

Georgia's CARES Act (ESSER) 60-day Plan (Budget Narrative and Internal Controls)

Personnel and fringe benefits

Three Georgia Department of Education (GaDOE) staff members will split fund a portion of their positions to support the CARES Act grant.

- Assistant Director of Policy and External Affairs (CARES Act Program Manager): 75% of salary and benefits paid through CARES Act funds (total \$119,029.68)
- Director of Financial Review (monitor CARES Act financial reporting): 25% of salary and benefits paid through CARES Act funds (total \$48,035.40)
- State Ombudsman (Equitable Services related to CARES Act): 10% of salary and benefits paid through CARES Act funds (total \$15,041.56)

Travel costs

Funding supports a small amount for travel for the three staff members to conduct on-site technical assistance and project site monitoring as needed.

Equipment

A laptop computer will be needed for a contractor who will be approving LEA budget requests.

Supplies

Funding supports any technical assistance materials that need to be printed.

Contractual

GaDOE has contracted with a retired LEA employee with extensive Federal Programs knowledge to assist the manager with budget approvals, technical assistance, and subrecipient monitoring.

An additional contract for OpenGov will provide a more efficient budget planning process to ensure appropriate CARES Act financial reporting.

Other Direct Costs

All grant funds have been obligated as outlined in the approved grant application. [School districts in Georgia received the same proportionate share of CARES Act ESSER funds](#) as they did Title I funds (\$411,452,867.00). The SEA Reserve funds have so far been used for [various allocations to LEAs, programs for students, Residential Treatment Facilities, and new State Charter Schools \(LEAs\)](#).

An additional round of SEA Reserve funding will be used to allocate to LEAs the amount of money they set aside for Equitable Services (\$14,057,211). Another portion of the SEA Reserve

funding that has been budgeted is for connectivity devices (Wifi Rangers and Personal Internet devices such as Mifi) for all school districts based on the percentage of students' households with no access to 25/3 mbps of internet to ensure equity for remote learning. The final portion of the SEA Reserve funding that has been budgeted is for our Extended Day/Extended Year programs for Career, Technical, and Agricultural Education and Youth Apprenticeship Program.

Because we know next school year will look very different and could be especially difficult, the remaining \$17,117,381.20 in SEA Reserve funds will be used as a rainy day fund to help LEAs and other education agencies/organizations meet the needs of students as presented throughout the remainder of the grant timeframe.

Internal Control Plan

i. An internal control plan that:

a. Identifies the management structure for implementing the ESSER Fund grant, including the key personnel responsible for managing and monitoring subrecipients;

The Georgia Department of Education Assistant Director of Policy and External Affairs will serve as the manager for the ESSER Fund grants. This position will be responsible for creating guidance documents, providing technical assistance, coordinating budget submission and approval, and subrecipient monitoring activities. GaDOE has contracted with a retired LEA employee with extensive Federal Programs knowledge to assist the manager with budget approvals, technical assistance, and subrecipient monitoring. Additionally, the state Ombudsman will coordinate with the ESSER Fund grant staff to support the provision of equitable services to private schools. The ESSER Fund grant staff will collaborate with the Division of Federal Programs (ESSA and IDEA) staff to coordinate support for LEAs.

b. Identifies risks, both internal and subrecipient risks, associated with implementing the program based on past performance and identifies strategies for mitigating such risks; and

From the [GaDOE Federal Programs Handbook](#) (page 105):

- LEAs are monitored on a four-year cycle. Approximately one-fourth of the LEAs are monitored each year. As part of the annual review process in determining which LEAs are to be monitored, the Division of Federal Programs conducts a risk assessment using a combination of elements defined by GaDOE. An LEA's risk assessment rating is determined by using both its risk rating, based on a set of established High-Risk Elements developed by the Division of Federal Programs and a risk rating from GaDOE's Financial Review Division.
- During the summer of each year, the Division of Federal Programs completes a risk assessment to determine if an LEA falls into the high-risk category. The results of the risk assessment determine which LEAs may be added to the regular CFM cycle for that year. The SEA has the responsibility to monitor high-risk LEAs (§ 200.331(b)(1-4)). The Division of Federal Programs defines high-risk as:
 - LEAs showing evidence of serious or chronic compliance problems

- LEAs with financial monitoring/audit findings; and/or LEAs with a high number of complaints from parents and other stakeholders about program implementation.
- Other elements that may cause an LEA to be determined high-risk include size of allocation and new federal programs for fiscal management personnel in the LEA.
- High-risk does not necessarily mean an LEA is not meeting the requirements of the program, federal regulations, or administrative procedures. It does mean that an LEA may be at a higher risk of having program elements that could cause it to not meet requirements associated with federal rules, regulations, and administrative procedures.
- The Division of Federal Programs conducts a risk assessment for the following programs:
 - Title I, Part A – Improving the Academic Achievement of the Disadvantaged
 - Title II, Part A – Supporting Effective Instruction
 - Title III, Part A – Language Instruction for English Learners, Immigrant Students
 - Title IV, Part A – Student Support and Academic Enrichment
 - Title IV, Part B – 21st Century Community Learning Centers
 - Title I, Part C – Education of Migratory Children
 - Title V, Part B – Rural Education Achievement Program (REAP)
 - Title IX, Part A – McKinney-Vento Education for Homeless Children and Youth
 - Individuals with Disabilities Education Act (IDEA)
 - Coronavirus Aid, Relief, and Economic Security (CARES) Act Elementary and Secondary School Emergency Relief (ESSER) Fund

From the [GaDOE Subrecipient Audit Resolution Guide](#) (page 9):

SUBRECIPIENT MONITORING

Identify the Award and Applicable Requirements – Clearly identify to the subrecipient: (1) the award as a subaward at the time of subaward; (2) all requirements imposed by the pass-through entity (PTE) on the subrecipient so that the federal award is used in accordance with federal statutes, regulations, and the terms and conditions of the award; and (3) any additional requirements that the PTE imposes on the subrecipient in order for the PTE to meet its own responsibility for the federal award (2 C.F.R. Section 200.331(a)).

Evaluate Risk – Evaluate each subrecipient’s risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward (2 C.F.R. Section 200.331(b)).

Monitor – Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals (2 C.F.R. Sections 200.331).

c. Describes how the Grantee will ensure the existence of primary documentation necessary to support fiscal reviews, including audits (single audit and audits by the Office of the Inspector General) and Improper Payment assessments, as requested by the Department or the Department's contractor.

From the [GaDOE Federal Programs Handbook](#) (page 105):

1. **Monitoring of Expenditures** – LEAs must submit for approval an annual set of budgets through the consolidated application process. Federal Programs staff review each approved CLIP and program budget to ensure that expenditures are appropriate under program-specific federal guidelines and Uniform Grants guidelines before approving the budget. Once budgets are approved, Federal Programs staff track funds drawn down by LEAs for expenditures to ensure that LEAs are likely to meet the drawdown of funds timelines.
2. **Single Audit** under 2 C.F.R. Part 200.50(b) – An audit is a formal or official examination of records and accounts with the intention to verify that proper accounts have been utilized, proper procedures have been followed, and attending documentation has been maintained. If an auditor is unable to verify a program's accounts, procedures, and documentation, the LEA will be notified in writing, either by first class mail or by electronic mail, of an exception or audit finding(s). The Division of Federal Programs will follow procedures as outlined in the *Subrecipient Audit Resolution Guide* for resolving any LEA audit findings through a single audit process.

The CARES Act contractor listed in the budget will coordinate with the ESSA and IDEA Federal Programs staff to review the [CFM Document](#) for monitoring the CARES Act ESSER grant.)

ii. A subrecipient monitoring plan that addresses the Grantee's:

- a. Revised risk assessment and ranks and prioritizes LEAs with consideration for new criteria identified as a result of receiving ESSER funds;

From the [GaDOE Federal Programs Handbook](#) (page 105):

- LEAs are monitored on a four-year cycle. Approximately one-fourth of the LEAs are monitored each year. As part of the annual review process in determining which LEAs are to be monitored, the Division of Federal Programs conducts a risk assessment using a combination of elements defined by GaDOE. An LEA's risk assessment rating is determined by using both its risk rating, based on a set of established High-Risk Elements developed by the Division of Federal Programs and a risk rating from GaDOE's Financial Review Division.
- During the summer of each year, the Division of Federal Programs completes a risk assessment to determine if an LEA falls into the high-risk category. The results of the risk assessment determine which LEAs may be added to the regular CFM cycle for that year. The SEA has the responsibility to monitor high-risk LEAs (§ 200.331(b)(1-4)). The Division of Federal Programs defines high-risk as:
 - LEAs showing evidence of serious or chronic compliance problems

- LEAs with financial monitoring/audit findings; and/or LEAs with a high number of complaints from parents and other stakeholders about program implementation.
- Other elements that may cause an LEA to be determined high-risk include size of allocation and new federal programs for fiscal management personnel in the LEA.
- High-risk does not necessarily mean an LEA is not meeting the requirements of the program, federal regulations, or administrative procedures. It does mean that an LEA may be at a higher risk of having program elements that could cause it to not meet requirements associated with federal rules, regulations, and administrative procedures.
- The Division of Federal Programs conducts a risk assessment for the following programs:
 - Title I, Part A – Improving the Academic Achievement of the Disadvantaged
 - Title II, Part A – Supporting Effective Instruction
 - Title III, Part A – Language Instruction for English Learners, Immigrant Students
 - Title IV, Part A – Student Support and Academic Enrichment
 - Title IV, Part B – 21st Century Community Learning Centers
 - Title I, Part C – Education of Migratory Children
 - Title V, Part B – Rural Education Achievement Program (REAP)
 - Title IX, Part A – McKinney-Vento Education for Homeless Children and Youth
 - Individuals with Disabilities Education Act (IDEA)
 - Coronavirus Aid, Relief, and Economic Security (CARES) Act Elementary and Secondary School Emergency Relief (ESSER) Fund

From the [GaDOE Federal Programs Handbook](#) (page 111):

Local Educational Agency (LEA) Audit Resolutions

The U.S. Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, §200.521 makes GaDOE (as a pass-through entity) responsible for making the management decision for audit findings that relate to federal awards it makes to subrecipients (i.e., LEAs). Specifically, §200.521(d) states that GaDOE, as the “pass-through entity responsible for issuing a management decision must do so within six months of acceptance of the audit report.”

A single audit or program-specific audit is required, in accordance with the Single Audit Act, of subrecipients that expend \$750,000 or more in federal awards in a fiscal year. A single audit has two main objectives:

- a. Audit of the entity’s financial statements and expenditures of federal awards
- b. Compliance requirement audit of federal awards. Only federal awards considered major programs are audited. A major program is defined in the Uniform Administrative Requirements, Cost Principles and Audit

Requirements for Federal Awards §200.518. The compliance requirements audited are summarized in the compliance supplement, Appendix XI to Part 200 of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

When GaDOE receives an audit report with federal award findings, these findings will be assigned to the appropriate program manager for investigation. The program manager, or his or her designee, will review the findings to determine what corrective action needs to be taken by the sub-recipient and if any action needs to be taken by GaDOE to address the findings. Findings may include questioned costs, instances of non-compliance, or material weaknesses in internal controls. Regardless of the type of finding, the corrective action must be taken on the part of the sub-recipient and it is the responsibility of GaDOE to ensure that the finding is addressed with a corrective action plan. Federal award findings will be considered open by GaDOE Financial Review Office until the appropriate program has completed their review of the finding. LEAs are expected to work with GaDOE program staff to ensure timely resolution to identified findings resulting from the single audit.

b. Development and implementation of revised monitoring protocols; and

From the [GaDOE Federal Programs Handbook](#) (page 105):

LEAs are monitored on a four-year cycle. Approximately one-fourth of the LEAs are monitored each year. As part of the annual review process in determining which LEAs are to be monitored, the Division of Federal Programs conducts a risk assessment using a combination of elements defined by GaDOE. An LEA's risk assessment rating is determined by using both its risk rating, based on a set of established High-Risk Elements developed by the Division of Federal Programs and a risk rating from GaDOE's Financial Review Division.

The CARES Act contractor included in the budget will develop the revised monitoring protocols based on existing Federal Programs protocols; will insert CARES Act ESSER grant in the process; will connect CARES Act ESSER monitoring to existing indicators; and develop additional indicators specific to the CARES Act ESSER grant.

c. Schedule for subrecipient monitoring, including both programmatic and fiscal issues, based upon the Grantee's revised risk assessment.

Excerpt from [GaDOE Federal Programs Handbook](#) (page 105):

- LEAs are monitored on a four-year cycle. Approximately one-fourth of the LEAs are monitored each year. As part of the annual review process in determining which LEAs are to be monitored, the Division of Federal Programs conducts a risk assessment using a combination of elements defined by GaDOE. An LEA's risk assessment rating is determined by using both its risk rating, based on a set of established High-Risk

Elements developed by the Division of Federal Programs and a risk rating from GaDOE's Financial Review Division.

The CARES Act contractor included in the budget will coordinate with ESSA and IDEA program staff to include the CARES Act ESSER grant into the process.