Pre-Award Risk-Based Assessment

Tawanna Fields-Mphande October 14, 2016
Overview

• Pre-Award Risk-Based Assessment Process
• Risk-Based Assessment Timeline
• Agency-Wide Compliance & Monitoring Updates
• Resources
Risk-Based Assessment
The Law

• The Uniform Guidance (*Super Circular*) requires all Pass-Through entity to conduct a risk-based assessment prior to making awards. (OMNI Federal Circular §200.331)

• To comply with this requirement, the Office of Career Technical Education will conduct an annual risk assessment of all Perkins recipients.
Required Monitoring Activities

Framework for evaluating risks before applicant receives funding:

• Financial stability
• History of performance
• Reports from single-audit findings
• Applicant’s ability to effectively implement statutory, regulatory or other requirements
Risk-Based Assessment

The risk-based assessment process is designed to conduct a more thorough review for Perkins recipients with higher risk factors.

The risk-based assessment review identifies potential problems that could lead to risks in the accountability, fiscal accounting and grant operations.
Purpose and Intent

Ensure that subrecipients use federal funds for the intended purpose

Provide preventative assistance before mistakes are made

Increase efficient use of resources & transparency

Reduce, waste, fraud & abuse
Criteria Selection Process
Criteria Selection Process

\[
H(Y|X) = \sum_i P(x_i) H(Y|x_i)
\]

\[
= - \sum_i P(x_i) \sum_j P(y_j|x_i) \log P(y_j|x_i)
\]

\[
= - \sum_{i,j} P(x_i \cdot y_i) \log P(y_i|x_i)
\]

\[
= - \sum_{i,j} P(x_i \cdot y_j) \log P(x_i \cdot y_j) + \sum_{i,j} P(x_i \cdot y_j) \log P(x_i)
\]

\[
= H(X, Y) - H(X)
\]

Just kidding!
Criteria Selection Process

Risk-based assessment criteria used to determine risk for FY17 districts (2016-2017 school year):

- Previously non-compliant;
- Failure to meet accountability measures;
- New career-technical education personnel;
- Failure to meet required deadlines; and
- Single Audit Findings.
Pre-Award Risk-Based Assessment Tool
Based on the results of the risk-based assessment tool, all districts will be categorized as high, medium or low risk.
## Risk-Based Assessment Tool

<table>
<thead>
<tr>
<th>Risk Factor</th>
<th>Point Value</th>
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</table>
| 1. District failed to meet the minimum passage rate of 80 percent for Technical Skill Attainment (2S1). | No = 0 Points  
Yes = 2 Points |
| 2. New Career-Technical Perkins contact at the district level within fiscal year. | No = 0 Points  
Yes = 1 Point |
| 3. Submission of Corrective Action Plan (CAP) by deadline.                | No = 1 Point  
Yes = 0 Points |
| 4. Submission of Performance Improvement Plan (PIP) by deadline.           | No = 1 Point  
Yes = 0 Points |
| 5. Submission of May 31 budget revision by deadline.                       | No = 1 Point  
Yes = 0 Points |
| 6. Submission of Final Expenditure Report (FER) by deadline.               | No = 1 Point  
Yes = 0 Points |

(Note: *The selection criteria is based on FY15 data, with the exception new district contact, which is based on FY16 data reporting.*)

| Total Pre-Assessment Score |
Assessment Scores

0 to 1 points low risk

2 to 3 points medium risk

4 to 7 points high risk
## Risk Levels

<table>
<thead>
<tr>
<th>Risk Level</th>
<th>Monitoring Guidelines Risk Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>High (4-7)</td>
<td>Required to submit detailed financial reports such as general ledgers, supporting documentation and performance reports. On-site monitoring will be at the discretion of the education program specialist.</td>
</tr>
<tr>
<td>Medium (2-3)</td>
<td>Required to receive additional targeted assistance. Required attendance at trainings/conferences. Follow-up with district via phone audit review.</td>
</tr>
<tr>
<td>Low (0-1)</td>
<td>No known programmatic, financial instability or significant audit findings. No significant program changes. The district shall receive technical assistance upon request.</td>
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FY18 Pre-Award Risk Assessment Timeline

May 2017
High-Risk Districts Notified

April 2017
Pre-Award Risk Assessment

June 2017
Monitoring Guidelines implemented

July 2017
Funds allocated to field

Note: The timeline is contingent on the availability of data.
Agency-Wide Updates
Pre-Award Risk-Assessment Agency-Wide Process
Agency-Wide Process

- All federal programs are required to implement the risk-assessment process.
- Each departments process is unique to their grant.
Program Monitoring
Agency-Wide Process
Monitoring

• Working collaboratively to reduce our footprint in the field.

• In FY16:
  – There were a total of 112 districts/organizations with overlap
  – Team approach – 107 onsite/desk review and 5 with desk review only overlap
3 Compliance Dashboard
New Compliance Dashboard

FY: 2017 Compliance Survey Completion Status

Overview of Survey Completion Status in Compliance

- 350
- 1050

FY: 2017 Compliance Issue Status

Overview of Issues Status in Compliance

- Issue Created: 104
- Issue Submitted: 8
- Issue Correction Needed: 36
- Issue Reviewed: 58
- Action Not Needed: 25
- Unresolved: 36
- Resolved: 74

FY: 2017 Compliance CAP Status

Overview of CAP Status in Compliance

- CAP Created: 110
- CAP Submitted: 85
- CAP Approved: 51
- CAP Correction Needed: 42
- In Progress: 58
- Disagreed: 22
- Deferred: 42
In Summary

• A high-risk assessment score should **NEVER** be interpreted as a negative reflection.

• Technical assistance will be provided

• FY2017 districts were notified in August, 2016

• Notification of high-risk will be sent via the CCIP and email to the Superintendent

• Compliance dashboard coming soon!
Resources
Scheduled to be Monitored

### FY2017-FY2019 Carl D. Perkins Monitoring Districts
#### Secondary

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<tr>
<th>CTPD #</th>
<th>CTPD</th>
<th>Secondary</th>
<th>CTPD #</th>
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</table>

Total: 29

Total: 30

Total: 32
Additional Resources

• Carl D. Perkins Career and Technical Education Act of 2006
  http://www.fldoe.org/workforce/perkins/pdf/Perkins_IV_text.pdf

• U.S. Office of Management and Budget (OMB) Circulars
  http://www.whitehouse.gov/omb/omb/circulars/

• Education Department General Administrative Requirements (EDGAR)
Resources

• Subpart A – Acronyms & Definitions (§200.0 -§200.99)
• Subpart B – General Provisions (§200.100 - §200.113)
• Subpart C – Pre-Federal Award Requirements and Contents
  of Federal Awards (§200.200 - §200.211)
• Subpart D – Post-Federal Award Requirements Standards for
  Financial and Program Management (§200.300 - §200.345)
• Subpart E – Cost Principles (§200.400 - §200.475)
• Subpart F – Audit Requirements (§200.500 - §200.521)
The Four Agreements

**Be Impeccable With Your Word**
Speak with integrity. Say only what you mean. Avoid using the word to speak against yourself or to gossip about others. Use the power of your word in the direction of truth and love.

**Don’t Take Anything Personally**
Nothing others do is because of you. What others say and do is a projection of their own reality. When you are immune to the opinions and actions of others, you won’t be the victim of needless suffering.

**Don’t Make Assumptions**
Find the courage to ask questions and to express what you really want. Communicate with others as clearly as you can to avoid misunderstandings, sadness, and drama. With just this one agreement, you can completely transform your life.

**Always Do Your Best**
Your best is going to change from moment to moment; it will be different when you are healthy as opposed to sick. Under any circumstance, simply do your best, and you will avoid self-judgment, self-abuse, and regret.

Miguel Ruiz
Social Media

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OhioEdDept