U.S. Department of Education
Office of Inspector General

The Department's Oversight of the Student Support and Academic Enrichment Program

August 30, 2021
ED-OIG/A19DC0004

NOTICE

Statements that managerial practices need improvements, as well as other conclusions and recommendations in this report, represent the opinions of the Office of Inspector General. The appropriate Department of Education officials will determine what corrective actions should be taken.

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UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

August 30, 2021

TO: Ian Rosenblum
Acting Assistant Secretary
Office of Elementary and Secondary Education

FROM: Bryon Gordon /s/
Assistant Inspector General for Audit

SUBJECT: Final Audit Report, "The Department's Oversight of the Student Support and Academic Enrichment Program," Control Number ED-OIG/A19DC0004

Attached is the subject final audit report that consolidates the results of our review of the Department's oversight of the Student Support and Academic Enrichment program. We have provided an electronic copy to your audit liaison officer. We received your comments agreeing with the finding and recommendations in our draft report.

U.S. Department of Education policy requires that you develop a final corrective action plan within 30 days of the issuance of this report. The corrective action plan should set forth the specific action items and targeted completion dates necessary to implement final corrective actions on the finding and recommendations contained in this final audit report. Corrective actions that your office proposes and implements will be monitored and tracked through the Department's Audit Accountability and Resolution Tracking System.

In accordance with the Inspector General Act of 1978, as amended, the Office of Inspector General is required to report to Congress twice a year on the audits that remain unresolved after 6 months from the date of issuance.

We appreciate your cooperation during this review. If you have any questions, please contact Michele Weaver-Dugan at (202) 245-6941 or Michele.Weaver-Dugan@ed.gov.

Attachment

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Results in Brief

What We Did

The objective of our audit was to determine whether the Department of Education (Department) is providing adequate oversight of grantee performance and funds awarded under the Student Support and Academic Enrichment (SSAE) program and is ensuring that State educational agencies (SEA) are meeting reporting requirements as established by the Every Student Succeeds Act. The scope of our audit was October 1, 2016, through March 15, 2021.

To accomplish our audit objective, we reviewed SSAE monitoring plans and related monitoring documentation, including SSAE grantee risk assessments and correspondence with grantees regarding planned monitoring, and held discussions with Office of Safe and Supportive Schools (OSSS) staff about their efforts to oversee SSAE grantee performance and use of funds and ensure SEAs are meeting reporting requirements. We also judgmentally selected a sample of 20 of the 52 SSAE grantees and reviewed their grant files for evidence of Department efforts to oversee grantee performance and use of funds and efforts to ensure SEAs are meeting reporting requirements.

What We Found

We found that OSSS has provided inadequate oversight of grantee performance and funds awarded under the SSAE program. While OSSS has provided some general oversight of the SSAE program, formal monitoring activities have been limited. Specifically, we found that OSSS' oversight of SSAE grantees has been primarily limited to ensuring grantees are obligating and spending funds by established deadlines. OSSS has conducted a formal monitoring review of 1 of the 52 SSAE grantees (2 percent) since the inception of the program in fiscal year (FY) 2017. OSSS had one additional planned on-site monitoring visit scheduled for 2020 which has not yet been conducted due to the Coronavirus Disease 2019 (COVID-19) pandemic.

We also found that OSSS has not ensured that SEAs are meeting all reporting requirements. While OSSS has made efforts to ensure that SEAs submitted SSAE data required to be reported through the Consolidated State Performance Report, OSSS has not ensured that SEAs are collecting SSAE data from their local educational agencies (LEA) or that the SEAs are publicly reporting SSAE data, as required.

Further, we found that OSSS did not always develop, finalize, and implement monitoring plans to monitor grantees' performance and use of funds. Specifically, we found that while the SSAE program was first awarded funds in FY 2017, OSSS did not begin developing a monitoring plan until FY 2019. We found no evidence that this monitoring

plan was finalized and fully implemented, and OSSS also did not finalize or implement its monitoring plan for FY 2020 but did develop and finalize a monitoring plan for FY 2021.

Lastly, we found that OSSS' risk assessment process could benefit from consideration of additional risk factors in calculating risk scores. OSSS developed a risk assessment tool in FY 2020 to assess grantee risk and better inform its monitoring efforts. The SSAE risk assessment tool is based upon eight key indicators. While we found that all of these indicators are appropriate for assessing grantee risk, the tool did not include the Entity Risk Review internal controls risk score, which reflects an entity's level of compliance with Department and program rules and regulations, as tested in A–133 single audits.

OSSS' inadequate oversight of SSAE grantees means that OSSS has little assurance that grantees are making progress toward program goals and objectives and provides OSSS with limited insight regarding how grantees and subgrantees are using grant funds. OSSS also lacks assurance that SEAs are conducting required monitoring of their subgrantees. Since OSSS has not ensured that SEAs are meeting all reporting requirements, OSSS is ill-positioned to identify and assist struggling grantees that do not reach out to them for assistance and would seem to be generally unaware of program performance and funds usage overall. Further, inadequate monitoring increases the risk that grantees will misuse grant funds and this risk could increase as SSAE grantees realize that the Department is not monitoring them.

What We Recommend

We recommend that the Acting Assistant Secretary of the Office of Elementary and Secondary Education (OESE) ensure that OSSS staff develop, finalize, and implement adequate plans to monitor SSAE grantees' performance toward achieving the SSAE program's goals and objectives and to ensure that funds are being used for allowable activities under the program. We also recommend that the Acting Assistant Secretary ensure the consolidated monitoring process is clearly communicated, that OESE senior management is informed of individual program office grantee monitoring activities, and that OSSS staff are making efforts to assure that SEAs are meeting public reporting requirements. Additionally, we recommend that the Deputy Secretary develop regulations or non-regulatory guidance pertaining to SEA public reporting requirements for SSAE data, to include timeframes for reporting the required data.

OESE Comments and Our Response

We provided a draft of this report to OESE for comment. We summarize OESE's comments at the end of the finding and provide the full text of the comments at the end of the report.

OESE agreed with the finding and recommendations. OESE stated that it has already taken or plans to take corrective actions to address the recommendations.

OESE's proposed corrective actions, if implemented as described, are responsive to our recommendations.

Introduction

Background

The Student Support and Academic Enrichment (SSAE) program is a formula grant program authorized under Title IV, Part A of the Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act. The SSAE program is intended to be a flexible grant program with the purpose of improving students' academic achievement by increasing the capacity of States, local educational agencies (LEA), schools, and local communities to: (1) provide all students with access to a well-rounded education, (2) improve school conditions for student learning, and (3) improve the use of technology in order to improve the academic achievement and digital literacy for all students. The SSAE program is administered by the Office of Safe and Supportive Schools (OSSS), located within the Office of Elementary and Secondary Education (OESE). Total fiscal year (FY) 2017, 2018, 2019, 2020, and 2021 allocations were $400 million, $1.1 billion, $1.17 billion, $1.21 billion, and $1.22 billion, respectively.

The SSAE program provides State educational agencies (SEAs), LEAs, and schools with flexibility to tailor investments based on the needs of their unique student populations. Coordination and integration of the SSAE program with activities authorized under other sections of the law is encouraged. Schools may use other Elementary and Secondary Education Act funds to coordinate and strengthen complementary services. Further, SEAs, LEAs, and schools may partner with organizations such as nonprofits, institutions of higher education, museums, and community organizations to offer programs and services to students.

Additionally, SEAs[1] and LEAs[2] may transfer all or a portion of the funds they receive under the SSAE program to other programs and may transfer all or a portion of funds under other programs to the SSAE program.

SEA Responsibilities

An SEA must submit a plan to the Secretary of Education for review and approval. Each plan submitted by an SEA must include (1) a description of how the SEA will use funds received for State-level activities; (2) a description of how the SEA will ensure that awards made to LEAs are in appropriate amounts; and (3) assurances that the SEA will review existing resources and programs across the State and will coordinate any new plans and resources with existing resources and programs, monitor the implementation of activities and provide technical assistance to LEAs in carrying out such activities, and provide for equitable access for all students. States receive an SSAE allocation based on the Title I funding formula and then use the same formula to allocate funds to LEAs. States are directed to award at least 95 percent of the allocation as subgrants to LEAs, reserve not more than 1 percent for administration, and use the rest to support LEA activities and programs designed to meet the purposes of the program.

SEAs are required to ensure that LEAs are using program funds for allowable expenses. In addition, the program requires each State receiving an allotment to publicly report on how SSAE funds are being spent by LEAs and the degree to which the LEAs have made progress toward meeting the Title IV–A program objectives and outcomes established in their application. SEAs are also responsible for developing the application that LEAs must submit to receive their funds from the States.

LEA Responsibilities

An LEA must apply to its SEA to receive its SSAE program allocation. An LEA may, if it chooses, apply for funds in consortium with one or more surrounding LEAs. LEAs, or a

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[1] SEAs may transfer funds from Title II, Part A, Supporting effective instruction state grants; Title IV, Part A, Student support and academic enrichment grants; and Title IV, Part B, 21st Century Community Learning Centers. In addition to these programs, SEAs may transfer funds to Title I, Part A, Improving basic programs operated by LEAs; 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 III, Part A, State grants for English language acquisition and language enhancement; and Title V, Part B, Rural education.

[2] The programs that LEAs may transfer funds from or to mirror those that SEAs may transfer funds from or to (see footnote 1), except that LEAs cannot transfer funds to or from the Title IV, Part B program.

consortium of LEAs, may apply for SSAE program funds and must prioritize the distribution of funds to schools based on one or more of several factors, including schools that are (i) among those with the greatest needs, as determined by the LEA; (ii) have the highest numbers of students from low-income families; (iii) are identified for comprehensive support and improvement under Title I, Part A of the Elementary and Secondary Education Act; (iv) are implementing targeted support and improvement plans under Title I, Part A of the Elementary and Secondary Education Act; or (v) are identified as a persistently dangerous public school in accordance with the Elementary and Secondary Education Act.

During the design and development of its application, an LEA or consortium of LEAs must engage in consultation with stakeholders in the area served by the LEA. The LEA's application must describe the SSAE programs and activities the LEA proposes to implement, which must include (as applicable), descriptions of any partnership with an institution of higher education, business, nonprofit organization, community-based organization, or other public or private entity with a demonstrated record of success in implementing allowable activities under the SSAE program. The LEA's application must also describe, as applicable, how funds will be used for activities in the three SSAE content areas—well-rounded educational opportunities, safe and healthy students, and effective use of technology. LEA applications must also include program objectives and intended outcomes and describe how the LEA or its partners will periodically evaluate the effectiveness of its SSAE program activities based on those objectives and outcomes.

An LEA receiving an initial SSAE program allocation of at least $30,000 was required to conduct a comprehensive needs assessment prior to receiving its initial allocation, and to conduct subsequent needs assessments at least once every 3 years, to examine its needs for improvement regarding the three component program areas. LEAs receiving $30,000 or more must use:

- At least 20 percent of funds for activities to support well-rounded educational opportunities;

- At least 20 percent of funds for activities to support safe and healthy students; and

- A portion of funds for activities to support effective use of technology.[3]

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[3] Section 3511 of the Coronavirus, Aid, Relief, and Economic Security (CARES) Act allows the Secretary, upon request from an SEA, LEA, or Indian tribe, to grant waivers of various statutory or regulatory provisions if it is determined that such a waiver is necessary and appropriate due to the coronavirus

These LEAs must also complete an annual State report regarding how funds for the SSAE program are being used.

Allowable Activities

LEAs have substantial flexibility in how they utilize SSAE program funds to provide students access to a well-rounded education, improve school conditions for student learning, and utilize educational technology. See Appendix B for a full list of allowable activities.

Consolidated Appropriations Act

The Consolidated Appropriations Act of 2017 provided $400 million for SSAE grants, and included provisions that made changes to the SSAE grant program for the first year of the program, FY 2017. Major changes included

- Providing SEAs with the option of making competitive subgrants to eligible LEAs, rather than by formula; and

- Removing the requirement for LEAs receiving more than $30,000 in funds to spend a portion of funds received in each of the three content areas.

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emergency. This includes waivers of statutory and regulatory provisions of the Elementary and Secondary Education Act related to the needs assessment required under Title IV–A for LEAs receiving $30,000 or more under the SSAE grant program; requirements to use funds for a well-rounded education, safe and healthy students, and technology under the SSAE program for LEAs receiving grants of $30,000 or more; and the limit on the percentage of funds that may be used to purchase technology infrastructure under the SSAE program.

Finding. OSSS Has Provided Some General Oversight of SSAE Grantees But Formal Monitoring Activities Have Been Limited

We found that OSSS has provided inadequate oversight of grantee performance and funds awarded under the SSAE program. While OSSS has provided general oversight of SSAE grantees, formal monitoring activities have been limited. We found that monitoring activities are inadequate to ensure SSAE grantees are making progress toward program goals and spending grant funds in accordance with statutory and regulatory guidelines and SEAs are meeting all SSAE reporting requirements. Further, we found that OSSS did not always develop, finalize, and implement monitoring plans to monitor grantees' performance and use of funds. Additionally, we found that the risk assessment process used by OSSS to inform its monitoring plans could benefit from consideration of additional risk factors in calculating risk scores.

Monitoring Activities for Grantee Performance and Use of Funds Are Limited

We found that OSSS has conducted inadequate monitoring activities to ensure that SSAE grantees are making progress toward program goals and spending grant funds in accordance with statutory and regulatory guidelines. Specifically, we found that OSSS' monitoring of SSAE grantees has been primarily limited to general oversight activities, such as ensuring grantees are obligating and spending funds by established deadlines.

We found that OSSS has conducted a formal monitoring review of 1 of the 52 SSAE grantees (2 percent) since the inception of the program in FY 2017, a program that had authorized funding of $3.9 billion through FY 2020.[4] However, we found that the primary purpose of this monitoring review, an on-site visit conducted in November 2019, was to pilot the process, protocols, and checklists in the draft monitoring plan OSSS developed for the SSAE program and to provide SEAs with an opportunity to provide feedback to OSSS on the protocols. While OSSS went through the entire protocol in its draft monitoring plan for the review, including requesting documentation and interviewing SEA and LEA personnel, the pilot on-site review differed from a regular

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[4] The *Guidance for OESE Monitoring Plans* indicates that formal monitoring reviews are either on-site monitoring or desk monitoring. An on-site monitoring review is a targeted or comprehensive examination of the grant program at the grantee's geographic location. For desk monitoring, a grantee submits documents for review which are assessed to determine the grantee's progress in meeting performance standards and compliance with grant requirements.

monitoring visit in several ways. Specifically, while monitoring visits normally result in a monitoring report whether or not any corrective actions are identified, OSSS notified the grantee ahead of time that it did not plan to issue a monitoring report as a result of the review unless there were any corrective actions identified, which there were none. Further, grantees are typically selected for monitoring based on each grantee's assessed risk level, with higher risk grantees being prioritized for monitoring, but OSSS selected this grantee because the grantee expressed interest in participating in the pilot and it considered the grantee to be low risk.

We found that OSSS had one additional planned on-site monitoring visit scheduled for 2020. Specifically, in May 2020, OSSS had planned to conduct an on-site monitoring visit with the Office of Elementary and Secondary Education's (OESE) Monitoring and Risk Team in order to gain experience with the consolidated monitoring review process being implemented by OESE.[5] This monitoring review was postponed due to the Coronavirus Disease 2019 (COVID-19) pandemic. OSSS and the Monitoring and Risk Team now plan to conduct this review in FY 2021. As of the end of our audit fieldwork, OSSS indicated that it was planning to conduct six monitoring visits before the end of FY 2021 with SEAs that were identified as having significant risk, although these had not yet been scheduled. In written comments provided subsequent to the conclusion of our audit fieldwork, OESE noted that these six site visits have now been scheduled.

We found that since the inception of the SSAE program in FY 2017, OSSS has conducted other limited monitoring activities focused on reviewing grantee drawdowns and available balances in G5 to ensure that grantees are obligating and drawing down funds timely. OSSS' process for monitoring grantee drawdowns and available balances involves one program officer obtaining grantee drawdown reports and sharing them with the other program officers. The program officers can contact their assigned grantees about any large remaining available balances in an effort to ensure grantees use the grant funds available to them before the timeframe for doing so expires. This was originally done monthly starting 9 months before the end of the period of

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[5] Under consolidated monitoring, staff from several OESE grant programs visit a grantee and conduct on-site monitoring at the same time to reduce redundancy and burden on the grantee. The Monitoring and Risk Team has several responsibilities, including performing risk assessments and leading the consolidated monitoring process. The Monitoring and Risk Team is responsible for the financial administration and cross-cutting sections of the consolidated monitoring reviews, while program offices are responsible for leading the program-specific sections of the review.

performance, although OSSS has since decided to do this quarterly as there is generally not much change in available balances from month to month.

To obtain additional insight into the monitoring activities performed by OSSS, we reviewed the FY 2017 through FY 2020 grant files for the 20 SSAE grantees representing the highest risk[6] according to OSSS' risk assessment tool. Documentation relating to monitoring was limited to ensuring grantees were obligating and spending funds by established deadlines, with the exception of documentation regarding the postponed consolidated monitoring review that OSSS was to participate in. The rest of the documentation found in the grant files consisted primarily of technical assistance and administrative activities. The technical assistance found in the grant files was primarily reactive, including email correspondence between program officers and grantees regarding grantee questions on allowable uses, though we did identify some instances where program officers shared the responses provided to one grantee's question with other grantees. Administrative activities found in the grant files included correspondence transmitting Grant Award Notifications, providing updated contact information, notices of obligation and liquidation deadlines, and notifications of new award amounts. We also found that the Department provided guidance through a series of webinars held in 2017 and meetings with SEA coordinators, one of which was held in 2018 and two in each of 2019 and 2020.

OSSS Has Not Ensured SEAs are Meeting All Reporting Requirements

We found that OSSS has not ensured that SEAs are meeting all reporting requirements. While OSSS has made efforts to ensure SEAs submitted SSAE data required to be reported through the Consolidated State Performance Report (CSPR) and implemented some procedures to help ensure the quality of the data, OSSS has not ensured that SEAs are publicly reporting SSAE data, as required.

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[6] This included the 19 grantees receiving 12 points or more on OSSS' FY 2020 or FY 2021 SSAE risk assessment tool. The FY 2020 risk assessment tool identified significant risk grantees as those receiving 12 points or more. The FY 2021 risk assessment tool did not indicate the score that would indicate a grantee has significant risk. One additional grantee was selected that received a "moderate risk" score for the emergent issue indicator for both fiscal years. All other grantees received scores indicative of no risk or low risk for the emergent issue indicator for both fiscal years. [See footnote 9 for the definition of the emergent issue indicator.] This grantee issued SSAE subgrants to LEAs that were not eligible which was brought to OSSS' attention by another program office within OESE that discovered the issue based on a question the grantee asked them.

As part of its CSPR reporting, each SEA is required to report on how LEAs reported funds spent on the three content areas under the SSAE program, the total number of LEAs that transferred funds from an eligible program to another eligible program (including to or from the SSAE program), and the total amount of appropriated funds transferred from and to each eligible program. SSAE grantees were first required to report this data in the most recent CSPR submission, which began in April 2020.

OSSS has a process for assessing the SSAE CSPR data submitted and relaying data quality concerns to SEAs. After CSPR data was initially submitted, OSSS reviewed the data, performed certain logic checks[7] on the submitted data, and provided comments for the SEAs to address. SEAs could respond to the comments and submit revised data. Originally, OSSS identified data concerns with the SSAE data submitted by 22 SEAs as a result of the logic checks performed; 5 SEAs did not submit any data. After addressing the comments and revising or submitting new data, there were still data concerns with 19 of the SEAs; 3 SEAs were still unable to submit any SSAE data.[8] OSSS indicated that many SEAs had issues reporting SSAE data because their financial systems can only report the total amount of funds spent on the SSAE program. They cannot provide detailed information of spending in each of the three SSAE content areas, as required. At the time of our audit fieldwork, OSSS indicated that it would be developing a process to conduct targeted monitoring and assist identified States to improve the quality of their submitted CSPR data and that it would also be meeting with the Office of the General Counsel (OGC) and Budget Services to determine possible actions and next steps. In written comments provided subsequent to the conclusion of our audit fieldwork, OESE noted that it held the meetings with OGC and Budget Service and that OSSS has identified 27 States that will receive targeted support calls.

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[7] Logic checks performed by OSSS included, among other things, comparing the number of LEAs reported to have spent SSAE funds to the number of LEAs eligible for the program, the numbers of LEAs reported to have transferred funds to other eligible programs to the amount of funds reported as having been transferred, and the total amount of funds expended by LEAs to the amount expended in each content area.

[8] Concerns identified included more LEAs that reported spending SSAE funds than were eligible for the program, an unusually low or high number of LEAs reported as having transferred funds, and the number of LEAs reported as having spent funds in each content area being inconsistent with the total number of LEAs reported as having spent SSAE funds and the total number of LEAs eligible for the program.

SEAs are also required to report additional SSAE data publicly. However, we found that OSSS has made limited efforts to ensure that SEAs are doing so or plan to do so and is largely unaware of whether any SEAs have in fact reported the data. LEAs receiving SSAE funds are required to report to their SEA how funds are being used to meet the percentage distribution requirements across the three SSAE content areas and to report to their SEA the degree to which they have made progress toward meeting objectives and outcomes in approved applications. Each SEA is then required to publicly report how funds are being expended by LEAs and the degree to which LEAs have made progress toward meeting objectives and outcomes. The timing for this reporting is at each SEA's discretion. Five of the six SSAE program officers we spoke with indicated that they have not checked to see if their assigned SEAs have reported these data or asked their SEAs about their plans for doing so. One program officer occasionally checked the websites of assigned SEAs for reported data and stated that at one of the annual meetings the program officer had asked the State coordinators of assigned SEAs about plans for reporting the data. This program officer noted that no data appeared to have been reported yet, and the State coordinators said they were aware of the reporting requirement and were working on processes for reporting data.

SSAE Monitoring Plans Were Not Always Developed, Finalized, and Implemented

We found that OSSS did not always develop, finalize, and implement monitoring plans to monitor grantees' performance and use of funds. Specifically, we found that while the SSAE program first awarded funds in FY 2017, OSSS did not begin developing a monitoring plan until FY 2019. However, we found that while OSSS used the draft FY 2019 monitoring plan in the one on-site monitoring visit noted above, we found no evidence that the monitoring plan was finalized and fully implemented. Further, we found that while OSSS developed and finalized a monitoring plan specific to the one grantee it had planned to monitor as part of the consolidated monitoring process in FY 2020, it did not finalize or implement a program-wide monitoring plan in FY 2020. OSSS developed a monitoring plan for FY 2021, which was finalized in February 2021.

OSSS' Risk Assessment Process Could be Strengthened

We found that OSSS' risk assessment process could benefit from consideration of additional risk factors in calculating risk scores. Specifically, we found that OSSS developed a risk assessment tool in FY 2020 to assess grantee risk and better inform its monitoring efforts. The SSAE risk assessment tool is based upon eight key indicators, all weighted equally, including (1) responsiveness of communications, (2) State coordinator turnover, (3) award amount, (4) available balance, (5) closeout remaining balance,

(6) emergent issues,[9] (7) Entity Risk Review:[10] Administrative Score, and (8) CSPR data quality assessment.[11] Each indicator has its own established criteria for what is considered no risk, low risk, moderate risk, and significant risk. Each level of risk has a point value assigned. Point values associated with each indicator are added up to form an overall risk score. Potential sources of information noted in the risk assessment tool include G5, emails, phone calls, Entity Risk Review reports, other program offices within the Department, and external entities.

While we found that all of these indicators are appropriate for assessing grantee risk, the Entity Risk Review contains an additional score that could strengthen the assessment tool. Specifically, the Entity Risk Review consists of three scores—(1) an administrative score, which represents the grantee's previous history with the Department and its past level of compliance with program requirements; (2) a financial risk score, which is based on 13 indicators representing an SEA's financial health, creditworthiness, history of paying bills in a timely fashion, and how well it has managed funds in the past; and (3) an internal controls risk score, which reflects an entity's level of compliance with Department and program rules and regulations, as tested in A–133 single audits.[12] We found that while the financial risk score includes some indicators that are similar to indicators OSSS uses as part of its risk assessment tool, the OSSS risk

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[9] An emergent issue is defined by OSSS as an issue identified within the past 12 months, to include improper allocations to subgrantees, poor oversight of subgrantees or not regularly monitoring subgrantees, development of a subgrantee application that does not include all statutory requirements, excessive monthly drawdowns, or other statutorily or Uniform Guidance-related issues identified through communications with the grantee.

[10] The Entity Risk Review is a process where risk is analyzed and scored for entities applying for or receiving new or continuation grant awards from the Department based on 44 unique data variables from G5, the Federal Audit Clearinghouse, and Dun & Bradstreet. The analysis includes data elements consolidated into three risk categories: Administrative, Financial, and Internal Controls.

[11] Grantees were not assessed for the CSPR data quality assessment indicator as part of the FY 2020 risk assessment because grantees had not reported CSPR data yet.

[12] The Office of Management and Budget issues an annual compliance supplement, which assists auditors in performing required A–133 single audits. The SSAE program is included in the 2018, 2019, and 2020 compliance supplements, requiring auditors to develop audit procedures to test compliance with the requirements for this program.

assessment tool does not include any indicators similar to those included in the internal controls risk score.[13]

Office of Management and Budget Circular A–123, Management's Responsibility for Internal Control, states that

> Management has a fundamental responsibility to develop and maintain effective internal control. The proper stewardship of Federal resources is an essential responsibility of agency managers and staff. Federal employees must ensure that Federal programs operate and Federal resources are used efficiently and effectively to achieve desired objectives. Programs must operate and resources must be used consistent with agency missions, in compliance with laws and regulations, and with minimal potential for waste, fraud, and mismanagement.

The Department's *Guide for Managing Formula Grant Programs*, dated August 13, 2019,[14] and the Department's Grant Bulletin #14–06, *Policy, Guidance, and Responsibilities for Principal Office Monitoring Frameworks for Formula Grant Programs*, dated April 28, 2014, both note that Principal Offices must develop, and revise as needed, a monitoring framework to guide the design of a program office's monitoring plans, and both establish guidance to help program offices with developing monitoring plans for formula grant programs consistent with their Principal Office monitoring frameworks. OESE developed a monitoring framework titled, *Guidance for OESE Monitoring Plans*, dated April 19, 2017, to guide the development of program office monitoring plans for OESE grant programs. It notes that effective monitoring is a key component of good project management, with the purposes of, among other things, ensuring that the grantee is making substantial progress toward achieving its stated goals and objectives, providing evidence of the program's compliance with applicable

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[13] The Entity Risk Review internal control risk score includes indicators based on the grantee's financial statements, compliance with major Department programs, and subrecipient monitoring, among other things.

[14] This version revised the guidance by the same name, dated August 26, 2016. Both versions are identical with respect to Principal Offices' responsibilities for developing monitoring frameworks to guide the design of program office monitoring plans and with regard to guidance to help program offices develop monitoring plans for formula grant programs.

statutes and regulations (including data quality and completeness), and determining program-specific areas in which the grantee can benefit from Federal assistance.

The *Guidance for OESE Monitoring Plans* identifies on-site monitoring reviews and desk monitoring reviews as two of the three major monitoring methods, along with general oversight. An on-site monitoring review is a comprehensive examination of a grant program to help the grantee learn to run the program better. A desk monitoring review is a thorough examination of a specific set of topics and is typically less comprehensive than on-site monitoring reviews. Grantees that have been identified as having high levels of risk will receive more intensive monitoring, such as on-site monitoring. The guidance notes the OESE program officer, in partnership with the grantee, will determine the most effective ways to conduct monitoring activities.

The *Guidance for OESE Monitoring Plans* identifies general oversight activities that are employed in addition to formal on-site or desk monitoring, such as webinars, reviewing performance reports, reviewing G5 reports, and reviewing Risk Management Service Entity Risk Review reports and audit reports. The guidance states that many OESE programs review the audit findings in the audit database maintained by the Federal Audit Clearinghouse to ensure that their grantees have complied with A–133 audit filing requirements.

Section 4104(a)(2) of the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act, directs SEAs receiving an SSAE allotment to publicly report how SSAE funds are being expended by LEAs and the degree to which LEAs have made progress toward meeting the objectives and outcomes specified in their applications. Further, section 4106(e)(2)(F) requires LEAs, in their applications, to assure that they will annually report to the State for inclusion in its public reporting how funds are being used in the three content areas.

The Every Student Succeeds Act, Section 8303, also notes that in order to simplify reporting requirements and reduce reporting burdens, the Secretary shall establish procedures under criteria under which a SEA, in consultation with the Governor of the State, may submit a consolidated State annual report. The CSPR is what was established by the Department to satisfy this requirement. The Every Student Succeeds Act further notes that the report shall contain information about the programs included in the report, including the performance of the State under those programs, and other matters as the Secretary determines necessary. The report shall replace separate individual annual reports for the programs included in the consolidated State annual report.

Reasons for Inadequate Monitoring

OSSS' limited monitoring of the SSAE program can be attributed to several factors, including the uncertainty of the program's continued existence, human capital and regulatory policy changes, inadequate communication by OESE management regarding implementation of a new monitoring process, and, in part, a lack of awareness by OESE senior management of individual program office monitoring efforts, as well as the COVID-19 pandemic.

Uncertainty of the Program's Continued Existence

We found that the limited monitoring conducted can be directly attributed to OSSS' lack of intent to do so during the first few years of the program. OSSS staff indicated that the uncertain future of the SSAE program led them to not focus their efforts on program monitoring during the program's first few years. We found that since its inception, the SSAE program has faced uncertainty as to the level of funding that would be provided to the program and whether the program would be eliminated or consolidated (see Table 1 on the following page).

The Every Student Succeeds Act, dated December 10, 2015, authorized $1.65 billion in funding for the SSAE program in FY 2017 and $1.6 billion in funding for each of FY 2018, FY 2019, and FY 2020.[15] However, the Department's Budget Justification for FY 2017, dated February 9, 2016, requested just $500 million for the program, a significant reduction from the amount authorized. The Consolidated Appropriations Act of 2017, dated May 5, 2017, provided $400 million in funding for FY 2017 for the SSAE program, a 75-percent reduction from what was authorized. The Department's FY 2018, FY 2019, FY 2020, and FY 2021 Budget Justifications each requested no funding for the SSAE program.[16] However, Congress appropriated $1.1 billion, $1.17 billion, $1.21 billion, and $1.22 billion for FYs 2018, 2019, 2020, and 2021.

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[15] No funding was authorized beyond FY 2020.

[16] The Department's FY 2021 Budget Request proposed consolidating nearly 30 Federal elementary and secondary education programs, including SSAE, into the Elementary and Secondary Education for the Disadvantaged Block Grant, under which States and school districts would have discretion to use those funds for any authorized purpose of the consolidated programs.

Table 1. SSAE Program Funding by Fiscal Year

FY	Authorized Under ESSA	Department's Budget Request	Appropriated by Congress
2017	$1.65B	$500M	$400M
2018	$1.60B	$0	$1.10B
2019	$1.60B	$0	$1.17B
2020	$1.60B	$0	$1.21B
2021	-	-	$1.22B
Total	**$6.45B**	**$500M**	**$5.1B**

Human Capital and Regulatory Policy Changes

In written comments provided subsequent to the conclusion of our audit fieldwork, OESE senior management noted that Department efforts related to regulatory reform as well as human capital policy changes severely restricted the program office's capacity to effectively carry out formal monitoring activities during the audit period and that it believed that OSSS' approach to monitoring during that time was reasonable. Specifically, OESE senior management noted that in 2017, the Department instituted a hiring freeze and new telework policy that restricted OESE's ability to hire and retain needed staff. During the same time period, OESE senior management stated that the Department was directing program offices to pause development of new regulations or guidance, streamline current guidance, and rescind regulations or guidance that were no longer consistent with the administration's priorities. Taken together, OESE senior management believed that these changes had a direct impact on the ability to effectively administer new programs such as SSAE, to include effectively clarifying program requirements, assisting SEAs in developing and implementing the program, and monitoring the program.

In addition, OESE senior management stated that it went through a reorganization in January 2019 which included consolidating with the Office of Innovation and Improvement, the creation of new program offices and functional offices, and staff

reassignments.[17] As part of this reorganization, OSSS had four new staff members join its existing group leader and one program officer that worked part-time on the SSAE program. Several months were spent developing the capacity of the new staff members.

During our audit, OSSS officials indicated that part of the delay in the beginning of monitoring activities was due to the program staff being inexperienced with the SSAE program. However, they did not indicate that a lack of staff or resources was an issue. Further, OSSS officials indicated that they had worked on developing guidance for SSAE grantees that they were prevented from issuing but did not indicate that the inability to issue new guidance delayed the implementation of monitoring activities.

Inadequate Communication

We found that limitations in OSSS' monitoring activities can also be attributed to inadequate communication by OESE management. This included a lack of clear guidance regarding the intentions related to the implementation of a new OESE-wide monitoring process, resulting in confusion among OSSS staff. Specifically, we found that OESE planned to implement a new, consolidated monitoring process in FY 2020, led by its Monitoring and Risk Team. An OESE official noted that briefings on how consolidated monitoring would work were provided to staff during several All-Staff meetings held in 2019, and a presentation was provided to all staff working on programs that were to be included in consolidated monitoring. The OESE policy for consolidated monitoring was distributed to all participating programs at the time the presentation on consolidated monitoring was provided. However, in reviewing the presentation materials, we determined that the presentation did not specifically cover whether consolidated monitoring can or should replace individual program monitoring efforts. Further, the OESE policy is not clear regarding whether consolidated monitoring can or should completely replace individual program monitoring, although the policy seems to suggest that consolidated monitoring is not intended to be the sole form of monitoring for a grant program. Specifically, OESE's Procedures for Consolidated Monitoring states, "program offices maintain the latitude to design and implement monitoring protocols

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[17] On March 13, 2017, President Trump signed Executive Order 13781, A Comprehensive Plan for Reorganizing the Executive Branch, with the purpose of reorganizing governmental functions and eliminating unnecessary agencies. It required the head of each agency to submit to the Director of the Office of Management and Budget a proposed plan to reorganize the agency, if appropriate, in order to improve the efficiency, effectiveness, and accountability of that agency. The Department submitted its reform plan to the Office of Management and Budget and its reorganization was approved January 6, 2019.

not included in consolidated efforts as needed." It advises program offices not to conduct on-site or desk monitoring for grantees that the Monitoring and Risk Team identifies as low risk in each of the three most recent fiscal years.

It appears that the vague policy led to confusion among OSSS staff. Specifically, OSSS believed that once implemented, the consolidated monitoring process would largely replace its monitoring of the SSAE program, although it acknowledged that it would still be able to conduct its own monitoring of any grantee that it thought needed to be monitored but was not included in the consolidated monitoring process. However, the Group Leader of the Monitoring and Risk Team, the team responsible for conducting consolidated monitoring visits, stated that it is not the intention for consolidated monitoring to be the exclusive means of monitoring and to replace individual program monitoring, and noted that the Monitoring and Risk Team defers to the program offices regarding whether they would conduct any monitoring outside of consolidated monitoring and how much monitoring they would do. The Monitoring and Risk Team Group Leader further noted that, due to capacity limitations, it was likely that not all of the 15 OESE programs that will eventually be included in consolidated monitoring will be included every year. The team's current capacity would allow them to monitor 4 or 5 grantees each year, and the Group Leader noted that 15 grant programs are too many to include in a single monitoring review. The Group Leader said they would like to be able to include all grant programs each year in some capacity but expressed skepticism that all would be able to be included each year, noting that larger OESE grant programs would be given priority. The OSSS Group Leader stated he was unaware of these limitations.

In written comments provided subsequent to the conclusion of our audit fieldwork, OESE maintained that there was adequate communication with program offices regarding the consolidated monitoring process. OESE referenced the presentation noted above, and further noted that the Monitoring and Risk Team met specifically with SSAE program staff on several occasions to walk them through the consolidated monitoring process, and the Monitoring and Risk Team consistently made program staff aware that they are available for any questions OSSS may have about the consolidated monitoring process or OSSS' own monitoring efforts.

We found that while the program offices may have been informed about the specifics of conducting consolidated monitoring visits, the role that the consolidated monitoring visits would play in a program's overall monitoring process was not always clear, as we noted above. Further, OESE's comments appear to disregard OSSS' views reflected above regarding communication and its understanding of the process as expressed to OIG during the audit. At the exit conference, the OSSS Director noted that they were still discerning how the SSAE program would fit into consolidated monitoring when OIG

conducted its fieldwork and added that the SSAE program is new and had not been involved in any consolidated monitoring efforts in the past, which contributed to the confusion.

Lack of Awareness of Individual Program Office Monitoring Efforts

OSSS' limited monitoring of the SSAE program can also be partly attributed to a lack of awareness by OESE senior management of OSSS' efforts to monitor the program. The OSSS Director stated that since the recent reorganization, OESE has not implemented a formal process to oversee individual program office monitoring efforts. He explained that prior to the reorganization, the OESE Front Office asked individual program offices for their monitoring plans, for the purposes of oversight and coordinating on-site visits between individual program offices. In addition to the reorganization, he pointed to the recent passage of the CARES Act, and all of the CARES Act funds the Department has to distribute, as a potential reason for a formal process not yet being implemented. However, absent a formal process, the Director noted that OSSS does touch base with the Assistant Secretary for Formula Grants within OESE about what it plans to do in terms of monitoring grantees and what monitoring efforts it has undertaken.

In written comments provided subsequent to the conclusion of our audit fieldwork, OESE noted that its Front Office has not historically supervised the monitoring efforts of individual program offices, and noted it is ultimately program directors who are responsible for overseeing monitoring, including making determinations regarding participating in consolidated or individual program monitoring activities. OESE officials noted that there has been a process in place for individual program offices to provide monitoring plans or information on monitoring activities for each fiscal year that the SSAE program has existed, but that the purpose of doing so was not to supervise the efforts of individual program offices but to identify entities that may have been selected by more than one program office, provide OESE senior leadership with the opportunity to suggest where more emphasis might be needed with regard to program risks, and, if appropriate, coordinate those efforts to reduce duplication of effort/burden to the selected entity. They did note that a new process was implemented in FY 2021 where program offices have the option of submitting their monitoring plans to the Front Office or tracking monitoring activities through their annual performance plans.

Effects of Pandemic

We found that the COVID-19 pandemic partly contributed to limiting OSSS' efforts to monitor the SSAE program. As noted above, in FY 2020, OSSS planned to join an on-site monitoring visit with the Monitoring and Risk Team to gain experience with OESE's new consolidated monitoring review process. This on-site monitoring visit would have

included the SSAE program. However, this monitoring review was postponed due to the COVID-19 pandemic. In written comments provided subsequent to the conclusion of our audit fieldwork, OESE reiterated that OESE program offices were instructed by the Deputy Secretary and OESE Assistant Secretary to cancel all FY 2020 site visits and desk visits scheduled after March 2020 until further notice, so that States and districts could devote staff resources to addressing school closures, remote learning, and other activities in response to the pandemic. OSSS had not yet scheduled other on-site monitoring visits for FY 2020 at that time. At our exit conference, OSSS staff indicated that an FY 2020 program-wide monitoring plan was in the process of being developed and would have been issued upon conclusion of the consolidated review had all monitoring not been postponed.

Reason for Not Ensuring SEAs are Meeting All Reporting Requirements

OSSS does not ensure that SEAs are meeting all reporting requirements because not all of the reporting requirements have a required timeframe for reporting. While reporting timeframes for CSPR data are specified and OSSS staff have processes in place to help ensure those timelines and data reporting requirements are met, there are no timelines specified in the applicable program statute with regard to SEA public reporting requirements. This is further complicated by the fact that while LEAs are required to report to SEAs on how funds are being used annually, the timing for reporting on its progress toward meeting objectives and outcomes is at the discretion of the SEA.

Several SSAE program officers indicated that they do not ask or look for the data SEAs are required to report publicly because each SEA can decide when to make data publicly available. One program officer specifically noted that since the data is not required on a consistent schedule, like other grant programs the program officer has worked on, the program officer does not look for it. Another program officer said that OESE does not want to place a burden on States by trying to get them to report that data when the statute leaves it up to the States to decide when to report it. The OSSS Group Leader mentioned that it was the previous administration's preference that if the Statute does not specifically request something then they cannot request it. The OSSS Director said that it was his understanding that the Department could issue regulations to set a specific deadline for SEAs to report the data, or the Department could, through non-regulatory guidance, suggest a timeframe.

We noted that OSSS' FY 2019 and FY 2021 monitoring plans included steps specific to determining whether SEAs are meeting reporting requirements which would have provided insight into at least some SEAs' compliance in this area had OSSS implemented these plans. Nevertheless, despite the lack of a required reporting timeframe and

implementation of the formal monitoring plans, OSSS could still be contacting the SEAs to determine if the required reports have been publicly posted and reviewing those that are, or asking about the SEAs' plans to meet the reporting requirement if they are not already meeting it.

Reason for Not Including All Useful Risk Indicators

OSSS staff told us that they did not use the Entity Risk Review internal control score as an indicator in the SSAE risk assessment because they wanted to focus on issues specific to the SSAE program and did not necessarily want to include the same indicators used for assessing risk for the consolidated reviews, which uses all of the risk scores from the Entity Risk Review reports. Further, OSSS staff noted that if they would be doing SSAE-specific monitoring reviews (as opposed to consolidated monitoring reviews), they wanted risk indicators that reflected SSAE program risk. They wanted to focus on the Entity Risk Review administrative score because the indicators used to develop that score are derived from data that is specific to how grantees have managed other Department programs. When developing the risk assessment tool, they looked at all three of the scores provided on the Entity Risk Review report and believed that except for one grantee, the internal controls score would not elevate the risk of any of the grantees. OSSS noted that as it proceeds, the indicators can change and OSSS intends the risk assessment tool to be a living document that changes over time.

Our review of an Entity Risk Review report[18] generated by the audit team in November 2020 found that a similar number of grantees received scores indicative of "significant potential risk" and "elevated potential risk" for the internal control risk score as those that did for the administrative risk score. While the internal control score may not have elevated the risk of any grantees at the point in time when OSSS was developing the risk assessment tool, that does not mean it would not do so in future risk assessments. OSSS is foregoing a useful risk indicator that could be helpful in assessing grantee risk and selecting grantees for monitoring, especially since it does not otherwise review A–133 single audits in assessing grantee risk.

In written comments provided after the conclusion of our audit fieldwork, OESE noted that the FY 2021 SSAE risk assessment tool had been revised to include the Entity Risk Review Internal Controls Risk score. OESE noted that the addition of the risk score did not impact the selection of grantees it would be monitoring in FY 2021.

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[18] The Entity Risk Review report included all 52 SSAE grantees and provided an administrative risk score, financial risk score, and internal controls risk score for each grantee.

Effect on the SSAE Program

OSSS' lack of monitoring of grantee performance means that OSSS has little assurance that SSAE grantees are making progress toward program goals and objectives. Since OSSS' monitoring efforts related to use of funds have revolved around only ensuring grantees obligated and spent funds by established deadliness, OSSS has little insight regarding how grantees and subgrantees are using grant funds, to include whether funds are being expended in accordance with the percentage distribution requirements, absent very limited data that has just recently started to be reported in the CSPR. OSSS also lacks assurance that SEAs are conducting required monitoring of their subgrantees. OSSS' knowledge about grantee progress and usage of funds stems largely from their technical assistance efforts, and much of the technical assistance provided is initiated by grantees coming to the Department with questions.

Some SEAs may already be meeting the requirement to report data about the degree to which LEAs have made progress toward meeting objectives and outcomes and how LEAs are spending their funds. However, since OSSS has generally not looked for this data, asked if SEAs are reporting it, or even reminded them of the reporting requirement, they would not be aware of this data. As a result, OSSS is ill-positioned to identify and assist struggling grantees that do not reach out to them for assistance and would seem to be generally unaware of program performance and funds usage overall. Further, inadequate monitoring increases the risk that grantees will misuse grant funds. The risk of misuse of funds could increase as SSAE grantees realize that the Department is not monitoring them.

Recommendations

We recommend that the Acting Assistant Secretary of OESE—

1.1   Ensure that OSSS staff develop, finalize, and implement adequate plans to monitor SSAE grantees' performance toward achieving the SSAE program's goals and objectives, and that such monitoring is used to assist grantees with making progress toward the program's goals and objectives.

1.2   Ensure that OSSS staff develop, finalize, and implement adequate plans to monitor OSSS grantees' use of funds to ensure that funds are being used for allowable activities under the SSAE program.

1.3   Ensure that the consolidated monitoring process is clearly communicated and understood, including how many consolidated monitoring reviews each program should expect to be involved with, and expectations for individual program office monitoring efforts in addition to consolidated monitoring.

1.4   Develop, finalize, and implement procedures to inform OESE senior management of individual program office grantee monitoring activities.

1.5   Ensure OSSS staff, as part of OSSS' risk assessment process for selecting grantees for monitoring, consider the Entity Risk Review internal controls score or applicable findings in A–133 single audit reports.

1.6   Ensure OSSS staff are making efforts to assure SEAs are meeting public reporting requirements, including determining whether SEAs are collecting the required data and verifying whether SEAs are reporting required data. For those SEAs that are not, ensure OSSS staff are reminding SEAs of the requirement to report data and asking about their plans for doing so.

We recommend that the Deputy Secretary—

1.7   Develop regulations or non-regulatory guidance pertaining to SEA public reporting requirements for SSAE data, to include timeframes for reporting the required data.

OESE Comments

OESE agreed with the finding and recommendations and provided corrective actions that it has already taken or plans to take to address each recommendation. OESE stated that for Recommendations 1.1 and 1.2, it finalized and issued a monitoring plan for FY 2021 and developed standard operating procedures for monitoring and targeted support calls. In addition, OESE stated that it held informational sessions with State coordinators to discuss the FY 2021 monitoring plan and how the plan can be used as a self-assessment tool. It anticipates that all grantees identified in the plan will be monitored by September 30, 2021.

For Recommendation 1.3, OESE identified activities it has completed to ensure that the consolidated monitoring process has been clearly communicated to program offices, including which program offices would be involved in consolidated monitoring and expectations related to participation. It anticipates updating and distributing the Consolidated Monitoring standard operating procedures to all program offices by September 30, 2021. For Recommendation 1.4, OESE stated that it has implemented monthly meetings between OESE senior leadership and program directors as well as quarterly meetings with individual program directors and group leaders, which will include a discussion of program monitoring activities. It also anticipates releasing further guidance on submitting information related to individual program office grant monitoring activities.

Regarding Recommendation 1.5, OESE stated that the FY 2021 Title IV-A Entity Risk Assessment was revised to include the Internal Controls Risk score. Regarding Recommendation 1.6, OESE is developing a protocol for ensuring that public reporting requirements are met and reviewing all public reports annually. Lastly, for Recommendation 1.7, OESE stated that its senior leadership is reviewing non-regulatory guidance pertaining to reporting requirements that will be forwarded to the Deputy Secretary for approval.

OIG Response

OESE's proposed corrective actions, if implemented as described, are responsive to our recommendations.

Appendix A. Scope and Methodology

To answer our objective, we gained an understanding of internal controls applicable to the Department's oversight of SSAE grantee performance and use of funds awarded under the SSAE program and those to ensure that SEAs are meeting reporting requirements. We reviewed applicable laws and regulations, policies and procedures, Office of Management and Budget guidance, and the Government Accountability Office's "Standards of Internal Control in the Federal Government." We reviewed SSAE monitoring plans and related monitoring documentation, including SSAE grantee risk assessments and correspondence with grantees regarding planned monitoring, and held discussions with OSSS management and staff about their efforts to oversee SSAE grantee performance and use of funds and ensure SEAs are meeting reporting requirements. We also reviewed a sample of grant files for evidence of Department efforts to oversee grantee performance and use of funds and efforts to ensure SEAs are meeting reporting requirements. Further, we reviewed guidance provided by the Department and OESE to guide grantee oversight, guidance and other assistance provided to SSAE grantees, including webinars and presentation materials provided by OSSS to SSAE grantees, an Entity Risk Review report for SSAE grantees to assess available risk indicators, OESE organizational charts, and the Department's Budget Justifications for information pertaining to funding requested by the Department and provided by Congress.

Sampling Methodology

We judgmentally selected a sample of 20 of the 52 SSAE grantees and reviewed their FY 2017–FY 2020 grant files for evidence of Department efforts to oversee grantee performance and use of funds and efforts to ensure SEAs are meeting reporting requirements. All 19 SEAs receiving risk scores indicating "Significant Risk" in the FY 2020 or FY 2021 SSAE risk assessments were selected, as well as the 1 SEA who received a "Moderate Risk" score for the "Emergent Issues" indicator.[19] Since we selected the grantees judgmentally, applicable results described in this report may not be representative of all grantees and should not be projected.

Use of Computer-Processed Data

We relied on computer-processed data obtained from G5 and the Department's EDISON portal. G5 is used by OSSS to store correspondence and other pertinent documentation

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[19] No grantees received scores indicating higher risk than "Moderate Risk" for the "Emergent Issues" indicator.

related to SSAE grantees. G5 is the official system of record for the Department's grants data and is widely used and relied on by Department officials. As a result, we considered it to be the best available data for the purpose of our audit.

We obtained an Entity Risk Review Report for SSAE grantees from the Department's EDISON portal. We compared the number of grantees receiving scores indicative of "significant potential risk" and "elevated potential risk" for both the administrative risk score and the internal control risk score, as OSSS staff indicated that part of the reason they did not include the internal control risk score in the SSAE risk assessment tool was that the internal control risk score would not have elevated the risk score of any of the grantees. This analysis did not affect our finding or recommendation regarding including the Entity Risk Review internal control risk score or applicable findings in A–133 single audit reports in the SSAE risk assessment tool. As a result, we determined we did not need to conduct a reliability assessment of the computer-processed data.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Appendix B. Examples of SSAE Allowable Activities

Activities to Support Well-Rounded Educational Opportunities

- College and career guidance and counseling programs;

- Programs and activities that use music and the arts as tools to support student success through the promotion of constructive student engagement, problem solving, and conflict resolution;

- Programming and activities to improve instruction and student engagement in science, technology, engineering, and mathematics, including computer science;

- Efforts to raise student academic achievement through accelerated learning programs;

- Activities to promote the development, implementation, and strengthening of programs to teach traditional American history, civics, economics, geography, or government education;

- Foreign language instruction;

- Environmental education;

- Program and activities that promote volunteerism and community involvement;

- Programs and activities that support educational programs that integrate multiple disciplines, such as programs that combine arts and mathematics; and

- Other activities and programs to support student access to, and success in, a variety of well-rounded education experiences.

Activities to Support Safe and Healthy Students

- Drug and violence prevention activities and programs that are evidence-based;

- School-based mental health services, including early identification of mental health symptoms, drug use, and violence, and appropriate referrals to direct individual or group counseling services;

- School-based mental health services partnership programs;

- Programs or activities that—

  o integrate health and safety practices into school or athletic programs;

  o support a healthy, active lifestyle, including nutritional education and regular, structured physical education activities and programs;

- o help prevent bullying and harassment;

- o improve instructional practices for developing relationship-building skills, such as effective communication, and improve safety through the recognition and prevention of coercion, violence, or abuse, including teen and dating violence, stalking, domestic abuse, and sexual violence and harassment;

- o provide mentoring and school counseling to all students, including children who are at risk of academic failure, dropping out of school, involvement in criminal or delinquent activities, or drug use and abuse;

- o establish or improve school dropout and reentry programs; or

- o establish learning environments and enhance students' effective learning skills that are essential for school readiness and academic success;

- High-quality training for school personnel, including specialized instructional support personnel, related to—

  - o suicide prevention;

  - o effective and trauma-informed practices in classroom management;

  - o crisis management and conflict resolution techniques;

  - o human trafficking;

  - o school-based violence prevention strategies;

  - o drug abuse prevention, including educating children facing substance abuse at home; and

  - o bullying and harassment prevention;

- Child sexual abuse awareness and prevention programs or activities, such as programs or activities designed to provide—

  - o age-appropriate and developmentally-appropriate instruction for students in child sexual abuse awareness and prevention, including how to recognize child sexual abuse and how to safely report child sexual abuse; and

  - o information to parents and guardians of students about child sexual abuse awareness and prevention, including how to recognize child sexual abuse and how to discuss child sexual abuse with a child;

- Designing and implementing a locally-tailored plan to reduce exclusionary discipline practices in elementary and secondary schools that—

  - o is consistent with the best practices;

- o includes strategies that are evidence-based; and

- o is aligned with the long-term goal of prison reduction through opportunities, mentoring, intervention, support, and other education services;

- Implementation of schoolwide positive behavioral interventions and supports, including through coordination with similar activities carried out under the Individuals with Disabilities Education Act, in order to improve academic outcomes and school conditions for student learning;

- Designating a site resources coordinator at a school or LEA to provide a variety of services, such as—

  - o establishing partnerships within the community to provide resources and support for schools;

  - o ensuring that all service and community partners are aligned with the academic expectations of a community school in order to improve student success; and

  - o strengthening relationships between schools and communities; and

- Paying for success initiatives aligned with the purposes of fostering safe, healthy, supportive and drug-free environments that support student academic achievement.

Activities to Support the Effective Use of Technology

- Providing educators, school leaders, and administrators with the professional learning tools, devices, content, and resources to—

  - o personalize learning to improve student academic achievement;

  - o discover, adapt, and share relevant high-quality educational resources;

  - o use technology effectively in the classroom, including by administering computer-based assessments and blended learning strategies; and

  - o implement and support school- and district-wide approaches for using technology to inform instruction, support teacher collaboration, and personalize learning;

- Building technological capacity and infrastructure;

- Developing or using effective or innovative strategies for the delivery of specialized or rigorous academic courses and curricula through the use of technology, including digital learning technologies and assistive technology;

- Carrying out blended learning projects, which shall include—

  o planning activities, which may include development of new instructional models, the purchase of digital instructional resources, initial professional development activities, and one-time information technology purchases, except that such expenditures may not include expenditures related to significant construction or renovation of facilities; or

  o ongoing professional development for teachers, principals, other school leaders, or other personnel involved in the project that is designed to support the implementation and academic success of the project;

- Providing professional development in the use of technology to enable teachers and instructional leaders to increase student achievement in the areas of science, technology, engineering, and mathematics, including computer science; and

- Providing students in rural, remote, and underserved areas with the resources to take advantage of high-quality digital learning experiences, digital resources, and access to online courses taught by effective educators.

Appendix C. Acronyms and Abbreviations

COVID-19	Coronavirus Disease 2019
CSPR	Consolidated State Performance Report
Department	U.S. Department of Education
FY	fiscal year
LEA	Local Educational Agency
OESE	Office of Elementary and Secondary Education
OGC	Office of the General Counsel
OIG	Office of Inspector General
OSSS	Office of Safe and Supportive Schools
SEA	State Educational Agency
SSAE	Student Support and Academic Enrichment

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

July 9, 2021

Dear Ms. Weaver-Dugan:

Thank you for the opportunity to review the Office of the Inspector General's (OIG) draft audit report of the *Department's Oversight of the Student Support and Academic Enrichment Program* (A19DC0004).

The Office of Elementary and Secondary Education (OESE) has taken several steps over the lastyear to ensure adequate oversight of their grant programs. I am pleased to provide OESE's response to your findings and recommendations.

As we stated in our response to your Preliminary Finding Sheets, we continue to believe the Office of Safe and Supportive Schools (OSSS) took a pragmatic and reasonable approach to its program monitoring by developing and pilot testing its monitoring protocol in FY2019, followedby operationalizing its protocol in FY2020. If not for the unprecedented public health crisis which severely disrupted state and district operations and resulted in school closures, OSSS would have conducted its planned site visits in FY2020. Additionally, after the declaration of the national emergency by President Trump in response to the global pandemic, then Assistant Secretary Frank Brogan directed all OESE program offices to pause all monitoring activities, including virtual desk monitoring for an extended period of time to allow States and districts to focus on providing remote learning for students who were no longer in school buildings. Again,OSSS is committed to conducting virtual desk monitoring of all grantees selected in FY2020 by the end of this fiscal year now that the former moratorium on these activities has been lifted.

OIG recommended that the Deputy Assistant Secretary Delegated the Authority to Perform the Functions and Duties of the Assistant Secretary Office of Elementary and Secondary Education address recommendations 1.1 through 1.7, below. We agree with OIG's findings for recommendations 1.1, 1.2, 1.3, 1.4, and 1.5, and consider the corrective actions OESE has already taken to fully and substantially address those recommendations. We concur with recommendation 1.6 and believe the planned actions address this recommendation. Finally, we concur with recommendation 1.7, however, given its prospective and dependent nature, we realize that it is not yet substantially complete. The following responses to the OIG recommendations to which we referred are outlined as follows:

> 1.1 Ensure that OSSS staff develop, finalize, and implement adequate plans to monitor
>   SSAE grantees' performance toward achieving the SSAE program's goals and

objectives, and that such monitoring is used to assist grantees with making progress toward the program's goals and objectives.

In February 2021, a monitoring plan was finalized and issued to all state coordinators. During a session at the March 2021 state coordinators' meeting, OSSS provided an overview of the Title IV-A entity risk assessment and of the monitoring activities for FY 2021. The activities includesix monitoring visits and 27 Consolidated State Performance Reports (CSPR) targeted support calls. OSSS also developed standard operating procedures (SOPs) for the comprehensive monitoring and targeted support calls.

Further, two additional sessions of "Office Hours" supported by the Title IV-A TA Center (T4PA) (March 22, 2021, and April 29, 2021) provided in-depth information to state coordinators on the components of the FY 2021 Title IV-A Monitoring Plan and how the plan can be used as a self-assessment tool. The March session focused on the review process and theApril session focused on how the documents/templates/checklists included in the appendix can be used as self-assessment tools. We anticipate that all grantees identified in SSAE's FY2021 monitoring plan will be monitored by September 30, 2021.

> 1.2 Ensure that OSSS staff develop, finalize, and implement adequate plans to monitor OSSS grantees' use of funds to ensure that funds are being used for allowable activities under the SSAE program.

In FY 2021, SSAE implemented its monitoring plan and monitoring SOP and issued corresponding reports to monitored grantees. We anticipate that all grantees identified in SSAE'sFY2021 monitoring plan will be monitored by September 30, 2021.

> 1.3 Ensure that the consolidated monitoring process is clearly communicated and understood, including how many consolidated monitoring reviews each program should expect to be involved with, and expectations for individual program office monitoring efforts in addition to consolidated monitoring.

In FY2021, OESE's Management Support Office (MSO) shared with program offices that itwould resume its consolidated monitoring activities in October 2020. Additionally, with the exception of American Samoa, grantees previously selected in FY2020 (Kentucky, Nevada,Puerto Rico, Tennessee) would be monitored virtually. These plans have also been communicated to the prospective grantees.

On June 4th, 2021 MSO met with program offices participating in the consolidated monitoring process to update them with monitoring recommendations for FY 2022 and 2023. In that meetingand through follow-up correspondence, MSO clearly communicated the program offices that would be involved in consolidated monitoring and expectations related to participation.

MSO anticipates updating the Consolidated Monitoring SOP and distributing to all program offices by September 30, 2021, to reflect current practices and agreements on OESE monitoring.

1.4 Develop, finalize, and implement procedures to inform OESE senior management of individual program office grantee monitoring activities.

In FY2021, MSO will release further guidance on submitting information related to individual program office grant monitoring activities. We anticipate that this will be completed by September 15, 2021.

Additionally, OESE senior leadership has recently implemented monthly meetings with program directors and quarterly meetings with individual program directors and group leaders. As part of these meetings, a discussion of program office monitoring activities will be included.

1.5 Ensure OSSS staff, as part of OSSS' risk assessment process for selecting grantees for monitoring, take into account the Entity Risk Review internal controls score or applicable findings in A–133 single audit reports.

We believe OESE has fully addressed this recommendation. The FY2021 Title IV-A Entity Risk Assessment was revised to include the Internal Controls Risk score. Note: the addition of this indicator did not impact the site selection process.

1.6 Ensure OSSS staff are making efforts to assure SEAs are meeting public reporting requirements, including determining whether SEAs are collecting the required data and verifying whether SEAs are reporting required data. For those SEAs that are not, ensure OSSS staff are reminding SEAs of the requirement to report data and asking about their plans for doing so.

SSAE is developing a protocol for ensuring that public reporting requirements are met and reviewing all public reports annually (reviewing public reporting requirements is already included in the Title IV-A monitoring protocol for site visits). We anticipate that this will be completed by September 15, 2021.

Finally, OIG recommended that the Deputy Secretary:

1.7 Develop regulations or non-regulatory guidance pertaining to SEA public reporting requirements for SSAE data, to include timeframes for reporting the required data.

OESE senior leadership is reviewing non-regulatory guidance pertaining to reporting requirements that will be forwarded to the Deputy Secretary through the delegated Assistant Secretary. Subject to the Deputy Secretary's approval, we anticipate that this guidance will be released by October 29, 2021.

Please let us know if you have any further questions or need any additional information.

Sincerely,

7/9/2021

X Mark Washington

Mark Washington

Deputy Assistant Secretary,
OESESigned by: Mark
Washington

Mark Washington
Deputy Assistant Secretary
Office of Elementary and Secondary Education