

Washington Integrated Sub-Recipient Monitoring (WISM) System



OSPI/WASA Special Education Conference
Hotel Murano
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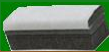
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Workshop Objectives

- Provide an introductory overview of new comprehensive, risk-based, tiered monitoring system
- Develop common understanding of integrated fiscal, compliance, and performance using:
 - Key concepts
 - Guiding principles
 - Sequential milestones
- Highlight federal monitoring requirements
- Discuss implementation plans for 2011-13



Key Concepts

- Integrated fiscal accountability is the “glue” that holds the General Supervisory System together.
- Monitoring is like an ongoing, two-way communication.
- To be both effective and efficient, monitoring must focus on finance, compliance, and performance.



Guiding Principles



- Don't ever view monitoring as just a series of separate distinct events.
- Integrated monitoring must encompass and include all activities from pre-award to close-out.
- To be effective, the Washington Integrated Sub-Recipient Monitoring (WISM) System must be in writing, widely disseminated, and fully understood.



Federal and State Themes

- Respond to heightened awareness of need for stewardship, transparency, and accountability at state, regional, and local levels
- Integrate effective and efficient fiscal, compliance, and performance monitoring activities to implement a system that reasonably meets regulatory requirements
- Strengthen the level of oversight needed to meet the state assurances to monitor LEAs/ESAs, provide technical assistance, and correct any identified deficiencies (non-compliance)



Sequential Milestones

1. Pre-Award



2. Service Delivery

3. Program Monitoring

4. SAO Auditing

(Based on individual audit cycles)

5. Determinations



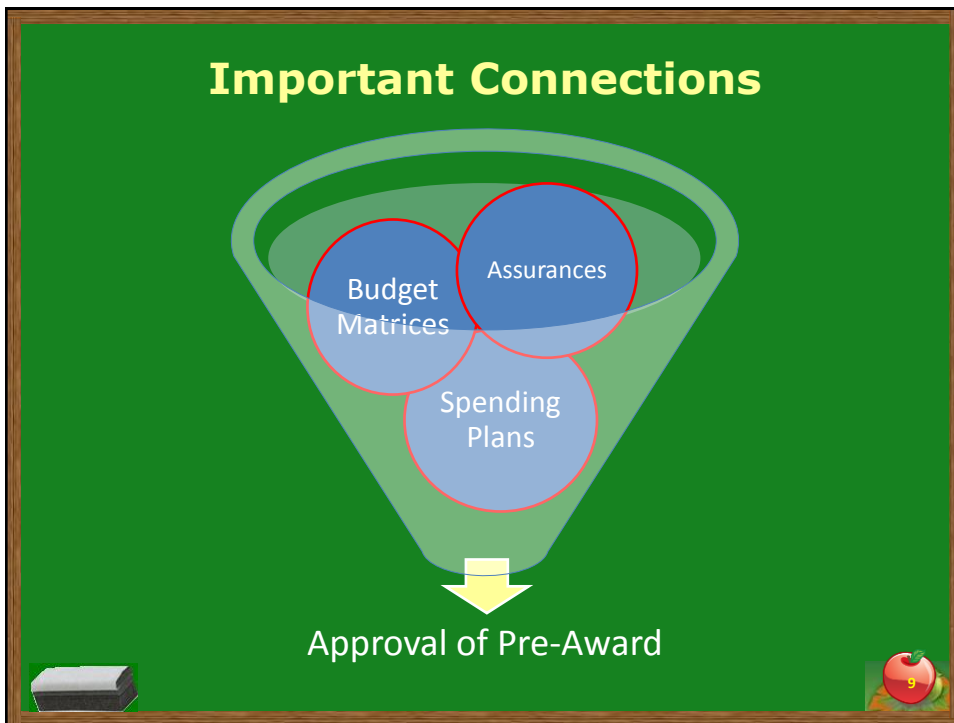
1. Pre-Award

Single Federal Fund Application
(iGrants Form Package 267)

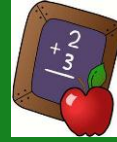
- Page 1 – Budget & Assurances
- Page 2 – Use of Funds
- Page 3 – CEIS
- Page 4 – Child Find & Proportionate Share
- Page 5 – General Supervision
- Page 6 – Appendices

Grants System 2011-12 Form Package Profile	
iGrants Form Package 267 Special Education IDEA Part B Sections 611 and 619 Federal Grant	
OSPI Program Area:	Special Education
Purpose: Provides financial assistance to Local Education Agencies (LEAs) on behalf of students in need of special education and related services.	
Application Information	Reference URLs and Materials
Board Approval Required: No	Use of Funds Bulletin
Form Package Due Date: Friday, July 01, 2011 5:00 PM	Grant Award Reporting and Processes for FY 2010-11
Project Period: 7/1/2011 through 8/31/2012	Special Education Program Risk Based Self-Assessment
	Federal CEIS FAQ (OSPEP Memo July 28, 2009)
	Special Education Maintenance of Effort Worksheet
	IDEA Part B Budget Information
	Special Education IDEA Tutorial
Website Addresses	
Special Education Finance Grants	
Eligible Subgrantees	School District
Other Related Information	
<ul style="list-style-type: none"> • Eligible Subgrantees and the term "School District" includes LEAs, Washington State Center for Childhood Deafness and Hearing Loss, and Washington State School for the Blind. • Allocations include a base allocation and reserve pool/and poverty allocation. • The form package is due July 1, 2011 for the July 1 spending start date. LEAs that submit after July 1 will receive the spending start date in which all required components are received. The form package is due September 1, 2011 for the September 1 spending start date. 	





2. Service Delivery



- LEA/ESA implements grant award...
 - ...making available to all students eligible for special education a free appropriate public education (FAPE) that emphasizes special education and related services designed to meet their unique needs and prepare them for further education, employment, and independent living.

WAC 392-172A-01005

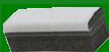


3. Program Monitoring

Federal Monitoring Requirement

OMB Circular A-133, Section 400 (d) (3)

- Monitor the activities of sub-recipients (LEA/ESA) as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.



Incorporating A Risk-Based Approach (Used by OSPI Special Education)

- To identify LEAs/ESAs which are more likely to:
 - benefit from technical assistance and support in order to meet the goals of IDEA, federal fiscal requirements, and programmatic requirements or
 - otherwise present a greater risk to the federal interest because of the sheer size of the LEA/ESA grant portfolio.
- Through the use of a risk matrix in conjunction with data performance analysis



Relative Risk Matrix (Under development)

- **Core Risk Factors** (as identified in Dept. of Ed webinar)
 - New Sub-Recipient
 - History of Non-Compliance
 - Amount of Federal Award
 - New Personnel in Key Positions
 - Implementing new or substantially changed systems such as financial management system



Relative Risk Matrix (continued)

- **Primary Data Sources**

- Determination Level (iGrants Form Package 442)
- LEA/ESA Performance Data Profile
- Special Education Program Risk-Based Self-Assessment (Appendix C – iGrants Form Package 267)
- Consolidated Program Review Index (12 Performance Data Elements)



Program Risk-based Self Assessment

This template auto-populates with district specific data when the county/district number is entered in cell B4. The district data is then compared with state standard data for each factor. Using guidance provided in A-133, federal and state regulations and our state Use of Funds Bulletin the district can self-assess identified areas of risk.

Enter the district's CCDDD number into cell B4 below. Manually enter data for Factors 6, 17, and 18.

CCDDD: District: ESD:

District Summary:

Risk Factor	District Results		State Average/Standard
	08-09	09-10	
1. District's Determination Level [Source - OSPI, iGrants, Form Package 442]	N/A	N/A	
2. District was required to complete Form Package 442 in 08-09 and/or 09-10 resolving identified areas of non-compliance. [Source - OSPI, iGrants, Form Package 442]	N/A	N/A	
3. District's Special Education Enrollment Percentage. [Source -	08-09	09-10	

Areas for Review		
	Risk Factor	Potential Program Concerns
1	District Determination Level	Compliance with Federal and State statutes and regulations, State plan, and applications Additional requirements dependent upon determination level
2	Form Package 442	Timely correction of issues of non-compliance
3	Special education enrollment percentage	Over/under identification of students with disabilities
4	Lapsed IEPs and evaluations	Lack of appropriate record keeping or tracking system Staff shortages Serving ineligible students
5	High cost student percentage	Provision of Free Appropriate Public Education (FAPE)/Least Restrictive Environment (LRE)
6	Number of out-of-district placements	Provision of FAPE/LRE Failure to assess program requirements Staff shortages Accurate enrollment reporting Procurement procedures Due process hearings

Monitoring Tiers

- **Regional Routine Reviews**
 - Including On-Site, Virtual, and Desk Reviews
 - Planning in motion to align timeframes with federal Consolidated Program Review (CPR) five-year cycle
- **State-wide Focused Reviews**
 - Based on Relative Risk Matrix and
 - Data Performance Analysis
- **Four Largest LEAs & ESA Annual Review**
 - Based on student counts (P223 Report) and
 - Size of federal awards
 - Visits aligned with federal CPR for LEAs when possible



Program Review Tools

- **Systems Level Review**
 - WISM Checklist (under development)
 - Data Verification
 - Fiscal Accountability
 - Dispute Resolution
- **Student Level Review**
 - IEP Review Form (revised August 2010)
<http://www.k12.wa.us/SpecialEd/programreview/Monitoring/Module.aspx>
 - Evaluation Review Form
<http://www.k12.wa.us/SpecialEd/programreview/Monitoring/Module.aspx>



4. SAO Auditing



- Washington State Auditor's Office (SAO) audits LEAs/ESA against the OMB Circular A-133 federal fiscal requirements
 - A. SAO notifies District & OSPI Audit Resolution (if there are findings)
 - B. OSPI Audit Resolution may consult with OSPI Special Education (if necessary)
 - C. OSPI Audit Resolution works directly with LEA/ESA to resolve finding(s) through development of Corrective Action Plan



OMB Circular A-133 Compliance Supplement Department of Education (June 2010):

- Section C: Cash Management
 - To provide reasonable assurance that...reimbursement is requested only after costs have been incurred...and grantees limit payments to sub-recipients to immediate cash needs
- Section H: Period of Availability of Federal Funds
 - To provide reasonable assurance that federal funds are used only during the authorized period of availability



OMB Circular A-133 Compliance Supplement Department of Education (June 2010):

- Section L: Reporting
 - To provide reasonable assurance that reports of federal awards...include all activity of the reporting period, are supported by underlying accounting and performance records, and are fairly presented in accordance with program requirements
- Section M: Sub-Recipient Monitoring*
 - To provide reasonable assurance that federal award information and compliance requirements are identified to sub-recipients, sub-recipient activities are monitored, sub-recipient audit findings are resolved, and the impact of sub-recipient non-compliance is evaluated



*Responsibility of OSPI Special Education



5. Determinations

Audit status impacts annual Determinations

- IDEA 2004 requires the U.S. Department of Education to rate States according to their performance (IDEA 616(a) and CFR 300.600 & 300.602)
- Individual States are also required to make these same determinations annually for their school districts and early education programs.
(See WAC 392-172A-07012)
 - Meets Requirements (Level 1)
 - Needs Assistance (Level 2)
 - Needs Intervention (Level 3)
 - Needs Substantial Intervention (Level 4)



Determinations - Four Criteria

- The U.S. Department of Education requires that States consider, at a minimum, the following criteria:
 1. Audit results*
 2. Timely correction of non-compliance
 3. Timely and accurate data
 4. Performance on State Performance Plan (SPP) compliance indicators (currently Ind. 9, 10, 11, 12, and 13)
 - States may also consider other compliance and/or results indicators.



*Unresolved special education audit findings



Close-Out of Award

- Impact Summary (Appendix I of iGrants Form Package 267)
 - The LEA/ESA will need to maintain timely, accurate, and comprehensive fiscal and programmatic records pertaining to budgets, expenditures, compliance, and student outcomes in order to submit a year-end summary report.
- Expenditure Report – F196



Implementation Planning Sequential Roll-out

Year 1 – 2011-2012

- Fall 2011
 - Orientation Webinar(s)
 - Apply Risk Matrix
 - Selection: Focused Visits
- Winter 2012
 - Annual Visits
 - Focused Visits
- Spring 2012
 - Annual Visits

Year 2 – 2012-2013

- Fall 2012
 - Orientation Webinar(s)
 - Apply Risk Matrix
 - Selection: Focused Visits
- Winter & Spring 2013
 - Annual Visits
 - Focused Visits
 - Begin Regional Routine Desk Reviews

Committee of Practitioners will provide input and field perspective.



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