is located on the DESE Web-Applications page
- Users must have the appropriate authority to access the Tiered Monitoring System
 - Users must also obtain access to the Special Education Finance portion of the Tiered Monitoring System
 - Access is granted by district User Manager



ANNUAL RISK ASSESSMENT

- Every district/LEA will get a yearly risk assessment
- Based on the results of the risk assessment, districts/LEAs are categorized as high (25+ points), medium (15-20 points), or low risk (below 15 points)

Risk Factor	Points	Risk Factor	Points
• Audit Findings	5	• Overpayments	5
• New Personnel	5	• Lapsed/Forfeited Funds	5
• Fiscal Monitoring Findings	5	• Last Fiscal Monitoring	5
• Late Budget Application	5	• LEA Personnel Attend Division Trainings	5
• Late FER	5	• Financial Concerns	5
• Late Self-Assessment	5	• Timely Correction of Findings	5
• Prop Share Obligation	5	• Federal Funds spent on Purchased Services	5
• ECSE Adjustments	5	• Federal Funds spent under all object codes	5
• ASBR Federal Adjustments on FER	5	• MOE Red Flags	5
• Allocation Amount <i>(Top 10% out of 550+)</i>	5		



TIERED MONITORING CYCLE

- For other federal programs, districts/LEAs are sorted into three Cohorts (groups) and move through the Tier Levels from year to year
- Levels of the Tier Monitoring Cycle
 - Annual Risk Assessment
 - Self-Assessment/Desk Monitoring
 - On-site Monitoring
 - Training and Preparation

TIER LEVEL	2020-21	2021-22	2022-23
Annual Risk Assessment	All Cohorts	All Cohorts	All Cohorts
Tier 1: Self-Assessment/Desk Monitoring	Cohort 1	Cohort 2	Cohort 3
Tier 2: On-site Monitoring	Cohort 3	Cohort 1	Cohort 2
Tier 3: Training & Preparation	Cohort 2	Cohort 3	Cohort 1



TIERED MONITORING CYCLE

- For Special Education Finance, districts/LEAs are selected for an on-site or a self-assessment/desk monitoring based on the results of the annual risk assessment
 - High Risk (25-30 points) → On-Site Monitoring
 - Medium Risk (15-20 points) → Self-Assessment/Desk Monitoring



ON-SITE MONITORING

- Districts/LEAs who are determined high risk (25-30 points) will be selected for On-site Monitoring
- Districts/LEAs will be required to upload documentation from the previous school year (2019-20) into the Tiered Monitoring System prior to the On-site review
- DESE staff will answer monitoring questions
- A Corrective Action Plan (CAP) will be issued for any non-compliance findings
- District must respond to the CAP within 30 calendar days



SELF-ASSESSMENT/DESK MONITORING

- Districts/LEAs who are determined medium risk (15-20 points) will complete a Self-Assessment (questionnaire) within the Tiered Monitoring System in regard to the previous (2019-20) school year
- Must complete and submit by due date (January 31st)
- The district/LEA is not required to submit documentation unless there are any questionable, incomplete, or incorrect responses
- A Corrective Action Plan (CAP) will be issued for any non-compliance findings
- District/LEA must respond to issued CAP(s) within specified timeframe (up to 30 days)



QUALITY OF EVALUATION

- Quality of Evaluation will be performed at 5 years
- Districts/LEAs who have not received On-Site review or Self-Assessment within the past 4 years will be required to:
 - Complete a Special Education Finance survey
 - *OR* -
 - Provide supporting documentation for randomly selected ASBR expenditures

ACTIVITY

CALCULATE THE RISK

Utilize the Risk Factor chart to determine the level of risk and if the district will receive an On-Site Monitoring or must complete a Self-Assessment/Desk Monitoring.



TIERED MONITORING ACTIVITY

TIERED MONITORING ACTIVITY

Utilize the Risk Factor chart below to determine the level of risk for the district and if the district will receive an On-Site Monitoring or must complete a Self-Assessment/Desk Monitoring.

- High Risk (25-30 points) → On-Site Monitoring
- Medium Risk (15-20 points) → Self-Assessment/Desk Monitoring

Risk Factor	Points	Risk Factor	Points
• Audit Findings	5	• Overpayments	5
• New Personnel	5	• Lapsed/Forfeited Funds	5
• Fiscal Monitoring Findings	5	• Last Fiscal Monitoring	5
• Late Budget Application	5	• LEA Personnel Attend Division Trainings	5
• Late FER	5	• Financial Concerns	5
• Late Self-Assessment	5	• Timely Correction of Findings	5
• Prop Share Obligation	5	• Federal Funds spent on Purchased Services	5
• ECSE Adjustments	5	• Federal Funds spent under all object codes	5
• ASBR Federal Adjustments on FER	5	• MOE Red Flags	5
• Allocation Amount (Top 10% out of 550+)	5		

District #1:

The district is on a Cash Management Plan, hired new Special Education Director, has a \$1.3 million Part B Allocation and \$12,000 Proportionate Share Obligation, IDEA Part B funds were spent on purchased services.

Risk Assessment: _____ On-Site Self-Assessment None

District #2:

The district received three Self-Assessment CAPs and submitted the LEA Responses to CAPs late, received an ECSE Adjustment for unallowable expenditures on the ECSE FER, received an IDEA Part B overpayment of \$7,600, and increased the MOE Local Only threshold by \$150,000.

Risk Assessment: _____ On-Site Self-Assessment None

District #3:

The district had an audit finding due to cash management issues. The district submitted the IDEA Part B FER late, IDEA Part B expenditures were reported on the FER grid under salaries, benefits, purchased services, and material and supplies, and also had Proportionate Share expenditures. The district only met MOE on a \$0.00 Local Only basis.

Risk Assessment: _____ On-Site Self-Assessment None

District #4:

The district submitted IDEA Part B Budget Application late, the district/LEA utilizes only local funds to meet MOE. The district has not attended a Special Education Finance training in the past two years.

Risk Assessment: _____ On-Site Self-Assessment None

TIERED MONITORING ACTIVITY - ANSWERS

TIERED MONITORING ACTIVITY

Utilize the Risk Factor chart below to determine the level of risk for the district and if the district will receive an On-Site Monitoring or must complete a Self-Assessment/Desk Monitoring.

- High Risk (25-30 points) → On-Site Monitoring
- Medium Risk (15-20 points) → Self-Assessment/Desk Monitoring

Risk Factor	Points	Risk Factor	Points
▪ Audit Findings	5	▪ Overpayments	5
▪ New Personnel	5	▪ Lapsed/Forfeited Funds	5
▪ Fiscal Monitoring Findings	5	▪ Last Fiscal Monitoring	5
▪ Late Budget Application	5	▪ LEA Personnel Attend Division Trainings	5
▪ Late FER	5	▪ Financial Concerns	5
▪ Allocation Amount (Top 10% out of 528)	5	▪ Timely Correction of Findings	5
▪ Prop Share Obligation	5	▪ Federal Funds spent on Purchased Services	5
▪ ECSE Adjustments	5	▪ Federal Funds spent under all object codes	5
▪ ASBR Federal Adjustments on FER	5	▪ MOE Red Flags	5

District #1:

The district is on a Cash Management Plan and hired new Special Education Director, The district has a \$5.6 million IDEA Part B Allocation, a \$12,000 Proportionate Share Obligation, and IDEA Part B funds were spent on purchased services.

Risk Assessment: 25 On-Site Self-Assessment None

District #2:

The district received three Self-Assessment CAPs and submitted the LEA Responses to CAPs late, submitted the IDEA Part B FER late, received an ECSE Adjustment for unallowable expenditures on the ECSE FER, received an IDEA Part B federal overpayment of \$7,500, and increased the MOE Local Only threshold by \$350,000.

Risk Assessment: 30 On-Site Self-Assessment None

District #3:

The district had an audit finding due to cash management issues. The district submitted the IDEA Part B FER late, IDEA Part B expenditures were reported on the FER grid under salaries, benefits, purchased services, and material and supplies, and the district also had a Proportionate Share obligation/expenditures. The district only met MOE on a \$0.00 Local Only basis.

Risk Assessment: 25 On-Site Self-Assessment None

District #4:

The district submitted IDEA Part B Budget Application and FER late, the district/LEA utilizes only local funds to meet MOE. The district has not attended a Special Education Finance training in the past two years.

Risk Assessment: 20 On-Site Self-Assessment None

TIERED MONITORING RESOURCES:

Fiscal Monitoring Guide

<https://dese.mo.gov/financial-admin-services/special-education-finance/fiscal-monitoring>

Tiered Monitoring System Introduction and Overview

<https://dese.mo.gov/financial-admin-services/special-education-finance/fiscal-monitoring>

