**Elementary and Secondary Education Emergency Relief (ESSER) Funds Reporting/Monitoring Plan**

**III.**

**The SEA must submit to the Department, within 60 days of receiving ESSER funds:**

* **An internal control plan that:**
* **Identifies the management structure for implementing the ESSER Fund grant, including the key personnel responsible for managing and monitoring subrecipients;**

The Pennsylvania Department of Education’s (“PDE”) eGrants system houses LEAs’ ESSER Fund grant applications. PDE’s Division of Federal Program staff provide technical assistance to LEAs, review grant applications, and oversee the payment process throughout grant implementation.

PDE’s contracted monitors and Division of Federal program coordinators will be responsible for monitoring ESSER Fund grant implementation. This will take place in a variety of ways including but not limited to virtual monitoring and desk audits. PDE’s FedMonitor system will be used to document monitoring.

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

PDE’s system for mitigating risk for LEAs includes a review of past performance on similar grants, verification that applications and all required reports are submitted in a timely manner, and a review of prior monitoring reports to ensure that internal controls are in place to prevent fraud, waste, and other abuse of federal funds. Additionally, late reporting on fiscal quarterly reports and required ESSER Fund program quarterly reporting will be used as a factor to identify risk.

* **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.**

Monitoring of all of Pennsylvania’s 678 subgrantees (as of August 6, 2020) will occur at least one time during the program period. Subgrantees determined to be at a medium or high risk, based on the criteria outlined above, may receive more than one monitoring. Documentation of all expenditures, including fiscal management system records, procurement records, time and effort documentation, and other records, as appropriate, will be reviewed to ensure a system of internal controls to eliminate fraud, waste, and other abuse of federal grant funds. Single audits will be required by all LEAs meeting the single audit threshold. Single audit reports will be reviewed, and all audit findings investigated, through the internal controls process currently in place at PDE.

* **A subrecipient monitoring plan that addresses the Grantee’s:**
* **Revised risk assessment and ranks and prioritizes LEAs with consideration for new criteria identified as a result of receiving ESSER funds;**
* **Development and implementation of revised monitoring protocols; and**
* **Schedule for subrecipient monitoring, including both programmatic and fiscal issues, based upon the Grantee’s revised risk assessment**

**ESSER RISK ASSESSMENT**

All LEAs will be assessed risk points based on three categories: 1. allocation size, 2. participation in Division of Federal Program trainings, and 3. timely submission of program and fiscal reports and applications.

**MONITORING**

LEAs will be monitored based on risk. An ESSER-specific monitoring protocol will be designed that includes all fund components and fiscal grant requirements. The tool will be aligned to PDE’s ESSER application in eGrants.

**QUARTERLY REPORTING**

Quarterly reporting, involving both programmatic and fiscal requirements, will be conducted throughout the two-year time frame of the grant. Report elements will be consistent with the ESSER subgrant application and assurances in eGrants. LEAs that received ‘large covered funds’ (*i.e.*, funds greater than $150,000) will include the following when completing quarterly reports:

* The total amount of funds received and the amount spent or obligated for each project or activity;
* A detailed list of all projects or activities supported with ESSER funds, including:
  + Name,
  + Description, and
  + Estimated number of jobs created or retained (where applicable); and
* Detailed information on subcontracts and subgrantees, including FFATA data elements, as prescribed by OMB.