

Fiscal Risk Assessment

Purpose

The Federal Individuals with Disabilities Education Act (IDEA) requires the Special Education Division (SED) to monitor compliance of local educational agencies (LEAs) receiving federal special education funds. LEAs are responsible for creating and maintaining special education programs which meet minimum fiscal and programmatic requirements.

Identification

SED follows a risk-based approach to identify where it should use monitoring resources. This approach includes analyzing risk indicators using a scoring model to identify LEAs that will participate in a Special Education fiscal monitoring review.

Criteria

Indicator 1 - Prior SED fiscal monitoring review

- 0 points – Reviewed within the prior year
- 1 point – Reviewed 1–2 years ago
- 3 points – Reviewed 2–3 years ago
- 5 points – Reviewed 3 or more years ago

Indicator 2 - Change in SELPA Director

- 0 points – No change within prior 1 years
- 1 point – 1 change within prior 1 years
- 3 points – 2 or more changes within prior 3 years
- 5 points – Not Applicable

Indicator 3 - Maintenance of Effort (MOE) and Excess Costs data

- 0 points – Met MOE and Excess Costs prior year
- 1 point – Not Applicable
- 3 points – Not Applicable
- 5 points – Did not met MOE or Excess Costs prior year

Indicator 4 - Single Audit Findings

- 0 points – No IDEA related single audit findings within prior 3 years
- 1 point – Resolved IDEA related single audit findings within prior 3 years
- 3 points – Unresolved IDEA related single audit findings within prior 3 years
- 5 points – Repeated IDEA related single audit findings within prior 3 years

Indicator 5 - Monitoring Findings (Special Education Fiscal Monitoring and Federal Program Monitoring)

- 0 points – No fiscal monitoring findings within prior year
- 1 point – Resolved fiscal monitoring findings within prior year
- 3 points – Unresolved fiscal monitoring findings within prior year
- 5 points – Not Applicable

Indicator 6 - Entitlement of IDEA Part B 611 Award

- 0 points – Recipient of IDEA grant award (lower than top 20 of award amounts)
- 1 point – Recipient of IDEA grant award (top 10- 20 of award amounts)
- 3 points – Recipient of IDEA grant award (top 10 of award amounts)
- 5 points – Not Applicable

Indicator 7 - Unspent IDEA grant awards (Applies to all LEA in SELPA)

- 0 points – Under 5% unspent IDEA 611 and 619 grant funds
- 1 point – Over 5% unspent IDEA 611 or 619 grant funds within most recent closed out fiscal year
- 3 points – Over 40% unspent IDEA 611 or 619 grant funds within most recent closed out fiscal year
- 5 points – Over 80% unspent IDEA 611 or 619 grant funds within most recent closed out fiscal year

Indicator 8 - Identified as Significantly Disproportionate

- 0 points – Not Identified for Significant Disproportionality in prior 3 years
- 1 point – Not Applicable
- 3 points – Identified for Significant Disproportionality in prior 3 years
- 5 points – Not Applicable

Scoring

Those LEAs with the highest overall risk score based on indicators 1–8 will engage in a fiscal monitoring review with a fiscal reviewer. The review will result in a fiscal compliance report for all items on the Fiscal Instrument.